

29th

ANNUAL REPORT

2019-2020



I  MY BLUE DART

BLUE DART

INDIA'S MOST
INNOVATIVE
& AWARDED
EXPRESS
LOGISTICS
COMPANY



CONTENTS

BLUE DART EXPRESS LIMITED

Our Vision	02
Guiding Principles	05
Board of Directors & Key Managerial Personnel	06
Executive Management	07
Chairman's Statement	08
Financial Summary	10
Awards & Accolades	14
Employee Engagement at Blue Dart	16
Sustainability at Blue Dart	18
Business Responsibility Report	22
Directors' Report	40
Corporate Governance Report	77
Auditors' Certificate on Corporate Governance Report	99
Management Discussion and Analysis	100
CEO & CFO Certification and Declaration regarding Blue Dart Code of Conduct	111
Auditors' Report	112
Balance Sheet	120
Profit and Loss Account	121
Cash Flow Statement	122
Schedules	125

BLUE DART AVIATION LIMITED

Board of Directors	161
Directors' Report	162
Auditors' Report	179
Balance Sheet	184
Profit and Loss Account	185
Cash Flow Statement	186
Schedules	189

CONCORDE AIR LOGISTICS LIMITED

Board of Directors	220
Directors' Report	221
Auditors' Report	230
Balance Sheet	236
Profit and Loss Account	237
Cash Flow Statement	238
Schedules	240

CONSOLIDATED ACCOUNTS

Auditors' Report	260
Balance Sheet	266
Profit and Loss Account	267
Cash Flow Statement	268
Schedules	271

OUR VISION

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

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





Our Guiding Principles

We will:

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

BOARD OF DIRECTORS



Sharad Upasani
Chairman



Balfour Manuel
Managing Director



Kenneth Allen
Director



Narendra Sarda
Director



Air Marshal
M. McMahon (Retd.)
Director



Tulsi Nowlakha
Mirchandaney
Director



R.S. Subramanian
Director



Kavita Nair
Director

KEY MANAGERIAL PERSONNEL



Aneel Gambhir
Chief Financial Officer



Tushar Gunderia
Company Secretary &
Head - Legal & Compliance

EXECUTIVE MANAGEMENT



Rajendra Ghag
Chief Human Resource
Officer



Ketan Kulkarni
CMO & Head -
Business Development



Michael Pereira
National Operations Head



Manoj Madhavan
Chief Information Officer



V. N. Iyer
Head - Corporate Accounting



Sonia Nair
Head - Customer Service



Savio Vincent Mendonca
Head - Internal Audit



Samir Shah
Business Head - Apex & SFC



Nitin Varkey
Head - Project Management &
Organisation Excellence



Vinay Srivastava
Head - Admin, Procurement
& Real Estate



Venantius D'Souza
Head - Security



Mani Bhushan
Head - eCommerce



Sukhwinder Singh
Head - North Region



Russel De San Lazaro
Head - West 1 Region



K. Gopa Kumar
Head - South 1 Region



B. C. Kalappa
Head - South 2 Region



Sandeep Petkar
Head - West 2 Region



Subrata Biswas
Head - East Region

CHAIRMAN'S STATEMENT



Dear Shareholders,

At the outset, let me wish you all a healthy year and let's hope that before the year 2020 ends, the world gets rid of the devastating pandemic.

Overall, the year 2019-20 was a challenging year across the globe. Though Indian economy had begun to regain momentum towards the end of quarter 3 of 2019-20, a country-wide lockdown since late March, 2020 due to outbreak of COVID – 19 impacted the Indian Economy. The COVID-19 pandemic saw the world grappling with its widespread impact on the economy. Businesses across sectors and geographies were disrupted due to mobility suspension. In this challenging environment, Blue Dart worked closely with the coronavirus task force of its parent company, Deutsche Post DHL, to minimise potential impacts and risks to the business. The task force provided vital updates and necessary information which helped in planning, communicating and engaging effectively with the customers and employees on precautionary measures and permissible guidelines to operate across geographies during the lockdown.

The nation went into a Lockdown that impacted the economy and disrupted the supply- chain. It is estimated that the economy in Apr – June quarter is expected to contract by 40 – 45 %. Our business from sectors such as BFSI, e-commerce, Automotive was impacted, in other sectors like Pharmaceuticals, Medical Equipments, Consumer Electronics, we did well.

Your Company drives market leadership through its motivated people, dedicated air and ground capacity, cutting-edge technology, wide range of innovative, vertical specific products and value-added services to deliver unmatched standards of service quality to its customers through strong operational execution. Guided by these principles the “Blue Dart Way”, led us to maintain our market leadership position in the industry.

In these challenging circumstances, the entire team of 12,000+ employees are working together “As One” and making daily incremental improvements within the company, its policies and procedures. This winning culture continues to positively transform your organization in innumerable ways.

Despite such a challenging scenario, Income from operations for the financial year ended March 31, 2020, stood at ₹ 3,16,639 Lakhs. Your Company posted loss before tax of ₹ 4,720 Lakhs for the financial year ended March 31, 2020 on account of exceptional items in respect of implementation of Ind AS 116 related to Lease Accounting (₹ 6,662 lakhs), organization right sizing/restructuring (₹ 6,411 lakhs) and adverse impact of Covid-19 (₹ 5,420 lakhs) aggregating to ₹ 18,493 lakhs. Your Company carried over 2,403 Lakhs domestic shipments and over 8 Lakhs international shipments weighing more than 769,490 tons during the financial year ended March 31, 2020.

Considering overall performance for the current year, emerging challenges consequent to COVID-19, uncertain economic environment and with an objective to conserve cash and ensure sufficient liquidity for operations, your Directors do not recommend dividend for the financial year ended March 31, 2020. Even as this Annual Report gets published, the COVID-19 situation continues to be fluid and unpredictable. Over the years, your Company has built a strong foundation and best-in-class processes through ‘Business Contingency and Continuity Planning’ (BCCP) ensuring business operations run seamlessly during any unforeseen event. The emergency caused by coronavirus highlights both the challenges and the importance of building a holistic management process.

Your Company, enacted procedures to protect its employees, customers and communities, as their safety is paramount. Blue Darters utilized remote-work capabilities to stay connected and ensured to keep the trade engine running. It was a proud moment to work with the Indian Government and private healthcare companies, supporting the company's mission to ensure ‘continuity of the essential supply chain’ for the nation in its fight against the COVID-19 pandemic. Blue Dart's dedicated six Boeing 757 freighters had been deployed to fly between Indian cities supporting critical shipments of pharmaceuticals and medical supplies. The efforts were acknowledged by the Government authorities.

However, with COVID-19 accelerating, the growth of the national economy will be impacted through reduced demand, and further compounded by supply chain disruptions. India's gross domestic product (GDP) growth during calendar 2020 has been revised to 2.5 per cent from an earlier estimate of 5.3 per cent, in the wake of the lingering impact of the coronavirus pandemic and later, on May 8,

¹ Moody's Investors Service

2020, revised to zero. The rating company expects a bounce back to 6.6% growth in FY 2022, assuming a gradual pick-up in economic activity and demand in the second half¹.

The future is more challenging than ever before. Your Company has put in place measures to mitigate the challenging situation by ensuring business continuity, resource optimisation, improving cost efficiencies, enhancing service quality and investing in technology enabled solutions to drive business growth and provide a seamless experience for all stakeholders (customers and employees).

Blue Dart is focusing on delivering excellence in a digital world to drive forward the business. It has streamlined its IT infrastructure adhering to global benchmarks. With a customer focused strategy, your Company remains committed to serve its customers and retain its leadership position in the air and ground express logistics industry in India.

In pursuit of becoming future ready, we are building an agile and nimble organization that can withstand economic headwinds and maintain sustainable profitability on the basis of a strong foundation. Accordingly, your company undertook a right sizing exercise to provide long term value creation for stakeholders.

Your Company added two new state-of-the-art AIR HUBs at Chennai and Mumbai Airport in 2019 to further strengthen the Air Express service and build operational excellence and efficiency.

Blue Dart has been certified to global ISO 9001-2015 standards. Your company endeavours not only to comply with statutory requirements but also follow the principles of good and effective Corporate Governance that lay down a strong emphasis on integrity, transparency and overall corporate accountability. It gives me immense pleasure to inform you that our efforts and good practices have been applauded and recognized by various external organisations. Your Company won the coveted 'Golden Peacock Award for Corporate Ethics – 2019' at The Institute of Directors 4th Annual Global Convention on Corporate Ethics & Risk Management, held in January this year at Singapore.

Corporate Responsibility has been an integral part of the organisation since its inception in 1983. Your Company believes that while continuing to generate wealth for its shareholders, it is equally important to share it equitably with the community. Globally, DPDHL group has embarked on a journey to achieve zero emissions by 2050 and be the industry benchmark for responsible business practices. As part of the group, Blue Dart is proudly committed to contribute to the group's mission of "Zero Emission by 2050" and work towards amplifying its initiatives under the theme of "Connecting People, Improving Lives".

In the year gone by, 99.18% of Blue Darters participated in the Annual Employee Satisfaction Survey (ESS). 'Pride in working for Blue Dart' emerged as the highest scored item with 96.4%. This was further validated with prestigious industry recognitions among one of 'India's Best Companies to Work For - 2019' by The Great Place to Work® Institute, India, ranked amongst 'Best Multinational Workplaces in Asia 2019' by The Great Place to Work® Institute, Asia, voted a 'Superbrand' and 'Reader's Digest Most Trusted Brand', listed as "Company with Great People Managers" by Great Manager Institute and Forbes to name a few.

As we embark on this next chapter of our journey, I would like to acknowledge and thank our long-term Director, Mr. Malcolm Monteiro, who resigned from the Company's Board with effect from 17 January 2020 for his valuable contribution to Blue Dart over the last 3 decades and wish him great success for the future.

I would like to take this opportunity to reiterate that your Company stands united with the nation during this challenging phase of COVID-19. Your Company played an active role in the nation's fight against the COVID-19 Pandemic by transporting over thousands of tons of essential supplies in coordination with the Government of India, several State Governments, Municipalities, Pharmaceutical companies, Hospitals and other Research institutions. The company is also honoured to be a part of the Government's 'Lifeline Udan' initiative.

On behalf of the Board of Directors, I would like to take this opportunity to thank our customers, shareholders and Blue Darters for their continued commitment and support.

It gives me great pleasure to share with you the Annual Report of your Company for the year ended March 31, 2020.

Warm regards,

Mumbai
June 15, 2020

Sharad Upasani
Chairman

FINANCIAL SUMMARY¹

₹ in Lakhs
(Unless otherwise specified)

Particulars	December 2010	December 2011	March 2013 (15 Months)	March 2014	March 2015	March 2016	March 2017	March 2018	March 2019	March 2020
Income from Operations	114,741	149,271	216,651	193,415	226,850	255,192	268,087	279,085	316,546	316,639
Other Income	532	2,115	3,941	4,197	2,448	3,057	2,782	2,254	1,821	1,401
Total Income	115,273	151,386	220,592	197,612	229,298	258,249	270,869	281,339	318,367	318,040
Total Expenditure	99,324	131,338	190,021	176,162	204,467	222,121	241,645	253,104	299,201	297,855
Profit before Exceptional Items, Depreciation, Interest and Tax	15,949	20,048	30,571	21,450	24,831	36,128	29,224	28,235	19,166	20,185
Depreciation	1,922	2,160	3,448	2,710	4,354	4,022	4,393	4,498	4,796	15,280
Finance Cost	1	0	1	3	1,121	3,114	3,125	2,559	1,535	3,214
Profit Before Exceptional Items and Tax	14,026	17,888	27,122	18,737	19,356	28,992	21,706	21,178	12,835	1,691 ²
Exceptional Items	-	-	-	-	-	-	-	-	-	6,411
Profit/(Loss) Before Tax	14,026	17,888	27,122	18,737	19,356	28,992	21,706	21,178	12,835	(4,720)
Income Tax Expenses	4,589	5,664	8,256	6,297	6,672	9,994	7,749	6,968	4,075	(891)
Profit/(Loss) After Tax	9,437	12,224	18,866	12,440	12,684	18,998	13,957	14,210	8,760	(3,829)
Equity	2,376	2,376	2,376	2,376	2,376	2,376	2,376	2,376	2,376	2,376
Reserves	51,765	63,437	62,593	61,153	27,334	44,686	49,796	59,749	64,101	55,974
Networth	54,141	65,813	64,969	63,529	29,710	47,062	52,172	62,125	66,477	58,350
Debt (non current)	-	-	-	-	33,219	33,219	16,609	7,118	7,500	5,250
Fixed Assets (Net)	18,310	23,273	22,018	22,772	21,538	24,334	23,422	21,946	24,722	56,155 ³
EPS Basic and Diluted (₹)	39.8	51.5	79.5	52.4	53.5	80.1	58.8	59.9	36.9	(16.1)
Book Value (₹)	228.2	277.4	273.8	267.7	125.2	198.3	219.9	261.8	280.2	245.9
ROCE (in percentage)	28.3	29.8	41.5	29.2	32.4	43.5	33.3	34.4	20.1	(2.2)
Net Debt/ Equity (in times) ⁴	-	-	-	-	0.7	0.2	0.3	-	-	0.07

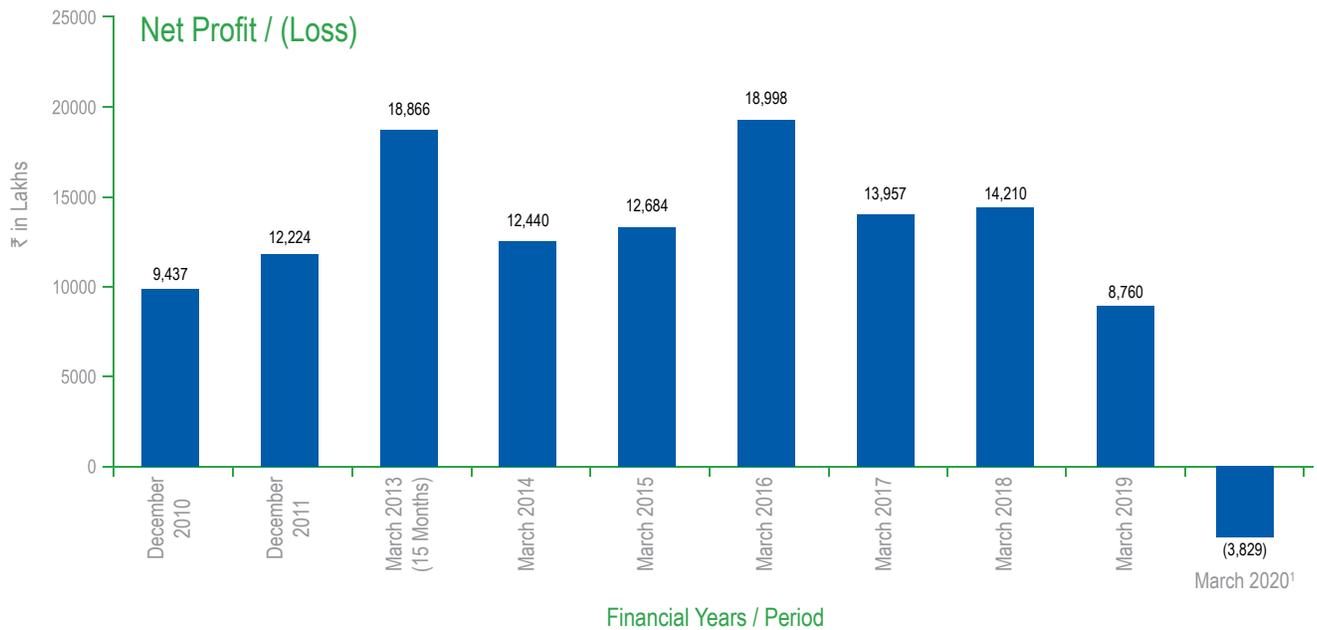
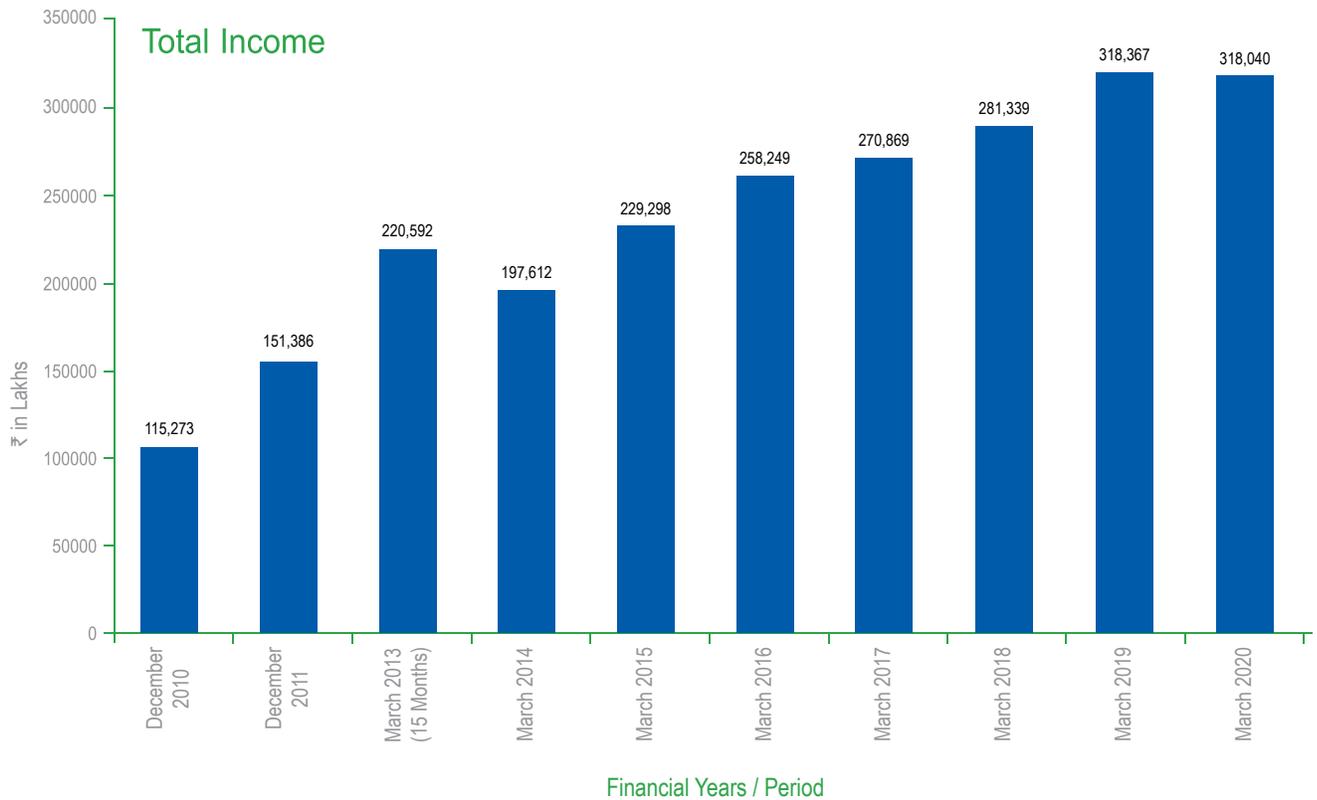
Notes:

- The above numbers are on a standalone basis and not comparable due to adoption of Ind AS reporting effective April 1, 2016 and implementation of Ind AS 116 related to Lease Accounting effective April 1, 2019.
- Normalised Profit before exceptional items and tax for FY 19-20 is ₹ 13,773 lakhs, details as follows:

	₹ in Lakhs
Profit before exceptional items and tax, as reported	1,691
Add :	
IND AS 116 April 1, 2019 - Impact	6,662
Impact of lockdown due to Covid19 pandemic	5,420
Normalised Profit before exceptional items and Tax	13,773

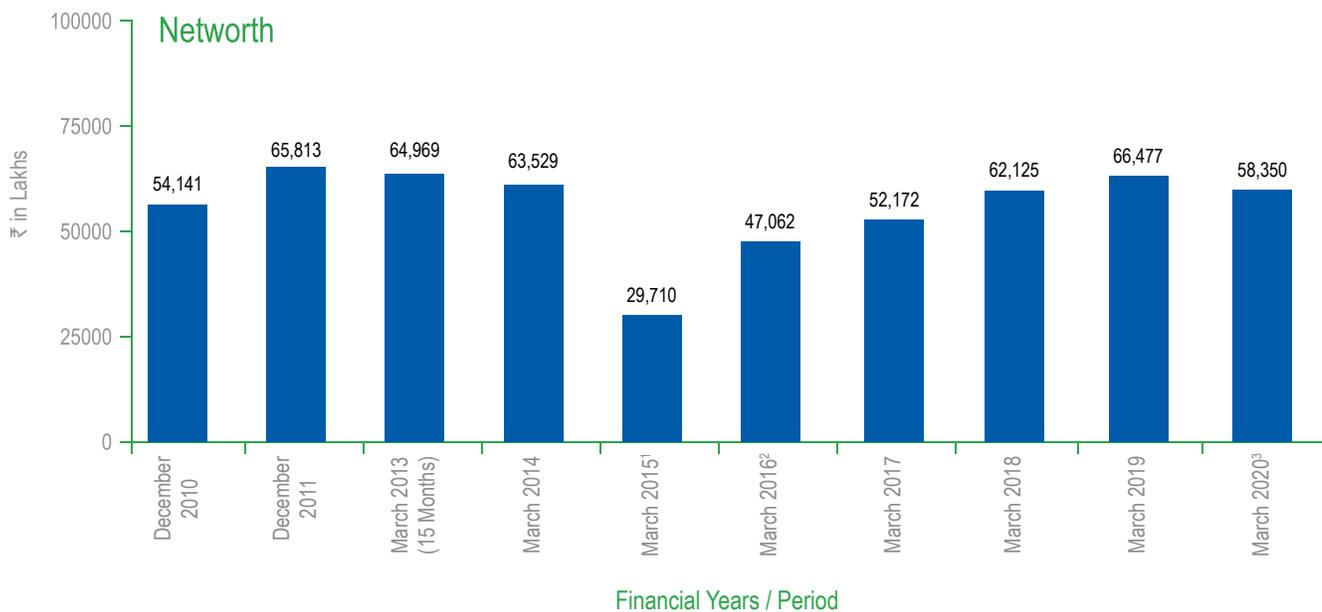
- Fixed assets (net) figure for current year is inclusive of ROU asset of ₹ 28,389 lakhs.
- Net Debt = (Long term borrowing - Cash and Bank Balances excluding amounts held on behalf of customers and Dividend Accounts)
As at March 31, 2018 and March 31, 2019 the Cash and Bank Balances are more than Long Term Borrowing, hence the Net Debt Equity Ratio has not been disclosed for both the years.

Ten years review



- The figures for Financial Year ended March 31, 2020 are not comparable with the previous years due to implementation of Ind AS 116 related to Lease Accounting effective 1st April 2019 (impact of ₹ 6,662 Lakhs), exceptional items related to right sizing/restructuring (impact of ₹ 6,411 Lakhs) and adverse impact of COVID 19 (impact of ₹ 5,420 Lakhs).

FINANCIAL SUMMARY



Notes:

1. In November 2014, the Company issued Unsecured, Redeemable, Non Convertible Debentures by way of Bonus amounting to ₹ 33,219 Lakhs to the equity shareholders. The said amount along with Debenture related expenses including Dividend distribution tax aggregating to ₹ 40,487 Lakhs or ₹ 170.60 per equity share was carved out from Reserves of the Company.
2. Beginning April 1, 2016, the Company has adopted Ind AS for the first time with a transition date of April 1, 2015 and for the purpose of comparative financials, transition date has been taken as April 1, 2015. Accordingly, effective financial year ending March, 2016 onwards, the financials are prepared in accordance with the Companies (Indian Accounting Standards) Rules 2015 as amended (Ind AS) as prescribed under section 133 of the Companies Act, 2013 and other recognised accounting practices as applicable. For earlier years, the financials are as per the previous IGAAP.
3. The figures for Financial Year ended March 31, 2020 are not comparable with the previous years due to implementation of Ind AS 116 related to Lease Accounting effective 1st April 2019 (impact of ₹ 6,662 Lakhs), exceptional items related to right sizing/restructuring (impact of ₹ 6,411 Lakhs) and adverse impact of COVID 19 (impact of ₹ 5,420 Lakhs).

BLUE DART HAS PLANTED OVER

4,44,000

TREES IN INDIA SINCE 2017
AND HAS COMMITTED TO PLANT

1,11,000

TREES EVERY YEAR.

MISSION 2050
ZERO EMISSIONS
GO GREEN



AWARDS AND ACCOLADES

The list of the awards received for the year 2019-20.

Brand / Customer Service / Retail / Loyalty

- Blue Dart conferred with the prestigious Golden Peacock Award at IOD India's '4th Annual Global Convention on Corporate Ethics & Risk Management' in Singapore.
- Blue Dart conferred with the prestigious 'Brand Leadership Award for Excellence in Supply Chain & Logistics' at the ET NOW presents Stars of the Industry Awards.
- Blue Dart presented with 'The Best Compliance Team Award' by Legasis Compliance 10/10 Compliance by Choice.
- Blue Dart voted as a Business Superbrand for the 13th consecutive year by Superbrands 2019.
- Blue Dart recognised as 'The Most Trusted Brand 2019' for the 13th time in a row by Reader's Digest.
- Blue Dart felicitated with the 'Award for Service Excellence' by Yusen Logistics.
- Blue Dart conferred with the 'Best Air Transportation, Best Surface Express Transportation & Best Implant' at Fiat Plant by JEEP - FIAT CHRYSLER – FCA at India Transport Excellence Awards.



Human Resources

- Blue Dart presented with the Global HR Excellence Awards 2020, at World HRD Congress for 'Talent Management Practices'.
- Blue Dart recognised as a Company with 'Great People Managers' by Great Manager Institute in association with Forbes.
- Blue Dart certified as one of India's 'Best Companies to Work for – 2019' by Great Place to Work® Institute India.



Sustainability

- Blue Dart recognised by Green Freight Asia (GFA) for its commitment to adopting Green Road Freight Practices as a Carrier in 2019.



Individual

- Tulsi Nowlakra Mirchandaney, Managing Director, Blue Dart Aviation Limited was conferred with the 'Woman Professional of the Year Award' at the ACE (Aviation, Cargo, Express) South East Asia Conclave & Awards.
- Aneel Gambhir, Chief Financial Officer was presented with the 'Top 100 CFO 2020 Award'. He also featured in the CFO Power List 2019 selected out of Top Business Leaders.



India's Best Companies
To Work For 2019
THE ECONOMIC TIMES
Great Place
To Work



EMPLOYEE ENGAGEMENT AT BLUE DART





OUR PEOPLE INSPIRE US!

Best
Companies
To Work For

Great
Place
To
Work

INDIA
2020

THE ECONOMIC TIMES

At Blue Dart, we firmly believe in a **'People First'** philosophy. **People First** to us means ensuring Blue Darters get the opportunities to display excellence as well as propel themselves as individuals to achieve growth. We understand that motivated employees ensure exceptional service quality the bedrock of our business. Our core values ensure that our teams remain learners and strive for excellence. Our **Passionate** people, work with a **Can Do** spirit, a **Right First Time** attitude, together **As One** to ensure Blue Dart remains South Asia's leading express logistics company.

SUSTAINABILITY AT BLUE DART





SUSTAINABILITY AT BLUE DART





BUSINESS RESPONSIBILITY REPORT

Vision

"To be the best and set the pace in the express air and integrated transportation and distribution industry, with a business and human conscience. We commit to develop, reward and recognise our people who, through high quality and professional service, and use of sophisticated technology will meet and exceed customer and stakeholder expectations profitably."

Guiding Principles

Blue Dart's sustainability initiatives championed as Connecting People, Improving Lives within the group are structured and inspired by the three pillars of GoTeach, GoGreen and GoHelp. These are created to enhance and maximize the impact for larger societal value.

The concerted efforts of the company and its dedicated employees over several years had led to the improvement in the livelihood of the disadvantaged sections of the society.

Your company has done promising work in enabling young adults, differently abled and disenfranchised women to maximize their potential and become confident and contributing members of the society.

The Directors present the Business Responsibility Report of the Company for the financial year 2019-20, pursuant to Regulation 34 (2)(f) of the SEBI (Listings Obligations and Disclosure Requirements) Regulations, 2015.

ANNEXURE - SEBI FORMAT

a. Section A: General Information about the Company

QUESTION	INFORMATION/REFERENCE SECTION
1. Corporate Identity Number (CIN) of the Company	L61074MH1991PLC061074
2. Name of the Company	Blue Dart Express Limited
3. Registered address	Blue Dart Centre, Sahar Airport Road, Andheri (East), Mumbai - 400099
4. Website	www.bluedart.com
5. E-mail id	communications@bluedart.com
6. Financial Year reported	1 st April, 2019 to 31 st March, 2020
7. Sector(s) that the Company is engaged in (industrial activity code-wise)	Courier and Express services (NIC : 5320)
8. List three key products/services that the Company manufactures/ provides (as in balance sheet)	Courier and Express services
9. Total number of locations where business activity is undertaken by the Company	Blue Dart is South Asia's premier courier, and integrated express package Distribution Company. We have the most extensive domestic network covering over 35,000+ locations and service more than 220 countries and territories worldwide through our group company DHL, the premier global brand name in express distribution services. Blue Dart is having 2,173 offices across India.
i. Number of International Locations (Provide details of major 5)	
ii. Number of National Locations	
10. Markets served by the Company – Local/State/National/International	India

b. Section B: Financial Details of the Company

QUESTION	INFORMATION/REFERENCE SECTION
1. Paid up Capital (INR)	2,376 Lakhs
2. Total Turnover (INR)	3,16,639 Lakhs
3. Net (Loss) / Profit for the period after tax (after Exceptional and/or Extraordinary items) (INR)	(3,829) Lakhs
4. Total Spending on Corporate Social Responsibility (CSR) as percentage of average Net Profit of the Company for last 3 Financial Year	2%
5. List of activities in which expenditure in 4 above has been incurred:-	Refer 'Empowering Local Communities - Corporate Social Responsibility at Blue Dart' section of Business Responsibility Report

c. Section C: Other Details

QUESTION	INFORMATION
1. Does the Company have any Subsidiary Company/ Companies?	Yes, the Company has two wholly owned subsidiary companies viz. Blue Dart Aviation Limited and Concorde Air Logistics Limited
2. Do the Subsidiary Company/Companies participate in the BR Initiatives of the parent company? If yes, then indicate the number of such subsidiary company(s)	There is no direct participation
3. Do any other entity/entities (e.g. suppliers, distributors etc.) that the Company does business with, participate in the BR initiatives of the Company? If yes, then indicate the percentage of such entity/entities? [Less than 30%, 30-60%, More than 60%]	No

d. Section D: BR Information

QUESTION	INFORMATION
1. Details of Director/Directors responsible for BR	
a) Details of the Director/Directors responsible for implementation of the BR policy/policies	<ul style="list-style-type: none"> • DIN Number – 01739334 • Name - Mr. Sharad Upasani • Designation – Chairman • DIN Number – 03480129 • Name - Mr. Narendra Sarda • Designation – Director • DIN Number – 01842520 • Name - Ms. Tulsi Nowlakha Mirchandaney • Designation – Director
b) Details of the BR head	<ul style="list-style-type: none"> • DIN Number (if applicable) – N.A. • Name – Mr. Aneel Gambhir • Designation – Chief Financial Officer • Telephone number - 28396444 • E-mail ID - Aneelg@bluedart.com

BUSINESS RESPONSIBILITY REPORT

2. Principle-wise (as per NVGs) BR Policy/policies (Reply in Y/N)										
S.No	Questions	P1	P2	P3	P4	P5	P6	P7	P8	P9
1.	Do you have a policy/policies for	Y	Y	Y	Y	Y	Y	Y	Y	Y
2.	Has the policy been formulated in consultation with relevant stakeholders?	All the policies have been formulated in consultation with Management of the Company and approved by the Board of Directors.								
3.	Does the policy conform to any national/international standards? Specify if Yes	All the policies are compliant with respective principles of National Voluntary Guidelines (NVG).								
4.	Has the policy been approved by the Board? Has it been signed by MD/Owner/CERO/ Appropriate Board Director?	All the policies have been approved by the Board and signed by the Managing Director/CEO.								
5.	Does the company have a specified committee of the Board/ Director/Official to oversee the implementation of the policy?	The Board has constituted the BRR Committee comprising of Mr. Sharad Upasani, Mr. Narendra Sarda and Ms. Tulsi Nowlakh Mirchandaney.								
6.	Indicate the link for the policy to be viewed online	Copies will be made available on receipt of written request from the shareholders.								
7.	Has the policy been formally communicated to all relevant internal and external stakeholders?	The policies have been formally communicated to internal and external stakeholders.								
8.	Does the company have in-house structure to implement the policy/policies?	Y	Y	Y	Y	Y	Y	Y	Y	Y
9.	Does the company have a grievance redressal mechanism to address stakeholders' grievance related to the policy/policies?	Y	Y	Y	Y	Y	Y	Y	Y	Y
10.	Has the company carried out independent audit/evaluation of the working of this policy by an internal or external agency?	It will be done in due course.								

QUESTION	REFERENCE SECTION
3. Governance related to BR	
Indicate the frequency with which the Board of Directors, Committee of the Board or CEO to assess the BR performance of the Company. (Within 3 months, 3-6 months, Annually, More than 1 year?)	Annually
Does the Company publish a BR or a Sustainability Report? What is the hyperlink for viewing this report? How frequently it is published?	The Company has been publishing information on its sustainability efforts as part of its annual report on a voluntary basis.

e. Section E: Principle - wise performance

QUESTION	REFERENCE SECTION
Principle 1: Ethics, Transparency and Accountability	
1. Does the policy relating to ethics, bribery and corruption cover only the company? Yes/No. Does it extend to the Group/Joint-Ventures/Suppliers/Contractors/NGOS/Others?	Refer 'Building a Responsible Business - Ethics and Corporate Governance' section of Business Responsibility Report
2. How many stakeholders' complaints have been received in the past financial year and what percentage was satisfactorily resolved by the management? If so provide details thereof, in about 50 words or so.	

QUESTION		REFERENCE SECTION
Principle 2: Sustainable Products and Services		
1.	List up to 3 of your products or services whose design has incorporated social or environmental concerns, risks and/or opportunities.	Refer 'Environment & Energy' section of Business Responsibility Report
2.	For each such product, provide the following details in respect of resource use (energy, water, raw material etc.) per unit of product (optional): i. Reduction during sourcing/production/ distribution achieved since the previous year throughout the value chain? ii. Reduction during usage by consumers (energy, water) has been achieved since the previous year?	
3.	Does the company have procedures in place for sustainable sourcing (including transportation)? If yes, what percentage of your inputs was sourced sustainably? Also, provide details thereof, in about 50 words or so.	
4.	Has the company taken any steps to procure goods and services from local & small producers, including communities surrounding their place of work? If yes, what steps have been taken to improve their capacity and capability of local and small vendors?	
5.	Does the company have a mechanism to recycle products and waste? If yes what is the percentage of recycling of products and waste (separately as <5%, 5-10%, >10%). Also, provide details thereof, in about 50 words or so.	

Principle 3: Employee Well Being		
1.	Please indicate the Total number of employees.	Refer 'Aspiring to be Employer of Choice : Workforce Management at Blue Dart' section of Business Responsibility Report
2.	Please indicate the Total number of employees hired on temporary/ contractual/ casual basis.	
3.	Please indicate the Number of permanent women employees.	
4.	Please indicate the Number of permanent employees with disabilities.	
5.	Do you have an employee association that is recognized by management?	
6.	What percentage of your permanent employees is members of this recognized employee association?	
7.	Please indicate the number of complaints relating to child labor, forced labor, involuntary labor, and sexual harassment in the last financial year and pending, as on the end of the financial year.	
8.	What percentage of your under mentioned employees were given safety & skill up-gradation training in the last year? • Permanent Employees • Permanent Women Employees • Casual/Temporary/Contractual Employees • Employees with Disabilities	

Principle 4: Valuing Marginalised Stakeholders		
1.	Has the company mapped its internal and external stakeholders?	Refer 'Managing Stakeholder Priorities – Stakeholder engagement at Blue Dart' section of Business Responsibility Report
2.	Out of the above, has the company identified the disadvantaged, vulnerable & marginalized stakeholders?	
3.	Are there any special initiatives taken by the company to engage with the disadvantaged, vulnerable and marginalized stakeholders. If so, provide details thereof, in about 50 words or so.	

BUSINESS RESPONSIBILITY REPORT

QUESTION		REFERENCE SECTION
Principle 5: Human Rights		
1.	Does the policy of the company on human rights cover only the company or extend to the Group/Joint Ventures/Suppliers/Contractors/NGOs/ Others?	Refer 'Building a Responsible Business - Ethics and Corporate Governance' section of Business Responsibility Report
2.	How many stakeholder complaints have been received in the past financial year and what percent was satisfactorily resolved by the management?	

Principle 6: Environment		
1.	Does the policy related to Principle 6 cover only the company or extends to the Group/Joint Ventures/Suppliers/Contractors/NGOs/others?	Refer 'Environment & Energy' section of Business Responsibility Report
2.	Does the company have strategies/initiatives to address global environmental issues such as climate change, global warming, etc.? Y/N. If yes, please give hyperlink for webpage etc.	
3.	Does the company identify and assess potential environmental risks?	
4.	Does the company have any project related to Clean Development Mechanism? If so, provide details thereof, in about 50 words or so. Also, if Yes, whether any environmental compliance report is filed?	
5.	Has the company undertaken any other initiatives on - clean technology, energy efficiency, renewable energy, etc.? Y/N. If yes, please give hyperlink for web page etc.?	
6.	Are the Emissions/Waste generated by the company within the permissible limits given by CPCB/SPCB for the financial year being reported?	
7.	Number of show cause/ legal notices received from CPCB/SPCB which are pending (i.e. not resolved to satisfaction) as on end of Financial Year.	

Principle 7: Policy Advocacy		
1.	Is your company a member of any trade and chamber or association? If Yes, Name only those major ones that your business deals with:	Refer 'Building a Responsible Business - Ethics and Corporate Governance' section of Business Responsibility Report
2.	Have you advocated/lobbied through above associations for the advancement or improvement of public good? Yes/No; if yes specify the broad areas (drop box: Governance and Administration, Economic Reforms, Inclusive Development Policies, Energy security, Water, Food Security, Sustainable Business Principles, Others)	

Principle 8: Inclusive Growth		
1.	Does the company have specified programmes/initiatives/projects in pursuit of the policy related to Principle 8? If yes details thereof.	Refer 'Empowering Local Communities - Corporate Social Responsibility at Blue Dart' section of Business Responsibility Report
2.	Are the programmes/projects undertaken through in-house team/own foundation/external NGO/ government structures/any other organization?	
3.	Have you done any impact assessment of your initiative?	
4.	What is your company's direct contribution to community development projects- Amount in INR and the details of the projects undertaken?	
5.	Have you taken steps to ensure that this community development initiative is successfully adopted by the community? Please explain in 50 words, or so.	

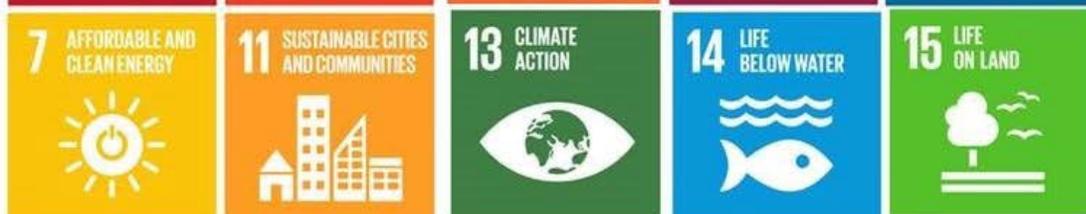
QUESTION		REFERENCE SECTION
Principle 9: Customer Value		
1.	What percentage of customer complaints/consumer cases are pending as on the end of financial year.	Refer 'Building a Responsible Business - Ethics and Corporate Governance' section of Business Responsibility Report
2.	Does the company display product information on the product label, over and above what is mandated as per local laws? Yes/No/N.A./ Remarks (additional information)	
3.	Is there any case filed by any stakeholder against the company regarding unfair trade practices, irresponsible advertising and/or anti-competitive behavior during the last five years and pending as on end of financial year. If so, provide details thereof, in about 50 words or so.	Refer 'Managing Stakeholder Priorities – Stakeholder engagement at Blue Dart' section of Business Responsibility Report
4.	Did your company carry out any consumer survey/ consumer satisfaction trends?	

SUSTAINABLE DEVELOPMENT GOALS

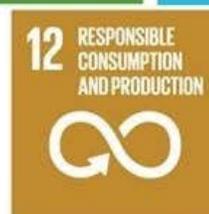
GoTeach



GoGreen



GoHelp



BUSINESS RESPONSIBILITY REPORT

BUSINESS RESPONSIBILITY AT BLUE DART

It is a privilege to present the 'Business Responsibility Report' of Blue Dart Express Limited for the FY 2019-20. In conformance to the requirements of the clause (f) of sub regulation (2) of regulation 34 of SEBI's Listing Regulations, this report is aligned with the nine principles of the National Voluntary Guidelines on Social, Environmental & Economic Responsibilities of Business (NVG-SEE) notified by the Ministry of Corporate Affairs, Government of India. Additionally, this report includes 'Corporate Social Responsibility' (CSR) section which is compliant to Schedule VII of Section 135 of the Companies Act, 2013. The report involves disclosure of the following nine principles as per NVG-SEE framework:

<p>Principle 1</p> <p>Businesses should conduct and govern themselves with Ethics, Transparency and Accountability</p>	<p>Principle 2</p> <p>Businesses should provide goods and services that are safe and contribute to sustainability throughout their life cycle</p>	<p>Principle 3</p> <p>Businesses should promote the wellbeing of all employees</p>
<p>Principle 4</p> <p>Businesses should respect the interests of, and be responsive towards all stakeholders, especially those who are disadvantaged, vulnerable and marginalised</p>	<p>Principle 5</p> <p>Businesses should respect and promote human rights</p>	<p>Principle 6</p> <p>Businesses should respect, protect, and make efforts to restore the environment</p>
<p>Principle 7</p> <p>Businesses, when engaged in influencing public and regulatory policy, should do so in a responsible manner</p>	<p>Principle 8</p> <p>Businesses should support inclusive growth and equitable development</p>	<p>Principle 9</p> <p>Businesses should engage with and provide value to their customers and consumers in a responsible manner</p>

BUILDING A RESPONSIBLE BUSINESS – ETHICS AND CORPORATE GOVERNANCE

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

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

At Blue Dart, the aspects of Human Rights are embedded in the Company's Whistle Blower Policy, Policy on Prevention, Prohibition and Redressal of Sexual Harassment of Women at Workplace, Risk Management Policy and HR Code of Conduct. The Whistleblower policy of the Company provides procedural framework to handle concerns and grievances of employees, customers, vendors and/or third party intermediaries. The HR code of conduct covers aspects of safe and healthy work environment and no discrimination. Being an equal opportunity workplace, Blue Dart ensures that the rights of women employees of the company are not compromised by putting clear guidelines and grievance mechanism in place. In this regard, the Company has formulated a Policy on 'Prevention, Prohibition and Redressal of Sexual Harassment of Women at Workplace' with an objective of protection against sexual harassment of women and providing safe working environment to them.

The Company has laid down a Code of Conduct for the Board Members and Senior Management Team of the Company. The Company has also laid down a Code of Conduct for its employees. The Code of Conduct is a comprehensive document which articulates the Company's expectations from its people to reflect on the ethics and values of the organisation and resultantly earn goodwill of its customers and enhance its reputation. The Company has also laid down 'Vendor Code of Conduct' for all its vendors.

At Blue Dart, we value high ethical standards of behavior and expect honesty, openness and integrity in whatever we do. The Company has formalized this process and institutionalized the 'Whistle Blower Policy' within the organisation. The Whistle Blower Policy ensures that strict confidentiality is maintained whilst dealing with concerns and also that no discrimination will be meted out to any person for a genuinely raised concern. Pursuant thereto, a dedicated helpline viz. bluedart@ethicshelpline.in has been set up which is managed by an independent professional entity.

The Company has posted the "Whistle Blower Policy" on its website which can be accessed at https://www.nseprimeir.com/z_BlueDart/files/BlueDart_Whistle_Blower_Policy.pdf.

During Financial Year 2019-20, three whistle-blower complaints were received which were investigated and acted upon. Further, no Investors complaints were received during the year ended March 31, 2020. During the last 5 years, no cases were filed against the company in respect of unfair trade practices, irresponsible advertising and/or anti-competitive behaviour.

The Company's Code of Conduct upholds the principles of human rights and fair treatment. This policy covers the company and extends to its group, suppliers and contractors. The company has a grievance redressal mechanism through which it receives complaints on the human rights aspects and satisfactorily resolves it. The grievance cell covers human rights issues such as child labour, forced labour, sexual harassment and discriminatory employment etc. During FY 2019-20, ten employee complaints were received and satisfactorily resolved. Further, two complaints were received from Vendor and satisfactorily resolved.

Blue Dart pursues policy advocacy in a responsible manner. The company is a member of associations viz; International Market Assessment India Private Limited, FICCI, EICI, Maharashtra Economic Development Council, CMIE, Nine Dot Nine, CFO Collective, Mediaworx Private Limited, Bombay Management Association, The Institute Of Internal Auditors, Bombay Chartered Accountants Society, Indian Merchant Chambers, Mumbai First, Bombay Chamber Of Commerce & Industry and Confederation Of Indian Industry. Through the above mentioned associations, Blue Dart has advocated for advancement and improvement of public good.

Blue Dart Aviation Limited (BDAL), a subsidiary of the Company, is the first and largest domestic cargo airline in the country which has sustained its operations for the past 24 years. It is the sole domestic freighter operator with scheduled flights. Policies that have been framed by the Ministry of Civil Aviation and the regulator have heretofore catered primarily to the growing passenger segment with numerous airlines operating larger fleet of aircraft. It is therefore necessary for BDAL to chart out and steer policies for operations which are, in many ways, divergent from passenger operations. The submissions, both individually and jointly with the trade bodies viz; CII, FICCI and EICI, made to the regulators (DGCA, AERA, BCAS), AAI and to the Ministry of Civil Aviation over the past 12 years were through a process of engagement, awareness building, collaborative approach, education and benchmarking proven and successful best practices.

The initiatives and policy changes thus made have averted major cost and operations impact and benefitted not just BDAL, but all future cargo airline operators. These initiatives have contributed to greater efficiency and sustainability of the air cargo transportation segment. The initiatives and policies include:

- Ground Handling Policy: Dispensation for domestic freighter operators
- Cargo Working Group Report on Air Cargo Logistics in India published by the MoCA in 2012. Several inputs were provided by BDAL
- National Civil Aviation Policy June 2016: Policy changes in air cargo including long lease tenure of airport facilities for air express freighter operators, International operations for cargo airlines with FDI
- Clarification on import duty for engines
- CII Sub Committee on Sustainable Growth Strategies for Indian Aviation led by BDAL
- MoCA Task Force on Skill Development for the Air Cargo Segment

BUSINESS RESPONSIBILITY REPORT

MANAGING STAKEHOLDER PRIORITIES – STAKEHOLDER ENGAGEMENT AT BLUE DART

Blue Dart is committed to openness in dealing with all stakeholders. Transparency and honesty are the guiding principles in its communication activities internally as well as externally. Blue Dart is guided by the principle of "right-to-know" and hence provides access to company information recommended by recognized standards of corporate governance to all its stakeholders.

Blue Dart has identified Government, governmental organizations, regulators, customers, suppliers, investors, civil society organizations and the consumers as its key stakeholders. Blue Dart actively engages with these stakeholders to create an environment which is supportive of solutions. Blue Dart has defined the modes of engagement, frequency of engagement, key agenda and feedback mechanism for its various stakeholders separately. The formal processes of engagement with various stakeholders include:

- Identification of key stakeholders
- Consultation with key stakeholders
- Identification and prioritization of concerns and needs
- Addressing the prioritized concerns and needs in a consistent and transparent manner

As part of its Corporate Social Responsibility, Blue Dart organises various programs for the upliftment of disadvantaged, vulnerable, underprivileged and marginalized sections of society. All programs are classified under the three pillars of "Connecting People, Improving Lives" – GoTeach, GoGreen and GoHelp. Stakeholders have been clearly identified for every program. These include students and young adults from underprivileged background, people with disabilities, women, senior citizens etc. in the areas of education, preventive healthcare, women empowerment, sanitation, waste management etc. A detailed description of the activities can be found in the Corporate Social Responsibility section.

Engagement with NGOs

Blue Dart has partnered with several non-profit organizations of high repute in various capacities to run programs which are aligned under the three pillars. Blue Dart works closely with each of its NGO partners to identify the stakeholders and beneficiaries of each intervention. Blue Dart also extends assistance to various NGOs by providing free of cost logistics support to them. The company stretches its hand to help in the best possible way to support NGOs that work for the elderly, less privileged children, disabled people, those providing relief materials in disaster hit areas and many more noteworthy causes.

Customer Value at Blue Dart

Blue Dart places the highest priority on making customers successful, knowing that customer success guarantees its own success. The company's activities are governed by its knowledge of the requirements of customers and the market. The company includes and prioritizes 'customer focus' in all its business processes, projects and dealings. Knowing that the company will be measured by its ethical, social and environmental performance as much as by the quality of its service, Blue Dart strives for best practices in all these areas to secure customer trust and goodwill and thus enhance its reputation.

Blue Dart has an established grievance mechanism to resolve customer complaints. The source of receiving grievance can be verbal, written, through mail or social media. All these complaints get logged into a module called CARESS-Complaint Appreciation Resolution & Evaluation to Satisfaction System. Blue Dart has carried over 2,403.98 Lakhs domestic shipments and over 8.44 Lakhs international Shipments out of which 0.17% complaints were registered and resolved. There were 12 customer grievances which are yet to be resolved since customer premises are closed due to lockdown.

Net Promoter Score (NPS)

Blue Dart nurtures a strong First Choice culture. The Company drives a quality program named First Choice that has a five step DMAIC (Define, Measure, Analyze, Improve and Control) approach based on the Six Sigma methodology to address pain area with sustainable solutions. The brand also deploys the Net Promoter Approach that helps identify the Net Promoter Score and highlights the areas of improvement. The Approach

relentlessly works on achieving “best-in-class” Customer Satisfaction standards. Blue Dart’s equity, a measure of customer loyalty towards a brand, is the highest amongst its peers. The brand is associated with international standards, reliability, trustworthiness, hi-technology, strong corporate social responsibility and customer centricity.

We have 7 Touchpoints that we measure the VOC for NPS

Touch Points		Parameters of services
TP3	Complaint handling	How well the Complaint was handled/solved by Customer service agent over the call or email
TP5	E-tail Delivery Service	Interaction with Delivery staff for E-Commerce shipment delivered
TP6	Pick up registration	Interaction with Customer Service Agent while registering pick up.
TP7	Sales	Interaction with Sales staff during sales visit and overall support provided by him
TP8	Counter	Interaction with Counter Booking staff while booking the shipment
TP9	Pick up service	Interaction with Pickup staff when shipment is picked up.
TP10	Delivery Service	Interaction with Delivery staff when shipment is delivered

Global Customer Satisfaction Survey

The global customer satisfaction survey is an online survey initiated annually by DPDHL Group. The survey is conducted via a short online questionnaire.

In India, Blue Dart customers are reached out to evaluate the services. Loyalty questions like ‘satisfaction’ and ‘recommendation’ are augmented by eight touch point statements.

ASPIRING TO BE EMPLOYER OF CHOICE: WORKFORCE MANAGEMENT AT BLUE DART

Human capital is the most important resource for the success of an organisation. Blue Dart is known to be an Employer of Choice. It is a people-focused company. Blue Dart acknowledges the importance of employees and takes sincere efforts to ensure their well-being.

In pursuit of becoming future ready, we are building an agile and nimble organization that can withstand economic headwinds and maintain sustainable profitability on the basis of a strong foundation. To improve our cost efficiency, the company undertook a right sizing exercise to provide long term value creation for stakeholders.

Employee diversity at Blue Dart

As on March 31, 2020, Blue Dart comprised over 12,000 employees of which 529 are women. Blue Dart has also availed services through outsourced service providers. With a view to empower the specially-abled, Blue Dart employs specially-abled individuals as permanent employees. Blue Dart provides equal opportunity as an employer where no discrimination is made on the basis of gender, caste or creed. The company sees employee diversity as a guiding principle in its employment policy. This means promoting the diversity and heterogeneity of the individuals in the company in order to attain the highest possible productivity, creativity and efficiency. Skills, performance and ethical conduct are the only indicators for employee qualification at Blue Dart.

Engagement with employees

The company has identified employees as a key stakeholder group. Blue Dart engages with employees on a frequent basis through various modes like daily news, team briefs, open houses, town halls, Executive Development Review (EDR), etc. and has identified key employee priorities such as career building and growth, trainings. Additionally, Blue Dart carries out skill development and safety related trainings for employees. It also conducts employee satisfaction surveys.

Blue Dart believes that its employees deserve to work in a safe and healthy environment. The company is therefore committed to a healthy and congenial work environment for its people. Blue Dart promotes health care as a key element of its sustained productivity and the quality of its

BUSINESS RESPONSIBILITY REPORT

services. Blue Dart provides safety and skill up-gradation trainings to its permanent employees. Apart from this, Blue Dart employs individuals from underprivileged backgrounds and those that are physically challenged to promote inclusive growth.

Addressing employee grievances

Blue Dart makes sure that employee grievances reach management through its grievance redressal mechanism. This grievance mechanism for employees covers aspects on human right issues (child labour, forced/involuntary labour), discriminatory employment and sexual harassment. The grievance redressal process consists of following steps:

- i. Employees fill the prescribed form under the GRP (Grievance Redressal Programme) and submit to their immediate superior.
- ii. The grievance is reviewed at Branch level first and if not closed in 7 days, it is forwarded for Regional review.
- iii. If it is not closed in 7 days, it is forwarded for Managing Director's review who within 7 working days communicates his decision to the Corporate HR & RH for implementation.

In view of above, Blue Dart does not have an employee association that is recognized by the management.

ENVIRONMENT & ENERGY

Blue Dart acknowledges the impact of its business activities on the environment and is committed to improving its environmental track record through precautionary measures and the use of environment friendly technology. Blue Dart's parent company viz; DPDHL has an Environment Policy which is binding for all its group companies. The policy has primary objectives of achieving transparency, improving operational efficiency and minimizing environmental impact, generating value, demonstrating leadership and mobilizing employees. The company measures its processes and services against the highest quality standards. The guiding principles of Blue Dart are national and international environmental standards - such as ISO 9001-2015 standard series.

Environmental risks at Blue Dart

Emission is identified as a major risk by Blue Dart. Blue Dart monitors its emissions from transportation via air and road ways on a regular basis and is compliant with the Motor-Vehicle act and Pollution certificate. Emissions and waste generated by Blue Dart are within the permissible limits given by CPCB/SPCB. Hence, no legal notices have been received from CPCB/ SPCB.

Addressing environmental concerns

As part of DPDHL group, Blue Dart aims to follow the mandate of Mission 2050.

Mission 2050 - Zero emissions: From now until 2050, the Group's mission will be to drive business towards zero emissions logistics by setting the standard for the future of the transport sector and doing its part to help the world community reach its goal of limiting global warming to less than two degrees Celsius.

Under the Connecting People, Improving Lives credo of GoGreen, Blue Dart has undertaken certain initiatives to protect the environment. The initiatives include:

1. Plantation of saplings
2. Energy conservation techniques such as usage of LED lamps in offices, power saver, GoGreen lights off initiative
3. Celebration of earth-hour every month, earth day, world environment day
4. Installation of sensors in water taps in Headquarter with an aim to save water
5. Route optimisation techniques

Blue Dart believes in providing services that are safe and thus contributes to their sustainability. Blue Dart has taken following initiatives to incorporate environmental concerns, risks and opportunities in its day to day services:

A. Smart Truck

Blue Dart's Smart Truck technology is designed to provide solutions to urban logistics challenges such as traffic restrictions, density and clogging, while ensuring environmental protection and fulfilling customer need for on-time delivery. These "intelligent" pick-up and delivery vehicles compute delivery deadlines to calculate the ideal sequence for shipments, and use real-time GPS to avoid traffic jams and optimize routings, thereby enabling flexibility and last-minute pick-ups. This allows the Smart Truck to spend more time on the road to perform their pick-up and delivery services.

B. Carbon Neutral Service (CNS)

Since 2012, Blue Dart offers a specialized Carbon Neutral Service initiative, wherein customers are provided with an environmentally responsible shipping option to neutralize the carbon emissions produced by the transportation of their shipments. Blue Dart, along with DPDHL Group offers India's first end-to-end GoGreen Carbon Neutral Service across international and domestic markets. It is an extension of DPDHL Group's global environment protection program which was launched in 2008.

The service allows customers to neutralize their carbon footprint by paying an offset charge over and above their shipping rates. The carbon emissions resulting from the transportation of customer's shipments are offset by re-investing in environmental protection projects verified by SGS (Societe Generale de Surveillance), a United Nations independent auditor. A certificate verified by SGS is issued to CNS customers annually that mentions the total amount of CO₂ offset against the emissions resulting from the transportation of their shipments.

The GoGreen Carbon Neutral Service provides benefits like evaluation of emissions, offsetting of carbon emissions in high quality Gold Standard projects through CO₂ emission reports, robust accounting systems to measure CO₂ inventory, annual certificate and availability on all products range – domestic and international. Other benefits include effective carbon management, ensuring a balance between economic benefit and assuming responsibility for communities, positive impact on climate change and support corporate sustainability mandates.

Since the launch of the environment protection program in 2008, Blue Dart has seen a lot of interest evinced by customers who pursue sustainability as a part of their agenda. Ever since the launch in 2012, this service has been subscribed to by over 2,592 environmentally responsible customers till 2019. CNS not only enables customers to contribute to a greener future, but also helps build healthier and productive communities.

DPDHL Group has set a target of 30% efficiency improvement over the base of 2008 by 2020 for all its group companies. Blue Dart has surpassed the target by achieving an efficiency improvement of 31% in 2019 itself.

Following are a few examples of initiatives taken to support carbon neutrality in various business decisions:

- Replacing aircraft engines with variants having higher efficiency and lower emissions
- Re-lamping facilities with CFL or LED bulbs in replacement of incandescent bulbs
- Switching from CRT to LCD computer monitors
- Using translucent roofing materials to benefit from natural lighting in hubs
- Air and Ground network route optimization to improve network utilization and emission efficiency
- Facility for customers to receive their shipments at centrally located parcel locker facilities rather than opting for home and office deliveries
- Delivery of shipments by bicycles and by staff travelling on foot for destinations close to the service centres

BUSINESS RESPONSIBILITY REPORT

C. Packaging options

- Smart Box (Domestic)

A convenient, economical, packaging unit priced to include a door-to-door delivery service within India. The units come in 2 sizes – 10kgs and 25kgs, and are designed to accommodate a variety of products.

- Express Pallet (Domestic)

A convenient, flexible yet economical way to send goods within India in both air and ground modes. The units come in 3 sizes, which can be built to accommodate 50kg, 75kg and 100 kg, and are designed to accommodate a variety of products.

D. Recycling Canvas Bags

The use and disposal of canvas bags has a severe impact on the environment that leads to global warming. In order to reduce its carbon impact and minimize waste generation, Blue Dart recycles canvas bags. Canvas bag is reused as small polybags are put together into a single canvas bag for delivery of shipments. Canvas bags are used 6-7 times before safe disposal.

E. Kill Bill Concept

Blue Dart has introduced the Kill Bill concept in its delivery facilities. The Company has stopped using Goods Receipt which is given by the transporter to the owner after loading the goods. It has also minimized the use of Air Waybills (AWB) i.e. an air consignment note given by an airline to the owner as an evidence of the contract of carriage. Alternatively, Blue Dart uses bar code or thermal stickers in transportation of goods.

F. Green Electricity

Green Electricity is defined as either electricity from renewable electricity sources – directly or indirectly – or electricity balanced by the purchase of renewable electricity certificates. Blue Dart, based on its electricity consumption during the year, purchases green electricity through iREC (international Renewable Electricity Certificates).

Sustainable Sourcing at Blue Dart

Blue Dart has taken steps in sustainable sourcing of their transportation facilities. While sourcing vehicles from vendors, the company ensures that every vehicle should have all valid paperwork such as RC Book, Vehicle fitness certificate, National Permit, Insurance Paper, PUC. It also ensures that the driver possesses a valid driving license.

Improving capacities and capabilities of Local vendors

Blue Dart has been constantly working on improving the capacity and capability of local and small vendors.

• Regional Service Participants (RSP):

Blue Dart appoints its RSP to perform sales, deliveries and services including domestic priority, international shipments, dart apex and surface. This also involves sub products which are communicated by Blue Dart from time to time. Blue Dart and RSP are independently owned separate legal entities. Services are rendered by RSP to Blue Dart with respect to - timely pick up, outbound shipment that generate revenue, deliveries of Blue Dart shipments as per service quality norms and customer promise within the terms of the agreement signed by both the parties and any additional services which may be agreed in writing from time to time and called upon by Blue Dart.

The agreement is clear about the geographical area with specified pin code locations within which the Regional Service Participant has to operate. The agreement empowers the RSP to effect sales of Blue Dart products at the mutually agreed rates (specified in Rate Annexure) by using Blue Dart waybill. The RSP has its own independent office(s) in the territory through which it independently conducts its day-to-day operations. The RSP takes efforts to effectively and actively enhance the business, revenue and reputation of Blue Dart within the territory, and maintains good relations with customers and potential customers of Blue Dart.

- **Pickup – Delivery Associate (PDA)**

PDA is engaged, inter alia, in the business of providing logistics support to effect pick-up and delivery of consignments within a given geographical area with specified pin code locations in which PDA shall provide the services on a principal to principal basis. Alike RSP, PDA uses its best efforts effectively and actively to enhance the business, revenue and reputation of Blue Dart. PDA employs and maintains a sufficient number of adequately trained and competent personnel to perform duties, obligations and responsibilities with respect to the services.

- **FCC – Franchisee**

The Franchisee appointed by Blue Dart operates as a Franchise Collection Centre of Blue Dart is offered base rates for various domestic, international, SFC and apex shipments, discounted from the Tariff rate list. The Franchisee charges its customers as per the tariff card provided by Blue Dart and undertakes not to charge more than the market rate under any circumstances. The Franchisee pays to Blue Dart for each domestic and international shipment as per the base rates, irrespective of the actual rate that is charged by the Franchisee to the shipper. The Franchisee does not engage in any other business activity which is in direct competition or is similar to the type of business conducted by Blue Dart. The Franchisee ensures 100% security of all shipments picked up from its shipper and is compliant with Blue Dart's security procedures.

- **Express Sales Associates (ESA)**

In order to broad base its services by reaching the retail segment more effectively and efficiently, Blue Dart appoints Express Sales Associates who can pick up the shipments on behalf of Blue Dart from his allocated territory. ESA have the expertise to pick-up of shipments and should possess his own vehicle which will be branded as per Blue Dart's standard for picking up of the shipments. ESA represents and further warrants that they have the requisite permissions and has registration with the relevant regulatory authorities including Central Excise/Service Tax Authorities, for the purpose of operating as an ESA of Blue Dart. ESA reports and coordinates all his activities with the operation-in-charge of the nominated office of Blue Dart. ESA picks up shipment in the allocated territory from the customers and hands over the same at the transfer point on the same day together with the consolidated report (challan) of all the shipments, within the cut-off timings. When working with Blue Dart, ESA is not allowed to conduct or engage itself in any business similar to that of Blue Dart or to have any sort of business association in any capacity with any of the competitors of Blue Dart either at the local or a national level.

CORPORATE SOCIAL RESPONSIBILITY

Social responsibility is a core element in Blue Dart's corporate strategy. Blue Dart is committed to support the communities around which it operates and recognizes the need to contribute to their well-being with its initiatives. As a socially responsible corporate, Blue Dart has an in-house sustainability team responsible for identifying and addressing various sustainability issues and supporting initiatives that make the world a better place for future generations. The Corporate Social Responsibility (CSR) programs at Blue Dart are compliant to Schedule VII of Section 135 of the Companies Act, 2013.

Blue Dart positions its corporate responsibility between economic benefits and liability towards the communities. The diagram below is a pictorial representation of their corporate responsibility approach. A number of initiatives focused on environment, education, society and health care are undertaken by the Company as part of its Corporate Social Responsibility (CSR) intervention.

CSR Committee

Blue Dart Express Limited has constituted a CSR Committee in the Meeting of Board of Directors of the Company held on February 5, 2014 as contemplated under the provisions of the Companies Act, 2013. The CSR Committee of the Board comprises of Mr. Sharad Upasani as Chairman of the Committee, Mr. Balfour Manuel and Ms. Tulsi N. Mirchandaney as members of the Committee. The responsibilities of this committee include formulation and updating of CSR Policy, which is approved by the Board, recommending CSR expenditure to the Board for approval and monitoring CSR activities. The company has also constituted CSR Implementation/ Management Committee for monitoring, implementation and execution of CSR initiatives adopted by the company in accordance with the provisions of Companies Act, 2013.

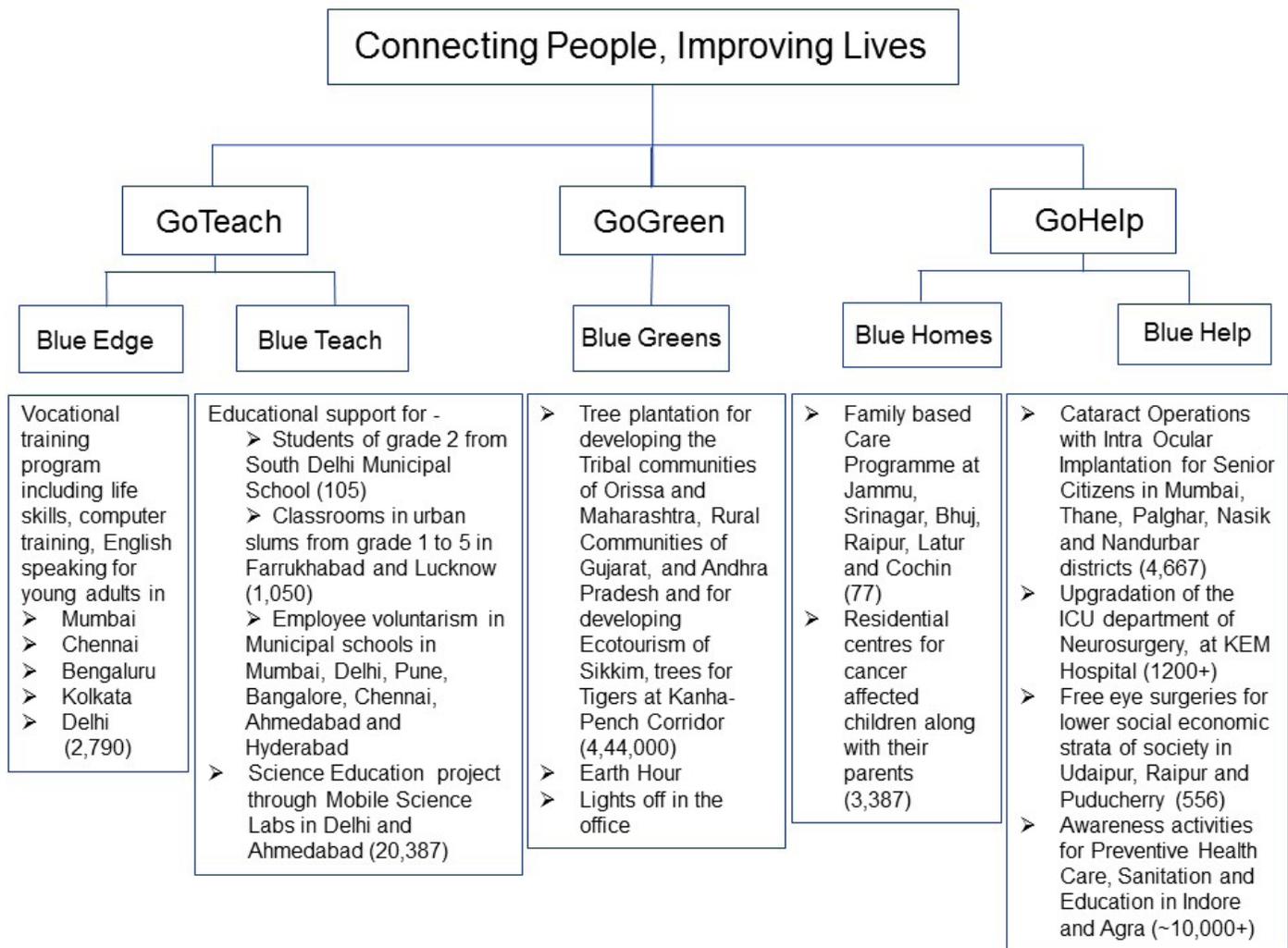
BUSINESS RESPONSIBILITY REPORT

Social Responsibility at Blue Dart

With the rapidly changing environment, Blue Dart has adopted CSR as a strategic tool for sustainable growth. For Blue Dart, CSR primarily means integration of business processes with social processes and not merely an investment of funds for social activity. Blue Dart is one of the forerunners in Corporate Social Responsibility. As an Indian company with a global outlook, Blue Dart endeavours to maintain a delicate balance between economic, environmental and social interests.

Under the motto of “Connecting People, Improving Lives”, Blue Dart (along with DPDHL) focuses its corporate responsibility on three pillars namely **GoTeach (Championing Education)**, **GoGreen (Protecting the environment)** and **GoHelp (Disaster management response)**. Blue Dart has partnered with NGOs of high repute to run programs under these three pillars.

Following diagram is a presentation of the three pillars of CSR and initiatives under these three pillars.



GoTeach

Blue Dart aims to provide equal educational opportunities for the underprivileged and marginalized communities in which it works; under the Connecting People, Improving Lives credo of GoTeach, all programs are aligned under the two pillars of Blue Edge and Blue Teach.

A. Blue Dart in association with Oasis India, Hope Foundation and Noida Deaf Society (NDS), started an initiative called **'Blue Edge: Empowering Lives'**, aimed at elevating and transforming the lives of young adults from difficult environments, who have not been able to complete their education. The program ensures that the underprivileged section of the society is not deprived of educational skills as a building block to their ability to earn and support their future and families and contribute positively to the community, at large. Blue Dart started its first Blue Edge Centre at

1. Mumbai in 2008,
2. Chennai in 2011,
3. Bengaluru in 2014,
4. Delhi in 2016 (special intervention for hearing impaired) and
5. Kolkata in 2016.

"Earlier, when my father tried interacting with me through writing, I wasn't able to understand anything. After I joined Blue Edge Delhi and learnt English, I am able to talk to him, even though it is just through writing, but I am happy that my father is taking interest in my life now".

Gurmeet Singh, 17
Blue Edge Delhi beneficiary

This program educates them about possible employment opportunities while equipping them with relevant skill sets, enabling them to make informed choices and bring stability into their lives.

Since inception, more than 2,790 students have successfully completed this program and have been felicitated at Graduation Ceremonies held in their respective cities, which boosts their morale further. Many of the students who have graduated from this program have been placed successfully in reputed organizations in sunrise verticals like Telecom, Retail, FMCG, etc. and have effectively kick-started their potentially stable careers and lives.

The award winning Blue Edge: Empowering Lives program, was recognized at a global stage for its outstanding achievement in the field of education. Blue Dart was presented with the Gold Award in the Sustainability category at the DPDHL CEO Awards, 2017.

Success of Blue Edge: Empowering Lives program ensured that it was nominated as a Lighthouse Project under GoTeach from AP EEMEA. The program also received funding of 50,000 Euros from DHL as a token of appreciation for the good work conducted in the field of education and also for further extension of this program to another city in India. This fund was used to set up the Blue Edge centre in Chennai which began operations in April 2011.

Priyanka, 18, a Blue Edge Mumbai beneficiary says that before joining Blue Edge, she used to be a habitual liar, very impatient and rude to people. But after joining Blue Edge, she acknowledges that there's a lot of change in her behaviour. She's become much calmer and patient and her approach towards life has improved.

B. **Blue Teach** aims to reach out to beneficiaries touching their lives right from their childhood. Blue Teach elevates the lives of children from different strata of society, making them independent and sustainable in their lives.

- Blue Dart along with its other business units – DHL Express, DHL Smart Trucking, DHL Global Forwarding and DHL Supply Chain support Teach For India (TFI), a non-profit organization that is a part of the Teach For All network. College graduates and working professionals are recruited to serve as full-time teachers in low-income schools for two years. The goal is to end the problem of educational inequity in India and provide an excellent education to all children. TFI operates in 353 schools across seven cities of India - Mumbai, Pune, New Delhi, Chennai, Ahmedabad, Bengaluru and Hyderabad reaching approximately 40,000 students.

"Today we learnt about plant physiology in which we learnt how plants make their food and about capillary action. We enjoyed the activities."

Preethi, a Blue Teach Beneficiary from
Std. 6th, Co-Ed S. S. S. Rani Khara
School, Delhi.

BUSINESS RESPONSIBILITY REPORT

- Blue Dart works with Education & Health Foundation (E&H) to support the Gyan Shala model in Lucknow and Farrukhabad. The program has impacted 1050 children studying in Grade 1 to 5. E&H Foundation provides free quality education and healthcare to children in urban slums of Uttar Pradesh. Classes are held in poor bastis (slums) providing focus on quality education to the neediest underprivileged children of the society.
- Blue Dart supports one Grade of class 2 of the Peepul-SDMC (South Delhi Municipal Corporation) school (formerly Ark) in Lajpat Nagar, Delhi consisting of 105 students from 3 sections. Peepul is registered in India with a track record of working effectively with government agencies and other non-profit partners to deliver high impact education programs throughout the country.
- Intervening and encouraging hands on experience with science, Blue Dart gives the children in the remote interiors of Ahmedabad and Delhi an opportunity by providing them mobile science labs on wheels. Blue Dart runs Mobile Science Lab vans in association with Agastya International Foundation. The Mobile Science Lab vans travel to 20 government schools around Ahmedabad and Delhi to reach out to children to teach them new ways of learning in the classroom and spark their innate creativity. The Mobile Science Lab vans has reached out to over 20,387 students in the two cities.

“Group activity was very good. Students learnt about Onion cell under microscope. They learnt it in detail.”

Chetanbhai Jadav, a Blue Teach teacher at Vadgas School, Ahmedabad.

BLUE DART HAS COMMITTED TO PLANT 1,11,000 TREES FOR FOUR YEARS IN A ROW WHICH WILL OFFSET 2,220,000 KG/YEAR CARBON ON MATURITY ALSO BENEFITTING THE COMMUNITIES AROUND AS THE TREES ARE PLANTED ON PUBLIC LAND

GoGreen

Under the Connecting People, Improving Lives credo of GoGreen, Blue Dart runs programs that are aligned under the pillar of **Blue Greens-**

- Blue Dart has partnered with Grow-Trees.com, official planting partner for United Nation’s Environment Program’s (UNEP) Billion Tree campaign and WWF for planting:
 - 36,000 trees in Kheda district, Gujarat,
 - 25,000 trees in Koraput district, Gujarat,
 - 20,000 trees in Chittoor district, Andhra Pradesh
 - 20,000 trees in Sikkim
 - 10,000 trees in Yavatmal, Maharashtra
 - 3,40,830 trees in Kanha-Pench Wildlife Corridor

““Before the plantation began, I did not have much work, but now I come here every day and help in whatever way I can. It feels good to be involved in an initiative that is not just putting food on my plate but also benefitting my fellow villagers. I am now able to meet the medicinal needs of my husband and take proper care of him without worrying about where to work next. We are thankful to the teams involved in providing jobs to so many women like me.””

Parvati Narayan, 62,
a Blue Greens beneficiary from Maharashtra.

These trees are planted only on public/community land so that they can benefit maximum number of people.

Blue Dart planted 1,11,000 trees in 2019 contributing to over 10% of the DPDHL Groups’ global target of planting 1 million trees a year.

- **Power Saver- Lights Off:** Blue Dart practices Lights Off for an hour between 1:00 pm – 2:00 pm on the last Saturday of every month across all its offices in India.
- **Earth Hour:** Blue Dart celebrated Earth Hour on March 28, 2020 by encouraging all Blue Darters to pledge to switch off all the lights for an hour in office and for one hour at home. The activity was also promoted on Blue Dart’s social media platforms by posting illustrative messages related to the environment.
- **World Environment Day:** Blue Dart observes World Environment Day by circulating mailers on Environment awareness & its Dos & Don’ts. Relevant posts are also uploaded on Blue Dart’s official Facebook and Twitter Page creating awareness amongst its followers.

GoHelp

Under the Connecting People, Improving Lives credo of GoHelp, Blue Dart has aligned its initiatives under two key pillars of Blue Homes and Blue Help.

A. **Blue Homes** consists of two programs that are run in association with SOS Children's Villages of India and St. Jude India ChildCare Centres respectively.

- Advocating the concerns, rights and requirements of children in need of care and protection, Blue Dart has associated with SOS Children's Villages of India, an independent, non-governmental, social development organization that provides family-based care for parentless or abandoned children in India. Blue Dart supports six homes consisting of 60 children, in Jammu, Srinagar, Bhuj, Raipur, Latur and Cochin. SOS Children's Villages helps orphaned children in need, to help them shape their own future. Primary target beneficiaries are children without parental care (orphaned and abandoned children) and disadvantaged children in vulnerable families at the risk of losing adequate parental care.
- In 2015, Blue Dart initiated the Blue Dart Centre consisting of 12 staying facilities, in association with St. Jude India ChildCare Centres, an NGO working towards filling a vital need of care giving, nutrition and providing shelter to children suffering from cancer and under treatment at Tata Memorial hospital, Mumbai. This centre stands in the 3 buildings donated by Mumbai Port Trust at Cotton Green in Mumbai, to St. Jude India, which provides a clean, safe, hygienic place to stay, nutritional support, transportation to hospital for treatment, as well as recreation, education and counselling to needy children under treatment for cancer in Mumbai, away from their hometown. The Blue Dart Centre provides all of this and even more to the children and their parents, creating a home away from home.

"Living at Blue Homes we learnt a lot of things. We are most impressed with the care and warmth that was shown to the families. We were taught cleanliness and the importance of taking good care for the child. I, as a mother, also learnt to spend time reading story books and enjoying. We will always be thankful and grateful."

Mother of Anmol Kumar,
a Blue Home, Delhi beneficiary.

In 2017, Blue Dart extended its partnership by supporting the operational expenditure of 3 centres in Delhi, with 11 staying facilities per centre and is continuing the support this year as well.

With the coming year, Blue Dart is extending its support to Guwahati, supporting a centre with 12 staying facilities.

Blue Dart was recognized at the DPDHL CEO Awards 2018, for its efforts in Corporate Social Responsibility for Blue Homes, for the second consecutive year.

B. In association with HelpAge India, UHRC, Vision Foundation of India and KEM hospital. **Blue Help** carries out the following activities:

- Blue Dart has partnered with HelpAge India to conduct cataract surgeries with Intra Ocular Lens (IOL) implantation to the needy elders. 4,667 surgeries have been conducted till date in and around Mumbai, Thane, Nashik, Dhule, Nandurbar and Palghar districts.
- Blue Dart has partnered with Urban Health Resource Center (UHRC), for various activities to spread awareness about hygiene, cleanliness, education, consumption of clean drinking water, etc. through awareness activities like street plays, rally, etc. in Indore and Agra. Under this program, Blue Dart also runs the Blue Dart Reading Room, a mobile library for underprivileged slum children based in Indore and Agra.
- Blue Dart partnered Vision Foundation of India, 556 free cataract surgeries of the marginalized strata of the society under Project Rashtriya Netra Yagna in Udaipur, Raipur and Puducherry.
- Blue Dart in association with KEM Hospital supported in the CapEx for upgradation of the ICU of Neurology department for improving post operating treatment and recovery. Till date more 1200 beneficiaries have been impacted since the upgradation.

CSR Expenditure for FY 2019-20 – Under the umbrella of the three pillars of Connecting People, Improving Lives – GoTeach, GoHelp and GoGreen, a total amount of INR 3,72,04,413 has been spent by Blue Dart. For more details on CSR Expenditure, please refer to the Directors' Report.

DIRECTORS' REPORT

To the Members,

Your Directors take great pleasure in presenting the Twenty-Ninth Annual Report of your Company for the financial year ended March 31, 2020.

Please find below snapshot of the performance:

FINANCIAL RESULTS

(₹ in Lakhs)

Particulars	Standalone		Consolidated	
	For the year ended March 31, 2020	For the year ended March 31, 2019	For the year ended March 31, 2020	For the year ended March 31, 2019
Revenues				
Service Charges	3,16,639	3,16,546	3,17,513	3,17,440
Other Income	1,401	1,821	1,552	1,924
Less : Operating Expenses	2,97,855	2,99,201	2,70,095	2,88,895
Gross Profit (EBIDTA)	20,185	19,166	48,970	30,469
Less : Finance Cost	3,214	1,535	11,738	4,266
Depreciation & Amortisation	15,280	4,796	34,733	12,789
Earnings before exceptional items and tax	1,691	12,835	2,499	13,414
Less : Exceptional items	6,411	-	6,411	-
(Loss) / Earnings before Tax	(4,720)	12,835	(3,912)	13,414
Less : Income Tax Expenses	(891)	4,075	274	4,438
(Loss) / Earnings after tax	(3,829)	8,760	(4,186)	8,976
Other Comprehensive Income (post Tax)	(722)	(515)	(927)	(492)
Total Comprehensive (Loss) / Income for the year	(4,551)	8,245	(5,113)	8,484
Retained Earnings				
Balance as at the beginning of the year	52,861	46,838	44,076	37,814
Add : (Loss) / Profit for the year	(3,829)	8,760	(4,186)	8,976
Profit available for appropriation	49,032	55,598	39,890	46,790
Less : Appropriations/Adjustments				
Transitional adjustments (Ind AS 115) (Net of tax)	-	317	-	317
Dividend (including dividend distribution tax)	3,576	3,576	3,576	3,576
Transfer from Debenture Redemption Reserve	(1,572)	(1,671)	(1,572)	(1,671)
Actuarial loss / (gain) on remeasurement of post employment benefit obligation, net of tax	722	515	927	492
Balance as at the end of the year	46,306	52,861	36,959	44,076

Notes :

- The above figures are extracted from the standalone and consolidated financial statements prepared in compliance with the Indian Accounting Standards (Ind AS) and comply with all aspects of the Indian Accounting Standards (Ind AS) notified under Section 133 of the Companies Act, 2013 (the "Act"), Companies (Indian Accounting Standards) Rules, 2015 (amended) and other relevant provisions of the Act.
- During the year, with an intention to create long term value for its stakeholders, Management conducted an 'Organisation Right Sizing' exercise which has an impact of ₹ 4,609 lakhs on the results for the year ended March 31, 2020. The Management further decided to discontinue certain business activities and change the operating software for certain business function and accordingly the net book value of related assets aggregating to ₹ 1,802 lakhs have been written down. Together, this had an impact of ₹ 6,411 lakhs on the results for the year ended March 31, 2020.

DIRECTORS' REPORT

3. Effective April 01, 2019, the Company adopted Ind AS 116 "Leases" using the modified retrospective approach. The adoption of new accounting standard negatively impacted the results for the year ended March 31, 2020 by ₹ 6,662 lakhs.
4. World Health Organisation (WHO) declared outbreak of Coronavirus Disease (COVID-19) a global pandemic on March 11, 2020. Consequent to this, The Ministry of Home Affairs vide order No.40-3/2020 dated March 24, 2020 notified first ever nation-wide lockdown in India to contain the outbreak of COVID 19 which impacted the overall economy and the business activities of the Company. The Company's performance for the month of March, 2020 has been partially impacted. The impact on our business will depend on future developments that cannot be reliably predicted. The Company will closely monitor any material changes to future economic conditions.

REVIEW OF PERFORMANCE

During the year under review, your Company successfully handled several challenges, navigated the uncertain economic environment, focused on cost efficiency measures. The Company is poised to reap the benefits of certain strategic decisions (right sizing/restructuring) implemented during the year, in the near future.

Overall, the year 2019 – 20 was a challenging year across the globe. The coronavirus pandemic occurred at a time when the world was already experiencing a challenging global scenario with rising trade barriers, geopolitical tensions, climate-related worries and subdued economic activities.

India's economy grew at 7.2% and 6.8% in fiscal 2017-18 and 2018-19 respectively. In February 2020, National Statistical Office had estimated real GDP growth for FY 2019-20 at 5.0% and this was before COVID-19 made its presence felt in India. This guided IMF to revise India's GDP growth estimates for FY 2019-20 to 4.2% in its World Economic Outlook statement of April 2020. As evident from statistics, India was already going through its longest spell of GDP decline in three decades, weakened market sentiments and investments, decline in the consumption demand, consequent decline in the credit growth and complex regulatory scenario further contributed to an economic slowdown. The latest estimates from various institutions are predicting 5-7% contraction in economy for the year 2020-21.

Despite such a challenging scenario, Income from operations for the financial year ended March 31, 2020, stood at ₹ 3,16,639 Lakhs as compared to ₹ 3,16,546 Lakhs for the financial year ended March 31, 2019. Your Company posted net loss, after accounting for one off items, on a standalone basis of ₹ 3,829 Lakhs for the financial year ended March 31, 2020 as compared to a profit after tax of ₹ 8,760 Lakhs for the financial year ended March 31, 2019.

Your Company's results for the financial year 2019-20 was impacted due to Organization Right-Sizing exercise undertaken by the Company during the year to create long term value for the stakeholders and adoption of Ind AS 116 new Accounting Standard effective April 1, 2019. COVID-19 also negatively impacted results for the month of March 2020 and further expected to impact results for the next few months.

Over the years, though the economy faced several challenges, your Company continued to be resilient and displayed exemplary service quality and excellence with high benchmarks and standards in every aspect of the business.

As the COVID-19 Pandemic continues to remain a challenge across the globe, Your Company's dedicated capacity of six Boeing 757-200 freighters carried large amount of medical and essential supplies during the nation-wide lockdown, fulfilling its promise to keep the mission-critical supply-chain running and helping the nation to fight the war against global COVID-19 pandemic. These are the lifeline of the nation carrying essential shipments such as medical equipments, pharmaceuticals, testing kits, reagents, enzymes, medical equipment (ventilators), respirators and surgical masks, gloves and other items requisitioned by the State Governments/ Municipalities/ Hospitals/ Research Laboratories during this challenging period.

Your Company has, over the past 36 years transformed to offer its customers complete 'end-to-end' supply chain solutions. Your Company steered through successfully with a clear focus on fundamentals viz; quality, consistency, reliability, passion and commitment. Your Company is an undisputed market leader in the express logistics industry in India and continues to remain one of the most innovative, admired and awarded logistics companies of India.

With a dedicated air and ground network enhanced with cutting-edge technology, your Company continues to be the South Asia's premier air and integrated transportation, distribution and logistics company. It offers a wide range of innovative and simplified solutions across the industry verticals coupled with a dedicated air and ground network, high standard technology architecture, value pricing, customer satisfaction, excellent service quality and operations delivery par excellence.

Your Company has an impeccable service record driven by a motivated and passionate team, the testimony for which rests in the numerous awards bestowed on your Company over the years. As a responsible corporate entity, your Company continues to contribute towards environmental and social causes that enhance and nurture the society in which it operates.

Since inception, your Company has maintained its technology leadership and continues to invest extensively in its technology infrastructure to create differentiated delivery capabilities, quality services and customized solutions for the customers. The use of technology has optimized the cost, improved processes and allowed your Company to introduce innovative solutions to provide customers with high quality service offerings. In the last few years, your Company has adopted technology to enable tracking of shipments, dynamic route management, advanced Billing and Receivables Management System, integrating wallets for cash – on – delivery (COD), Control Tower and Network Control Module. The Company has also successfully enabled office based employees to 'work from home' during the pandemic, thereby ensuring smooth operations for essential items.

DIRECTORS' REPORT

Our key differentiators continue to be late pick-ups/early deliveries, secured network, 24x7 visibility allowing for tracking across the complete delivery chain, APIs integrated with customers and other technology and mobility solutions such as dynamic re-routing, visibility of courier movement as well as providing access to monitor net-stops from the service centres to enhance courier and route productivities.

Your Company provides the most efficient solutions to the e-commerce industry and its customers with a seamless and unique experience. To enable digital payments, your Company added 15 digital wallets on the courier hand-held machines apart from enabling acceptance of credit/debit cards.

Your Company's online presence in the social media through its official Facebook, Twitter, YouTube and LinkedIn pages reached an impressive audience base and is rapidly gathering followers, creating a stream of customers who are ardent advocates of the brand and influence a positive opinion in the new age media.

Your Company continues to be certified to the ISO 9001 standards since 1996 and successfully re-certified itself in August 2017 for the three years to a new global ISO 9001-2015 standards for "design, management and operations of the countrywide express transportation and distribution services within the Indian sub-continent and international destinations serviced through multinational express companies".

Your Company continues to drive the "First Choice" and "Net Promoter Approach" (NPA) initiatives, enhancing process improvements, customer centricity and service quality.

DIVIDEND

Considering overall performance of the financial year 2019-20, emerging challenges consequent to COVID-19, uncertain economic environment and with an objective to conserve cash and ensure sufficient liquidity for operations, your Directors do not recommend dividend for the financial year ended March 31, 2020.

Dividend Distribution Policy :

In terms of provisions of Regulation 43A of the SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015 ("Listing Regulations"), your Company has formulated a Dividend Distribution Policy. The policy is accessible from your Company's website at https://www.nseprimeir.com/z_BlueDart/files/Dividend_Distribution_Policy_BlueDart.pdf

REDEMPTION AND INTEREST ON DEBENTURES

In compliance with the provisions of law, your Company has successfully redeemed its Series III, Unsecured, Redeemable, Non-Convertible Debentures (9.5% p.a.) bearing ISIN -INE233B08103 on November 20, 2019 to all eligible debenture holders for an amount of ₹ 7,118 Lakhs along with interest of ₹ 434 Lakhs.

With redemption of aforesaid last series, all the three series of unsecured, redeemable, non-convertible, fully paid up Debentures issued by your Company in November 2014 have since been redeemed in due compliance of provisions of law.

Axis Trustee Services Ltd. was acting as the Debenture Trustee.

DEBENTURE REDEMPTION RESERVE

In accordance with the requirements of the Companies Act, 2013, your Company had created a reserve of ₹ 208 Lakhs (previous year ₹ 703 Lakhs) on its balance Unsecured, Redeemable, Non-Convertible fully paid up Debentures which got matured and redeemed on November 20, 2019. Accordingly, your Company has transferred entire Debenture Redemption Reserve amount of ₹ 1,780 Lakhs by appropriating the Surplus in the Statement of Profit and Loss (Retained Earning as per Ind AS). The balance in the Debenture Redemption Reserve as at March 31, 2020 stood at NIL (previous year ₹ 1,572 Lakhs).

OPERATIONS REVIEW

Your Company offers secured and reliable deliveries of consignments to over 35,000 locations in India. As part of the DPDHL Group, your Company accesses the largest and most comprehensive express and logistics network worldwide through DHL, covering over 220 countries and territories and offers an entire spectrum of logistics solutions.

Your Company operates with its fleet of 6 Boeing 757-200 freighter aircrafts offering a payload of 500+ tonnes per night, a flotilla of 22,336 vehicles across 35,000+ locations. Over 12,000 passionate and trained Blue Darters work in perfect harmony to deliver over 16 shipments every second of the working day. Our team of talented Blue Darters are fully committed and dedicated to deliver 'service excellence' and value for all its esteemed customers.

Your Company continues to focus on innovation, reach expansion, transit time improvements, activation of emerging towns (tier-II, III and IV) and strengthening distribution channels to enhance the reach and strives to keep delivering beyond expectations of all its stakeholders.

Your Company carried over 2,403.98 Lakhs domestic shipments and over 8.44 Lakhs international shipments weighing more than 769,490 tonnes during the financial year ended March 31, 2020.

FACILITIES / INFRASTRUCTURE

Your Company has 2,173 facilities/hubs/ offices across India. Your Company also increased the pin-code services to cater to 98% of India's business needs. Your Company plans to further strengthen and consolidate its air and ground infrastructure, expand the reach and offer the best-in-class transit times.

AVIATION SYSTEM

Your Company has an Aircraft Crew Maintenance Insurance (ACMI) Contract with Blue Dart Aviation Limited ("BDAL"), India's first domestic scheduled cargo airline in the country. BDAL is a wholly-owned subsidiary company of your Company for dedicated air carriage capacity which has ensured a key differentiator in sustaining your Company's leadership position through its unique aviation network.

During the year, your Company has received the balance amount of ₹ 1,092 Lakhs (Previous year ₹ 1,903 Lakhs) from BDAL towards repayment of the loan. As on March 31, 2020, the outstanding loan balance is NIL (Previous year ₹ 1,092 Lakhs). The loan provided

DIRECTORS' REPORT

carried an interest computed at an average of 'base' rates of IDBI Bank and ICICI Bank with interest re-set bi-annually. Your Company extended ₹ 2,644 Lakhs as Inter- Corporate Deposit to BDAL and the same was repaid in full as on March 31, 2020.

During the year, BDAL posted an On Time Performance of 87.98 % and a Technical Dispatch Reliability of 99.2%, with an average fleet life of 24.5 years, despite infrastructure constraints, ATC congestion and runway closures.

BDAL handled and uplifted 93,854 Tonnes on its network during the 12 month period which ended on March 31, 2020. In addition to the normal network, BDAL operated 42 charters and additional 120 flights totaling 711:50 hours, supplementing the scheduled night operations, supporting carriage of the above mentioned tonnage.

During the year, BDAL has carried out four major checks and completed an engine shop visit (ESV). ESV costs were controlled by procuring life limited parts (LLPs) and other components from the open market. A few hundred LLPs were shortlisted for procurement from hundreds of parts identified by the purchase team and reviewed by technical services, which helped to control the ESV cost.

BDAL has carried out the avionics upgrade modification work in-house, enhancing the capability of our entire fleet to operate in the mandated RNP-1 airspace without any restrictions. The Electronic Flight Bag (EFB) project, aimed at making our cockpits paperless, was fully implemented during the year and stands completely integrated into our operations. This resulted in a reduced weight of 42kgs on each aircraft and corresponding fuel and load efficiency, improved enhanced situational awareness of our pilots, printing cost savings and reduced carbon footprint, adding to our Go Green effort.

BDAL had successfully initiated the "As One Project" in 2017 at Hyderabad station, and further extended it to the Kolkata and Bangalore stations in 2018. During the Year 2019, the above project was streamlined and integrated into combined operations successfully. The duplications in inbound and outbound operations were eliminated, enabling better, efficient last mile connectivity and improved delivery.

FINANCE

COMPLIANCE WITH NEW ACCOUNTING STANDARDS

The Company's philosophy is to ensure compliance with all the applicable accounting standards. The finance team pro-actively reviews all new accounting standards (including amendments, if any, to the existing standards) and analyses the impact of the same on the Company. In recent past, Company successfully implemented Ind AS 115 'Revenue from Contract with Customers' effective April 2018 and Ind AS 116 'Leases' effective April 01, 2019.

COMPLIANCE WITH PROVIDENT FUND CLARIFICATION

On February 28, 2019, the Honorable Supreme Court of India has passed Judgment in respect of Provident Fund contribution for employees, where monthly basic salary is less than Rs. 15,000, only those allowances which are event specific variable in nature, linked to any incentive for production and not paid across the board to all

employees are to be excluded from 'basic wages' and are not subject to Provident Fund ("PF") contributions. All other allowances such as conveyance allowance, special allowance, education allowance, medical allowance, etc., which are paid generally without any distinction are to be treated under 'basic' and to be clubbed for PF computation.

Accordingly, the company has realigned its components of 'wages' keeping regulatory requirements and complied with the Supreme Court clarification on PF. In August 2019, the Department carried out audit of our compliances for the period 2014 to July 2019 and no qualifications were reported.

COST EFFICIENCY MEASURES

The Company during the year has been focusing on cost measures to improve efficiency and productivity without compromising on service quality. These initiatives including right sizing/restructuring, aircraft loading, vehicle utilization etc. helped in reducing the costs to some extent. The cost efficiency program is being further strengthened given the challenges posed by the pandemic COVID-19 on the economy front.

IMPLEMENTATION OF NEW BILLING SYSTEM

Finance team implemented a completely new billing system during the year. The new billing system on upgraded IT platform and with certain core changes has enabled the Company to consolidate and digitalize billing related processes.

COVID-19 IMPACT

The outbreak of COVID -19 and subsequent nationwide lockdown declared by the Government of India to combat COVID -19 caused high level of disruption on socio-economic front and an unprecedented collapse in the economic activities. There is a high level of uncertainty about duration of lockdown and expected turn-around time to restore normalcy.

The revenue, profitability and operating cash flows of your Company were significantly impacted on account of aforesaid events.

As on March 31, 2020, your Company has liquid assets (cash and cash equivalent) of ₹ 3,548 Lakhs, as against ₹ 21,026 Lakhs at the previous year end.

Your Company's Earnings per Share (basic & diluted) for the year ended March 31, 2020, stood at ₹ (16.14) per share as compared to ₹ 36.92 per share for the previous year ended March 31, 2019.

CASH FLOWS AND WORKING CAPITAL MANAGEMENT

During the year under review, Your Company has generated net cash of ₹ 9,366 Lakhs from its operations as against ₹ 15,699 Lakhs in the preceding financial year on a stand-alone basis. The reduction in liquidity is mainly on account of redemption of Debenture Series III amounting to ₹ 7,118 Lakhs and dividend payments.

Despite lower cash generation, the Company managed to meet all its obligations including normal Capital expenditure, Debt servicing

DIRECTORS' REPORT

including redemption of Non-Convertible Debenture, payment of Dividend for FY 2018-19 out of its accumulated cash generation. Your Company continued to manage its working capital efficiently without affecting Company's business activities. Your Company efficiently utilized its temporary surplus funds by investing in various high rated debt schemes (liquid category) of mutual funds / fixed deposits with banks for effective cash flow management. Liquidity in the Balance Sheet requires to be balanced between the earnings and adequate returns covering financial risk. Your Company's growth has been largely contributed through cash generation from operations which is adequate to support its working capital and debt servicing.

CREDIT RATING

Your Company continues to enjoy high credit rating for its working capital facilities / short-term debt programme:

1. "ICRA AA" (stable) (ICRA double A) (long term rating) to your Company's bank limits (working capital) of ₹ 3,615 Lakhs (including fund based and non-fund based limits). The rating is considered to have high degree of safety regarding timely servicing of financial obligations carrying very low credit risk. ICRA also assigned "ICRA A1+" (ICRA A one plus) (short term rating) for the said limits. The rating indicates very strong degree of safety regarding timely payment of financial obligation carrying lowest credit risk.
2. ICRA Ltd. (an associate of Moody's Investors Service) has assigned "[ICRA] AA" (stable) rating for your Company's long term loans of ₹ 7,500 Lakhs.

SUBSIDIARY COMPANIES

The Audited Financial Statements of BDAL and Concorde Air Logistics Ltd. ("CALL"), the wholly owned subsidiary companies for the financial year ended March 31, 2020 together with the reports of Directors and Auditors are attached. The Statement containing salient features of the financial statements of the subsidiary companies in the prescribed format viz; AOC-1 is attached as 'Annexure A' to the Board's Report. The statement also provides details of performance and financial position of the subsidiary companies.

The Consolidated Financial Results represent those of your Company and its wholly owned subsidiaries viz; BDAL and CALL. Your Company has consolidated its results in accordance with the Ind AS 110 - 'Consolidated Financial Statements' pursuant to Section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended.

Pursuant to requirements of Regulation 16 (c) of the Listing Regulations, as amended, your Company has formulated a 'Policy on determining Material Subsidiaries'.

The Policy is posted on the website of the Company viz; www.bluedart.com.

The web link of the said Policy is :

https://www.nseprimeir.com/z_BlueDart/files/Bluedart_PolicyonMaterialSubsidiary.pdf

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

DHL Express (Singapore) Pte. Ltd. holds 75% of the Equity Capital of your Company. The combined service offerings of both organizations cover an entire spectrum of distribution within India and globally and provides customers with a firm strategic advantage. Your Company is a leading brand in the country with an unmatched domestic network, robust infrastructure and skilled personnel. DHL is an acknowledged global leader with a strong and long-standing presence in India. Together, both present a powerful backbone to the business and support the "Make in India" mission.

In our efforts to constantly collaborate and optimise with support of group companies viz; DHL Express (India) Pvt. Ltd., DHL Supply Chain (India) Pvt. Ltd., DHL Logistics Pvt. Ltd., DHL eCommerce (India) LLP, DHL eCommerce Singapore Pte. Ltd., Singapore, Deutsche Post IT Services, GMBH, the India Steering Committee comprising of the Senior Management Team from each group company made significant progress in the past year to maximise synergies amongst business units with a focus on improving infrastructure, service quality and cost efficiencies, thereby improving customer experience.

OUTLOOK FOR THE FUTURE

Prior to COVID-19 outbreak, global economic activity data remained soft but survey indicators had begun to stabilise or improve in both manufacturing and services. Indian economy had begun to regain momentum with clear signs of uptick in consumption and investment towards the end of Q3:2019-20, only to be halted by COVID-19 that made government enforce country-wide lockdown in late March 2020. Green shoots had appeared with Index of Industrial Production (IIP), Index of Core Industries (ICI) and merchandise exports rebounding with positive growth in February 2020 along with signs of revival in consumer sentiment.

Global growth has hit unprecedented depths of despair amidst COVID-19 with substantial risks of even more severe outcomes. IMF's World Economic Outlook of April, 2020 projects global output in 2020 to contract by 3 per cent with output of advanced countries contracting more than emerging market and developing economies. As per RBI, the GDP growth in 2020-21 is expected to remain in the negative territory with some pick up in second half. Extensions in lockdown and social distancing restrictions on account of the pandemic are expected to significantly impact economic activity in all major markets, and cause demand compression.

Interstate lockdown has adversely impacted supply chains of several sectors and restrictions on Airfreight also reduced movement of critical components. These restrictions have also limited transactions in the growth oriented e-commerce sector. Post lockdown, we expect a change in consumer behavior towards e-commerce (including groceries) and digital payments. We believe this presents an opportunity for us and we are confident of our ability to deliver.

Since the onset of this global pandemic, your Company has been working round the clock, continually adapting and adjusting its operations to align with the new developments, regulatory requirements and constant changes in capacity and demand. During these difficult times, your Company is

DIRECTORS' REPORT

aligning itself to evolving priorities, finding newer ways to create value and this has reinforced customers' confidence in your Company and many of them have expressed their appreciation and gratitude.

Your Company will continue its focus on product innovations and service enhancement. Your company is geared to face challenges for the years to come. Your Directors look forward to improved performance in the coming years.

As trade facilitators for the Country, we are excited about the "VOCAL FOR LOCAL" program pronounced by the Government of India and are aligned to step up and support the re-energizing of MSME businesses.

AWARDS AND RECOGNITIONS

Your Company's innumerable efforts in the pursuit of endless excellence were recognized throughout the financial year ended March 31, 2020. The position as an industry leader was significantly reiterated by the accolades received from several industry bodies and customers. Your Company won several awards which validate its Brand Equity, Leadership, Human Resource Philosophy, Customer Service, Business Acumen and Corporate Social Responsibility. Select awards won by the Company are as under:

<p>Ethics and Risk management:</p> <p>'Golden Peacock Award for Corporate Ethics – 2019' at the "IOD India's "4th Annual Global Convention on CORPORATE ETHICS & RISK MANAGEMENT", held on 16th January, 2020 at Singapore, organised by 'The Institute of Directors'</p>	<p>Brand leadership:</p> <ul style="list-style-type: none"> 'Business Superbrand' for the 13th consecutive year by Superbrands 2019 The Most Trusted Brand 2019 for the 13th time in a row by Reader's Digest Stars of the Industry Awards- 'Brand Leadership Award' for Excellence In Supply Chain & Logistics by ET NOW
<p>Human Capital:</p> <ul style="list-style-type: none"> One of 'India's Best Companies to Work for' by Great Place to Work® Institute India 2019 'Company with Great People Managers' by Great Manager Institute in association with Forbes 'Global HR Excellence Awards' 2020, at the World HRD Congress for Talent Management practices 	<p>Operations:</p> <p>'Service Excellence' by Yusen Logistics</p> <p>'Best Air Transportation, Best Surface Express Transportation & Best Implant' at Fiat Plant by JEEP - FIAT CHRYSLER – FCA at India Transport Excellence Awards</p> <p>Natural Capital:</p> <p>Green Freight Asia (GFA) for its commitment to adopting Green Road Freight Practices as a Carrier in 2019.</p>

<ul style="list-style-type: none"> Mrs. Tulsi Nowlakha Mirchandaney, Managing Director, Blue Dart Aviation Limited was presented with the Woman Professional of the Year Award at the ACE (Aviation, Cargo, Express) South East Asia Conclave & Awards. Mr Aneel Gambhir, Chief Financial Officer was presented with Top 100 CFO 2020 Award. He also featured in the CFO Power List 2019 selected out of Top Business Leaders. 	<p>Compliance:</p> <p>'The Best Compliance Team Award' by Legasis Compliance 10/10 Compliance by Choice</p>
--	--

BOARD OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

During the year, Mr. Balfour Manuel was appointed as Managing Director of the Company with effect from May 16, 2019.

Mr. Kenneth Allen and Mr. R.S. Subramanian who were appointed as 'Additional Directors' on the Board of the Company with effect from March 11, 2019 and March 27, 2019 respectively were appointed as Directors at the Annual General Meeting held on July 31, 2019 in accordance with the provisions of law.

Mr. Malcolm Monteiro tendered his resignation as a Director with effect from January 17, 2020. The Board of Directors placed on record their sincere appreciation and thanks for his valuable contribution since many years.

In accordance with the provisions of Companies Act, 2013 and Articles of Association of the Company, Mr. Kenneth Allen (DIN 08376337) Director, retires by rotation at the ensuing Annual General Meeting and being eligible, offers himself for re-appointment. Mr. Kenneth Allen is the CEO of DHL eCommerce Solutions. He has been a Corporate Board Member of the Deutsche Post DHL Group since 2009 and became Board Member for DHL eCommerce Solutions with effect from January 1, 2019.

The Company has received statutory declarations from Independent Directors stating that, they have met requisite criteria of independence as laid down under the provisions of Section 149 of the Companies Act, 2013 and SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015.

Key Managerial Personnel:

Mr. Balfour Manuel, Managing Director, Mr. Aneel Gambhir, Chief Financial Officer and Mr. Tushar Gunderia, Company Secretary & Head – Legal & Compliance, are Key Managerial Personnel of the Company as prescribed under the Provisions of law.

DIRECTORS' REPORT

NUMBER OF BOARD MEETINGS

The Board of Directors met 6 (six) times during the year ended March 31, 2020. The details of Board Meetings and attendance of Directors are provided in the Corporate Governance Report.

AUDIT COMMITTEE

The Audit Committee comprises of three Non-Executive Directors, viz; Mr. Sharad Upasani, Mr. Narendra Sarda and Mr. R.S. Subramanian.

The Chairman of the Committee is Mr. Sharad Upasani and Mr. Tushar Gunderia acts as Secretary to the Committee.

The composition and terms of reference of the Audit Committee are in accordance with the provisions of Section 177 of the Companies Act, 2013 and Regulation 18 of SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015 as amended from time to time.

The details of Audit Committee Meetings and attendance of Committee Members are provided in the Corporate Governance Report. All the recommendations made by the Audit Committee were accepted by the Board of Directors.

INTERNAL FINANCIAL CONTROL SYSTEMS

Your Company has in place sound internal control system to ensure that all assets are protected against loss from any unauthorised use and all transactions are recorded and reported correctly. The Company's internal control system is further supplemented by the internal audits carried out by an in-house internal audit team and co-sourced audit firm viz; KPMG. Significant audit observations and follow-up actions thereon are reported to the Audit Committee. Well-established and strong internal audit processes, both at the business and corporate level, continuously monitor adequacy and effectiveness of internal control environment across the company and status of compliances with the operating systems, internal policies and regulatory requirements.

The internal financial controls within the Company are commensurate with the size, scale and complexity of its operations. Your Company has put in place robust policies and procedures, which inter-alia, ensure integrity in conducting its business, safeguarding of its assets, timely preparation of reliable financial information, accuracy and completeness in maintaining accounting records and prevention and detection of frauds and errors.

Your Company has a comprehensive framework for monitoring compliances with applicable laws. The Company introduced an additional IT-enabled tool to monitor compliances and augment a robust compliance assessment process. A quarterly certification on compliance with laws is provided by senior management to the Board.

DOWNSTREAM INVESTMENT

As per the Auditor's Certificate on a downstream investment in the Indian subsidiary, your Company is in compliance with applicable law in relation to the foreign direct investment and has obtained requisite certificate from the statutory auditors in this regard.

WHISTLE BLOWER POLICY AND VIGIL MECHANISM

In terms of the provisions of Section 177 of Companies Act, 2013 and Regulation 22 of Securities and Exchange Board of India (Listing Obligations & Disclosure Requirements) Regulations, 2015, your Company has adopted a 'Whistle Blower Policy' which encourages its employees and various stakeholders to bring to the notice of the Company any issue involving compromise/violation of an ethical norms, legal or regulatory provisions, actual or suspected fraud etc., without any fear of reprisal, discrimination, harassment or victimization of any kind.

The Company has also engaged services of KPMG Advisory Services Pvt. Ltd., a renowned consultancy firm for establishment of 'Blue Dart Ethics' Hotline. In terms of the policy, all suspected violations and 'Reportable Matters' must be reported to the Ethics Committee via Blue Dart Ethics Hotline. Ethics Committee comprises of Mr. Aneel Gambhir, CFO, Mr. Rajendra Ghag, CHRO, Mr. Tushar Gunderia, Company Secretary & Head - Legal & Compliance and Mr. Manoj Madhavan, CIO.

The Policy is applicable to all directors, employees, officers, customers, vendors and/or third party intermediaries viz; agents and consultants whether appointed on permanent, temporary, full-time, part-time, contractual, probation or on retainer basis and engaged to conduct business on behalf of the Company and its subsidiary companies. The Policy provides direct access to the chairperson of the Audit Committee in appropriate or exceptional cases. None of the Whistle Blowers were denied access to the Audit Committee of the Board.

The Company has posted "Whistle Blower Policy" on its website viz; www.bluedart.com.

The web link of the Whistle Blower Policy is https://www.nseprimeir.com/z_BlueDart/files/BlueDart_Whistle_Blower_Policy.pdf

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

Your Company is committed for ensuring that all employees work in an environment that not only promotes diversity and equality but also mutual trust, equal opportunity and respect for human rights. The Company is also committed to provide a work environment that ensures every woman employee is treated with dignity, respect and afforded equal treatment.

The Company has zero tolerance for sexual harassment at workplace and has in place a Policy on 'Prevention of Sexual Harassment' for Women employees, in line with the requirements of Sexual Harassment of Women at Workplace (Prevention, Prohibition & Redressal) Act, 2013.

An Internal Complaints Committee has been set up to redress complaints regarding sexual harassment. All women employees (permanent, outsourced, temporary, trainees) are covered under this policy. Awareness and sensitization programs were conducted across the Company. During the year under review, one complaint was received and actioned.

DIRECTORS' REPORT

COST AUDIT

During the year under review, provisions of cost audit as stated under Section 148 of the Companies Act, 2013 and the Companies (Audit and Auditors) Rules, 2014 were not applicable to the Company.

FAMILIARIZATION PROGRAMME FOR INDEPENDENT DIRECTORS

Pursuant to requirements of Regulation 25 of SEBI Listing Regulations, 2015, your Company has in place the familiarisation programme for Independent Directors with regard to their role, duties and responsibilities, nature of the industry in which the Company operates, business / operating model of the Company etc. The Board Members are provided with all necessary documents/ reports and internal policies to enable them to familiarise with the Company's procedures and practices.

Periodic presentations are made at the Board and the Board constituted committee meetings in respect of business and performance updates of the company, global business environment, business strategies and risks involved. Your Company has been regularly familiarizing the Independent Directors on its Board with detailed presentations by its business functional heads on the Company's operations, strategic business plans and technology update. Apart from above, Independent Directors are also familiarized on various regulatory developments, change in laws to keep themselves abreast of the latest corporate, regulatory and industry developments.

The familiarization programme has been posted on website of the Company viz; www.bluedart.com.

The weblink of familiarization programme is https://www.nseprimeir.com/z_BlueDart/files/FamiliarisationProgramme.pdf

CSR COMMITTEE

The CSR Committee of your Company comprises of Mr. Sharad Upasani, the Chairman of the Committee, Mr. Balfour Manuel, Managing Director and Ms. Tulsi N. Mirchandaney, Director, as Members of the Committee.

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

Mr. Aneel Gambhir, CFO is permanent invitee to the CSR Committee Meetings of the Board. Mr. Tushar Gunderia acts as Secretary to the Committee.

The details of Corporate Social Responsibility Committee Meetings and attendance of Committee Members are provided in the Corporate Governance Report.

CSR INITIATIVES / CSR POLICY

The Corporate Social Responsibility is an integral part of your Company's strategy. Your Company is committed to its responsibility towards the society, community and environment and wants to make a positive contribution to the society and the world at large by using its

knowledge, experience and domestic / global presence in a way which benefits the planet and its people.

As an Indian company with a global outlook, your Company endeavors to maintain a healthy balance between its economic, environmental and social interests.

In compliance with the requirements of section 135 of the Companies Act, 2013, the details of CSR Committee constituted by the Board of Directors and other requisite details are provided in the Corporate Governance Report.

Your Company along with DPDHL Group, under the motto of "Connecting People, Improving Lives", focuses its corporate responsibility on protecting the environment and reducing CO₂ emissions (GoGreen), disaster management (GoHelp) and championing education (GoTeach). These are supported and complemented by the regional community initiatives which demonstrate voluntary commitment, special abilities and enthusiasm of your Company across the country.

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; www.bluedart.com.

The CSR Policy is available on the website viz; www.bluedart.com. The Annual Report on CSR activities in accordance with the Companies (Corporate Social Responsibility Policy) Rules, 2014, undertaken by the Company during the year is annexed as 'Annexure B' to the Board's Report.

The weblink of CSR policy is https://www.nseprimeir.com/z_BlueDart/files/Bluedart_CSR_Policy_03_12_2019.pdf

NOMINATION & REMUNERATION COMMITTEE

As on March 31, 2020, the 'Nomination & Remuneration Committee' comprises of three Independent Non-Executive Directors viz; Mr. Narendra Sarada, Mr. Sharad Upasani and Ms. Kavita Nair. The Committee is chaired by Mr. Narendra Sarada, Independent Director.

Mr. Balfour Manuel, Managing Director and Mr. Aneel Gambhir, CFO are permanent invitees to the Committee.

The details of Nomination & Remuneration Committee Meetings and attendance of Committee Members are provided in the Corporate Governance Report.

NOMINATION & REMUNERATION POLICY

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

The Nomination & Remuneration Policy has been incorporated in the Corporate Governance Report.

DIRECTORS' REPORT

STAKEHOLDERS RELATIONSHIP COMMITTEE

Your Company re-aligned the existing 'Investors Grievance Committee' as 'Stakeholders Relationship Committee' with an enhanced scope and functioning. As on March 31, 2020 the 'Stakeholders Relationship Committee' consists of Mr. Sharad Upasani, Mr. Balfour Manuel and Air Marshal M. McMahon (Retd.) as members of the Committee.

The details of Stakeholders Relationship Committee Meetings and attendance of Committee Members are provided under Corporate Governance Report.

RISK MANAGEMENT

Your Company has a well-defined risk management framework and policy in place. The risk management framework works at various levels across the enterprise. Risk Management is an integral and important component of Corporate Governance and your Company believes that a robust Risk Management ensures adequate controls and monitoring mechanisms for a smooth and efficient running of the Business. A risk-aware organization is better equipped to maximize the shareholders' value.

Your Company has formulated a Risk Management Policy which provides an overview of the principles of risk management, explains an approach adopted by the Company towards risk management and mitigation, defines the organizational structure for effective risk management, develops a "risk" culture which encourages employees to identify risks and associated opportunities and respond to them with an effective action, identify, assess, manage and mitigate existing and new risks in a planned and co-ordinated manner with minimum disruption and cost, to protect and preserve the Company's human, physical and financial assets.

The Risk Management Committee of the Company maintains comprehensive oversight on risks attributed to the organization and guides the Management on activities, reviews result of risk assessment and mitigation plan development process, reviews and monitors operating of risk management process and reports to the Board of Directors on the status of risk management initiatives and its effectiveness. Your Company has in place a mechanism to identify, assess, monitor and mitigate various risks to key business objectives. Major risks identified by the businesses and functions are systematically addressed through mitigating measures on a continuing basis. Your Company has a process in place to inform the Audit Committee and Board of Directors on risk assessment and minimisation procedures and periodic review is conducted in order to ensure that the Management controls risk through defined framework.

The Risk Management Committee of the Company comprises of Mr. Narendra Sarda, Chairman of the Committee, Mr. Sharad Upasani, Mr. Balfour Manuel, Air Marshal M. McMahon (Retd.), Mr. R.S. Subramanian, Directors, Mr. Aneel Gambhir, CFO, Mr. Tushar Gunderia, Company Secretary & Head – Legal & Compliance and Mr. Savio Mendonca, Head- Internal Audit, as Members.

The Risk Management Committee constituted by the Board assists the Board in monitoring and reviewing the risk management plan,

implementation of risk management framework of the Company and such other functions as the Board may deem fit.

The details of Risk Management Committee composition, Meetings and attendance of Committee Members are provided in the Corporate Governance Report.

MATERIAL CHANGES AND COMMITMENTS AFFECTING THE FINANCIAL POSITION OF THE COMPANY

There are no material changes and commitments, affecting the financial position of the Company which have occurred between the end of the financial year of the Company to which the financial statements relate and the date of the report, except impact of Covid-19 on business performance as stated hereinabove.

PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS UNDER SECTION 186

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

PARTICULARS OF CONTRACT OR ARRANGEMENTS MADE WITH RELATED PARTIES

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

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

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

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

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

The web link of 'Policy on Related Party Transactions/Disclosures' is https://www.nseprimeir.com/z_BlueDart/files/Bluedart_RelatedPartyDisclosures_final.pdf

DIRECTORS' RESPONSIBILITY STATEMENT

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

- i. In the preparation of the Financial Statement, the applicable accounting standards have been followed and that no material departures have been made from the same;
- ii. They have selected accounting policies and applied them consistently and made judgements and estimates that are

DIRECTORS' REPORT

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 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 Companies Act, 2013 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- iv. They have prepared the annual accounts on a going concern basis;
- v. They have laid down proper internal financial controls to be followed by the Company and that the financial controls were adequate and were operating effectively; and
- vi. They have devised proper systems to ensure compliance with the provisions of all applicable laws were in place and were adequate and operating effectively.

BOARD EVALUATION

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

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

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

The evaluation of Independent Directors is carried out by the entire Board excluding the Director being evaluated which includes performance of Directors and fulfillment of the independence criteria as specified and their independence from the management.

AUDITORS

Pursuant to provisions of Section 139 of the Companies Act, 2013 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. S. R. Batliboi & Associates LLP, Chartered Accountants, (Firm Registration no. 101049W/E300004), were appointed as Statutory Auditors of the Company for a term of five years to hold office from conclusion of the Twenty Sixth Annual General Meeting of the

Company held on July 27, 2017 upto the conclusion of the Thirty First Annual General Meeting, subject to ratification of their appointment at each subsequent Annual General Meeting.

The requirement of seeking ratification by the members for continuance of their appointment has since been withdrawn consequent to changes made by the Companies (Amendment) Act, 2018 with effect from May 07, 2018. Hence, the resolution seeking ratification of the members for their appointment is not being placed at the ensuing Annual General Meeting.

Your Company has received necessary certificate from M/s. S. R. Batliboi & Associates LLP, Chartered Accountants confirming that they satisfy the criteria provided under section 141 of the Companies Act, 2013 and are not disqualified from continuing as Statutory Auditors of the Company.

The Auditors' Report for 2019-20, does not contain any qualification, reservation or adverse remarks.

SECRETARIAL AUDIT REPORT

Pursuant to provisions of Section 204 of the Companies Act, 2013 and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the Company had appointed M/s. Nilesh Shah & Associates, Company Secretary in Practice, to undertake "Secretarial Audit" and "Annual Secretarial Compliance Audit" of the Company for the year ended March 31, 2020.

The Secretarial Audit Report is annexed herewith as 'Annexure D' to the Board's Report.

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

DISCLOSURE ON CONFIRMATION WITH THE SECRETARIAL STANDARDS

Your Company is in compliance with the Secretarial Standards, specified by the Institute of Company Secretaries of India.

EXTRACTS OF ANNUAL RETURN

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

Further, extract of the Annual Return of the Company can also be accessed on the Company's website at <https://www.bluedart.com>

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

The Company's Equity Shares are listed on the BSE Limited and the National Stock Exchange of India Limited. The Company has paid its annual listing fees for the listed securities to the stock exchanges for the financial year 2020-2021.

DIRECTORS' REPORT

Your Company has formulated following Policies as required under Securities and Exchange Board of India (Listing Obligations & Disclosure Requirements) Regulations, 2015.

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

The web link of 'Archival Policy' is: https://www.nseprimeir.com/z_BlueDart/files/Bluedart_Archival_Policy.pdf

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

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

https://www.nseprimeir.com/z_BlueDart/files/Bluedart_Policy_for_determining_Materiality.pdf

POLICIES

The Board of Directors of the Company, from time to time, has framed and revised various Policies as per the applicable acts, rules, regulations and standards for better governance and administration of your Company. Some of the important Policies that were framed by your Board include the following:

1. Nomination & Remuneration Policy: This policy sets the objective, terms of reference, functions and scope of the Nomination & Remuneration Committee for determining qualifications, experience, independence etc. relating to the appointment and remuneration for the Directors, Key Managerial Personnel and Senior Management employees of the Company
2. Corporate Social Responsibility ('CSR') Policy: This policy sets out the role of the CSR Committee of the Board of Directors, which includes identification of the areas where the CSR activities will be performed, evaluation of CSR activities, review the CSR spending vis-a-vis the activities implemented and monitoring the process of CSR projects/ programs of the Company.
3. Risk Management Policy: This policy provides the framework for identification of risks of the Company, risk assessment and prioritization, loss prevention measures and other risk management measures for the Company.
4. Related Party Transactions Policy: This policy regulates the transactions between the Company and its related parties and the required corporate approvals as per the laws and regulations applicable to the Company from time to time.
5. Policy on Determination of Materiality of Event or Information: This Policy lays down the criteria for determining the materiality

of an event or information of the Company for purposes of making required disclosures to the stock exchanges pursuant to the Securities and Exchange Board of India (Listing Obligations & Disclosure Requirements) Regulations, 2015.

6. Code of Conduct for dealing in the Company's Securities: Pursuant to the Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015, your Company has framed a Code of Conduct on prohibition of insider trading
7. Dividend Distribution Policy: This policy describes the circumstances under which a Member may or may not expect a dividend and the financial parameters and internal and external factors which are considered by the Board of Directors for declaration of dividend.

TRANSFER OF UNCLAIMED DIVIDEND AND UNCLAIMED SHARES

The details relating to unclaimed dividend and unclaimed shares forms part of the Corporate Governance Report.

CORPORATE GOVERNANCE AND MANGEMENT DISCUSSION AND ANALYSIS REPORT

Your Company is committed to maintaining high standards of Corporate Governance and adhering to Corporate Governance requirements set out by the Securities and Exchange Board of India. Your Company believes that Corporate Governance is application of the best management practices, compliance of law in true 'letter and spirit' and adherence to an ethical standards for effective management and distribution of wealth and discharge of social responsibility for sustainable development of all stakeholders.

At the Company, corporate governance is a reflection of the principles embedded in its values, policies and day-to-day business practices, leading to sustainable, value-driven growth of the Company. Your Company maintains the highest standards of corporate governance and disclosure practices, and is committed to transparency in all its dealings.

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

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

BUSINESS RESPONSIBILITY REPORT (BRR)

As stipulated in Listing Regulations, the Business Responsibility Report, describing initiatives undertaken by the Company from an environmental, social and governance perspective, is attached and forms part of this Annual Report.

DIRECTORS' REPORT

CEO/CFO CERTIFICATION

In accordance with the Regulation 17 of Securities and Exchange Board of India (Listing Obligations & Disclosure Requirements) Regulations, 2015 pertaining to corporate governance norms, Mr. Balfour Manuel, Managing Director and Mr. Aneel Gambhir, Chief Financial Officer, certified, inter-alia, on review of financial statements and establishing and maintaining internal controls for the financial reporting for the financial year ended March 31, 2020. The said certificate forms an integral part of the Annual Report.

DEPOSITS

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

HUMAN RESOURCE DEVELOPMENT

The Company's Human Resources (HR) function has always been aligned with the business objectives and requirements for an effective partnership. Attracting, enabling and retaining talent have been the cornerstone of the Human Resource function and the result underscore the important role that human capital plays in critical strategic activities such as growth. Blue Dart is recognised as one of India's Best Places to Work for. Some of the highlights of key areas on which HR laid emphasis and achieved results were viz; Employees Morale & Motivation, Performance Management, Succession Planning & Executive Development Review, Competency Development, Employee Wellness and Well Being, Work-Life Balance Initiatives etc.

The Employee Satisfaction Survey ("ESS") in 2019 was conducted with a unique and strategic approach facilitated by HR under guidance of Managing Director. This approach focused on facilitating senior management communication/ dialogue/ interaction with employees and clarification sessions for ESS issues/ employee touch points. HR carried out the ESS communication campaign, focusing more on structured interaction between SMTs and employees prior to the launch of ESS in 2019. The ESS for the year 2019 was conducted with 99.18% employees participating in the survey.

The mean satisfaction score for the year is 94.8%. 'Pride in Working for Blue Dart' has a high score of 96.4%. Employee engagement has also emerged as one of the highest scoring items with a score of 94.8% in addition to active leadership with a score of 95.2%. Amongst the dimension wise scores, customer orientation is the highest scoring dimension with a mean satisfaction score of 95.8%. This high engagement score has become possible due to active leadership of senior management team members / managers/ Supervisors through regular interactions, action plan on areas of concern and focusing on them with proper communication and feedback sessions. The ESS scores are an affirmation of our 'People First Philosophy'.

EMPLOYEES

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

Blue Dart has always been acknowledged for its people and customer

centric approach. Blue Dart's People-First philosophy coupled with passion and commitment of its employees has enabled the company to overcome many challenges in the past.

Your Company believes that its employees are its core strength and accordingly development of people and providing the 'best-in-class' work environment are key priorities for the organisation to drive business objectives and goals. Comprehensive HR policies are in place which enables building of a strong performance culture and simultaneously developing current and future leaders.

The Information on the particulars of employees' remuneration as per Section 197(12) of the Companies Act, 2013, read with Rule 5(2) and 5(3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 as amended from time to time, forms part of this Report. However, as per the provisions of Section 136 (1) of the Companies Act, 2013, the report and Financial Statements are being sent to all shareholders of the Company, excluding the Statement of Particulars of Employees. In accordance with the provisions of Section 136 of the Companies Act, 2013, this exhibit is available for inspection by the shareholders through electronic mode. Any Member interested in obtaining a copy of the said statement may send e-mail on Investors@bluedart.com.

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

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

The particulars regarding conservation of Energy, Technology Absorption and foreign exchange earnings and expenditure stipulated under section 134(3)(m) of the Companies Act, 2013 read with the Companies (Accounts) Rule 2014 are annexed as 'Annexure G' to the Board's Report.

GENERAL

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

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

DIRECTORS' REPORT

5. As on March 31, 2020, there is no associate company or joint venture company within the meaning of Section 2(6) of the Companies Act, 2013.
6. No material fraud has been reported by the Auditors to the Audit Committee or the Board.
7. There was no change in the nature of business.

For and on behalf of the Board of Directors,

Sharad Upasani
Chairman
DIN: 01739334

Balfour Manuel
Managing Director
DIN: 08416666

Narendra Sarda
Director
DIN: 03480129

Air Marshal M. McMahon (Retd.)
Director
DIN: 00234293

Tulsi Nowlakha Mirchandaney
Director
DIN: 01842520

Kavita Nair
Director
DIN: 07771200

R.S.Subramanian
Director
DIN: 02946608

Mumbai

May 26, 2020

ACKNOWLEDGEMENT

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

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

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

The Directors regret the loss of life due to COVID-19 pandemic and are deeply grateful and have immense respect for the Medical Fraternity/ Police/ Municipal Workers and various other fighters on the front lines who risk their life and safety to fight this pandemic and protect the society at large.

ANNEXURES TO DIRECTORS' REPORT

'ANNEXURE A'

Form AOC-I

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

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

Part "A": Subsidiary Companies

₹ In Lakhs

Name of the subsidiary	Concorde Air Logistics Ltd.	Blue Dart Aviation Limited
Country	India	India
The date since when subsidiary was acquired	May 11, 2004	June 22, 2015
Reporting period for the subsidiary concerned, if different from the holding company's reporting period	N.A	N.A
Reporting currency	INR	INR
Exchange rate as on the last date of the relevant Financial year in the case of foreign subsidiaries	N.A	N.A
Share capital	11	2400
Reserves & surplus	488	2240
Total assets	1,474	127820
Total Liabilities	975*	123180*
Investments	-	-
Total Revenue	456	80686
Profit before taxation	7	801
Provision for taxation	4	1161
Profit / (Loss) after taxation	3	(360)
Proposed Dividend	-	-
% of shareholding	100%	100%

* Excluding Share Capital & Reserves & Surplus

Notes :

1. Names of subsidiaries which are yet to commence operation : None
2. Names of subsidiaries which have been liquidated or sold during the year : None

Part B : Associates and Joint Venture – None

For and on behalf of the Board of Directors,

Sharad Upasani

Chairman
DIN: 01739334

Tulsi Nowlakra Mirchandaney

Director
DIN: 01842520

Mumbai
May 26, 2020

Balfour Manuel

Managing Director
DIN:08416666

Kavita Nair

Director
DIN : 07771200

Aneel Gambhir
Chief Financial Officer

Narendra Sarda

Director
DIN: 03480129

R.S.Subramanian

Director
DIN : 02946608

Tushar Gunderia
Company Secretary

Air Marshal M. McMahon (Retd.)

Director
DIN: 00234293

ANNEXURES TO DIRECTORS' REPORT

'ANNEXURE B'

ANNUAL REPORT ON CSR ACTIVITIES

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

Sustainability at the Company

The Sustainability Policy is aligned to Deutsche Post DHL (DPDHL) Group's purpose of "Connecting People, Improving Lives" based on the 3 pillars of

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

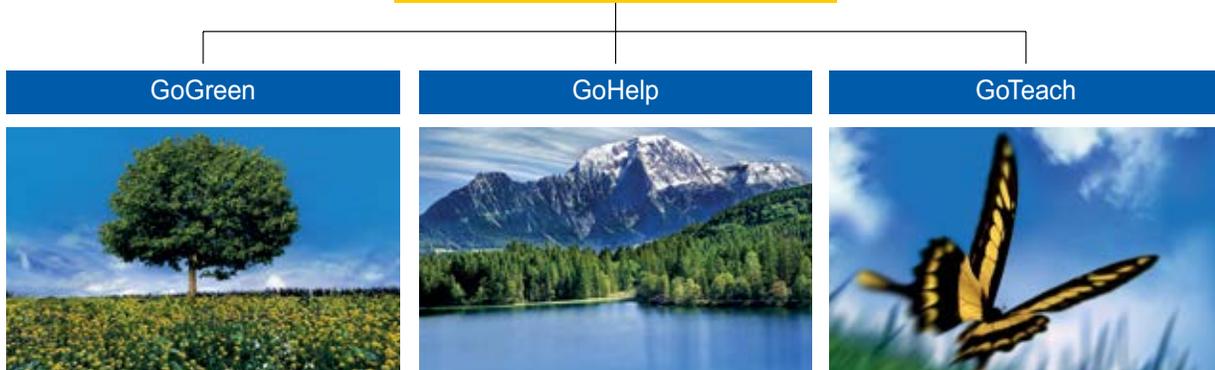
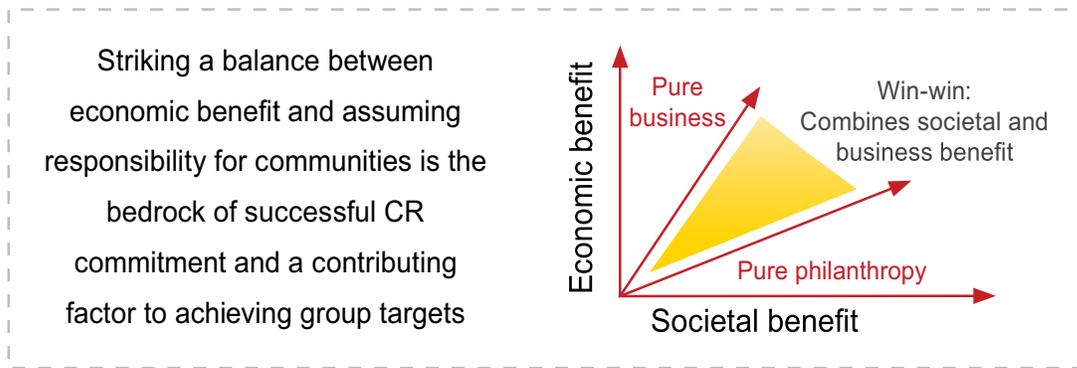
Philosophy

Social Responsibility is a core element of the Company's corporate strategy. As a socially responsible corporate, your Company's

commitment towards the community has been unwavering since its inception in 1983.

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

In line with DPDHL Group's "Connecting People, Improving Lives" purpose, we take our responsibility towards the communities in which we operate and towards the environment seriously. We as an organisation commit to make a positive contribution to our world by using our knowledge, our vast domestic and global presence to benefit people and the environment. As an Indian company with a global outlook, we strive to maintain a balance between economic, environmental and social interests.



ANNEXURES TO DIRECTORS' REPORT

- | | |
|--|--|
| <p>2. Web-Link to the CSR Policy
 https://www.nseprimeir.com/z_BlueDart/files/Bluedart_CSR_Policy_03_12_2019.pdf</p> <p>3. The Composition of the CSR Committee.
 The CSR Committee of the Board comprises of the following:</p> <ul style="list-style-type: none"> • Mr. Sharad Upasani, Chairman of the Committee • Mr. Balfour Manuel, Member of the Committee • Ms. Tulsi N. Mirchandaney, Member of the Committee <p>4. Average net profit of the company for last three financial years
 ₹ 18,573 Lakhs</p> | <p>5. Prescribed CSR Expenditure (2% of the amount as in item 4 above)
 ₹ 372 Lakhs</p> <p>6. Details of CSR spent during the financial year.</p> <p>(a) Total amount spent for the financial year;
 ₹ 372 Lakhs</p> <p>(b) Amount unspent , if any;
 NIL</p> <p>(c) Manner in which the amount spent during the financial year is detailed below.</p> |
|--|--|

CSR Spends in 2019-20

Sr. No.	CSR project or activity identified	Sector in which the Project Is covered	Projects or Programs (1) Local area or other (2) Specify the state and district where projects or programs was undertaken	Amount outlay (budget) project or programs wise	Amount spent on the projects or programs Sub – heads: (1) Direct expenditure on projects or programs (2) Overheads	Cumulative expenditure upto the reporting period	Amount spent: Direct or through implement - ing agency
1	Blue Edge: Empowering Lives	(ii) Promoting education, special education & employment enhancing vocation skills among children, women, elderly & differently-abled and livelihood enhancement projects	Mumbai, Chennai, Bengaluru	79,42,712	49,17,207	49,17,207	Implementing Agency: Oasis India
2	Blue Edge: Empowering Lives	(ii) Promoting education, special education & employment enhancing vocation skills among children, women, elderly & differently-abled and livelihood enhancement projects	Delhi	11,08,923	11,08,923	11,08,923	Implementing Agency: Noida Deaf Society (NDS)
3	Blue Edge: Empowering Lives	(ii) Promoting education, special education & employment enhancing vocation skills among children, women, elderly & differently-abled and livelihood enhancement projects	Kolkata	13,23,905	12,48,616	12,48,616	Implementing Agency: Hope Foundation
4	Blue Greens: Tree Plantation	(iv) Ensuring environmental sustainability, ecological balance, protection of flora and fauna, animal welfare, agroforestry, conservation of natural resources and maintaining quality of soil, air and water.	Kanha-Pench Wildlife corridor	1,00,00,000	1,00,00,000	1,00,00,000	Implementing Agency: Pangea Eco Net Assets Private Limited / Grow Trees

ANNEXURES TO DIRECTORS' REPORT

Sr. No.	CSR project or activity identified	Sector in which the Project is covered	Projects or Programs (1) Local area or other (2) Specify the state and district where projects or programs was undertaken	Amount outlay (budget) project or programs wise	Amount spent on the projects or programs Sub – heads: (1) Direct expenditure on projects or programs (2) Overheads	Cumulative expenditure upto the reporting period	Amount spent: Direct or through implementing agency
5	Blue Homes: Setting up homes for orphans	(iii) Promoting gender equality, empowering women, setting up homes and hostels for women and orphans; setting up oldage homes, day care centres and such other facilities for senior citizens and measures for reducing inequalities faced by socially and economically backward groups	Jammu, Srinagar, Bhuj, Raipur, Latur and Cochin	77,72,000	82,59,000	82,59,000	Implementing Agency: SOS Children's Villages of India
6	Blue Homes: Blue Dart Child Care Centre for cancer affected children	(iii) Promoting gender equality, empowering women, setting up homes and hostels for women and orphans; setting up oldage homes, day care centres and such other facilities for senior citizens and measures for reducing inequalities faced by socially and economically backward groups	Guwahati	53,00,000	42,00,000	42,00,000	Implementing Agency: St. Jude India ChildCare Centres
7	Blue Help: Free of Cost Cataract Surgeries	(i) Eradicating hunger, poverty & malnutrition, preventive healthcare & sanitation & making available safe drinking water.	Mumbai, Thane, Dhule and Palgarh districts	25,00,000	25,00,000	25,00,000	Implementing Agency: HelpAge India
8	Blue Help: Free eye surgeries for underprivileged people from lower social economic strata of society	(i) Eradicating hunger, poverty & malnutrition, preventive healthcare & sanitation & making available safe drinking water.	Udaipur, Raipur and Puducherry	10,00,000	10,00,000	10,00,000	Implementing Agency: Vision Foundation of India
9	Blue Help: Upgradation of the ICU department of Neurosurgery, at KEM Hospital	(i) Eradicating hunger, poverty & malnutrition, preventive healthcare & sanitation & making available safe drinking water.	Mumbai	5,00,000	5,00,000	5,00,000	Implementing Agency: KEM Hospital

ANNEXURES TO DIRECTORS' REPORT

Sr. No.	CSR project or activity identified	Sector in which the Project Is covered	Projects or Programs (1) Local area or other (2) Specify the state and district where projects or programs was undertaken	Amount outlay (budget) project or programs wise	Amount spent on the projects or programs Sub – heads: (1) Direct expenditure on projects or programs (2) Overheads	Cumulative expenditure upto the reporting period	Amount spent: Direct or through implement - ing agency
10	CM Relief Fund	(viii) Contribution to Prime Minister's National Relief Fund or any other fund set up by the Central Government for socio-economic development and relief and welfare of Scheduled Castes, the Scheduled Tribes, other backward classes, minorities & women.	Pan India	17,62,596	17,62,596	17,62,596	Direct
11	Administrative Overheads	-	-	34,299	34,299	34,299	Direct
12	Salaries cost for CSR Activity	-	-	16,73,772	16,73,772	16,73,772	Direct
	TOTAL	-	-	4,09,18,207	3,72,04,413	3,72,04,413	-

NOTE:

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

Noida Deaf Society was setup in 2005 as a not-for-profit society by Ruma Roka with an intention of enabling a positive change in the lives of Deaf children and youth. NDS focuses on providing quality education and job oriented vocational training to the deaf which enables them to become productive members of society. From humble beginnings, today NDS has been able to reach out to over 4500 deaf children and youth from across the country. In spite of the limitations of space and infrastructure, they are able to positively impact over 1200 Deaf children and youth every year. NDS is the only organization in the country which has been able to mainstream Deaf youth through sustainable employment. Over 1000 youth are successfully working in some of the most leading companies across sectors ranging from Hospitality, Retail, Information Technology, Banking, Print and Publishing, Education, Textile and Manufacturing among others.

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

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

Grow-Trees.com is a social enterprise which is dedicated purely for the planet, by encouraging individuals and corporates in inculcating the practice of growing trees in public land and dedicate the trees to greet or honour someone by means of an e-certificate with a

ANNEXURES TO DIRECTORS' REPORT

personalized message. Grow trees has plantation projects spread all across the country.

SOS Children's Villages of India has built families for children in need, to help them shape their own future and share in the development of their communities. Primary Target beneficiaries are children without parental care (orphaned and abandoned children) and disadvantaged children in vulnerable families at the risk of losing adequate parental care. The villages are spread all across the geography of the country.

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

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

Department of Neurosurgery at **KEM Hospital** and Seth GS Medical College was founded in 1951 and since then has been led by stalwarts in the field of neurosurgery and is amongst the leading Neurosurgery Centre in the world. The department has a strong history and has been decorated by some of the most reputed and leading neurosurgeons of the country. The department is known for its major contributions to subject of neurosurgery. The patients treated here are not only from Maharashtra or Western India but from throughout the country. The department has been recognized as a "Centre for Excellence" and a "Teaching Centre" for neurosurgeons

of the world. The number and quality of operations done in the department has been amongst the foremost. Most importantly, the neurosurgical services are entirely free of cost for the patients. Needless to say that such medical services form the core of medical system in our country.

Vision Foundation of India is a non-profit, non-governmental organisation established in 1993, with the primary objective of reducing avoidable blindness in India. The beneficiaries are needy people from lower socio economical strata of the society especially from rural areas & urban slums. Currently the activities are going on in 18 states and two union territories of India. Since its inception till today it has benefitted 4,49,977 patients free of cost. Project called "Rashtriya Netra Yagna", commenced from 1st April 2015, aims at treating more than 1.1 million needy people from all over India requiring eye surgery and till date has surgically benefitted 3,60,528 patients across India. These beneficiaries are operated Free of Cost.

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

Not Applicable

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

Sharad Upasani	Balfour Manuel	Tulsi Nowlakha
-----------------------	-----------------------	-----------------------

Chairman
DIN: 01739334

Director
DIN: 08416666

Director
DIN : 1842520

Mumbai
May 26, 2020

ANNEXURES TO DIRECTORS' REPORT

'ANNEXURE C'

FORM NO. AOC - 2

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

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

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

There were no contracts or arrangements or transactions entered into during the year ended March 31, 2020, which were not at arm's length basis.

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

Details of material contracts or arrangement or transaction at arm's length basis for the year ended March 31, 2020 are as follows:

- a. Name(s) of the related Party and nature of relationship – Blue Dart Aviation Ltd., Wholly Owned subsidiary of the Company
- b. Nature of Contract/ arrangements / transactions :
 - Aircraft, Crew, Maintenance and Insurance (ACMI) Agreement - ₹ 79,818 Lakhs
 - Investment – ₹ 14,260 Lakhs
 - Loans (existing) - ₹ Nil
 - Aircraft Payload deposit (existing) - ₹ 2,150 Lakhs
- c. Duration of the contracts/ arrangements/ transactions – ACMI Agreement Renewed/ extended on April 1, 2020 till March 31, 2025.
- d. Salient terms of contracts: The Company has an ACMI Contract with BDAL for dedicated air carriage capacity which ensured strong support in sustaining the Company's leadership position. The Company is only customer of BDAL and BDAL provides services as per network requirements of the Company.
- e. Date(s) of approval by the Board, if any – January 17, 2020
- f. Amount paid as advances, if any : Aircraft Payload deposit of ₹ 2,150 Lakhs

For and on behalf of the Board of Directors,

Sharad Upasani

Chairman
DIN: 01739334

Tulsi Nowlakha Mirchandaney

Director
DIN: 01842520

Mumbai

May 26, 2020

Balfour Manuel

Managing Director
DIN:08416666

Kavita Nair

Director
DIN : 07771200

Narendra Sarda

Director
DIN: 03480129

R.S.Subramanian

Director
DIN : 02946608

Air Marshal M. McMahon (Retd.)

Director
DIN: 00234293

ANNEXURES TO DIRECTORS' REPORT

'ANNEXURE D'

UDIN: F004554B000283811

FORM NO. MR-3 SECRETARIAL AUDIT REPORT

FOR THE FINANCIAL YEAR ENDED 31ST MARCH, 2020

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

To

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

Dear Sir / Madam,

We have conducted 'Secretarial Audit' of compliance of applicable statutory provisions and adherence to good Corporate Governance practices by Blue Dart Express Limited (hereinafter called "the Company"). 'Secretarial Audit' was conducted in a manner which provided us reasonable basis for evaluating the statutory compliances/ corporate conducts / and expressing our opinion thereon.

Based on our verification of the Company's Books, Papers, Minutes Books, Forms and Returns filed with the regulatory authorities and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, we hereby report that in our opinion, the Company has, during the audit period viz; financial year ended 31st March, 2020, materially complied with the statutory provisions listed hereunder and also the Company has proper Board processes and compliance mechanism in place to the extent, in the manner and subject to reporting made hereinafter:

We further report that maintenance of proper and updated Books, Papers, Minutes Books, filing of Forms and Returns with applicable regulatory authorities and maintaining other records is responsibility of management and Company, our responsibility is to verify the content of the documents produced before us, make objective evaluation of the content in respect of compliance and report thereon. We have examined on test check basis, the books, papers, minute books, forms and returns filed and other records maintained by the Company and produced before us for the financial year ended 31st March, 2020, as per the provisions of:

- (i) The Companies Act, 2013 and the rules made thereunder;
- (ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made there under;
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed there under;
- (iv) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings, and to the extent the same was applicable to the Company;
- (v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act') -
 - (a) The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirement) Regulations, 2015;
 - (b) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011
 - (c) Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
 - (d) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993, regarding the Companies Act and dealing with client;
 - (e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008;
 - (f) The Securities and Exchange Board of India (Depositories and Participants) Regulations, 2018;

ANNEXURES TO DIRECTORS' REPORT

- (vi) (a) We have also verified systems and mechanism which are in place and 'Legal Compliance Manual' adopted and circulated by the Company to ensure Compliance of other applicable Laws (in addition to aforementioned Laws applicable to the Company) and we have also relied on the representation made by the Company and its Officers in respect of systems and mechanism formed / followed by the Company for compliances of other applicable Acts, Laws and Regulations to the Company and found adequate compliance of the same.
- (b) We have also verified that the Company has successfully implemented a compliance tool pan India which is an IT enabled legal support for ensuring compliance of various legislations.

We have also examined compliance with the applicable clauses of the Secretarial Standards issued by the Institute of Company Secretaries of India under the provisions of Companies Act, 2013;

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

- (a) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018;
- (b) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009;
- (c) The Securities and Exchange Board of India (Buy Back of Securities) Regulations, 1998;
- (d) The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999 and the Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014;

Based on aforesaid information provided by the Company, we report that during the financial year under report, the Company has complied with the provisions of the aforementioned Acts including applicable provisions of the Companies Act, 2013 and Rules, Regulations, Guidelines, Standards etc. mentioned hereinabove and we have no material observation or instances of non-Compliance in respect of the same.

We further report that:

The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. The changes in the composition of the Board of Directors that took place during the year under review were carried out in compliance with the provisions of the Act.

We also report that adequate notice was given to all Directors prior to scheduling the Board Meetings and Agenda along with detailed notes to Agenda were sent at least seven days in advance and at short notice in case of urgent matters and adequate system exist for the Board Members to seek and obtain further information and clarifications on the agenda items before the meeting and for meaningful participation at the meetings.

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

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

We further report that during the year under report, the Company has not undertaken any corporate action having a major bearing on the Company's affairs in pursuance of aforesaid laws, rules and regulations.

Date : May 26, 2020
Place : Mumbai
Peer Review No: 698/2020

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

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

ANNEXURES TO DIRECTORS' REPORT

'ANNEXURE A'

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

1. Maintenance of secretarial records is responsibility of the management of the company. Our responsibility is to express an opinion on these secretarial records based on our audit.
2. We have followed the audit practices and processes which were appropriate to obtain reasonable assurance about correctness of the contents of the Secretarial records. The verification was done on test basis (by verifying records made available to us) and also in the form of digital database to ensure that correct facts are reflected in secretarial records. We believe that the processes and practices we followed, provide a reasonable basis for our opinion.
3. We have not verified correctness and appropriateness of financial records and Books of Accounts of the company.
4. Wherever required, we have obtained Management representation about the compliance of laws, rules and regulations and occurrence of events.
5. The compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is responsibility of management. Our examination was limited to the verification of process followed by Company to ensure adequate Compliance.
6. The Secretarial Audit Report is neither an assurance as to the future viability of the company nor of an efficacy or effectiveness with which the management has conducted affairs of the company.
7. Due to COVID 19 outbreak and Lockdown situation, in respect of part of the Audit, we have relied on the information, details, data, documents and explanation as provided by the Company, its officers and agents in the electronic form, without physically verifying the same.

Date : May 26, 2020
Place : Mumbai
Peer Review No: 698/2020

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

ANNEXURES TO DIRECTORS' REPORT

'ANNEXURE E'

EXTRACT OF ANNUAL RETURN

As on the financial year ended March 31, 2020

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

FORM NO. MGT – 9

I. REGISTRATION AND OTHER DETAILS

i. CIN	:	L61074MH1991PLC061074
ii. Registration Date	:	April 5, 1991
iii. Name of the Company	:	Blue Dart Express Limited
iv. Category / Sub-Category of the Company	:	Company Limited by Shares Indian Non-government Company
v. Address of the Registered office and contact details	:	Blue Dart Centre, Sahar Airport Road, Andheri (East) Mumbai - 400 099, India. Tel.No. +91 22 28396444
vi. Whether listed company Yes / No	:	Yes
vii. Name, Address and Contact details of Registrar and Transfer Agent, if any	:	M/s. Link Intime India Pvt. Ltd. C 101, First Floor, 247 Park, L B S Marg, Vikhroli West, Mumbai 400 083. Tel.No. +91 22 49186000 Email – rnt.helpdesk@linkintime.co.in

II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY

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

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES

Sr. No.	Name and Address of the Company	CIN/GLN	Holding/ Subsidiary/ Associate	% of shares held	Applicable Section
1.	DHL Express (Singapore) Pte. Ltd. 150, Beach Road, Gateway West 04-01, Singapore 189720	-	Holding	75%	2(46)
2.	Concorde Air Logistics Limited 17, Adarsh Industrial Estate, Sahar Road, Chakala, Andheri (E), Mumbai - 400 099	U60230MH2004PLC146141	Subsidiary	100%	2(87)
3.	Blue Dart Aviation Limited Blue Dart Centre, Sahar Airport Road, Andheri (E), Mumbai - 400 099	U35303MH1994PLC078691	Subsidiary	100%	2(87)

ANNEXURES TO DIRECTORS' REPORT

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

i. Category-wise Share Holding

Category of Shareholders	No. of Shares held at the beginning of the year (as on April 1, 2019 i.e. on the basis of Shareholding Pattern of March 31, 2019)				No. of Shares held at the end of the year (as on March 31, 2020 i.e. on the basis of Shareholding Pattern of March 31, 2020)				% change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
A. Shareholding of Promoter and Promoter Group									
(1) Indian									
a) Individuals / Hindu Undivided Family	0	0	0	0.00	0	0	0	0.00	0.00
b) Central Government / State Government(s)	0	0	0	0.00	0	0	0	0.00	0.00
c) Financial Institutions / Banks	0	0	0	0.00	0	0	0	0.00	0.00
d) Any Other (Specify)									0.00
Sub-Total (A)(1):	0	0	0	0.00	0	0	0	0.00	0.00
(2) Foreign									0.00
a) Individuals (Non-Resident Individuals / Foreign Individuals)	0	0	0	0.00	0	0	0	0.00	0.00
b) Government	0	0	0	0.00	0	0	0	0.00	0.00
c) Institutions	0	0	0	0.00	0	0	0	0.00	0.00
d) Foreign Portfolio Investor	0	0	0	0.00	0	0	0	0.00	0.00
e) Any Other (Specify)									0.00
Bodies Corporate	17795950	0	17795950	75.00	17795950	0	17795950	75.00	0.00
Sub-Total (A)(2):	17795950	0	17795950	75.00	17795950	0	17795950	75.00	0.00
Total Shareholding of Promoters (A) = (A)(1)+(A)(2)	17795950	0	17795950	75.00	17795950	0	17795950	75.00	0.00
B. Public Shareholding									
1) Institutions									
a) Mutual Funds	555616	200	555816	2.34	678588	200	678788	2.87	0.53
b) Venture Capital Funds	0	0	0	0.00	0	0	0	0.00	0.00
c) Alternate Investment Funds	33592	0	33592	0.14	3300	0	3300	0.01	-0.13
d) Foreign Venture Capital Investors	0	0	0	0.00	0	0	0	0.00	0.00
e) Foreign Portfolio Investor	1067412	0	1067412	4.50	634839	0	634839	2.68	-1.81
f) Financial Institutions / Banks	648831	200	649031	2.74	623483	200	623683	2.63	-0.10
g) Insurance Companies	0	0	0	0.00	1275472	0	1275472	5.38	5.38
h) Provident Funds/ Pension Funds	0	0	0	0.00	0	0	0	0.00	0.00
i) Any Other (Specify)	0	0	0	0.00	0	0	0	0.00	0.00

ANNEXURES TO DIRECTORS' REPORT

Category of Shareholders	No. of Shares held at the beginning of the year (as on April 1, 2019 i.e. on the basis of Shareholding Pattern of March 31, 2019)				No. of Shares held at the end of the year (as on March 31, 2020 i.e. on the basis of Shareholding Pattern of March 31, 2020)				% change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
UTI	0	200	200	0.00	0	200	200	0.00	0.00
Sub-Total (B)(1):	2305451	600	2306051	9.72	3215682	600	3216282	13.56	3.85
(2) Central Government/ State Government(s)/ President of India	0	0	0	0.00	0	0	0	0.00	0.00
Central Government / State Government(s)	0	0	0	0.00	0	0	0	0.00	0.00
Sub Total (B)(2)	0	0	0	0.00	0	0	0	0.00	0.00
(3) Non-Institutions									
a) Individuals									
i) Individual shareholders holding nominal share capital upto ₹ 1 lakh	855353	63911	919264	3.87	839954	54711	894665	3.77	-0.10
ii) Individual shareholders holding nominal share capital in excess of ₹ 1 lakh	65279	0	65279	0.28	302090	0	302090	1.27	0.99
b) NBFCs registered with RBI	2128	0	2128	0.01	1000	0	1000	0.01	-0.00
c) Overseas Depositories (holding DRs) (balancing figure)	0	0	0	0.00	0	0	0	0.00	0.00
d) Others (specify)	16442	0	16442	0.07	21892	0	21892	0.09	0.02
1. IEPF									
2. Trusts	80	0	80	0.00	100	0	100	0.00	0.00
3. Hindu Undivided Family	38083	0	38083	0.16	39482	0	39482	0.17	0.01
4. Non Resident Indians (Non Repat)	15157	0	15157	0.06	14270	0	14270	0.06	-0.00
5. Non Resident Indians (Repat)	23247	1600	24847	0.10	24189	600	24789	0.10	-0.00
6. Clearing Member	7212	0	7212	0.03	6346	0	6346	0.02	-0.00
7. Bodies Corporate	2535441	2000	2537441	10.69	1410468	600	1411068	5.95	-4.74
Sub-Total (B)(3):	3558422	67511	3625933	15.28	2659791	55911	2715702	11.44	-3.83
Total Public Shareholding (B)=(B)(1)+(B)(2)+(B)(3)	5863873	68111	5931984	25.00	5875473	56511	5931984	25.00	0.00
Total (A)+(B)	23659823	68111	23727934	100.00	23671423	56511	23727934	100.00	0.00

ANNEXURES TO DIRECTORS' REPORT

Category of Shareholders	No. of Shares held at the beginning of the year (as on April 1, 2019 i.e. on the basis of Shareholding Pattern of March 31, 2019)				No. of Shares held at the end of the year (as on March 31, 2020 i.e. on the basis of Shareholding Pattern of March 31, 2020)				% change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
C. Non Promoter - Non Public									
1) Custodian/DR Holder	0	0	0	0.00	0	0	0	0.00	0.00
2) Employee Benefit Trust (under SEBI (Share based Employee Benefit) Regulations, 2014)	0	0	0	0.00	0	0	0	0.00	0.00
Grand Total (A+B+C)	23659823	68111	23727934	100.00	23671423	56511	23727934	100.00	0.00

ii) Shareholding of Promoters

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

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

Sr. No.		No. of Shares held at the beginning of the year (as on April 1, 2019 i.e. on the basis of Shareholding Pattern of March 31, 2019)		Cumulative Shareholding during the year	
		No. of Shares	% of total Shares of the company	No. of Shares	% of total Shares of the company
1.	At the beginning of the year	No change during the year			
2.	Date wise Increase/Decrease in Promoters Share holding during the year specifying the reasons for increase/decrease (e.g. allotment / transfer / bonus/ sweat equity etc):	No change during the year			
3.	At the End of the year 31.03.2020	No change during the year			

ANNEXURES TO DIRECTORS' REPORT

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

Sr. No.	Name & Type Of Transaction	Shareholding at the beginning of the year - 01.04.2019		Transactions During The Year		Cumulative Shareholding at the end of the year - 31.03.2020	
		No. of Shares	% of total Shares of the company	Date of Transaction	No. of Shares	No. of Shares Held	% of total Shares of the company
1	ICICI PRUDENTIAL LIFE INSURANCE COMPANY LIMITED	862017	3.6329			862017	3.6329
	Market Purchase			03 May 2019	4500	866517	3.6519
	Market Purchase			10 May 2019	3000	869517	3.6645
	Market Purchase			07 Jun 2019	28274	897791	3.7837
	Market Sell			29 Jun 2019	-400	897391	3.782
	Market Sell			19 Jul 2019	-29878	867513	3.6561
	Market Purchase			27 Sep 2019	12016	879529	3.7067
	Market Purchase			30 Sep 2019	3929	883458	3.7233
	Market Purchase			04 Oct 2019	1538	884996	3.7298
	Market Sell			18 Oct 2019	-146	884850	3.7291
	Market Sell			29 Nov 2019	-77	884773	3.7288
	Market Sell			06 Dec 2019	-1529	883244	3.7224
	Market Purchase			20 Dec 2019	248	883492	3.7234
	Market Purchase			27 Dec 2019	3896	887388	3.7398
	Market Purchase			31 Dec 2019	322	887710	3.7412
	Market Purchase			03 Jan 2020	3000	890710	3.7538
	Market Sell			17 Jan 2020	-26427	864283	3.6425
	Market Sell			21 Feb 2020	-300	863983	3.6412
	Market Purchase			28 Feb 2020	300	864283	3.6425
	AT THE END OF THE YEAR					864283	3.6425
2	BRIGHT STAR INVESTMENTS PVT LTD	795934	3.3544			795934	3.3544
	AT THE END OF THE YEAR					795934	3.3544
3	LIFE INSURANCE CORPORATION OF INDIA	620844	2.6165			620844	2.6165
	AT THE END OF THE YEAR					620844	2.6165
4	DAMANI ESTATE AND FINANCE PVT LTD	303062	1.2772			303062	1.2772
	AT THE END OF THE YEAR					303062	1.2772
5	MATTHEWS INDIA FUND	475939	2.0058			475939	2.0058
	Market Sell			25 Oct 2019	-78216	397723	1.6762
	Market Sell			01 Nov 2019	-8857	388866	1.6389
	Market Sell			08 Nov 2019	-4505	384361	1.6199
	Market Sell			22 Nov 2019	-3900	380461	1.6034
	Market Sell			29 Nov 2019	-54539	325922	1.3736
	Market Sell			06 Dec 2019	-10388	315534	1.3298
	Market Sell			06 Mar 2020	-652	314882	1.3271
	Market Sell			13 Mar 2020	-5146	309736	1.3054

ANNEXURES TO DIRECTORS' REPORT

Sr. No.	Name & Type Of Transaction	Shareholding at the beginning of the year - 01.04.2019		Transactions During The Year		Cumulative Shareholding at the end of the year - 31.03.2020	
		No. of Shares	% of total Shares of the company	Date of Transaction	No. of Shares	No. of Shares Held	% of total Shares of the company
	Market Sell			20 Mar 2020	-5903	303833	1.2805
	Market Sell			27 Mar 2020	-37043	266790	1.1244
	Market Sell			31 Mar 2020	-9936	256854	1.0825
	AT THE END OF THE YEAR					256854	1.0825
6	BAJAJ ALLIANZ LIFE INSURANCE COMPANY LTD.	194185	0.8184			194185	0.8184
	Market Purchase			05 Apr 2019	4000	198185	0.8352
	Market Purchase			12 Apr 2019	1000	199185	0.8395
	Market Purchase			26 Apr 2019	500	199685	0.8416
	Market Purchase			24 May 2019	1000	200685	0.8458
	Market Purchase			02 Aug 2019	1500	202185	0.8521
	Market Purchase			06 Sep 2019	500	202685	0.8542
	Market Purchase			04 Oct 2019	4000	206685	0.8711
	Market Purchase			01 Nov 2019	1500	208185	0.8774
	Market Purchase			08 Nov 2019	3500	211685	0.8921
	Market Purchase			27 Dec 2019	1000	212685	0.8963
	Market Purchase			31 Dec 2019	1000	213685	0.9006
	Market Purchase			03 Jan 2020	1000	214685	0.9048
	Market Purchase			31 Jan 2020	3500	218185	0.9195
	Market Purchase			07 Feb 2020	2000	220185	0.928
	Market Sell			21 Feb 2020	-7000	213185	0.8985
	Market Purchase			06 Mar 2020	8000	221185	0.9322
	Market Purchase			13 Mar 2020	3000	224185	0.9448
	Market Purchase			20 Mar 2020	2000	226185	0.9532
	Market Purchase			27 Mar 2020	4654	230839	0.9729
	Market Purchase			31 Mar 2020	500	231339	0.975
	AT THE END OF THE YEAR					231339	0.975
7	TATA MULTICAP FUND	0	0			0	0
	Market Purchase			17 Jan 2020	57200	57200	0.2411
	Market Purchase			24 Jan 2020	166500	223700	0.9428
	Market Purchase			27 Mar 2020	7105	230805	0.9727
	AT THE END OF THE YEAR					230805	0.9727
8	LAND T MUTUAL FUND TRUSTEE LTD - LAND T MID CAP FUND	102528	0.4321			102528	0.4321
	Market Purchase			19 Jul 2019	15024	117552	0.4954
	Market Purchase			26 Jul 2019	6061	123613	0.521

ANNEXURES TO DIRECTORS' REPORT

Sr. No.	Name & Type Of Transaction	Shareholding at the beginning of the year - 01.04.2019		Transactions During The Year		Cumulative Shareholding at the end of the year - 31.03.2020	
		No. of Shares	% of total Shares of the company	Date of Transaction	No. of Shares	No. of Shares Held	% of total Shares of the company
	Market Purchase			02 Aug 2019	2465	126078	0.5313
	Market Purchase			13 Sep 2019	89	126167	0.5317
	Market Purchase			18 Oct 2019	3000	129167	0.5444
	Market Purchase			01 Nov 2019	25000	154167	0.6497
	Market Purchase			17 Jan 2020	51262	205429	0.8658
	AT THE END OF THE YEAR					205429	0.8658
9	HDFC LIFE INSURANCE COMPANY LIMITED	103790	0.4374			103790	0.4374
	Market Purchase			21 Jun 2019	6000	109790	0.4627
	Market Sell			05 Jul 2019	-39	109751	0.4625
	Market Sell			12 Jul 2019	-572	109179	0.4601
	Market Sell			19 Jul 2019	-864	108315	0.4565
	Market Sell			02 Aug 2019	-2	108313	0.4565
	Market Sell			09 Aug 2019	-5306	103007	0.4341
	Market Sell			16 Aug 2019	-7	103000	0.4341
	Market Sell			23 Aug 2019	-7	102993	0.4341
	Market Sell			30 Aug 2019	-7	102986	0.434
	Market Sell			06 Sep 2019	-17	102969	0.434
	Market Sell			20 Sep 2019	-958	102011	0.4299
	Market Sell			27 Sep 2019	-299	101712	0.4287
	Market Purchase			29 Nov 2019	44468	146180	0.6161
	Market Purchase			06 Dec 2019	10432	156612	0.66
	Market Sell			17 Jan 2020	-834	155778	0.6565
	Market Sell			24 Jan 2020	-4066	151712	0.6394
	Market Sell			07 Feb 2020	-1712	150000	0.6322
	AT THE END OF THE YEAR					150000	0.6322
10	KOTAK SMALL CAP FUND	8465	0.0357			8465	0.0357
	Market Purchase			11 Oct 2019	437	8902	0.0375
	Market Purchase			18 Oct 2019	898	9800	0.0413
	Market Purchase			01 Nov 2019	56000	65800	0.2773
	Market Purchase			15 Nov 2019	3156	68956	0.2906
	Market Purchase			29 Nov 2019	36244	105200	0.4434
	Market Purchase			06 Dec 2019	1771	106971	0.4508
	Market Purchase			17 Jan 2020	5000	111971	0.4719
	Market Purchase			31 Jan 2020	959	112930	0.4759
	Market Purchase			07 Feb 2020	2599	115529	0.4869

ANNEXURES TO DIRECTORS' REPORT

Sr. No.	Name & Type Of Transaction	Shareholding at the beginning of the year - 01.04.2019		Transactions During The Year		Cumulative Shareholding at the end of the year - 31.03.2020	
		No. of Shares	% of total Shares of the company	Date of Transaction	No. of Shares	No. of Shares Held	% of total Shares of the company
	Market Purchase			28 Feb 2020	1086	116615	0.4915
	Market Purchase			06 Mar 2020	3326	119941	0.5055
	Market Purchase			13 Mar 2020	5540	125481	0.5288
	Market Purchase			20 Mar 2020	1606	127087	0.5356
	Market Purchase			27 Mar 2020	1239	128326	0.5408
	Market Purchase			31 Mar 2020	4000	132326	0.5577
	AT THE END OF THE YEAR					132326	0.5577

- Note: 1. Paid up Share Capital of the Company (Face Value ₹ 10.00) at the end of the year is 23727934 Shares.
 2. The details of holding has been clubbed based on PAN.
 3. % of total Shares of the Company is based on the paid up Capital of the Company at the end of the Year.

(v) Shareholding of Directors and Key Managerial Personnel

Sr. No.	Name of Directors/KMP	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of Shares	% of total Shares of the company	No. of Shares	% of total Shares of the company
1.	Mr. Balfour Manuel				
	At the beginning of the year	800	0.0034	800	0.0034
	Bought during the year	0	0.0000	800	0.0034
	Sold during the year	0	0.0000	800	0.0034
	At the end of the year			800	0.0034
2.	Mr. Aneel Gambhir				
	At the beginning of the year	5	0.00	5	0.00
	Bought during the year	0	0.00	5	0.00
	Sold during the year	0	0.00	5	0.00
	At the end of the year			5	0.00
	At the beginning of the year	Except above, none of the Directors and Key Managerial Personnel hold shares in the Company			
	Date wise Increase / Decrease in Share holding during the year specifying the reasons for increase / decrease (e.g. allotment /transfer /bonus/ sweat equity etc):	Except above, none of the Directors and Key Managerial Personnel hold shares in the Company			
	At the End of the year	Except above, none of the Directors and Key Managerial Personnel hold shares in the Company			

ANNEXURES TO DIRECTORS' REPORT

(v) INDEBTEDNESS

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

₹ in Lakhs

	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year				
i) Principal Amount	NIL	14,618	NIL	14,618
ii) Interest due but not paid	NIL	NIL	NIL	NIL
iii) Interest accrued but not due	NIL	NIL	NIL	NIL
Total (i+ii+iii)	NIL	14,618	NIL	14,618
Change in Indebtedness during the financial year				
• Addition	NIL	NIL	NIL	NIL
• Reduction	NIL	7,118	NIL	7,118
Net Change	NIL	(7,118)	NIL	(7,118)
Indebtedness at the end of the financial year				
i) Principal Amount	NIL	7,500	NIL	7,500
ii) Interest due but not paid	NIL	NIL	NIL	NIL
iii) Interest accrued but not due	NIL	NIL	NIL	Nil
Total (i+ii+iii)	NIL	7,500	NIL	7,500

VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

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

₹ in Lakhs

Sr. No.	Particulars of Remuneration	Name of MD/WTD/ Manager
		Balfour Manuel, Managing Director
1.	Gross salary	
	a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	159.25*
	b) Value of perquisites u/s 17(2) Income-tax Act, 1961	10.91
	c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961	-
	d) Company contribution toward PF	9.61
2.	Stock Option	-
Sr. No.	Particulars of Remuneration	Name of MD/WTD/ Manager
3.	Sweat Equity	-
4.	Commission - as % of profit - others, specify	-
5.	Others, please specify	-
	Total (A)	179.77
	Ceiling as per the Act	Refer notes

ANNEXURES TO DIRECTORS' REPORT

Notes :

i) * Salary as per provisions contained in Section 17 (1) of the Income Tax Act consists of below mentioned amounts :

	₹ in Lakhs
Amount paid for 2019-20 as per limits defined in Schedule V	122.65
Add : Previous years incentive accrued in 2018-19 but paid in 2019-20	36.60
Salary as per provisions contained in Section 17 (1) of the Income Tax Act	159.25

ii) Mr. Balfour Manuel was appointed as Managing Director w.e.f May 16, 2019

iii) Based on computation of Effective capital, the permissible limit of remuneration as per Schedule V to the Act, for Managing Director is ₹122.98 Lakhs for financial year 2019.20. Incentive/variable pay of ₹ 84 Lakhs would be paid subject to Shareholders approval by passing a Special Resolution.

B. Remuneration to other Directors

₹ in Lakhs

1. Independent Directors					
Particulars of Remuneration					Total Amount
	Sharad Upasani	Narendra Sarda	Air Marshal M.McMahon (Retd.)	Kavita Nair	
- Fee for attending board / committee meetings	8.40	6.30	4.20	2.10	21.00
- Commission ¹	-	-	-	-	-
- Others, please specify	-	-	-	-	-
Total (1)	8.40	6.30	4.20	2.10	21.00
2. Other Non – Executive & Non-Independent Directors					
Particulars of Remuneration					Total Amount
	Malcolm Monteiro ²	Tulsi Mirchandaney	Kenneth Allen	R.S. Subramanian	
- Fee for attending board / committee meetings	-	-	-	-	-
- Commission	-	-	-	-	-
- Others, please specify	-	-	-	-	-
Total (2)	-	-	-	-	-
Ceiling as per Act	Refer note 1				

Note : 1. In view of inadequacy of profits/ no profits for the financial year 2019-20, the Board of Directors determined that no commission is payable to the Independent Directors for the financial year 2019-20. Mr.Malcolm Monteiro, Ms. Tulsi Mirchandaney, Mr.Kenneth Allen and Mr. R.S. Subramanian do not accept any sitting fees/ commission as per DHL internal guidelines.

2. Mr. Malcolm Monteiro has resigned as Director of the Company w.e.f. January 17, 2020.

ANNEXURES TO DIRECTORS' REPORT

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

Sr. No.	Particulars of Remuneration			Total Amount
		Aneel Gambhir CFO	Tushar Gunderia Company Secretary	
1.	Gross salary			
	a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	135.93	75.31	211.24
	b) Value of perquisites u/s 17(2) Income-tax Act, 1961	3.31	0.29	3.60
	c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961	0.00	0.00	0.00
	d) Company contribution towards PF	4.48	2.67	7.15
2.	Stock Option	0.00	0.00	0.00
3.	Sweat Equity	0.00	0.00	0.00
4.	Commission - as % of profit - others, specify	0.00	0.00	0.00
5.	Others, please specify	0.00	0.00	0.00
	Total*	143.72	78.27	221.99

Note: The Company has not incurred any expenditure for Stock Options granted at 'market place' (within the meaning of the erstwhile SEBI Employee Stock Option Scheme and Employee Stock Purchase Scheme Guidelines, 1999) and SEBI (Share based Employee Benefits) Regulations, 2014 to Directors, Key Managerial Personnel and other Employees under its Employees Stock Option Schemes which can be ascribed to any individual Director, Key Managerial Personnel or other Employees.

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

VII. PENALTIES / PUNISHMENT/ COMPOUNDING OF OFFENCES

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

ANNEXURES TO DIRECTORS' REPORT

'ANNEXURE F'

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

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

Name of Director and Key Managerial Personnel	Designation	Ratio of Remuneration to Median remuneration of all employees	Increase in remuneration over LY (%)
Mr. Balfour Manuel ¹	Managing Director	67.8	62.2*
Mr. Sharad Upasani	Chairman	3.0	NA
Mr. Malcolm Monteiro ²	Director	0.0	NA
Mr. Kenneth Allen	Director	0.0	NA
Ms. Tulsi N. Mirchandaney	Director	0.0	NA
Mr. Narendra Sarda	Director	2.3	NA
Air Marshal M. McMahon (Retd.)	Director	1.5	NA
Ms. Kavita Nair	Director	0.8	NA
Mr. R.S.Subramanian	Director	0.0	NA
Mr. Aneel Gambhir	Chief Financial Officer	57.5	9.5%
Mr. Tushar Gunderia	Company Secretary & Head – Legal & Compliance	34.2	3.3%

*Includes Incentive of prior period

1. Mr. Balfour Manuel was appointed as Managing Director with effect from May 16, 2019.
2. Mr. Malcolm Monteiro, Director resigned as a Director with effect from January 17, 2020.

Notes :

1. The number of permanent employees as on 31st March, 2020 was 12,277.
2. Compared to the previous year 2018-19 the figures for the current year 2019-20 reflects that :
 - (i) Gross Turnover has degrown by 0.10% and PBT has decreased by 137%.
 - (ii) Median remuneration of all employees have increased by 6.65% and average remuneration of all employees have decreased by 0.94% respectively.
 - (iii) Average remuneration of employees excluding Key Managerial Personnel has decreased by 0.40%.
 - (iv) Remuneration of Key Managerial Personnel has decreased by 33.57%.
3. No employee's remuneration for the year 2019-20 exceeded the remuneration of any of whole time Directors.
4. The remuneration of the Directors, Key Managerial Personnel and other employees is in accordance with the Remuneration policy of the Company provided under the section 'Report on Corporate Governance' which forms part of the Report and Accounts.
5. The Market capitalization of the Company has decreased from ₹ 8,550 crores as of March 31, 2019 to ₹ 5,200 crores as of March 31, 2020. Blue Dart Express Limited stock price as at March 31,2020 has increased by ₹ 2,834% to ₹ 2,200 over the last public offering, i.e. IPO in September 1994 at the price of Rs.150 per share after adjusting the bonus share issued in the ratio of 1:1 in the year 2002.

ANNEXURES TO DIRECTORS' REPORT

'ANNEXURE G'

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

Conservation of Energy

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

The GoGreen program is an integral part of DPDHL Group's Strategy 2020. In 2008, your company introduced a measurable climate protection target. From now until 2050, the Group's mission will be to drive business towards zero emissions logistics by setting the standard for the future of the transport sector and doing its part to help the world community reach its goal of limiting global warming to less than two degrees Celsius.

Your company is aligned to 'Zero Emissions 2050', the new climate protection goal announced in 2017 which includes four interim goals that we want to achieve by 2025 as per the DPDHL Sustainable Strategy:

- On a global level, an increase of carbon efficiency by 50% as compared to the 2007 baseline.
- On a local level, operate 70% of first and last mile services with clean pick-up and delivery solutions, such as bicycles and electric vehicles.
- Also by 2025, more than 50% of sales to incorporate Green Solutions, making customers' supply chains greener.

Because the success of these sustainability measures depends to a large degree on employee commitment and expertise, the company will train 80% of its employees to become certified GoGreen specialists and actively involve them in the Group's environmental protection activities.

The Company has taken this approach because it views environmentally friendly and efficient logistics as an opportunity to create value – for the environment, as a company and for customers. Your company, has planted 1,11,000 trees in the year 2019.

The main focus of GoGreen is to avoid, reduce and, when necessary, give our customers the chance to offset, greenhouse gas emissions primarily CO₂). These emissions account for the logistics industry's largest negative impact on the environment.

The vehicles operated for the company are in compliance of all pollution control regulations. Your company ensures that all its vehicles go through periodic PUC and maintenance checks to maintain minimum pollution levels and that all vehicles are in order of the prescribed norms for optimal operations by the manufacturer in terms of fuel consumption and better vehicle through-put and better vehicle efficiency are maintained.

The company's 24x7 network control centre operating at the headquarters in Mumbai is a centralised command system to provide support to drivers when they are on the road.

Under the GoGreen Connecting People, Improving Lives pillar, your company conducted various activities to encourage its employees to contribute towards the noble cause of saving the environment.

Power Saver – Lights Off: Your company practices lights off for an hour between 01:00 pm to 02:00 pm on the last Saturday of every month across all its offices in India. Employees too are encouraged to switch off the lights at their residence between 8:00 pm to 9:30 pm on the same day.

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

Technology Absorption

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

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

The company's low cost with high standards technology architecture and innovation has allowed it to achieve service quality and operation delivery par excellence.

ANNEXURES TO DIRECTORS' REPORT

Blue Dart now has a responsive and contemporary website with state-of-the-art features & functionalities and a robust hardware platform.

Your Company has made substantial investments in IT and automation like hand-held scanners (On the Move – OTM) for pickup & deliveries, technology deployment for cash management, more customers integrated into website & APIs, Smart Truck, Parcel Lockers, Mobile Service Centres, Electric Vehicles, Mobile Wallets, roll-out of Weight Dimension Levelling (WDLs), Centralised and Improved ERP system – C2PC, Blue Line technology for courier visibility, New Billing and Receivable management System, Control Tower and Network Control Module etc.

Your Company has invested in Interactive Voice Response (IVR) and an official Blue Dart Facebook page, Twitter handle, Google+ page, YouTube channel and LinkedIn page for customers to interact with the company.

Your company has invested in a new retail customer centric management system – Point of Sale (POS) besides Multiple Payment Option System (MPOS) is another initiative to make lives of customer easy and accessible.

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

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

Foreign Exchange Earnings & Outgo

Earnings in Foreign Currency

Earnings in foreign currency during year ended March 31, 2020 were ₹ 262 (Lakhs) [March 31, 2019: ₹ 119 (Lakhs)]

Expenditure in Foreign Currency

Expenditure in foreign currency during year ended March 31, 2020 was ₹ 236 (Lakhs) [March 31, 2019: ₹ 995 (Lakhs)]

REPORT ON CORPORATE GOVERNANCE

1. Company's philosophy on Corporate Governance

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

At Blue Dart, corporate governance is a reflection of the principles embedded in its values, policies and day-to-day business practices, leading to sustainable, value-driven growth of the Organization. Corporate Governance at Blue Dart is a continuous journey, seeking to provide an enabling environment to harmonise goals of maximizing stakeholders value and maintaining a customer centric focus.

The Company's philosophy on Corporate Governance is to observe the highest level of ethics in all dealings and envisage attainment of transparency, integrity, honesty, accountability and equity in all facets of its operations and interactions with the stakeholders viz: shareholders, employees, consumers and community at large.

The Company is in compliance with the requirements of regulations 17 to 27 of Securities Exchange Board of India (Listing Obligations & Disclosure Requirements) Regulations, 2015, (Listing Regulations) as applicable, pertaining to provisions of Corporate Governance norms. The Company has disseminated information as stipulated under clauses (b) to (i) of the regulation 46 (2) on the website of the Company.

The Corporate Governance guidelines are in compliance with the requirements of Regulation 34(3) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 with the stock exchanges.

2. Board of Directors

As on March 31, 2020, the Company has Eight Directors. The composition of the Board of Directors comprises of One Executive Director, Seven Non-Executive Directors, two of whom are Women Directors.

In terms of the provisions of Regulation 17 of the Listing Regulations, the Board is required to have at least one third of the members of the Board as Independent Directors if Chairman is a Non-Executive Director. Accordingly, the Company's present Board comprises of Mr. Sharad Upasani, Mr. Narendra Sarda, Air Marshal M. McMahon (Retd.) and Ms. Kavita Nair who are Independent Directors on Board of the Company.

During the year, Mr. Balfour Manuel was appointed as Managing Director of the Company with effect from May 16, 2019.

Mr. Kenneth Allen and Mr. R.S. Subramanian who were appointed as 'Additional Directors' on Board of the Company with effect from March 11, 2019 and March 27, 2019 respectively were appointed as Directors at the Annual General Meeting held on July 31, 2019 in accordance with the provisions of law.

Mr. Malcolm Monteiro tendered his resignation as a Director with effect from January 17, 2020. The Board of Directors placed on record their sincere appreciation and thanks for his valuable contribution since many years.

In accordance with the provisions of Companies Act, 2013 and Articles of Association of the Company, Mr. Kenneth Allen (DIN 08376337) Director, retires by rotation at the ensuing Annual General Meeting and being eligible, offers himself for re-appointment.

Mr. Kenneth Allen, aged 64 years, is the CEO of DHL eCommerce Solutions. He has been a Corporate Board Member of the Deutsche Post DHL Group since 2009. He became Board Member for DHL eCommerce Solutions with effect from January 1, 2019 and his new assignment includes the 'Parcel Europe and Ecommerce' businesses. Apart from keeping responsibility for the Customer Solutions & Innovation (CSI), Mr. Allen further leads development of overall e-commerce strategy for the Group.

Mr. Kenneth Allen successfully shaped the Express strategy and led the division to an unparalleled growth trajectory by unlocking its revenue and profit potential. With relentless focus on the core principles of the customer centricity, employee engagement and profitable growth, Mr. Allen established truly world-class processes within the Express division.

Mr. Kenneth Allen is a Chartered Certified Accountant (F. C. C. A.).
Directorship in other Company : Nil

Mr. Kenneth Allen, Director, is not a member of any committee and does not hold any shares in the Company.

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

All key decisions are taken only after detailed deliberations and discussions by the Board. The Board of Directors possess adequate experience, expertise and skills necessary to manage affairs of the Company in the most efficient manner. The Board acts with an autonomy and independence in the strategic decision-making process and discharging its fiduciary duties.

The DHL nominee Directors on the Board of Blue Dart Express Limited hold a firm belief that DHL's best interests are aligned with the continued growth and success of the Company.

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

- i) The Company has adopted provisions with respect to appointment and tenure of Independent Directors which are consistent with the Companies Act, 2013.
- ii) In accordance with the Provisions of the Companies Act, 2013, Independent Directors can be appointed for two terms of 5 years each.

REPORT ON CORPORATE GOVERNANCE

- iii) The Company would not have any upper age limit of retirement of Independent Directors from the Board and their appointment and tenure would be governed by the provisions of Companies Act, 2013.

The Company has in place 'Directors & Officers' Liability Insurance (D&O) pursuant to requirements of Companies Act, 2013 and SEBI (Listing Obligations & Disclosure) Requirements.

Board Independence

The definition of 'Independence' of Directors is derived from Regulation 16 of the Listing Regulations and Section 149(6) of the Companies Act, 2013 as amended. Based on confirmation / disclosures received from Directors and on evaluation of relationships disclosed, Mr. Sharad Upasani, Chairman, Mr. Narendra Sarda, Air Marshal M. McMahon (Retd.) and Ms. Kavita Nair, Directors are Independent in terms of Provisions of Regulation 16 of the Listing Regulations and Section 149(6) of the Companies Act, 2013.

Pursuant to Ministry of Corporate Affairs notification dated October 22, 2019, Independent Directors have successfully registered their names in the databank maintained by the Indian Institute of Corporate Affairs at Manesar (Haryana), in accordance with the requirements of law.

The Company has issued letters of appointment to Independent Directors in the manner as provided under Companies Act, 2013. The terms and conditions of the said appointment are posted on website of the Company.

Board Procedure

The Board of Directors are presented with all relevant information on vital matters which may impact working of the Company as well as those which require deliberations at the highest level. It is ensured that information, as required under Regulation 17(7) and Part A of the Schedule II of the Listing Regulations is made

available to the Board of Directors to enable them to discharge their functions effectively.

Composition of the Board

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

Meetings, Agenda and proceedings of the Board Meeting

The Board met six times during the year and maximum interval between any two meetings did not exceed 120 days. The yearly calendar of meetings is finalized at the beginning of the year. Additional meetings are held as and when necessary. The Directors are also given the option of attending the Board Meeting through Video Conferencing. Agenda documents containing all requisite information are made available to the Board/ Committee Members in advance to enable them to discharge their responsibilities effectively and take informed decisions. Considerable time is spent by Directors on deliberations at the Board/ Committee Meetings. At Board and Committee Meetings, concerned Functional Heads and representatives who could provide additional insight in respect of Agenda items are invited at the Meetings.

The information as specified in Schedule II to the Listing Regulations is regularly made available to the Board, whenever applicable, for discussions and consideration.

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

During the year under review, six Board Meetings were held viz; May 16, 2019, July 31, 2019, October 31, 2019, December 4, 2019, December 30, 2019 and January 17, 2020.

REPORT ON CORPORATE GOVERNANCE

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

Name of Directors	Category	Designation	Attendance Particulars		Directorship in Other Indian Companies	Names of Listed Companies in which Director	Category of directorship	Committee Membership/ Chairmanship in other Indian Companies	
			Board Meetings	Last AGM				Member	Chairman
Mr. Sharad Upasani DIN: 01739334	Independent & Non-Executive Director	Chairman	6	Yes	8	Indoco Remedies Limited	Non-Executive	1	1
Mr. Balfour Manuel * DIN: 08416666	Executive Director	Managing Director	6	Yes	1	-	-	-	-
Mr. Malcolm Monteiro ** DIN: 00089757	Non-Independent & Non-Executive Director	Director	5	Yes	1	Just Dial Limited	Non-Executive	1	-
Mr. Narendra Sarda DIN: 03480129	Independent & Non-Executive Director	Director	6	Yes	1	Gillete India Limited	Non-Executive	1	-
Air Marshal M McMahon (Retd.) DIN: 00234293	Independent & Non-Executive Director	Director	6	Yes	1	-	-	-	1
Ms. Tulsi Nowlakhia Mirchandaney DIN: 01842520	Non-Independent & Non-Executive Director	Director	6	Yes	1	-	-	-	-
Mr. Kenneth Allen DIN: 08376337	Non-Independent & Non-Executive Director	Director	1	No	-	-	-	-	-
Ms. Kavita Nair DIN: 07771200	Independent & Non-Executive Director	Director	5	Yes	1	-	-	-	-
Mr. R. S. Subramanian DIN: 02946608	Non-Independent & Non-Executive Director	Director	6	Yes	3	-	-	-	-

Notes :

- *1) Mr. Balfour Manuel was appointed as Managing Director with effect from May 16, 2019.
- **2) Mr. Malcolm Monteiro, Director resigned as a Director with effect from January 17, 2020.
- 3) The Directorships held by Directors as mentioned above, includes Directorships of Private Limited Companies and Companies registered under Section 8 of the Companies Act, 2013, but do not include Directorships in Foreign Companies. The Committee membership and chairpersonship includes membership of Audit Committee and the Stakeholders' Relationship Committee of Indian Public Companies.
- None of the Directors have any inter-se relationship and do not hold any shares in the Company.

The Company's Board comprises of qualified members who bring in required skills, competence and expertise which allow them to make effective contribution to the Board and its Committees. The Board members are committed to ensure that the Company is in compliance with the highest standards of corporate governance.

REPORT ON CORPORATE GOVERNANCE

The below summarizes the list of core skills/ expertise/ competencies identified by the Board of Directors for conducting effectively business of the Company.

Sr. No.	Name of Director	Designation	Core skills /expertise/ competencies available with the Board
1	Mr. Sharad Upasani	Chairman	Board Governance, Corporate Law, Legal, Arbitration,
2	Mr. Balfour Manuel	Managing Director	Leadership Acumen, Sales and Marketing, Operations, Governance
3	Mr. Narendra Sarda	Independent & Non-Executive Director	Accounts, Finance and Tax, Mergers & Acquisitions, Governance
4	Air Marshal M McMahon	Independent & Non-Executive Director	Leadership Acumen, Strategic & Tactical Analysis, Aviation, Governance
5	Ms. Tulsi Nowlakha Mirchandaney	Non-Independent & Non-Executive Director	Leadership Acumen, Aviation, Sales & Marketing, Operations, Governance
6	Mr. Kenneth Allen	Non-Independent & Non-Executive Director	Turnaround strategist, Business acumen, International Specialist & Global Market Expert
7	Ms. Kavita Nair	Independent & Non-Executive Director	Digital & Technology, Marketing, Operations, Governance
8	Mr. R. S. Subramanian	Non-Independent & Non-Executive Director	Leadership acumen, Sales and Marketing. Operations, Governance

Committees of the Board

The Committees of the Board play an important role in the governance and focus on specific areas and make informed decisions within the delegated authority. Each Committee is guided by its Charter or 'Terms of Reference', which provides composition, scope, powers and duties and responsibilities. The recommendation and/or observations and decisions of Committees are placed before the Board for its consideration and approval. The Chairman of respective Committees update the Board regarding discussions held / decisions taken at Committee Meeting.

3. Audit Committee

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

Composition

The Composition of Audit Committee is as per the requirements of Companies Act, 2013 and Listing Regulations. As on March 31, 2020, the Audit Committee comprises of two Independent Non-Executive Directors viz; Mr. Sharad Upasani and Mr. Narendra Sarda and one Non-Independent and Non-Executive Director, Mr. R.S. Subramanian. The Chairman of the Committee is Mr. Sharad Upasani. Mr. Tushar Gunderia, Company Secretary, acts as Secretary to the Audit Committee.

Mr. Malcolm Monteiro ceased to be a member of Audit Committee w.e.f. January 17, 2020 consequent to his resignation as a

Director of the Company. Mr. R.S. Subramanian was inducted as a Member of Audit Committee w.e.f. January 17, 2020.

Mr. Balfour Manuel, Managing Director and Mr. Aneel Gambhir, CFO are permanent invitees to the Audit Committee Meetings.

The Chairman of the Audit Committee, Mr. Sharad Upasani was present at the last Annual General Meeting of the Company held on July 31, 2019.

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

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

1. Oversight of the Company's financial reporting process and disclosure of its financial information to ensure that financial statements are correct, sufficient and credible;
2. Recommendation for appointment, remuneration and terms of appointment of the Auditors of the Company;
3. Approval for payment to Statutory Auditors for any other services rendered by the Statutory Auditors;
4. Reviewing with the management, the annual financial statements and auditor's report thereon, prior to submission to the Board for its approval, with particular reference to:
 - a. Matters required to be incorporated in the Directors' Responsibility Statement to be included in the Board's report in terms of clause (c) of sub-section 3 of section 134 of the Companies Act, 2013.

REPORT ON CORPORATE GOVERNANCE

- b. Changes, if any, in the accounting policies and practices and reasons for the same.
 - c. Major accounting entries involving estimates based on the exercise of judgment by the management.
 - d. Significant adjustments made in the financial statements arising out of audit findings.
 - e. Compliance with the listing and other legal requirements relating to financial statements.
 - f. Disclosure of any related party transactions.
 - g. Modified opinion(s) in the draft audit report.
5. Reviewing with management, the quarterly financial statements prior to submission to the Board for approval;
 6. Reviewing with management the statement of use/application of funds raised through an issue (public issue, rights issue, preferential issue etc.), the statement of funds utilized for the purposes other than those stated in the offer document / prospectus / notice and report submitted by the monitoring agency, monitoring utilisation of proceeds of a public or rights issue and making appropriate recommendations to the Board to take up steps in this matter;
 7. Reviewing and monitoring of auditor's independence and performance, and effectiveness of the audit process;
 8. Approval or any subsequent modification of transactions of the Company with 'related parties';
 9. Scrutiny of the inter-corporate loans and investments;
 10. Valuation of undertakings or assets of the company, wherever it is necessary;
 11. Evaluation of internal financial controls and risk management systems;
 12. Reviewing with the management, performance of statutory and internal auditors and adequacy of the internal control systems;
 13. Reviewing adequacy of internal audit function including structure of internal audit department, staffing and seniority of the official heading the department, reporting structure, coverage and frequency of internal audit;
 14. Discussions with the internal auditors of any significant findings and follow up thereon;
 15. Reviewing findings of any internal investigations by the internal auditors into matters where there is a suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the Board;
 16. Discussions with the statutory auditors prior to commencement of audit, about nature and scope of audit and post-audit discussions to ascertain any areas of concern;
17. To look into the reasons for substantial defaults in payment to the depositors, debenture holders, shareholders (in case of non-payment of declared dividends) and creditors;
 18. To review functioning of e Whistle Blower mechanism;
 19. Approval for appointment of CFO (i.e. the whole-time Finance Director or any other person heading the finance function or discharging that function) after assessing qualifications, experience and background of the candidate;
 20. To review utilization of loans and/ or advances from/ investment by the holding company into the subsidiary company exceeding Rs. 100 crore or 10% of asset size of the subsidiary, whichever is lower, including existing loans/ advances/ investments existing as on the date of coming into force of this provision
 21. Review compliance with provisions of SEBI (Prohibition of Insider Trading) (Amendment) Regulations, 2018 and verify that, systems for internal control are adequate and operating effectively.
 22. Discharging any other task/responsibility stipulated by the Board of Directors/ under applicable laws.
- The Audit Committee shall also mandatorily review following information:
- 1) Management discussion & analysis of financial condition and results of operations;
 - 2) Statement of significant related party transactions (as defined by the audit committee), submitted by management;
 - 3) Management letters / letters of internal control weaknesses issued by the statutory auditors;
 - 4) Internal audit reports relating to internal control weaknesses;
 - 5) The appointment, removal and terms of remuneration of the chief internal auditor shall be subject to review by the audit committee.
 - 6) Statement of deviations;
 - a. Quarterly statement of deviation(s) including report of monitoring agency, if applicable, submitted to stock exchange(s) in terms of Regulation 32(1).
 - b. Annual statement of funds utilized for purposes other than those stated in the offer document/prospectus/ notice in terms of Regulation 32(7).

The Audit Committee of the Company meets and interacts periodically with the Senior Management Personnel which gives Audit Committee a deeper insight into the workings of major departments and regions. At these Meetings, Directors can provide their inputs and suggestions on strategic and operational matters.

REPORT ON CORPORATE GOVERNANCE

During the year under review, seven Audit Committee Meetings were held, viz; May 16, 2019, July 31, 2019 (two meetings, one of which was with the Senior Management of the Company), October 31, 2019, December 4, 2019 and January 17, 2020 (two meetings, one of which was with the Senior Management).

The details of attendance of each Member at the Audit Committee Meetings held during the year ended March 31, 2020 are as under:

Name of Director	Designation	No. of Meetings	
		Held	Attended
Mr. Sharad Upasani	Chairman	7	7
Mr. Malcolm Monteiro*	Member	6	6
Mr. Narendra Sarda	Member	7	7
Mr. R.S. Subramanian**	Member	1	1

* Mr. Malcolm Monteiro ceased to be a member w.e.f. January 17, 2020

** Mr. R.S. Subramanian was inducted as a member w.e.f. January 17, 2020.

4. Nomination & Remuneration Committee

As on March 31, 2020, the 'Nomination & Remuneration Committee' comprises three Independent Non-Executive Directors viz; Mr. Narendra Sarda, Mr. Sharad Upasani and Ms. Kavita Nair. The Committee is chaired by Mr. Narendra Sarda, Independent Director.

Mr. Malcolm Monteiro ceased to be a member of Nomination & Remuneration Committee w.e.f. January 17, 2020 consequent to his resignation as a Director of the Company. Ms. Kavita Nair inducted as a Member of Nomination & Remuneration Committee w.e.f. January 17, 2020.

Mr. Balfour Manuel, Managing Director and Mr. Aneel Gambhir, CFO, are permanent invitees to the Nomination & Remuneration Committee.

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

The Chairman of the Nomination & Remuneration Committee, Mr. Narendra Sarda, was present at the last Annual General Meeting of the Company held on July 31, 2019.

During the year under review, four Nomination & Remuneration Committee Meetings were held viz; May 16, 2019, October 31, 2019, December 4, 2019 and December 30, 2019.

The details of attendance of each Member at the Nomination & Remuneration Committee Meetings held during the year ended March 31, 2020 are as under:

Name of Director	Designation	No. of Meetings	
		Held	Attended
Mr. Narendra Sarda	Chairman	4	4
Mr. Sharad Upasani	Member	4	4
Mr. Malcolm Monteiro*	Member	4	4
Ms. Kavita Nair**	Member	NA	NA

* Mr. Malcolm Monteiro ceased to be a member w.e.f. January 17, 2020

** Ms. Kavita Nair was inducted as a member w.e.f. January 17, 2020

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

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

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

- i) Formulation of criteria for determining qualifications, positive attributes and independence of a director and recommend to the Board a Policy, relating to the remuneration of the directors, key managerial personnel and other employees;
- ii) Formulation of criteria for evaluation of Independent Directors and the Board;
- iii) Devising a 'Policy on diversity' of the Board of Directors;
- iv) Identifying persons who are qualified to become directors and who may be appointed in senior management roles in accordance with the criteria laid down and recommend to the Board their appointment and removal.
- v) Whether to extend or continue the term of appointment of the independent director, on the basis of the report of performance evaluation of independent directors.
- vi) Recommend to the Board all remuneration payable to Key Managerial Personnel and senior management.

Mr. Sharad Upasani aged 81 years holds a Masters in Commerce and an LLB degree from Mumbai University, besides an MBA degree from USA. He is now providing consultancy on Corporate Law and acts as an Arbitrator in corporate disputes. Mr. Sharad Upasani was Chairman of the Honorable Company Law Board from 1990 to 1992.

Mr. Narendra Sarda aged 74 years was President of the ICAI in 1993-1994. He practised as Chartered Accountant for 41 years. Mr. Sarda was a Public Representative Director on the Board of 'The Bombay Stock Exchange' (now BSE Limited) from

REPORT ON CORPORATE GOVERNANCE

1999 to 2001. He was a member on the Board of an erstwhile International Accounting Standards Committee, London from 1993 to 1995. He was a Member of the IFRS Advisory Council, London, from 2009 to 2011.

Air Marshal M. McMahon (Retd.) aged 75 years has wide experience in the Aviation Industry.

Air Marshal M. McMahon (Retd.) was commissioned as a fighter pilot and served in the IAF for 42 years. On graduating, he stood first in Flying. He underwent the T - 33 / F- 86 Advanced Gunnery Course in the USA and was awarded certificates for standing first in Low Level Strafe and Low Angle Bombing. He was an A2 Qualified Flying Instructor and was winner of the Chief's of Air Staff trophy for standing first in flying during the QFI course. His important staff appointments were Director, Air Staff Requirements, Asst. Chief of Air Staff (Operations), Inspector General of the IAF and Vice Chief of Air Staff. He is a recipient of the Param Vishist Seva Medal, Ati Vishist Seva Medal and Vishist Seva Medal.

Ms. Kavita Nair aged 47 years is the Chief Digital Transformation Officer of Vodafone Idea Limited. A member of the National Leadership Team, Ms. Kavita leads Digital Transformation across all functions for the organization.

In the Annual General Meeting of the Company held on July 28, 2016, Shareholders of the Company had approved payment of commission to Non-Executive Directors, not exceeding 1% of Net Profit of the Company in accordance with the provisions of Companies Act, 2013 for a period of 5 years. The Commission payable to Independent Directors is determined by the Board within aforesaid limit of 1% of net profits after taking into account their attendance and role and responsibilities in various committees of the Board. For their valuable contribution by way of advice for various project works from time to time, the Company pays commission to Non-Executive Directors at such rate as determined by the Board of Directors of the Company and within the ceiling as prescribed under the provisions of the Companies Act, 2013.

Details of remuneration paid to Directors

Non-Executive Directors are paid sitting fees of ₹30,000/- for attending each Meeting of the Board, Audit Committee, Nomination & Remuneration Committee, CSR Committee, Risk Management Committee, Stakeholders Relationship Committee and meeting of Independent Directors attended by them.

During the year, the Company paid commission to Mr. Sharad Upasani, Mr. Narendra Sarda and Air Marshal M. McMahon (Retd.), Non-Executive Independent Directors, aggregating to ₹ 54,00,000 (Rupees Fifty Four Lakhs only) for the financial year ended March 31, 2019.

Details of sitting fees and commission paid to Directors are as under.

Sr. No.	Name of the Director	Sitting fees (for the financial year ended March 31, 2020)	Commission (paid for the financial year ended March 31, 2019)
1.	Mr. Sharad Upasani	8,40,000	18,00,000
2.	Mr. Narendra Sarda	6,30,000	18,00,000
3.	Air Marshal M. McMahon (Retd.)	4,20,000	18,00,000
4.	Ms. Kavita Nair	2,10,000	NA

The Board of Directors determined that no commission is payable to the Independent Directors for the Financial Year 2019-2020 in view of 'inadequacy of profits'/no profits' for the year.

In terms of the Agreement executed with the Company, details of terms of remuneration paid to the Managing Director are as under:

Mr. Balfour Manuel, Managing Director

(for the period from May 16, 2019 to March 31, 2020)

Basic	- ₹ 6.00 Lakhs per month
House Rent Allowance	- ₹ 0.40 Lakhs per month
Special Allowance	- ₹ 2.82 Lakhs per month

In addition to the above amount, Mr. Balfour Manuel was entitled to the following:

- (i) The Company's contribution to Provident Fund, in accordance with the Rules and Regulations of the Company.
- (ii) Superannuation contribution subject to a maximum ceiling of 15% of basic salary by way of contribution to a fund or an allowance in lieu thereof or a combination of both.
- (iii) Gratuity payable at a rate not exceeding half a month's salary for each completed year of service.
- (iv) Encashment of an unavailed leave at the end of each year as per Company Policy.
- (v) Telephone expenses.
- (vi) A chauffeur – driven vehicle or transport allowance as per Company Policy.
- (vii) Coverage under Company's Group Insurance Cover.
- (viii) The Managing Director shall be entitled to an incentive payment based on achievement of profitability levels and other performance parameters as determined by the Board of Directors for the calendar year ended December 31, 2019, upto a maximum of Rs. 84.00 lakhs.
- (ix) Increment for each year shall be determined by the 'Nomination & Remuneration Committee' and which shall be subject to approval of the Board of Directors and members of the Company at the General Meeting of members.

REPORT ON CORPORATE GOVERNANCE

(x) Entitlement to LTI as per LTI scheme.

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

In the last Annual General Meeting held on July 31, 2019, the Company had obtained requisite approval from the Shareholders for proposed remuneration of the Managing Director for the period viz; May 16, 2019 to March 31, 2020. In view of 'inadequacy of profits'/no profits' for the Financial Year 2019-2020, the Company proposes to seek approval of shareholders by the 'special resolution' at the ensuing Annual General Meeting to be held on July 31, 2020 for payment of remuneration to Managing Director as required under provisions of Section 197 and other applicable provisions, if any, of the Companies Act, 2013 read with Schedule V to the Companies Act, 2013 and rules made thereunder.

The Non-Executive Directors are paid remuneration by way of sitting fees and commission except DHL-nominated Directors who are not paid any sitting fees or commission, as per their internal guidelines.

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

5. Policy for Selection and Appointment of Directors and their Remuneration

The Company has formulated the Nomination & Remuneration Policy pursuant to requirements of Companies Act, 2013 and Listing Regulations and amended the same from time to time in accordance with the requirements of law. The criterion for selection, appointment and remuneration of Directors has been provided in the said policy.

Criteria for selection of Executive Director / Managing Director

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

- (a) The Candidate should have been allotted a director's identification number.
- (b) The Candidate should not be below the age of 21 years. If Candidate has completed 70 years of age, then the Candidate may be appointed after complying with the relevant provisions of the Companies Act, 2013.
- (c) The Candidate should not be an undischarged insolvent or should not have, at any time, been adjudged as an insolvent.

- (d) The Candidate should not have, at any time, suspended payment to his/her creditors or should not be a person who makes, or has at any time made, a composition with them.
- (e) The Candidate should not have, at any time, been convicted by a court of an offence and sentenced for a period of more than 6 months.
- (f) The Candidate should not be disqualified/ debarred to act/ appoint as a director pursuant to the provisions of the Companies Act, 2013 and as per BSE Circular dated June 20, 2018.
- (g) If Candidate is already holding the office of Managing Director, then his/her current tenure should be expiring within a period of not more than 1 year.
- (h) The Candidate should not be a director, who has been at any time removed from directorship by the Company in accordance with the provisions of the Companies Act, 2013.
- (i) The Candidate should not have been sentenced to imprisonment for any period, or to a fine exceeding Rs. 1,000, for the conviction of an offence under any of the specified statutes as defined under schedule V of Companies, Act, 2013.
- (j) The Candidate should not have been detained for any period under the Conservation of Foreign Exchange and Prevention of Smuggling Activities Act, 1974 (52 of 1974).
- (k) If the Candidate is a managerial person in more than 1 company, then the remuneration which he/she draws from 1 or more companies should be within the ceiling provided in section V of Part II of Schedule V of the Companies Act, 2013.
- (l) The Candidate should be a 'resident of India' as per Schedule V of the Companies Act, 2013.
- (m) The Candidate should not be holding office as a director or any other office in a competing firm/entity.
- (n) The Candidate should possess requisite qualifications and experience as may be decided by the Board of Directors.

Remuneration of Executive Director/ Managing Director

1. The Nomination & Remuneration Committee to recommend remuneration of the Managing Director to the Board for its approval.
2. Such remuneration shall be subject to approval of the shareholders of the Company, in the next general meeting.
3. If proposed remuneration is at variance to the conditions specified in Schedule V of the Act, then such remuneration will also be subject to the necessary approvals.
4. The terms of the remuneration of the Managing Director shall be as under:

REPORT ON CORPORATE GOVERNANCE

- (a) The remuneration of the Managing Director shall consist of the following:
- (i) Basic Salary
 - (ii) House Rent Allowance
 - (iii) Special Allowance
- (b) In addition to the above, the Managing Director shall be entitled to the following:
- (i) Company's contribution to the provident fund as per The Employees' Provident Funds and Miscellaneous Provisions Act, 1952.
 - (ii) Gratuity at a rate not exceeding half a month's salary for each completed year of service.
 - (iii) Superannuation contribution subject to a maximum ceiling of 15% of basic salary by way of contribution to a fund or an allowance in lieu thereof or a combination of both.
 - (iv) Encashment of an unavailed leave at the end of each year.
 - (v) Re-imbursment of telephone expenses at residence for official purpose.
 - (vi) A chauffeur – driven vehicle.
 - (vii) Coverage under Company's Group Insurance Cover.
 - (viii) Fees of club, subject to a maximum of one club. This will not include admission and life membership fees.
 - (ix) Subscription and Annual fees for Corporate Credit Card.
 - (x) An incentive payment based on achievement of profitability levels for the year ended upto such amount, as may be decided by the Board and approved by the shareholders from time to time.
 - (xi) Increment for each year will be determined by the Nomination & Remuneration Committee based on the performance evaluation report and which will be subject to approval of the Board and shareholders, and of the Central Government, if applicable.
 - (xii) Such other benefits and upto such amount, as may be decided by the Board and the shareholders, from time to time.
- (c) The Managing Director is currently not entitled to any stock options.
5. The fees or compensation payable to executive directors who are promoters or members of the promoter group, shall be subject to the approval of the shareholders by special resolution in general meeting, if-
- i. the annual remuneration payable to such executive director exceeds rupees 5 crore or 2.5 per cent of the net profits of the listed entity, whichever is higher; or
 - ii. where there is more than one such director, the aggregate annual remuneration to such directors exceeds 5 per cent of the net profits of the listed entity:
- Provided that the approval of the shareholders under this provision shall be valid only till the expiry of the term of such director.

Criteria for selection of Non-Executive Directors:

1. For a person to be appointed as a Non-Executive Director ("Candidate"), he/she should fulfill/meet the following criteria:
 - (a) The Candidate should have been allotted a director's identification number.
 - (b) The number of companies in which such Candidate may be holding office as a director or a chairman or committee member should not exceed the limit stipulated by the Companies Act, 2013 and Listing Regulations.
 - (c) The Candidate should not be disqualified to act as a director pursuant to the provisions of the Companies Act, 2013.
 - (d) The Candidate should not be holding office as a director or any other office in a competing firm/entity.
 - (e) The Candidate should possess requisite qualification and experience as may be decided by the Board of Directors.
 - (f) As per Listing Regulations, the Company shall appoint a person or continue the directorship of any person as a non-executive director who has attained the age of seventy-five years after passing a special resolution to that effect, in which case the explanatory statement annexed to the notice of General Meeting for such motion shall indicate the justification for appointing such a person.

Remuneration of Non-Executive Directors

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

REPORT ON CORPORATE GOVERNANCE

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

Criteria for selection of Independent Directors:

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

- (a) If the Candidate is already an Independent Director, then his tenure and term will be as per the Companies Act, 2013 and Listing Regulations.
 - (b) The Candidate should have been allotted a director’s identification number.
 - (c) The number of companies in which such Candidate may be holding office as an independent director or a chairman or committee member should not exceed the limit stipulated by the Companies Act, 2013 and Listing Regulations.
 - (d) The Candidate should not be disqualified/debarred to act/appoint as a director pursuant to the provisions of the Companies Act, 2013 and Listing Regulations.
 - (e) The Candidate should not be holding office as a director or any other office in a competing firm/entity.
 - (f) The Candidate should, in the opinion of the Board, be a person of integrity and possess relevant expertise and experience.
 - (g) The Candidate should not be or should not have been a promoter of the Company or its holding, subsidiary or associate company.
 - (h) The Candidate should not be related to promoters or directors in the Company, its holding, subsidiary or associate company.
 - (i) The Candidate should not have or should not have had any pecuniary relationship with the Company, its holding, subsidiary or associate company, or their promoters, or directors, during the 2 immediately preceding financial years or during the current financial year.
 - (j) None of the Candidate’s relatives should have or should have had pecuniary relationship or transaction with the Company, its holding, subsidiary or associate company, or their promoters, or directors, amounting to 2% or more of its gross turnover or total income or Rs. 50 lakhs or such higher amount as may be prescribed, whichever is lower, during two immediately preceding financial years or during current financial year.
- (k) Neither himself/herself nor any of his/her relatives:
 - (i) should hold or should have held the position of a ‘key managerial personnel’ or should be or should have been an employee of the Company or its holding, subsidiary or associate company in any of the 3 financial years immediately preceding the financial year in which he/she is proposed to be appointed.
 - (ii) should be or should have been an employee or proprietor or a partner, in any of the 3 financial years immediately preceding the financial year in which he/she is proposed to be appointed, of:
 - a firm of auditors or company secretaries in practice or cost auditors of the Company or its holding, subsidiary or associate company; or
 - any legal or a consulting firm that has or had any transaction with the Company, its holding, subsidiary or associate company amounting to 10% or more of the gross turnover of such firm;
 - (iii) should hold together with his/her relatives 2% or more of the total voting power of the Company;
 - (iv) should be a Chief Executive or director, by whatever name called, of any non-profit organisation that receives 25% or more of its receipts from the Company, any of its promoters, directors or its holding, subsidiary or associate company or that holds 2% or more of the total voting power of the Company; or
 - (v) should be a material supplier, service provider or customer or a lessor or lessee of the Company.
 - (l) The Candidate should not be less than 21 years of age.
 - (m) The Candidate should possess requisite qualification and experience as may be decided by the Board of Directors.
 - (n) The Candidate should be who is not a non-independent director of another company or the board of which any non-independent director of the listed entity is an independent director.
 - (o) The Candidate should register themselves with the Indian Institute of Corporate Affairs (IICA), Haryana to include his/ her name in the Independent Directors databank maintained by them and pass the requisite proficiency test, as applicable.

REPORT ON CORPORATE GOVERNANCE

Remuneration of Independent Directors

- The Nomination & Remuneration Committee to recommend remuneration of Independent Directors excluding sitting fees to the Board for its approval and will be subject to approval of the shareholders of the Company.
- The terms of the remuneration of the Independent Directors shall be as under:
 - Sitting fees of such amounts as may be determined from time to time and upto such amount, as may be decided by the Board.
 - Commission subject to a ceiling based on profitability for the year ended upto such amount, as may be decided by the Board and approved by the shareholders of the Company, from time to time.
- The Independent Directors will not be entitled to any stock options.

Remuneration of Key Managerial Personnel:

- The Nomination & Remuneration Committee to recommend remuneration of Managing Director, CFO and Company Secretary, to the Board for its approval.
- Increment for each year will be determined by the Committee based on performance evaluation report.
- Such increment will be subject to approval of the Board.
- The Key Managerial Personnel will not be entitled to any stock options.

Remuneration of Employees:

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

6. Corporate Social Responsibility (CSR) Committee

The Company constituted the CSR Committee on February 5, 2014 and reconstituted the same from time to time. Mr. Sharad Upasani is Chairman of the Committee and Mr. Balfour Manuel, Managing Director and Ms. Tulsi N. Mirchandaney, Director are Members of the Committee.

Mr. Malcolm Monteiro ceased to be a member of the CSR Committee w.e.f. January 17, 2020 consequent to his resignation as a Director of the Company. Mr. Balfour Manuel was inducted as a Member of CSR Committee w.e.f. January 17, 2020.

Mr. Tushar Gunderia, Company Secretary, acts as Secretary to the CSR Committee.

Mr. Aneel Gambhir, CFO, is permanent invitee to the CSR Committee.

The role of CSR Committee is as under:

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

During the year under review, three CSR Committee Meetings were held, viz; on May 16, 2019, October 31, 2019 and on January 17, 2020.

The details of attendance of each Member at the CSR Committee Meetings held during the year ended March 31, 2020 are as under:

Name of Director	Designation	No. of Meetings	
		Held	Attended
Mr. Sharad Upasani	Chairman	3	3
Mr. Malcolm Monteiro*	Member	3	3
Ms. Tulsi Mirchandaney	Member	3	3
Mr. Balfour Manuel**	Member	NA	NA

* Mr. Malcolm Monteiro ceased to be a member w.e.f. January 17, 2020

** Mr. Balfour Manuel was inducted as a member w.e.f. January 17, 2020

7. Risk Management Committee

The Board of Directors at its Meeting held on June 11, 2014 approved constitution of the 'Risk Management Committee' as per requirements of Listing Agreement and in line with the requirements of regulation 21 of Listing Regulations. In the Board Meetings of the Company held on October 31, 2019 and January 17, 2020, the Risk Management Committee was reconstituted. Mr. Narendra Sarda is Chairman of the Committee and Mr. Sharad Upasani, Mr. Balfour Manuel, Air Marshal M. McMahon (Retd.), Mr. R.S. Subramanian, Directors, Mr. Aneel Gambhir, CFO, Mr. Tushar Gunderia, Company Secretary & Head – Legal & Compliance and Mr. Savio Mendonca, Head-Internal Audit are Members of the Committee.

Mr. Malcolm Monteiro ceased to be a member of the Risk Management Committee w.e.f. January 17, 2020 consequent to his resignation as a Director of the Company.

REPORT ON CORPORATE GOVERNANCE

During the year under review, two Risk Management Committee Meetings were held, viz; May 16, 2019 and October 31, 2019.

The details of attendance of each Member at the Risk Management Committee Meetings held during the year ended March 31, 2020 are as under:

Name of Director	Designation	No. of Meetings	
		Held	Attended
Mr. Narendra Sarda	Chairman	2	2
Mr. Sharad Upasani	Member	2	2
Mr. Balfour Manuel	Member	2	2
Mr. Malcolm Monteiro*	Member	2	2
Air Marshal M. McMahon (Retd.)	Member	2	2
Mr. R.S.Subramanian**	Member	NA	NA
Mr. Aneel Gambhir	Member	2	2
Mr. Tushar Gunderia	Member	2	2
Mr. Savio Mendonca***	Member	NA	NA

* Mr. Malcolm Monteiro ceased to be a member w.e.f. January 17, 2020

** Mr. R.S. Subramanian was inducted as a member w.e.f. January 17, 2020

*** Mr. Savio Mendonca was inducted as a member w.e.f. October 31, 2019

8. Stakeholders Relationship Committee

As on March 31, 2020 the 'Stakeholders Relationship Committee' consist of Mr. Sharad Upasani, Mr. Balfour Manuel and Air Marshal M. McMahon (Retd.) as members of the Committee. In the Board Meeting of the Company held on May 26, 2020, Mr. Sharad Upasani was elected as Chairman of 'Stakeholders Relationship Committee'.

Mr. Malcolm Monteiro, Non-Executive Director, acting as Chairman of the Committee ceased to be a member of the Stakeholders Relationship Committee w.e.f. January 17, 2020 consequent to his resignation as a Director of the Company. Mr. Balfour Manuel was inducted as a Member w.e.f. January 17, 2020.

Mr. Malcolm Monteiro was present at the last Annual General Meeting of the Company held on July 31, 2019.

During the year under review, four Stakeholders Relationship Committee Meetings were held viz; May 16, 2019, July 31, 2019, October 31, 2019 and January 17, 2020.

The details of attendance of each Member at the Stakeholders

Relationship Committee Meetings held during the year ended March 31, 2020 are as under:

Name of Director	Designation	No. of Meetings	
		Held	Attended
Mr. Malcolm Monteiro*	Chairman	4	4
Mr. Sharad Upasani	Member	4	4
Air Marshal M. McMahon (Retd.)	Member	4	4
Mr. Balfour Manuel**	Member	NA	NA

* Mr. Malcolm Monteiro ceased to be a member w.e.f. January 17, 2020

** Balfour Manuel was inducted as a member w.e.f. January 17, 2020

The 'Stakeholders Relationship Committee' approves and monitors transfers and transmission of shares/debentures and replacement, split and consolidation of share certificates/debenture certificates. The Committee also monitors redressal of complaints received from shareholders/ debentureholders in respect of transfers/transmission of shares/ debentures, non-receipt of annual reports and transfer of credit of shares to demat accounts, non-receipt of declared dividend/ interest and other investor-related matters.

The Stakeholders Relationship Committee is also responsible for all/ any of the matters affecting the interest of the shareholders viz interalia includes;

- Resolving grievances of the security holders including complaints related to transfer/ transmission of shares, non-receipt of annual report, non-receipt of declared dividends, issue of new/duplicate certificates, general meetings, etc.
- Review of measures taken for effective exercise of voting rights by the shareholders
- Review of adherence to service standards adopted in respect of various services being rendered by the Registrar & Share Transfer Agent
- Review of various measures and initiatives for reducing the quantum of unclaimed dividends and ensuring timely receipt of dividend warrants / Annual Reports / statutory notices by the shareholders of the company.

The Stakeholders Relationship Committee Meetings are held once in a quarter to consider matters placed before it.

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

During the year under review, 257 correspondences were received from the investors. There were no complaints

REPORT ON CORPORATE GOVERNANCE

received during the year ended March 31, 2020. All Investors correspondence were attended expeditiously. There were no investors' complaints pending as on March 31, 2020.

All valid share transfers/transmissions and other requests received during the year were approved and attended to by the Committee. There were no pending requests for transfer of Equity Shares as on March 31, 2020.

The details of Investors' Correspondence received during the year ended March 31, 2020 are as under:

Nature of Correspondence	No. of Correspondence received	No. of Correspondence resolved/attended
Revalidation / Duplicate / Non-Receipt of Dividend/ Interest Warrants	68	68
Non-Receipt of Share/ Debenture certificates / Transfers / Transmissions	2	2
Change of Address	37	37
Request for loss / duplicate / replacement of Share Certificates	31	31
Others*	119	119
Total	257	257

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

The Company and the Registrar & Share Transfer Agent have attended to most of the investors' correspondence within a period of 10 days from the date of receipt of correspondence during the year ended March 31, 2020.

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

In terms of various SEBI Notifications on Prohibition of Insider Trading Regulations, the Company has accordingly amended its 'Code of Internal Procedures and Conduct for Regulating, Monitoring and Reporting of Trading by Insiders' and 'Code of Practices and Procedures for Fair Disclosure of Unpublished Price Sensitive Information' has been made applicable to all designated employees and other connected persons.

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

9.1. Unclaimed Dividend/Shares

As on date, the Company has transferred unclaimed dividend declared for the financial years 1995-96, 1996-97, 1998-99, 1999-2000 (interim and final dividend), 2000-2001, 2001-2002, 2002-2003, 2003-2004, 2004-2005, December 2005, December 2006, December 2007, December 2008, December 2009, December 2010 and December 2011 to "The Investors Education & Protection Fund" established by the Central Government.

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

Type of Security	As on April 1, 2019		Applied for transfer and whose shares were transferred during the year from the suspense account		Balance as on March 31, 2020	
	Number of		Number of		Number of	
	Share-holders	Shares	Share-holders	Shares	Share-holders	Shares
Equity Shares	75	8000	3	300	72	7700

The voting rights on these equity shares retained as outstanding in the 'suspense account' as on March 31, 2020 would remain frozen till the rightful owner claims these shares.

9.2 Transfer of Unclaimed Equity Shares to Investor Education and Protection Fund (IEPF) Account

Pursuant to provisions of Sections 124 and 125 of the Companies Act, 2013 and the Investor Education & Protection Fund Authority (Accounting, Audit and Transfer and Refund) Rules, 2016, as amended, all shares on which dividend have not been paid or claimed for seven consecutive years or more shall be transferred to an IEPF Account. The Company has sent notice to all the members whose dividends were lying unpaid / unclaimed against their names for seven consecutive years or more and has also uploaded the details of such shareholders on its website. The Company had also published notice in the newspaper intimating shareholders about proposed transfer of shares to the IEPF account.

In accordance with the Provisions of the Investor Education and Protection Fund Authority (Accounting, Audit and Transfer and Refund) Rules, 2016, the Company transferred 5450 shares to the IEPF Account during the year 2019-2020.

10. Meetings of Independent Directors

As on March 31, 2020 Mr. Sharad Upasani, Mr. Narendra Sarda, Air Marshal M. McMahon (Retd.) and Ms. Kavita Nair are Independent Directors on Board of the Company. In terms of declarations given by the Board and in the opinion of the Board, the Independent Directors fulfill the conditions specified in the Companies Act, 2013 and Listing Regulations and are independent of the management.

REPORT ON CORPORATE GOVERNANCE

As per requirements of Schedule IV the Companies Act, 2013 and Regulation 25 of Listing Regulations, during the year under review, Independent Directors met on May 16, 2019 and October 31, 2019, without the presence of Managing Director, Non-Executive Directors, Non-Independent Directors and Management Team. The Meetings were attended by all Independent Directors and it was convened to enable Independent Directors to discuss matters including matters pertaining to Company affairs, performance of Non-Independent Directors and Board as whole, Board Committees, Chairperson, also assessed the quality, quantity and timeliness of flow of information between the Company management and the Board which is necessary for the Board to effectively and reasonably perform their duties pursuant to requirements of Companies Act, 2013 and Listing Regulations and put forth their views to the Board of Directors of the Company.

The details of attendance of each Member at the Independent Directors Meetings held during the year ended March 31, 2020 are as under:

Name of Director	Designation	No. of Meetings	
		Held	Attended
Mr. Narendra Sarda	Chairman	2	2
Mr. Sharad Upasani	Member	2	2
Air Marshal M. McMahon (Retd.)	Member	2	2
Ms. Kavita Nair	Member	2	2

11. Familiarisation Programme for Independent Directors

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

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

The weblink of familiarization programme is https://www.nseprimeir.com/z_BlueDart/files/FamiliarisationProgramme.pdf

12. Board and Committees Evaluation

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

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

The individual directors' performance is reviewed by the Chairperson and rest of the Board other than the director being reviewed. The Chairperson's and Non-Independent Directors performance is appraised through feedback from Independent Directors.

The evaluation of Independent Directors is carried out by the entire Board excluding the Director being evaluated which includes performance of Directors and fulfillment of the independence criteria as specified and their independence from the management.

13. Vigil Mechanism/Whistle Blower Policy

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

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

The Policy is applicable to all employees, directors, officers, customers, vendors and/or third party intermediaries such as agents and consultants whether appointed on a permanent, temporary, full time, part-time, contractual, probation or on a retainer basis who are engaged to conduct business on behalf of the Company and its Subsidiary Companies. The Policy provides for direct access to the Chairperson of the Audit Committee in appropriate or exceptional cases. No personnel have been denied access to the Audit Committee pertaining to the Whistle Blower Policy.

The Company has posted "Whistle Blower Policy" on website of the Company viz; www.bluedart.com.

The web link of the Whistle Blower Policy is https://www.nseprimeir.com/z_BlueDart/files/BlueDart_Whistle_Blower_Policy.pdf.

REPORT ON CORPORATE GOVERNANCE

14. Policy for prevention of Sexual Harassment of Women

The Company values dignity of individuals and strives to provide a safe and respectable work environment for its employees. The Company is committed to providing an environment which is free of discrimination, intimidation and abuse. Pursuant to requirements of 'Sexual Harassment of Women at Workplace (Prohibition, Prevention and Redressal) Act, 2013' and rules made thereunder, the details of complaints are stated hereunder:

Number of complaints filed during the financial year	1
Number of complaints disposed off during the financial year	1
Number of complaints pending as on end of the financial year	NIL

15. General Body Meetings

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

AGM for Financial Year ended	Day and Date	Time	Location
March 31, 2017	Thursday 27.07.17	4:30 p.m	Hotel Hilton Mumbai International Airport, Chancellor II, Sahar Airport Road, Andheri (East), Mumbai – 400 099.
March 31, 2018	Tuesday 31.07.18	4:30 p.m	Hotel Hilton Mumbai International Airport, Chancellor I, Sahar Airport Road, Andheri (East), Mumbai – 400 099.
March 31, 2019	Wednesday 31.07.19	4:30 p.m	Hotel Hilton Mumbai International Airport, Chancellor I, Sahar Airport Road, Andheri (East), Mumbai – 400 099.

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

- b) Postal Ballot

During the year, no special resolution was passed through postal ballot. None of the business proposed to be transacted at the ensuing Annual General Meeting require passing of resolution through Postal Ballot process.

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

At the Annual General Meeting held on July 27, 2017:
No Special Resolution was passed

At the Annual General Meeting held on July 31, 2018:

- 1a) Approval for continuance of appointment of Mr. Sharad Upasani (DIN: 01739334) as Independent Director beyond the age of 75 years
- 1b) Approval for re-appointment of Mr. Sharad Upasani (DIN: 01739334) for a second term of 5 (five) consecutive years commencing from July 23, 2019 till July 22, 2024.

At the Annual General Meeting held on July 31, 2019:

- 1) Approval for continuance of appointment of Air Marshal McMahon (Retd.) (DIN: 00234293) as Independent Director on his attaining the age of 75 years.

16. Subsidiary Companies

The Concorde Air Logistics Ltd and Blue Dart Aviation Limited are 'Wholly Owned Subsidiaries' of the Company and Blue Dart Aviation Limited is 'material subsidiary' under provisions of law. As a good Corporate governance practice and as stipulated under Listing Regulations, Mr. Sharad Upasani, Independent Director of the Company has been appointed as Director on Board of Blue Dart Aviation Ltd., the Wholly Owned Subsidiary, with effect from March 15, 2017.

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

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

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

The Company has posted "Policy for determining 'material subsidiary'" on the website of the Company viz; www.bluedart.com.

The web link of Policy for determining 'material subsidiary' is https://www.nseprimeir.com/z_BlueDart/files/Bluedart_PolicyonMaterialSubsidiary.pdf

REPORT ON CORPORATE GOVERNANCE

17. Related Party Transactions

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

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

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

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

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

The web link of 'Policy on Related Party Transactions/Disclosures' is https://www.nseprimeir.com/z_BlueDart/files/Bluedart_RelatedPartyDisclosures_final.pdf.

18. Disclosures

The financial statements are prepared in accordance with the Companies (Indian Accounting Standards) Rules, 2015 (Ind AS) (amended) as prescribed under section 133 of the Companies Act, 2013 and other recognised accounting practices and policies as applicable.

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

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

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

19. Code of Conduct

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

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

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

All the Board Members and members of the Senior Management have affirmed compliance with the provisions of the 'Code of Conduct' for the year ended March 31, 2020. As per requirements of Schedule V of the Listing Regulations, a certificate from Mr. Balfour Manuel, Managing Director confirming compliance to the 'Blue Dart Code of Conduct' has been attached to this Report.

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

The Company has online tracking mechanism linked to PAN No. for monitoring of trades in the Company's securities by any of the "designated employees" and their relatives to ensure real time detection and taking appropriate action, in case of any violation / non-compliance of the Company's Insider Trading Code.

20. Auditor's Certificate on Corporate Governance/ CS certificate

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

21. Certificate from Company Secretary in Practice

Mr. Nilesh Shah of M/s. Nilesh Shah & Associates, Practicing Company Secretary, has issued a certificate as required under Listing Regulations, confirming that none of the Directors on Board of the Company were debarred or disqualified from being appointed or continuing as Directors of the companies by the SEBI /Ministry of Corporate Affairs or any such statutory authority.

22. CEO and CFO Certification

As required by Regulation 17(8) of the Listing Regulations, the CEO and CFO certification on Financial Statements, Cash Flow Statement and Internal Control Systems for the financial reporting for the year ended March 31, 2020, has been obtained from Mr. Balfour Manuel, Managing Director and Mr. Aneel

REPORT ON CORPORATE GOVERNANCE

Gambhir, CFO and it has been incorporated in the Company's Annual Report.

23. Means of Communication

Financial Results: The Company's Quarterly, Half-yearly and Annual results are published in The Economic Times and a regional language newspaper viz; Maharashtra Times. The financial results and press releases are also immediately posted on the Company's website, viz. www.bluedart.com. For information of investors, the Company publishes Notice of the Board Meeting in which financial results are proposed to be approved by the Board of Directors in a national newspaper, at least seven calendar days in advance.

The Quarterly, Half-yearly and Annual results are published in the newspapers with adequate disclosures for information and knowledge of the shareholders /public at large.

Website: The Company's website (www.bluedart.com) contains a separate dedicated section viz; 'Investor Relations' where information for the shareholders is made available. The Company's Annual Report is also available in downloadable form on website.

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

Annual Report: The Annual Report containing inter-alia, Audited Financial Statements, Audited Consolidated Financial Statements, Directors' Report, Auditors Report and other important information is circulated to the Members and others entitled thereto. The Management Discussion and Analysis Report, Business Responsibility Report forms an integral part of the Directors' Report. The Financial Statements of the subsidiary Companies, Blue Dart Aviation Limited and Concorde Air Logistics Limited also forms part of the Annual Report of the Company.

NSE Electronic Application Processing System (NEAPS): The NEAPS is a web-based application designed by NSE for the Corporates. All periodical compliance filings like shareholding pattern, corporate governance report, Financial Results, statement of investors complaints, among others on NSE are filed electronically on NEAPS.

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

SEBI Complaints Redress System (SCORES): The investor complaints are processed in a centralised web-based complaints redress system. The salient features of this system are centralised database of all complaints, online upload of Action

Taken Reports (ATRs) by concerned companies and online viewing by investors of actions taken on the complaint and its current status.

24. Bonus Debentures

The Company has redeemed on November 20, 2019, unsecured, redeemable, non-convertible, fully paid up debentures Series III (9.5% p.a) for an amount aggregating to Rs. 71,18,38,020 (Rupees Seventy One Crore Eighteen Lakhs Thirty Eight Thousand and Twenty only). In compliance with the provisions of law, the Company had paid interest on the said debentures for the period April 1, 2019 to November 20, 2019 aggregating to Rs. 4,33,53,859 (Rupees Four Crores Thirty Three Lakhs Fifty Three Thousand Eight Hundred and Fifty Nine only).

With redemption of aforesaid last series, all the three series of unsecured, redeemable, non-convertible, fully paid up Debentures issued by the Company in November 2014 have since been redeemed by the Company in due compliance of the provisions of law.

25. Details of compliance with the mandatory requirements and adoption of non-mandatory requirements

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

1. Directors are adequately briefed on all business related matters, risk assessment and new initiatives proposed to be adopted by the Company.
2. Modified Opinion in Auditors Report: The Company's financial statements for the year 2020 do not contain any modified audit opinion.
3. Internal Auditors report directly to the Audit Committee.

26. Outstanding Global Depository Receipts or American Depository Receipts or Warrants or any Convertible Instruments, Conversion Date and Likely impact on Equity

The Company has not issued any GDRs / ADRs / Warrants or any convertible instruments in the past and hence as on March 31, 2020, the Company does not have any outstanding GDRs / ADRs / Warrants or any convertible instruments.

27. Commodity Price Risk or Foreign Exchange Risk and Hedging Activities

Commodity Price Risk:

Your Company runs a fleet of dedicated cargo aircraft for the movement of cargo between the seven airport stations it

REPORT ON CORPORATE GOVERNANCE

operates. Any Change in World Crude prices impacts Aviation Turbine Fuel (ATF) which has a corresponding impact on the Aircraft Operating Cost. Your Company has an internal hedging mechanism termed as Fuel Surcharge Mechanism for passing increase/decrease in ATF cost to its customers. This mechanism helps the company in protecting itself against changes in the Crude prices.

Foreign Exchange Risk:

Many of the Aircraft related payments are either in USD or Euro due to which the company is exposed to Exchange Fluctuations. Hedging this risk through external sources has a high cost. Your Company has put in practice an internal hedging mechanism to support in neutralising this impact by means of a Currency Adjustment Factor (CAF) which is passed on to its customers.

29. Details of utilization of funds raised through preferential allotment or qualified institutions placement

During the year, there were no funds raised through preferential allotment or qualified institutions placement.

30. Instances where Board had not accepted any recommendation of any committee of the Board which is mandatorily required, in the relevant financial year

There were no such instances reported during the financial year 2019-2020 and the Board has accepted recommendations of its Committees, as applicable.

31. Total fees for all services paid by the listed entity and its subsidiaries on a consolidated basis, to the statutory auditor and all entities in the network firm/network entity of which the statutory auditor is a part

During the year ended March 31, 2020, the Company and its subsidiaries have paid a consolidated sum of ₹ 78 Lakhs (Rupees Seventy Eight Lakhs only) to the Statutory Auditors and all its entities.

F.Y.19-20 (In ₹ Lakhs)

Particulars	Blue Dart Express Limited	Blue Dart Aviation Limited	Concorde Air Logistics Limited	Total
Statutory Audit fees	37.00	11.00	4.50	52.50
Tax Audit fees	4.00	1.00	0.50	5.50
Other Matters	19.00	-	-	19.00
Total	60.00	12.00	5.00	77.00

28. List of all credit ratings

Your Company continues to enjoy high credit rating for its working capital facilities / short-term debt programme:

1. "ICRA AA" (stable) (ICRA double A) (long term rating) to the Company's Bank limits (working capital) of ₹ 3,615 Lakhs (including fund based and non- fund based limits). The rating considered to have high degree of safety regarding timely servicing of financial obligation carrying very low credit risk. ICRA also assigned "ICRA A1+" (ICRA A one plus) (short term rating) for the said limits. The rating indicates very strong degree of safety regarding timely payment of financial obligation carrying lowest credit risk.
2. ICRA Ltd. (an Associate of Moody's Investors Service) has assigned "[ICRA] AA" (stable) rating for Company's Long Term Loans of ₹ 7,500 Lakhs.

REPORT ON CORPORATE GOVERNANCE

32. General Shareholders Information

Annual General Meeting : Friday, July 31, 2020 at 4:00 p.m. through Video Conferencing / Other Audio Visual Means as set out in the Notice convening the Annual General Meeting.

Financial Year **April 1 to March 31**

Financial Calendar (tentative and subject to change)	Schedule of Board Meetings	Date
	First Quarter ending June 30, 2020	July 31, 2020
	Second Quarter & Half-year ending September 30, 2020	October 29, 2020
	Third Quarter ending December 31, 2020	January 28, 2021
	Last Quarter & Year ending March 31, 2021	May 5, 2021

Listing of Shares and other Securities on Stock Exchanges : The equity shares are presently listed at the following stock exchanges.

1. BSE Limited (BSE)
2. The National Stock Exchange of India Limited (NSE)

(The Company has paid its Annual Listing fees for listed security to the above Stock Exchanges for the Financial Year 2020-2021)

Stock market Performance

Stock Code/Symbol : BSE : 526612

Equity Shares of ₹ 10/-each : NSE : Symbol - BLUEDART
Series – EQ

ISIN : INE233B01017

Corporate Identification Number (CIN) : L61074MH1991PLC061074

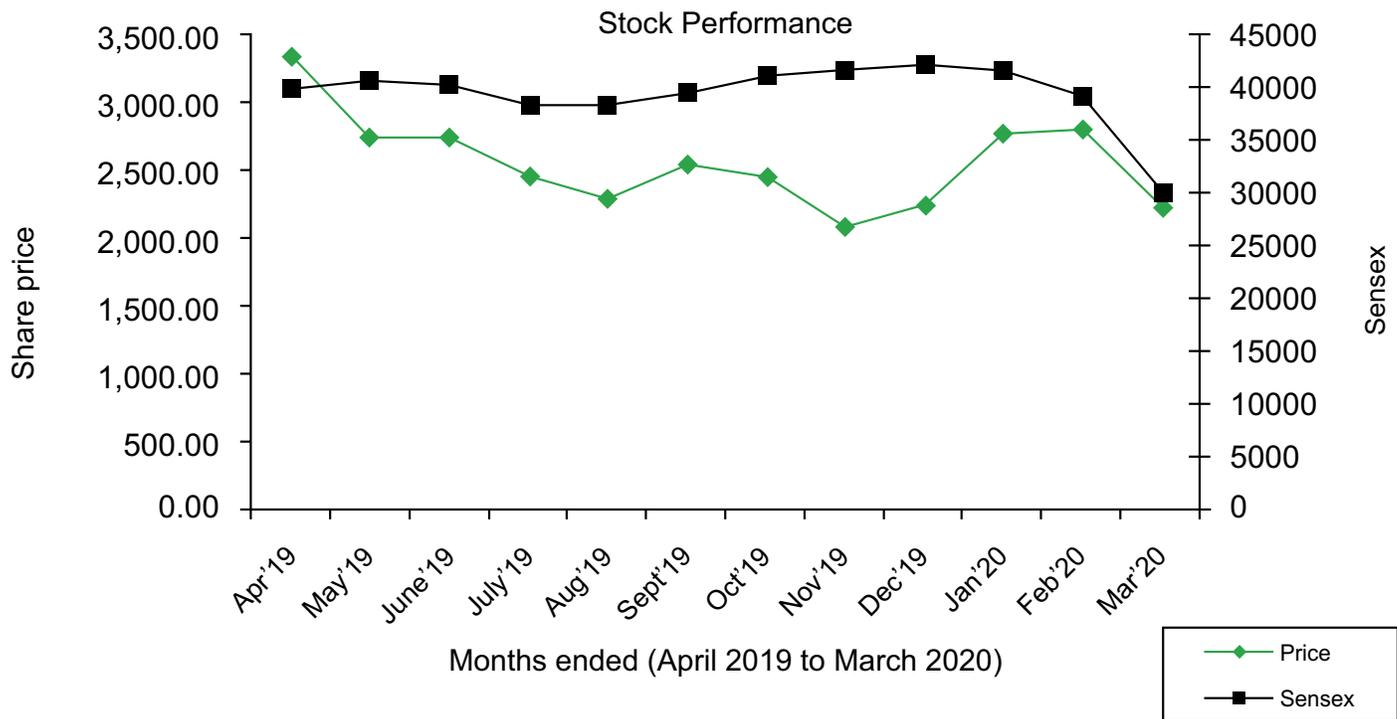
REPORT ON CORPORATE GOVERNANCE

Stock Market Data:

High and Low price of shares at BSE Limited & National Stock Exchange of India Limited

Year (2019-2020)	BSE		NSE	
	High	Low	High	Low
April - 2019	3,600.00	3,044.25	3643.45	3045.00
May - 2019	3,381.95	2,600.00	3302.20	2644.95
June - 2019	2,850.00	2,638.10	2823.65	2644.70
July - 2019	2,737.00	2,350.05	2747.00	2349.10
August - 2019	2,434.30	2,192.00	2441.00	2180.05
September - 2019	2,585.00	2,150.10	2589.90	2148.85
October - 2019	2,560.00	2,200.00	2650.00	2220.00
November - 2019	2,465.00	2,019.00	2463.00	2016.00
December - 2019	2,420.00	2,044.30	2429.50	2045.00
January - 2020	2,840.00	2,168.00	2820.00	2145.00
February - 2020	3,068.00	2,658.00	3071.00	2639.05
March - 2020	2,990.00	1,875.00	3450.00	1822.35

Stock Price Performance in comparison to the BSE Sensex:



REPORT ON CORPORATE GOVERNANCE

Registrar & Share Transfer Agent : M/s. Link Intime India Pvt. Ltd.
C- 101, 1st Floor, 247 Park,
LBS Marg, Vikhroli West, Mumbai- 400083
Phone: +91 22-49186000
Fax : +91 22-49186060
Email : rnt.helpdesk@linkintime.co.in

Share Transfer System : The SEBI has mandated transfer of securities only in dematerialized form with effect from April 1, 2019 and the same is being followed by the Company.

Distribution of Shareholding as on March 31, 2020

No. of Shares	No. of Shareholders	% of Share Holders	Shares held	% of shares
1-500	16955	98.00	630425	2.66
501-1000	159	0.92	116853	0.49
1001-2000	72	0.42	106632	0.45
2001- 3000	17	0.10	42779	0.18
3001-4000	11	0.06	39395	0.17
4001-5000	15	0.09	71317	0.30
5001-10000	22	0.13	149709	0.63
10001 - above	48	0.28	22570824	95.12
	17299	100.00	23,727,934	100.00

Categories of shareholders as on March 31, 2020

Category	No. of Shareholders	No. of Shares held	Voting Strength %
Promoter*	1	17,795,950	75.00
Foreign Portfolio Investor (Corporate)	54	634,839	2.68
Banks, NBFC's, Financial Institutions and Mutual Funds	32	1,303,671	5.49
Individuals	15752	1,196,755	5.04
Companies	296	1,411,068	5.95
Insurance Companies	5	1275472	5.38
Investor Education and Protection Fund	1	21892	0.09
NRIs	517	39059	0.16
Hindu Undivided Family, Trusts and Alternate Investment Funds	563	42882	0.18
Clearing Members	78	6346	0.03
Total	17,299	23,727,934	100.00

* under two demat accounts

REPORT ON CORPORATE GOVERNANCE

Dematerialisation of Shares and Liquidity:

Trading in the Company's equity shares is compulsory in dematerialized mode for all the investors with effect from August 28, 2000. As on March 31, 2020, 23,671,423 Equity Shares of the Company representing 99.76% of the Paid-up Equity Share Capital of the Company are in dematerialised mode.

Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL) and total issued and listed capital. This audit is carried out every quarter and the report thereon is submitted to the Stock Exchanges where Company's shares are listed. The audit confirms that the total paid up and listed capital is in agreement with an aggregate of total number of shares in the dematerialised form (held with NSDL and CDSL) and total number of shares in the physical form.

Reconciliation of Share Capital Audit Report

As stipulated by SEBI, the 'Practicing Company Secretary', carries out audit to reconcile total admitted capital with the National Securities

Pursuant to Regulation 40(9) of the SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015, certificates, on a half-yearly basis were issued by a Practicing Company Secretary for due compliance of share transfer formalities by the Company.

Plant Location : The Company does not have any manufacturing activities. The Company offers its existing range of integrated transportation services and distribution of shipments through its network of offices spread across India.

Address for communication : Investors should address their correspondence to the Registrar & Share Transfer Agents: M/s. Link Intime India Pvt. Ltd. at the address mentioned hereinabove.

Contact Officials:

Ms. Sharmila Amin, Assistant Vice President - Corporate Registry.

Ms. Rima Shah, Associate - Corporate Registry

Investors may also contact Ms. Prabha Singh, General Manager- Secretarial or Ms. Aarti Falorh, Senior Manager-Secretarial, at the Registered Office of the Company for any assistance and guidance in connection with investors' matters.

Telephone : +91 22 2839 6444

Ext. Nos. : 2233510 or 2233901

Email : PrabhaS@bluedart.com

AartiF@bluedart.com

Analyst Contact : Mr. Aneel Gambhir - CFO

Mr. Rajesh Joshi, General Manager – Finance & Treasury

General Information Contact : Mr. Ketan Kulkarni, Head : Business Development & CMO

AUDITORS' CERTIFICATE REGARDING COMPLIANCE OF CONDITIONS OF CORPORATE GOVERNANCE

Independent Auditor's Report on compliance with the conditions of Corporate Governance as per provisions of Chapter IV of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended

The Members of Blue Dart Express Limited

Blue Dart Express Limited

Blue Dart Centre, Sahar Airport Road,

Andheri (East), Mumbai -400099

1. The Corporate Governance Report prepared by Blue Dart Express Limited (hereinafter the "Company"), contains details as specified in regulations 17 to 27, clauses (b) to (i) of sub – regulation (2) of regulation 46 and para C, D, and E of Schedule V of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended ("the Listing Regulations") ("Applicable criteria") for the year ended March 31, 2020 as required by the Company for annual submission to the Stock exchange.

Management's Responsibility

2. The preparation of the Corporate Governance Report is the responsibility of the Management of the Company including the preparation and maintenance of all relevant supporting records and documents. This responsibility also includes the design, implementation and maintenance of internal control relevant to the preparation and presentation of the Corporate Governance Report.
3. The Management along with the Board of Directors are also responsible for ensuring that the Company complies with the conditions of Corporate Governance as stipulated in the Listing Regulations, issued by the Securities and Exchange Board of India.

Auditor's Responsibility

4. Pursuant to the requirements of the Listing Regulations, our responsibility is to provide a reasonable assurance in the form of an opinion whether, the Company has complied with the conditions of Corporate Governance as specified in the Listing Regulations.
5. We conducted our examination of the Corporate Governance Report in accordance with the Guidance Note on Reports or Certificates for Special Purposes and the Guidance Note on Certification of Corporate Governance, both issued by the Institute of Chartered Accountants of India ("ICAI"). The Guidance Note on Reports or Certificates for Special Purposes requires that we comply with the ethical requirements of the Code of Ethics issued by the Institute of Chartered Accountants of India.
6. We have complied with the relevant applicable requirements of the Standard on Quality Control (SQC) 1, Quality Control for Firms that Perform Audits and Reviews of Historical Financial Information, and Other Assurance and Related Services Engagements.
7. The procedures selected depend on the auditor's judgement, including the assessment of the risks associated in compliance of the Corporate Governance Report with the applicable criteria. Summary of procedures performed include:
 - i. Read and understood the information prepared by the Company and included in its Corporate Governance Report;
 - ii. Obtained and verified that the composition of the Board of Directors with respect to executive and non-executive directors has been met throughout the reporting period;
 - iii. Obtained and read the Register of Directors as on March 31, 2020 and verified that at least one independent woman director was on the Board of Directors throughout the year;
 - iv. Obtained and read the minutes of the following committee meetings / other meetings held April 1, 2019 to March 31, 2020:
 - (a) Board of Directors meeting;
 - (b) Audit Committee;
 - (c) Annual General meeting (AGM);
 - (d) Nomination and Remuneration Committee;
 - (e) Independent directors meeting;
 - (f) Stakeholders Relationship Committee;
 - (g) Risk management Committee;
 - (h) CSR Committee;
 - v. Obtained necessary declarations from the directors of the Company.
 - vi. Obtained and read the policy adopted by the Company for related party transactions.
 - vii. Obtained the schedule of related party transactions during the year and balances at the year- end. Obtained and read the minutes of the audit committee meeting where in such related party transactions have been pre-approved prior by the audit committee.
 - viii. Performed necessary inquiries with the management and also obtained necessary specific representations from management.
8. The above-mentioned procedures include examining evidence supporting the particulars in the Corporate Governance Report on a test basis. Further, our scope of work under this report did not involve us performing audit tests for the purposes of expressing an opinion on the fairness or accuracy of any of the financial information or the financial statements of the Company taken as a whole.

Opinion

9. Based on the procedures performed by us, as referred in paragraph 7 above, and according to the information and explanations given to us, we are of the opinion that the Company has complied with the conditions of Corporate Governance as specified in the Listing Regulations, as applicable for the year ended March 31, 2020, referred to in paragraph 4 above.

Other matters and Restriction on Use

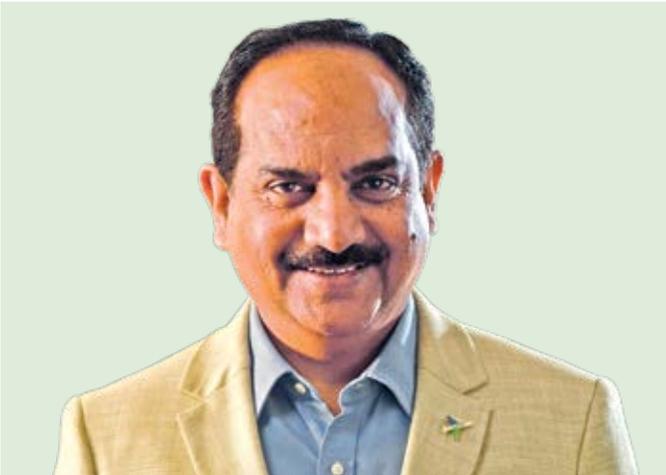
10. This report is neither an assurance as to the future viability of the Company nor the efficiency or effectiveness with which the management has conducted the affairs of the Company.
11. This report is addressed to and provided to the members of the Company solely for the purpose of enabling it to comply with its obligations under the Listing Regulations with reference to compliance with the relevant regulations of Corporate Governance and should not be used by any other person or for any other purpose. Accordingly, we do not accept or assume any liability or any duty of care or for any other purpose or to any other party to whom it is shown or into whose hands it may come without our prior consent in writing. We have no responsibility to update this report for events and circumstances occurring after the date of this report.

Per Sunil Gagar
Partner
Membership No: 104315
UDIN: 20104315AAAAAY7536

Place : Bengaluru
Date: May 26, 2020

For S.R. Batliboi & Associates LLP
Chartered Accountants
ICAI Firm Registration Number: 101049W/E300004

MANAGEMENT DISCUSSION AND ANALYSIS



“We expect India’s express logistics sector to grow steadily. With urbanisation and growing demand across the nation and from the manufacturing, organised retail, banking, eCommerce, consumer products, automotive, pharmaceutical & various other sectors, our increased/enhanced capacity and our focused digitalisation will enhance our service capabilities. We continue our efforts to strengthen our position and become a world-class express logistics service provider for Blue Dart country by providing excellent door to door air express services for documents & packages, ground express distribution & transportation for packages & also cargo/freight across Indian airports.”

**Balfour Manuel, Managing Director,
Blue Dart Express Limited**

GLOBAL ECONOMIC OVERVIEW

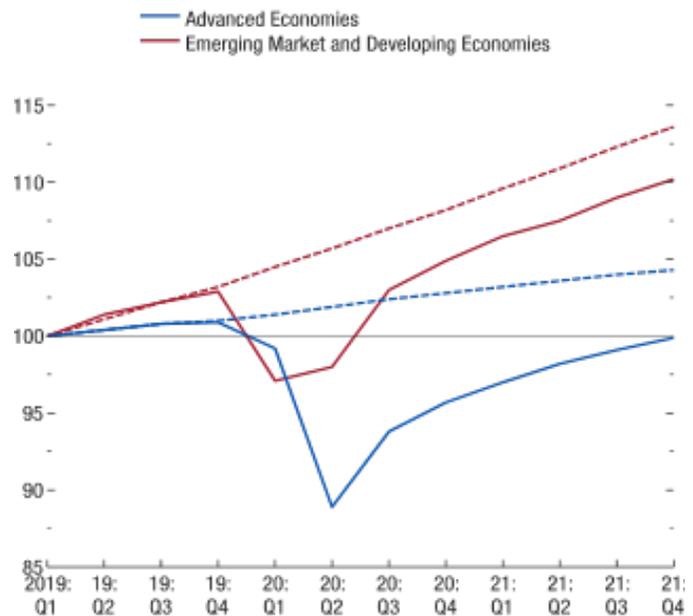
Following a broad-based upswing in cyclical growth that lasted nearly two years, the global economic expansion decelerated in the second half of 2018. Activity softened amidst an increase in trade tensions and tariff hikes between the United States and China, a decline in business confidence, a tightening of financial conditions, and higher policy uncertainty across many economies. These uncertainties weighed on consumer confidence and business sentiments. Against this global backdrop, a combination of country and sector specific factors further reduced momentum. After peaking at close to 4 percent in 2017, global growth remained strong, at 3.8 percent in the first half of 2018, but dropped to 3.2 percent in the second half of the year 2018¹ and further dropped to 2.9% during 2019¹. More recently, the COVID-19 pandemic is inflicting high and rising human costs worldwide, and the necessary protection measures are severely impacting economic activity. As a result of the pandemic, the global economy is projected to contract sharply by 3 percent in 2020, much worse than during the 2008–09 financial crisis¹. In a baseline scenario which assumes that the

¹ IMF World Economic Outlook April 2019 & IMF Data

pandemic fades in the second half of 2020 and containment efforts can be gradually unwound, the global economy is projected to grow by 5.8 percent in 2021 as economic activity normalizes, helped by policy support².

Figure 1.6. Quarterly World GDP

(2019:Q1 = 100; dashed lines indicate estimates from January 2020 World Economic Outlook Update)



Source: IMF staff estimates.

INDIAN ECONOMIC OVERVIEW

As per the RBI Monetary Policy Report of October 2019, Real GDP growth was expected to recover in H2:2019-20, facilitated by favourable base effects and transmission of past monetary policy actions. The measures announced by the government in August-September to boost growth – such as release of funds for recapitalisation of public sector banks, merger of public sector banks, reforms in the FDI regime, initiatives for exports and the real estate sector, reduction in the corporate income tax rate – and faster resolution of stressed assets could push growth above the baseline path.

As articulated in the Director’s report, the Indian economy had begun to regain momentum with clear signs of uptick in consumption and investment towards the end of Q3: 2019-20, only to be halted by COVID-19 which made the government enforce a country-wide lockdown in late March 2020. The economy is likely to contract sharply in Q1 FY 2020-21. Economic data paints a grim picture. The private sector PMI slumped in April to the lowest reading since current records began in December 2005, while industrial production plunged year-on-year in March at the fastest pace since at least April 2006. Exacerbating matters, Cyclone Amphan caused

² IMF World Economic Outlook April 2020

³ Economic.com

MANAGEMENT DISCUSSION AND ANALYSIS

severe damage to life and infrastructure in the north east in late May. Meanwhile, Prime Minister Narendra Modi announced on May 12, 2020 that the total fiscal and monetary policy stimulus now amounts to 10% of the GDP which is INR 20 lakh crore³.

As per RBI, the GDP growth in 2020-21 is expected to remain in the negative territory with some pick up in the second half. The economy will suffer in FY 2020-21 due to containment measures and weaker external demand. A major downside risk is a significant prolongation of the national lockdown. More positively, fiscal stimulus should support activity, as should flexible monetary policy, although the fiscal deficit will spike in tandem. Moody's had predicted 2.5% growth for India in FY 2021 in March 2020 and later on May 8, 2020 revised it to zero. The rating company expects a bounce back to 6.6% growth in FY 2022, assuming a gradual pick-up in economic activity and demand in the second half⁴.

GLOBAL LOGISTICS INDUSTRY

Logistics industry majors across the value chain are expected to prioritize operational efficiencies, with investments in technology adoption. Slowdown in world trade is expected to hit the air cargo market's volume growth and yield performance, as freight capacity growth is expected to outstrip demand due to weakened consumer confidence.

Post COVID-19, the global logistics market size is projected to grow from USD 2,734 billion in 2020 to USD 3,215 billion by 2021, at a Y-O-Y of 17.6%⁵. The major drivers of this market are increasing their focus on the continued supply of essential commodities, creation of a supply chain stabilization task force to fight COVID-19, as well as on the growing demand and distribution of personal protective equipment. The factors that restrain the market are labour shortage and a shortage of COVID-19 testing kits. The projection for 2021 is estimated to be down by over 10-15% as compared to the pre-COVID-19 estimation⁵.

FMCG and healthcare are among the major industries facing prominent logistics challenges. Most consumers are experiencing the fear of limited availability of fast-moving consumer goods as well as healthcare goods such as disinfectants. Most countries are experiencing supply pressure due to panic buying by consumers due to COVID-19 impact. As a result, FMCG companies are continuously tracking the current situation and are coming up with new strategies to ensure continued supply.

The agriculture sector has been exempted from the restrictions laid down by nations. This has ensured sufficient supplies of food and other daily needs products. E-groceries continue to meet the increasing demand for daily supplies required by consumers.

Roadways are relatively less affected by the COVID-19's impact on the logistics sector when compared with airways and waterways. Trucking is seen as a critical mode of transport amid the pandemic.

⁴ Moody's

⁵ Research and Markets

However, the primary concern faced by the road transport segment is driver shortage and ensuring the health and safety of the available drivers as well as their infrastructure. Being the preferred mode of transport for essential goods, road transport is relied upon heavily for the continued supply of food, medicine, and other essential products.

Asia Pacific is expected to have the largest market size for the logistics industry as the region has taken stringent and early measures to contain the pandemic outbreak. China has started to recover from the COVID-19 pandemic faster than any other country. Only some provinces of the entire country are in lockdown after the second wave of COVID-19. The World Health Organization has also appreciated India's control over the spread of the pandemic. This has allowed the logistics and supply chain companies to meet consumer demands during the pandemic situation.

LOGISTICS INDUSTRY IN INDIA

The logistics industry in India is highly fragmented with a large number of unorganized players. While there is a need for the highly fragmented Indian logistics market to get more organised, there is also a need to reduce logistics cost to 10 per cent by 2022 from about 14 per cent now. Only 10-15 per cent of the \$215-billion Indian logistics market is owned by organised players⁶.

Blue Dart operates in the express logistics industry which, caters to multiple sectors as well as individual customers by providing time definite services. Express delivery services are used for various products such as securitised documents, electronic products, automotive components, temperature controlled shipments, trade samples, lifesaving drugs, mobile phones, etc. The Indian logistics industry has been gaining traction in the last few years and plays a very important role in facilitating trade and thereby propelling the growth of the Indian economy. Several factors such as - improving infrastructure nationwide, opportunities in emerging markets and channel alliances, urbanisation, faster adoption of newer technologies and digitalization, increased consumer preference for the reduced delivery time, and deployment of innovative techniques for a fast delivery of products are all playing the role of a catalyst in fuelling the growth of the logistics industry in India. The logistics industry, considered to be the lifeline of the country, holds unprecedented importance as it connects various markets, suppliers and customers dotted across the country, and has now been firmly embedded as an integral part of the national GDP value chain.

The deeper penetration into Bharat (Tier II, III & IV towns), economy enhancing initiatives, GST implementation and other initiatives such as Make in India, Digital India and soon to be released National Logistics Policy, all hold a promise for an efficient and integrated logistics industry in the days ahead. Despite the enhancement in the logistics performance index from the 54th Rank in 2016 to the

⁶ CII Institute of Logistics

MANAGEMENT DISCUSSION AND ANALYSIS

35th rank in 2018, India has substantial potential for improvement. The Indian logistics sector provides livelihood to more than 22 million people and improving the sector will facilitate 10 % decrease in indirect logistics cost leading to the growth of 5 to 8% in exports⁷. The growth in logistics sector is expected to be driven by increasing penetration of products into more cities and towns, as well as the growth of economic activity and manufacturing moving to these towns. In addition, the demand for value-added services from consumers provides opportunities for the industry players to elevate themselves from an operational role to a more strategic one. The logistics industry is highly fragmented and consists of over 1,000 active players which include large scale domestic players, leading entities of global players, the express arm of the government postal service and emerging start-ups specialising in e-commerce deliveries. Infrastructure readiness and technology are expected to be the key drivers of growth for the Indian logistics industry. However, a significant economic fallout due to the novel coronavirus will result in slowing down the growth across the country's highly fragmented and unorganised logistics landscape.

GOVERNMENT POLICY

Government policies and initiatives will play a major role in configuring our industry's roadmap and future growth. Despite its market size and the inherent opportunity to disrupt, the industry needs support from the policymakers to address challenges such as moving towards an organised market, cost reduction in logistics and affordable last-mile deliveries.

The Ministry of Commerce & Industry, estimates that presently the country spends about 14% of its GDP on logistics which is much higher than Japan (11%) and the USA (9-10%). During the Union Budget 2020-21, the Government of India announced that a National Logistics Policy will be released soon clarifying the roles of the Union Government, State Governments and key regulators. Policy also talks about reduction in the logistics cost to less than 10% of GDP by 2022⁸.

With the implementation of GST, the Indian logistics market is expected to reach about USD 215 billion in 2020, growing at a CAGR of 10.5 per cent. Realising the importance of the sector and to address the inefficiencies, the government has included the sector in the Harmonised Master List of Infrastructure Subsector⁹.

The National Logistics Policy endeavours to drive economic growth and business competitiveness in the country through an integrated, seamless, efficient, reliable, green, sustainable and cost-effective logistics network leveraging the best in class technology, processes and skilled manpower.

The outline of all three – National Logistics Policy, National e-Commerce Policy and National Air Cargo Policy are aimed at creating a framework to achieve holistic growth of the integrated

logistics industry. Inclusive growth of the industry will be an important catalyst for the further accelerating the growth of trade and commerce in the country.

A mechanism needs to be created to measure the industry's performance at regular intervals against set benchmarks and generate a favourable policy environment to ensure that the industry plays its role as a trade facilitator and enabler of business optimally.

COVID-19 PANDEMIC

In this global health crisis, Blue Dart Express mobilized its 'Business Continuity and Contingency' Plan (BCCP), including pandemic operating plans and implemented strategic actions to ensure least disruption in its services for healthcare and pharmaceutical businesses in India. Blue Dart employees showed courage, determination and commitment to serve the country and its people by operating the life-line for the nation to ensure continuity of essential supply chain disrupted due to mobility suspension. Blue Dart's 6 Boeing 757-200 freighters carried tonnes of medical and essential supplies during the nation-wide lockdown, fulfilling its promise to keep the mission-critical supply chain running and helping the nation to fight the war against the global COVID-19 pandemic.

Blue Dart continued to offer unwavering support and was honoured to be a part of the Indian Government's 'Lifeline Udan' initiative to ensure uninterrupted supply chain continuity of medical equipment (ventilators & PPE), testing kits, reagents, enzymes, respirators, surgical masks and gloves among other vital supplies. The organisation worked closely with the Government of India and several other institutions, to ensure door-to-door deliveries across major Indian and International cities (Guangzhou, Shanghai, Dhaka, Hong Kong and Yangon) carrying essential medical and pharmaceutical supplies through its strong air and ground express network while keeping health and safety of customers, employees and community as paramount.

PERFORMANCE REVIEW

Over the last 36 years, Blue Dart has played a vital role in shaping the express logistics industry in India. The company has led, evolved and innovated its services to work towards customer delight. However, the period under review has been challenging in terms of market conditions and business sentiments due to a dynamic regulatory scenario & the outbreak of the COVID-19 pandemic globally.

Blue Dart with its dedicated freighters in the air and 86 network route connections on the ground has the unique capability to offer an unrivalled service across an expansive and diverse Indian geography. During the year, Blue Dart carried over 2,403.98 lakhs domestic shipments and over 8.44 lakhs international shipments both weighing more than 769,490 tonnes.

⁷ Press Information Bureau, Government of India

⁹ Economic Times

⁸ Press Information Bureau, Government of India

MANAGEMENT DISCUSSION AND ANALYSIS

For the year ended March 31, 2020, Blue Dart on a standalone basis reported Income from operations of ₹ 3,16,639 Lakhs (previous year – ₹ 3,16,546 Lakhs) and posted net loss, after accounting for one off items, on a standalone basis of ₹ 3,829 Lakhs (previous year profit after tax of ₹ 8,760 Lakhs).

Details of significant changes (i.e. change of 25% or more as compared to the immediately previous financial year) in key financial ratios along with detailed explanations are as under:

	March 31, 2020	March 31, 2019
Interest Coverage	(0.47) ¹	9.36
Current Ratio	1.11 ²	1.48
Adjusted Debt Equity Ratio	0.07 ^{1,2}	-
Operating profit margin	4.3% ¹	6.0%
Net profit margin	(1.2%) ¹	2.8%

Deterioration of the various financial metrics for current year under review, is mainly contributed by following exceptional, unprecedented factors namely;

- Loss for the year of ₹ 4,720 Lakhs as against a Profit of ₹ 12,835 Lakhs in previous year
 - One time exceptional hit of ₹ 6411 lakhs for rightsizing/restructuring
 - Implementation of IND AS 116 effective from April 1, 2019 having adverse impact of ₹ 6,662 lakhs
 - Business disruption due to COVID 19 pandemic situation impacted the Bottom line by ₹ 5,420 lakhs
- Substantial reduction in Cash & bank positions mainly on account of Redemption of Non - Convertible Debenture Series III amounting to ₹ 7,118 Lakhs, Capital expenditure of ₹ 5,576 Lakhs, Dividend payment of ₹ 3,576 Lakhs

COMPANY OVERVIEW

Blue Dart was earlier a part of the DHL eCommerce Post – eCommerce – Parcel (PeP) division. Since 1st January 2019, the Deutsche Post DHL Group restructured its business to create a new eCommerce Solutions division, pooling in their international parcel delivery operations under the vertical. Blue Dart is now part of the group's newly created division known as DHL eCommerce Solutions. The new division is geared towards providing high-quality solutions, particularly to customers in the rapidly growing e-commerce industry.

Our goal is to leverage our group footprint, resources and services to build a platform to provide the best national network, with a strong focus on the expected delivery date and time critical solutions that can ride on the most cost-efficient network for last-mile deliveries.

The focus in creating the platform is to generate profitable growth across all sectors and customer segments. Our USPs are high-quality delivery solutions, reach and unmatched speed.

Blue Dart offers air and ground express, air freight, speed trucking and charters through its synergies with the Deutsche Post DHL business units – DHL Express, DHL Global Forwarding, DHL Supply Chain and DHL eCommerce LLP and the newly created DHL Smartrucking. Our global network through DHL Express spans more than 220 countries and territories, making Blue Dart the only express company that offers an unmatched delivery capability encompassing the entire spectrum of distribution services wherein lies its unique proposition.

Blue Dart offers a wide range of innovative and simplified solutions across industry verticals coupled with a dedicated air and ground network, high standard technology architecture, value pricing, customer satisfaction, excellent service quality and operations delivery par excellence. Since its inception, Blue Dart has maintained its technology leadership and continues to invest extensively in its technology infrastructure to create differentiated delivery capabilities, products and solutions for customers. Our key differentiators continue to be late pick-up/early delivery, a securitised network, 24x7 visibility allowing for tracking across the complete delivery chain, APIs integrated with customer requirements and other technology, and mobility solutions such as dynamic re-routing, visibility of courier movement as well as providing access to monitor net-stops from the service centre to enhance courier and route productivity.

Blue Dart operates with its very own fleet of six Boeing 757-200 freighter aircrafts offering a payload of 500+ tonnes per night, a flotilla of 22,336 vehicles as well as 2173 facilities and hubs across 35,000+ locations. Over 12,000 committed and trained Blue Darters work in perfect harmony to deliver over 16 shipments every second of the workday and provide best-in-class services to thousands of customers annually.

PRODUCTS

Blue Dart transports a wide range of goods and services reliably in day-definite and time-definite delivery schedules across its vast air and ground network. The market-leading domestic time-definite express offerings are Domestic Priority 1030, Domestic Priority 1200, Dart Apex 1200 and the day definite express offerings are Domestic Priority, Dart Apex, Dart Surfaceline & Dart Plus.

Our Domestic Priority day-definite and time-definite services enable deliveries at predefined times for critical shipments such as passports, tenders, original papers/certificates, property documents, among others across India under 32kgs per package with safe, fast and reliable, door-to-door service. We also provide industry-specific services to complement our industry-leading Time

MANAGEMENT DISCUSSION AND ANALYSIS

Definite Delivery service. For example, our Temperature Controlled Logistics (TCL) product, tailored specifically for customers in the Life Sciences & Healthcare sector, offers various types of thermal packaging for temperature-controlled and ambient movement. Likewise, for other industry requirements we offer Dart Plus, Dart Surfceline Plus (DSP), Point to Point (P2P) and a host of value-added services like Demand Draft on Delivery (DOD), Freight on Delivery (FOD), Freight on Value (FOV) and Cash on Delivery (COD).

Critical Express caters to an essential domestic need for the safe movement of passports, tenders and other securitised items. Packaging Solutions include Express Pallet (Air and Ground) and Smart Box (Air and Ground). The company also offers cargo solutions like an airport to airport, interline and charters, besides offering festive and student services like Rakhi Express, Student Express among several others.

The company also has 'Interline' agreements with various international airlines and also offers bonded warehousing and transshipment facilities. 'Charters' offer palletised capacity for carriage of urgent and large volumes to multiple airports in India and cross border.

Initiatives such as 'On-The-Move' (OTM) handheld devices, Retail Point of Sale (POS), Reverse Logistics (Open and Close), offering over 15 Digital Wallets on Courier Handhelds, Call Bridge facility to create a personalised customer experience have all been appreciated as industry-leading solutions and benchmarks.

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

CAPABILITY BUILDING

Blue Dart Express Ltd., a pioneer in the air express service in India saw huge potential in the industry and made a path-breaking decision to create infrastructure and operate its own aircraft. To lead the air express service, Blue Dart Aviation Ltd. (BDA) was incorporated in May 1994. The company launched the first domestic freighter operations in India with a fleet of two Boeing 737-200 freighters in 1996 and currently operates a total of six Boeing 757-200 freighters.

Blue Dart Aviation Ltd. (BDA), a 100% subsidiary of Blue Dart Express Limited launched an advanced state-of-the-art hub-and-spoke facility at Mumbai International Airport Limited (MIAL)

in 2019-20. Blue Dart Aviation's MIAL hub provides long-term, dedicated infrastructure for accelerating processes and throughput of large volumes of express shipments from its fleet of aircraft, with enhanced city side access, to expedite vehicle movement and shipment deliveries while providing excellent quality assurance for the customer.

Located at Mumbai's domestic airport terminal, the facility spans an impressive 47,300 sq. ft. spread across 5 floors. It adds additional space to the existing 18,900 sq. ft. the offsite facility at Mumbai. The combined facilities in Mumbai can handle 62,500 tons of air freight annually, strengthening Blue Dart's goal of being India's leading logistic service provider. The new air cargo hub enables Blue Dart to expand its capabilities by handling freighter cargo operations and has motorised material conveying system with the addition of ball mat units that facilitate efficient handling of Unit Load Devices (ULDs). The company is equipped to handle specialized products like temperature-controlled pharmaceutical products, IATA regulated dangerous goods and valuable cargo handling. Modern security cargo scanners offer both horizontal and vertical views of cargo to enhance detection. The facility has the capability of processing cargo within minutes upon arrival depending on the type of cargo.

BDA houses seven of its hubs in all the major metropolitan cities of India – Chennai, Bengaluru, Hyderabad, Mumbai, Ahmedabad, Delhi and Kolkata. BDA has its own ground handling, security and engineering capability and carries out its own heavy airframe maintenance with its professional and qualified manpower.

Key highlights showcasing the improved productivity and time efficiency with the launch of a new facility:

FEATURES	IMPACT
The close proximity between the facility and domestic airport terminal provides a faster turnaround time with minimum ground time for the four B757 aircraft transiting out of Mumbai (BOM) six nights a week	Time taken to reach the Common User Terminal reduced to just 5 minutes
Advanced fleet network timings to the service centres have culminated in increased efficiency of our people at the front line and added value to our customers	The new facility helps in optimising the load dispatch time to within minutes
State-of-the-art automation in the operations area to ensure effortless in and out the movement of Unit Load Devices (ULDs) from the facility	Newly introduced design feature to ensure ease of use in moving ULDs

MANAGEMENT DISCUSSION AND ANALYSIS

FEATURES	IMPACT
Increased number of docking bays for seamless movement of larger multi axel trucks to expand incoming and outgoing cargo loads leading to increased efficiency	The new facility has doubled its capacity to dock multi axel trucks simultaneously
Vehicle movement optimised with immediate connectivity to the western express highway from the facility	Transit time reduced to half of the original time taken.
Space optimisation by moving express service operations vertically on the 1st floor of the facility for better utilisation of the facility	Vertical cargo operations help in releasing the space which was earlier occupied by excess cargo in the facility thereby restraining operations movement on the same floor

Blue Dart's advanced facilities and innovative solutions make it an undisputed leader in the express air, integrated transportation & distribution industry in India.

CUSTOMER CENTRICITY

As a national network operator and part of the global DPDHL Group, we work with standardized processes and continue to optimize our offerings which enables us to deliver quality services to our customers. We, therefore, keep ourselves updated on our customers' evolving requirements through our 'Key Account Management Program' and the 'First Choice Program'. The Net Promoter Approach also identifies improvement areas highlighted by customers. Our managers ensure they interact with our customers individually to translate customer challenges into continuous improvements areas. These programs are tailored to ensure that voice of the customer is paramount and their feedback is acted upon to deliver delight consistently in a process-driven manner.

In 2019-20, we further strengthened our DNA through 'The Blue Dart Way' program which focused on reliving, reinforcing and reprioritizing all the aspects that have made us the most respected, admired and loved express logistics brand in 'Blue Dart Country'.

For us, customer satisfaction is the most important indicator of success in the sectors & geographies we operate in. In 2019-20, we succeeded in significantly increasing delivery reliability in most cities in which we operate. We were not only able to provide and further boost the quality levels we promised our major customers but also improved our customer satisfaction.

We are certain that, even in a challenging economic environment, our high level of delivery reliability will continue to provide excellent opportunities for growth in the future.

Despite challenging geographical features and a difficult infrastructure landscape, we were able to consistently improve delivery reliability in the country. We consistently work to maintain our value-driven quality and achieve outstanding customer satisfaction ratings. It is in this manner; we are fulfilling our aspiration of being the quality leader in India.

As we serve diverse industries such as e-commerce, Automotive, Banking, Financial Services, Electronics etc. and build loyalty, the successful customer loyalty program 'Blue Points Amazing Returns' will be further strengthened to enable, nurture, grow, build and sustain strong revenue streams and profit pools.

DIGITALISATION AS A KEY LEVER

We see systematic digitalisation throughout the company as a key lever in driving the business forward. The reason we are investing in initiatives designed to enhance both the customer experience as well as employee experience & improve operational excellence. We are modernising our IT systems and integrating new technologies to improve our performance, our processes and our standards.

Highlighted below are some of the key technology-enabled solutions rolled out during the reported period: –

- Continued Focus on enabling digitalised On-Field data capture of Delivery and pickup of shipments covering 93% of delivery and 44% of pickup as at March, 2020.
- Application programming interface (API) based solutions for our customers have been enhanced for exchanging manifest at detailed levels to ensure an automated and seamless supply chain, from pre-pick up till post-delivery; inclusive of collections.
- Blue Dart's website has been revamped to engage with customers for additional touchpoints like exception handling with alternate instructions, dashboards for greater visibility on performance & visibility to billing information.
- Technology-enabled mobility solutions for administering specialised pickups of product returns, which also include quality control checks, product image verification and close coordination for timely pickups.
- Customised solutions built for some of our top customers to manage Tamperproof Packaging checking and secure delivery to the specific recipient with OTP confirmation. Such initiatives prevent errors and bring great value to our service quality offerings.
- An indigenous network modelling system has been developed and implemented which has enabled Blue Dart to dynamically respond to changes in network schedules and recommend fast and reliable network routes linking shipment origins with destinations.

MANAGEMENT DISCUSSION AND ANALYSIS

- Big Data setup has helped in getting advanced analytics on various segments of Blue Dart's operational process, Customer insights, and trends on volume/revenue from different geographies.
- Product Performance dashboard delivers daily insights on volume and revenue for analysis and action.
- eNSG App for Operations has introduced a green approach in the field. With the implementation of the application, the printing of NSG copies has stopped, saving printing and dispatch costs whilst reducing our carbon emission. The information on the eNSG App is updated to display real-time information therefore, updates if any, can be flashed early.
- A personalised tracking tool for recipient shipments has been enabled on a unique URL link, which allows tracking, plotting delivery landmarks, visual display of the courier on map and provision to give NPA feedback on the service and digitally acknowledge receipt of the shipment.
- Control Tower built for proactive monitoring of shipment movement within the network. Teams operate using this solution can control nationwide activity which involves First Mile, Network connection and Last mile delivery.
- Video conferencing and recording in administrative offices have been upgraded with interactive High Definition display, wireless presentation streaming from any device to promote virtual meetings and seamless day-to-day functioning.
- Hardware Infrastructure of ERP systems upgraded at datacentre & Discovery Resource site to cater to our capacity for the next three years.
- Active network link configured for our branches, resulting in optimum usage of network bandwidth.
- Upgrade & Redundancy built for secure access to employees outside of the office network, into Blue Dart's internal digital resources using Two Factor Authentication.
- Secure WFH solution deployed during CoVID19 period for business continuity in adherence to Govt guidelines.

OPPORTUNITIES AND FUTURE OUTLOOK

Opportunities

The express industry is a key enabler in facilitating trade and commerce because of the time sensitive nature of most goods and the demand for reliability, efficiency and speed. The opportunities are immense for the express logistics industry in India as the current logistics spend is at 14% of the GDP compared to a notably lesser single (digit) percentage in developed economies. The need for the highest level of efficiency still exists.

Air express remains the preferred option for those looking for reliability, speed and security. This augurs well for our business model. Ground express too offers huge opportunities due to increasing consumption and affluence spreading into tier II and tier III towns which are emerging as important factors for a growing economy. They are currently in a rapid growth mode and provide for a wider catchment for manufacturers presenting interesting opportunities.

Blue Dart is committed to retaining its position as a premium player through focused customer acquisition and enhancement of customer loyalty while continuing to expand to new markets. The strategy revolves around sector focus, emerging markets and MSMEs.

Future Outlook

Rating agency Moody's has slashed its 2020-21 GDP growth projections for India to zero from the earlier 5.2% and before that a 6.5% forecast on the back of slower recovery, citing largely domestic factors and cautioning that the global & domestic economy will be adversely impacted by the novel coronavirus (Covid-19) outbreak.

Unfortunately, for India's corporate sector, the coronavirus outbreak has damaged some of its most indebted businesses. Almost 14% of India's imports come from China, making it the nation's biggest import partner. India is heavily dependent on Chinese imports such as Electronic, Components and Pharmaceuticals. India procures almost 70% of its active ingredients for medicines from China and has only a few month's supply of inventory, making us particularly vulnerable to further disruptions.

RISKS AND CONCERNS

Air Express

Banking and Financial Services are a major contributor to the movement of documents across the country and since the advent of digitisation propelled by demonetisation, there are shifting patterns in their usage of air express. More paper is being sent electronically, however, debit and credit card movement post demonetisation has increased. The continued lockdown has further accelerated the pace of digitalization which may have some impact on movement of documents.

In sectors such as Automotive, Engineering, Electronics and Electricals, Pharmaceuticals, Medical Equipment etc. major customers of Blue Dart's air package service (Apex) are shifting heavier shipments to the ground as cost pressures across industries push them to focus on cheaper modes of express transport.

With more belly space being made available in passenger aircrafts in the coming years, more capacity will be added to the air express market further putting pressure on yields and profitability. Faster and agile speed trucking with growing competition also chips at the air express business.

MANAGEMENT DISCUSSION AND ANALYSIS

Furthermore, the cost of operating at major airports has significantly increased after their privatisation without any improvement in services or differentiators. The problem of insufficient aircraft parking bays, truck docking stations, limited space for express terminals and clearance processes leading to a delay impacting operating costs persists.

Ground Express

There is a certain boost for the growth prospects of ground express with the improving infrastructure and other regulatory measures; there is a shift in the need for efficiency within the ground express service and this augurs well for it.

Industries such as Life Science, Healthcare, Computer, IT, Automotive are shifting air shipments to the ground due to a cost advantage and availability of better alternatives. The e-commerce industry too with their mounting losses have enhanced cost rationalisation measures in their logistics spend and are opting for ground express.

Despite the government's efforts in improving the road infrastructure, the average speed of a truck on Indian roads is still 30-40 km per hour as compared to 80+ km per hour in developed economies. With increasing urbanisation and the need to use smaller vehicles further impacting operating cost, the yield in business is always strained.

COMPETITION

Heavily funded third party logistics players in the highly price-sensitive e-commerce logistics space focused on increasing shipment volumes at the same time incurring heavy losses. These players have been working with competitive pricing which has impacted Blue Dart's revenues with pressure on margins. E-commerce players continued to increase the share of their captive arms thus reducing the addressable market further for traditional companies like Blue Dart. Dedicated express service providers, as well as captive players, are focusing on winning non-e-commerce customers as an expansion strategy and to reduce dependency on the e-commerce industry.

The surface express market benefitted with the implementation of GST. Improving the quality of roads and removal of check posts has led to a faster turnaround time. This has positively impacted players in this space. The Company's surface express business also witnessed momentum but the modal shift from Air to Surface has impacted the company's revenue growth. The Air and Surface express competitive landscape has become volatile with new challengers entering the market and filling demand gaps thus cluttering the segments leading to a lot of disruption. New models in premium road transportation have emerged with the backing of investors making the surface express market environment dynamic and competitive. Passenger airlines have entered the logistics

space by offering door-to-door service thus posing as a direct threat to the Company's air business. The local competition in Tier II and Tier III cities has also been aggressive.

ECONOMIC FACTORS

The Express Industry is affected by economic factors like macroeconomic growth, inflation, crude oil prices, and foreign exchange rate fluctuations. The growth of the industry is largely based on the general economic situation in the country and an upswing in economic activity would lead to an increase in domestic and international trade, creating incremental demand for the express industry.

AVAILABILITY OF TRAINED MAN POWER

Due to the extended lockdown and restriction on movement of people, scarcity of trained workers is one of the major challenges being faced by the logistics industry in the near future.

CYBER RISK

Logistics, like most facets of operating a business, involves transferring sensitive information electronically. This is definitely beneficial to any supply chain as it simplifies and speeds up communication. However, it also makes the sensitive information susceptible to cybercrime.

Supply chains are part of a complex global system where data and information are shared through cyberspace. The interconnectedness of the logistics industry is an attractive target for cyber-attacks. The more links in a supply chain, the more vulnerable it becomes, which augments the importance of secure handling and storage of data.

The effects of cyber-attacks on the supply chain can be detrimental to all parties involved. With Companies focusing on digitisation, cyber risk is here to stay.

INTERNAL CONTROLS AND ITS ADEQUACY

Across industries, internal process control and systems play a critical role in the health of a company. An effective system of internal controls forms a keystone necessary for building, maintaining and improving shareholders' value and helps to enhance the overall quality of the business and enterprise. Blue Dart remains committed to ensuring an effective internal control environment that provides assurance on the efficiency of operations and the security of assets. Blue Dart has a sound internal control system to ensure that all assets are protected against loss from unauthorised use. All transactions are recorded and reported correctly. The company's internal control system is further supplemented by internal audits carried out by the internal audit team along with co-sourced audit firm, KPMG. Well-established and robust internal audit processes, both at business and corporate levels, continuously monitor the adequacy and effectiveness of the internal control environment

MANAGEMENT DISCUSSION AND ANALYSIS

across the company and the status of compliance with operating systems, internal policies and regulatory requirements.

Blue Dart has maintained adequate and effective internal financial controls based on internal control over financial reporting criteria established by the company. This takes into account the essential components of internal control stated in the Guidance Note on 'Audit of Internal Financial Controls over Financial Reporting' issued by the Institute of Chartered Accountants of India (ICAI). These responsibilities include maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to the company's policies, safeguarding its assets, prevention and detection of frauds and errors, accuracy and comprehensiveness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

The Audit Committee of the Board, works closely with both the Internal Auditors and Statutory Auditors ensuring that all their queries are addressed. The company also conducts Risk Assessment Workshops annually to define and identify what the company's most significant risks are and how those risks can be mitigated. The members of the Leadership team actively participate and deliberate in the risk workshops.

SUSTAINABILITY

Our assurance to shared value

Blue Dart Express Limited, with its legacy of over three decades of conscientious corporate Citizenship, focuses on positive growth and development in the social, environmental and economic aspects of people's lives since its inception. The company believes that while continuing to generate wealth for its shareholders, it is not only important to create value for them, but also to share it equitably with them. Our Board of Directors, our Management and all of our employees subscribe to the philosophy of compassionate care.

Sustainability (or Corporate Responsibility) has been an integral part of our parent company Deutsche Post DHL's (DPDHL) strategy emphasizing the brand's commitment to being responsible and working with communities across the globe. Logistics plays a central role in the global economy and therefore the industry can play a crucial part in the way business is done while having a significant impact on the environment. Owing to this, DPDHL Group has embarked on a journey to achieve Zero Emissions by 2050 and be the industry benchmark for responsible business practices. As part of DPDHL group, we are committed to contributing to our group's mission of "50% carbon efficiency by the year 2025."

At Blue Dart, to further strengthen our Sustainability programs, we integrated our initiatives under DPDHL's credo of "**Connecting People, Improving Lives**". Under this, Blue Dart (along with the

DPDHL group) focuses its corporate responsibility under the three pillars of **GoGreen** to protect the environment, **GoHelp** through disaster management initiatives and **GoTeach** by championing educational programs. We work closely with our project partners, stakeholders, beneficiaries and local communities to facilitate social, economic and environmental progress through effective management of human and natural capital. Our programs are supported and complemented by regional community initiatives, which demonstrate the voluntary commitment, special abilities and enthusiasm of employees from across the Blue Dart family.

We conduct our business in accordance with the applicable laws, ethical principles, ecological standards, and international guidelines. Through ongoing dialogue with our stakeholders, we ensure that their expectations with regards to social and environmental issues are accounted for appropriately and that our business is aligned systematically with those interests.

We utilize our expertise to make our logistics greener and more sustainable while continuing to find ways to eradicate waste and retain more value in our products. Our initiatives to increase CO2 efficiency and our environmentally friendly product range enable us to uphold our responsibility for the environment whilst strengthening our own market position. Blue Dart, along with DPDHL Group offers India's first end-to-end GoGreen Carbon Neutral Service (CNS) across international and domestic markets. In the year under review, Blue Dart continued to offer the specialized Carbon Neutral Service, wherein customers are provided with an environmentally responsible shipping option to neutralize the carbon emissions produced by the transportation of their shipments. DPDHL Group had set a target of 30% efficiency improvement over the base of 2008 by 2020 for all its group companies; Blue Dart led the challenge by achieving an efficiency improvement of 31% in 2019-20.

Additionally, Blue Dart launched the **Blue Greens** program which focuses on green initiatives for the company. Blue Dart partnered with Grow-Trees.com and planted 444,000 trees till date which will offset 88,80,000 kilograms of carbon per year on maturity.

Under **GoTeach**, Blue Dart focussed on further strengthening its programs Blue Edge and Blue Teach, designed to provide equal educational opportunities for the underprivileged and marginalized communities. '**Blue Edge: Empowering Lives**' is aimed at elevating and transforming the lives of young adults from difficult environments, who have not been able to complete their education. **Blue Teach** aims to reach out to beneficiaries, touching their lives right from their childhood. The program is built to elevate the lives of children from different strata of society, making them independent and sustainable in their adulthood.

Under **GoHelp**, Blue Dart has designed two programs - **Blue Homes** and Blue Help. Blue Homes provides shelter to orphans

MANAGEMENT DISCUSSION AND ANALYSIS

and children affected with critical illness in association with SOS Children's Villages of India and St. Jude India ChildCare Centres. In association with HelpAge India, UHRC, Vision Foundation of India and KEM hospital, **Blue Help** aims to impact the lives of disadvantaged senior citizens and provide health care for the underprivileged.

HUMAN RESOURCES

2019-20 was a challenging year for the Company in several aspects. Blue Dart remains one of India's best places to work with an exceptionally talented workforce. The company is focused on business growth aligned with DPDHL's Strategy 2025 of "Delivering Excellence in a Digital World".

To become a market competitive company, we critically looked at cost efficiency and productivity. The company therefore, undertook the organizational rightsizing exercise in 2019-20.

EMPLOYEE MORALE, MOTIVATION & ENGAGEMENT

The year 2019-20 saw employee participation of 99.18% in the annual Employee Satisfaction Survey (ESS). Amongst the dimension-wise scores, 'Pride in working for Blue Dart' is the highest scoring item with a mean satisfaction score of 96.4%. The mean score of Employee Engagement stands at 94.8% in 2019-20. In active leadership, the score stands at 95.2% in 2019-20, as against 95.4% score in FY 2018-19. Employee activities like festival celebrations, health-related workshops, medical camps among others helped in increasing employee bonding and engagement. The key talent retention in 2019-20 was 87.1%.

PERFORMANCE MANAGEMENT

The performance management system in Blue Dart is managed through the online HRIS platform, PRIDE. During the current year, PRIDE was retired and instead, DPDHL is rolling out the Global HR system, called CHRIS. The new performance management system has introduced certain new features over and above all the features that existed in PRIDE.

As part of the Blue Dart way, our People-First Philosophy is to, "Drive a meritocratic and development-oriented people management culture within the organisation". We firmly believe in recognizing and appreciating individual efforts, contribution and performance while rewarding them to ensure their growth and development. To develop the competency aspect of our employees, various training programs have been incorporated to strengthen the development culture.

EMPLOYEE DEVELOPMENT

Our goals are best achieved when motivated and well-trained employees provide quality service that always fulfils our customers' expectations. Our Certified programmes are tailored for seamless

& easy implementation. Common values of Passion, Can Do, Right First Time & As One and a clear focus on quality are the foundational tools necessary for all Blue Darters to deliver customer-centricity par excellence. We have begun introducing the 'Certified Programmes' and will roll-out the same in a phased manner across the country. In 2019-20, the company on an average invested in 3741 man-days in training Blue Darters with relevant training and development programs aligned to both organisational as well as individual learning needs.

Standardization of Operations & Sales training:

As a new initiative to introduce a consistent method in training employees on Sales & Operations, a standardization and uniform training proposition was rolled out across the organization. This is also made available online with the provision of mobility going forward. Your Company is also making available an app-based assessment engine for Supervisors to assess functional & behavioural attributes.

Leadership in a box (LIAB):

The DPDHL group initiated leadership training has been rolled out at Blue Dart. This training aims at providing understanding and awareness around new leadership attributes which will be a part of leadership competencies, the effective year 2020-21. The six attributes are under Head, Heart and Guts leadership elements (Being results-oriented, Leveraging strengths, Providing purpose, Having & creating trust, Focusing on clear priorities, Being positive about challenges, uncertainty and change). 330 leaders underwent the training in 2019-20.

Certified eCommerce Specialist (CeS):

This program is aimed at strengthening the Blue Dart Way & communicating the same to each Blue Darter via the Certified eCommerce Specialist training program. We have done the initial preparatory work and embarked on the CeS training journey to cover all Blue Darters from FY 2020-21 onwards. This again is a DPDHL group led programme, providing the foundational information and knowledge about DHL and Blue Dart's eCommerce businesses.

Executive development review (EDR):

A complete revamp of a potential review process has been done. The new process of EDR has been shaped to fall in line with the DPDHL process which aims at continuous development, growth and succession planning. The EDR process is conducted for Business Critical Positions for validating their performance, potential and identification of strengths and particularly developmental needs. We have covered key employees under this exercise. This process results in the formulation of the Individual Development Plan (IDP) for training needs and developmental inputs.

MANAGEMENT DISCUSSION AND ANALYSIS

Compliance training:

Compliance strengthens a business' 'license to operate' and is the foundation of an entrepreneurial business practice that encourages compliance-driven behaviour. 1443 employees have undergone the Compliance training in 2019-20.

Building leadership pipeline:

We have incorporated the Management Trainee (MT) scheme at Blue Dart since 2012. This enables us to take in fresh talent from the management institutions and build a leadership pipeline. In 2019-20, we onboarded new management trainees and another set of MTs will be onboarded in July 2020.

EMPLOYEE REWARD & RECOGNITION

In order to motivate employees and recognize their outstanding work, 841 Blue Darters were awarded the on-the-spot Bravo award by individual managers for excellent work and 8 received the prestigious Super Darter award for achievements beyond the call of duty. In 2019-20, 13 Employee of the Year awardees along with 20 nominees from across the country were felicitated by the Managing Director, 966 Blue Darters joined the True Blue Club on completion of 5 years of service.

OTHER PROGRAMS

Upstairs

A GoTeach initiative by Blue Dart that promotes equal education opportunity and offers a Scholarship program for Blue Darter's children, who receive financial assistance for their education and mentoring support.

Subsidized Tuition Education Plan (STEP)

This developmental policy enables employees to acquire higher qualification skills to enhance career prospects/ personal

development/ improve effectiveness on the current assignment. This is a developmental initiative by Blue Dart.

Blue Dart's Reimbursement of Accident Claims & Expenses (BRACE)

This is a wellness initiative which aims at providing timely relief including reimbursement of medical expenses.

Death Benevolent Fund (DBF)

This is an employee welfare initiative at Blue Dart where the immediate family of a deceased Blue Dart employee receives monetary help from employees, as payroll giving.

Appreciation Week

During the Appreciation Week celebration, employees express their gratitude by exchanging 'Thank You' postcards with each other. In 2019-20, this celebration was extended to the families of our employees who also received a personalised 'Thank You' note signed by the Managing Director for extending their support. Employees were also given a Blue Dart lapel pin and encouraged to wear it with pride, even after the appreciation week celebrations came to an end.

CAUTIONARY STATEMENT

The statement forming part of this Report may contain certain forward looking remarks with the meaning of applicable Securities Law and Regulations. Many factors could cause the actual results, performances, or achievements of the company to be materially different from any future results, performances, or achievements. Significant factors that could make a difference to the Company's operations include domestic and international economic conditions, changes in government regulations, tax regime and other statutes.



CHIEF EXECUTIVE OFFICER (CEO) AND CHIEF FINANCIAL OFFICER (CFO) CERTIFICATION



To the Board of Directors,

BLUE DART EXPRESS LIMITED

We, Balfour Manuel, Managing Director and Aneel Gambhir, Chief Financial Officer of Blue Dart Express Limited, to the best of our knowledge and belief certify that:

- A. We have reviewed financial statements and the cash flow statement of Blue Dart Express Limited for the year ended March 31, 2020 and that to the best of our knowledge and belief, we state that:
- (i) these statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
 - (ii) these statements together present a true and fair view of the Company's affairs and are in compliance with existing accounting standards, applicable laws and regulations.
- B. We also state that to the best of our knowledge and belief, no transactions entered into by the Company during the year, which are fraudulent, illegal or violative of the Company's code of conduct.
- C. We accept responsibility for establishing and maintaining internal controls for financial reporting and that they have evaluated the effectiveness of internal control systems of the Company pertaining to financial reporting and they have disclosed to the Auditors and the Audit Committee, deficiencies in the design or operation of such internal controls, if any, of which they are aware and the steps they have taken or propose to take to rectify these deficiencies.
- D. We have indicated, based on our most recent evaluation, wherever applicable, to the Auditors and the Audit Committee:
- i. significant changes in internal control over financial reporting during the year;
 - ii. significant changes, if any, in the accounting policies during the year and that the same have been disclosed in the notes to the financial statements and
 - iii. instances of significant fraud of which they have become aware and the involvement therein, if any, of the management or an employee having significant role in the Company's internal control system over financial reporting.

Balfour Manuel
Managing Director

Aneel Gambhir
Chief Financial Officer

Place : Mumbai
Date : May 26, 2020

DECLARATION REGARDING CODE OF CONDUCT

I hereby declare that all the Directors and Senior Management of the Company have confirmed compliance with the Code of Conduct for the current year, as adopted by the Company.

Balfour Manuel
Managing Director

Place: Mumbai
Date : May 26, 2020

INDEPENDENT AUDITORS' REPORT

TO THE MEMBERS OF BLUE DART EXPRESS LIMITED

Report on the Audit of the Standalone Ind AS Financial Statements

Opinion

We have audited the accompanying standalone Ind AS financial statements of Blue Dart Express Limited ("the Company") which comprise the Balance Sheet as at March 31 2020, the Statement of Profit and Loss including the statement of Other Comprehensive Income, the Cash Flow Statement and the Statement of Changes in Equity for the year then ended and notes to the standalone Ind AS financial statements including 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 standalone Ind AS financial statements give the information required by the Companies Act, 2013, as amended ("the Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2020, its losses including other 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 standalone Ind AS financial statements in accordance with the Standards on Auditing (SAs), as specified under Section 143(10) of the Act. Our responsibilities under those Standards are further described in the 'Auditor's Responsibilities for the Audit of the standalone Ind AS 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 together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Act and the Rules thereunder and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the standalone Ind AS financial statements.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the standalone Ind AS financial statements for the financial year ended March 31, 2020. These matters were addressed in the context of our audit of the standalone Ind AS financial statements as a whole and in forming our opinion thereon and we do not provide a separate opinion on these matters. For each matter below, our description of how our audit addressed the matter is provided in that context.

We have determined the matter described below to be the key audit matter to be communicated in our report. We have fulfilled the responsibilities described in the Auditor's responsibilities for the audit of the standalone Ind AS financial statements section of our report, including in relation to this matter. Accordingly, our audit included the performance of procedures designed to respond to our assessment of the risks of material misstatement of the standalone Ind AS financial statements. The results of our audit procedures, including the procedures performed to address the matter below, provide the basis for our audit opinion on the accompanying standalone Ind AS financial statements.

Key audit matter	How our audit addressed the key audit matter
<u>Revenue recognition</u>	
<p>The Company enters into contracts with customers for the provision of services. Revenue from these contracts is recognized in accordance with the requirements of Ind AS 115, Revenue from Contracts with Customers (as described in notes 3 (e) of the stand-alone Ind AS financial statements).</p> <p>As at the year end, for all incomplete contracts, revenue is recognized for the completed performance obligation which are part of incomplete contract based on the stage of completion and transaction price allocated to the specific completed performance obligation.</p> <p>The process of identifying the stage of completion and allocation of transaction price to the specific performance obligation as at the balance sheet date is complex and dependent on management's estimates and relevant internal controls including IT controls in certain operational systems.</p>	<p>Our audit procedures included assessing the Company's revenue recognition accounting policies in accordance with Ind AS 115, Revenue from Contracts with Customers.</p> <p>We obtained an understanding of management's internal controls over the revenue process and evaluated whether these have been designed in line with the Company's accounting policies. We tested relevant internal controls, including IT controls over revenue process. We assessed the management's evaluation process to recognize revenue over a period of time, ascertain stage of completion and allocation of transaction price to the specific performance obligation.</p> <p>We performed test of details for the selected sample of revenue transactions during the year and traced these to underlying supporting documentation / evidence.</p>

INDEPENDENT AUDITORS' REPORT

TO THE MEMBERS OF BLUE DART EXPRESS LIMITED

Key audit matters	How our audit addressed the key audit matter
Revenue recognition	
Considering complexity and volume, there is a risk that revenue recognized for completed performance obligations which are part of incomplete contracts as at the balance sheet date may not be appropriate.	We selected samples of revenue transactions wherein revenue was recognized for the completed performance obligation which were part of incomplete contracts as at the year end. For the transactions selected we compared the underlying documents including proof of service delivery for services completed subsequent to the year end and tested the working for allocation of transaction price to the specific completed performance obligation.

Information Other than the Financial Statements and Auditor's Report Thereon

The Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Annual report but does not include the standalone Ind AS financial statements and our auditor's report thereon.

Our opinion on the standalone Ind AS 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 standalone Ind AS financial statements, our responsibility is to read the other information and in doing so, consider whether such other information is materially inconsistent with the financial statements or our knowledge obtained in the 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 for the standalone Ind AS 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 standalone Ind AS 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 accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under Section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the standalone Ind AS financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the standalone Ind AS 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 Management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

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

Auditor's Responsibilities for the audit of the Standalone Ind AS financial statements

Our objectives are to obtain reasonable assurance about whether the standalone Ind AS 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 standalone Ind AS financial statements.

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 standalone Ind AS 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.

INDEPENDENT AUDITORS' REPORT

TO THE MEMBERS OF BLUE DART EXPRESS LIMITED

- Obtain an understanding of internal 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 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 standalone Ind AS financial statements, including the disclosures and whether the standalone Ind AS financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the standalone Ind AS financial statements for the financial year ended March 31, 2020 and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2016 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of Section 143 of the Act, we give in the "Annexure 1" a statement on the matters specified in paragraphs 3 and 4 of the Order.
2. As required by Section 143(3) of the Act, we report that:
 - (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit;
 - (b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;
 - (c) The Balance Sheet, the Statement of Profit and Loss including the Statement of Other Comprehensive Income, the Cash Flow Statement and Statement of Changes in Equity dealt with by this Report are in agreement with the books of account;
 - (d) In our opinion, the aforesaid standalone Ind AS financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Companies (Indian Accounting Standards) Rules, 2015, as amended;
 - (e) On the basis of the written representations received from the directors as on March 31, 2020 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2020 from being appointed as a director in terms of Section 164 (2) of the Act;
 - (f) With respect to the adequacy of the internal financial controls over financial reporting of the Company with reference to these standalone Ind AS financial statements and the operating effectiveness of such controls, refer to our separate Report in "Annexure 2" to this report;
 - (g) In our opinion, the managerial remuneration for the year ended March 31, 2020 has been paid / provided by the Company to its directors in accordance with the provisions of Section 197 read with Schedule V to the Act;

INDEPENDENT AUDITORS' REPORT

TO THE MEMBERS OF BLUE DART EXPRESS LIMITED

- (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 has disclosed the impact of pending litigations on its financial position in its standalone Ind AS financial statements. Refer Note 40 to the standalone Ind AS financial statements;
 - 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.

For S.R. Batliboi & Associates LLP
Chartered Accountants
ICAI Firm Registration Number: 101049W/E300004

per Sunil Gaggar
Partner
Membership Number: 104315
UDIN : 20104315AAAAAV2274

Place: Bengaluru
Date: May 26, 2020

ANNEXURE 1 TO INDEPENDENT AUDITORS' REPORT

Annexure 1 referred to in paragraph 1 under Report on Other Legal and Regulatory Requirements of our audit report of even date:

Re: Blue Dart Express Limited (the "Company")

- i. (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.
- (b) All fixed assets have not been physically verified by the Management during the year but there is a regular programme of verification which, in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. No material discrepancies were noticed on such verification.
- (c) According to the information and explanations given by the Management, the title deeds of immovable properties included in property, plant and equipment are held in the name of the Company.
- ii. The Management has conducted physical verification of inventory at reasonable intervals during the year and no material discrepancies were noticed on such physical verification.
- iii. (a) The Company has granted unsecured loans to one company covered in the register maintained under Section 189 of the Companies Act, 2013 ("the Act"). In our opinion and according to the information and explanations given to us, the terms and conditions of the grant of such loans are not prejudicial to the Company's interest.
- (b) In respect of aforesaid loans, the schedule of repayment of principal and payment of interest has been stipulated. The company to whom loans are given is repaying the principle amount as stipulated and is also regular in payment of interest.
- (c) In respect of aforesaid loans, there are no amounts of loans which are overdue for more than ninety days.
- iv. In our opinion and according to the information and explanations given to us, the provisions of Sections 185 and 186 of the Act in respect of loans and advances given, investments made and guarantees and securities given to the entities in which the directors are interested have been complied with by the Company.
- v. The Company has not accepted any deposits within the meaning of Sections 73 to 76 of the Act and the Companies (Acceptance of Deposits) Rules, 2014, as amended. Accordingly, the provisions of clause 3(v) of the Order are not applicable and hence not commented upon.
- vi. To the best of our knowledge and as explained, the Central Government has not specified the maintenance of cost records under Section 148(1) of the Act, for the products / services of the Company.
- vii. (a) The Company is regular in depositing with appropriate authorities undisputed statutory dues including provident fund, employees' state insurance, income-tax, duty of custom, goods and service tax, cess and other statutory

dues applicable to it. The provisions of sales-tax, value added tax and duty of excise are not applicable to the Company.

- (b) According to the information and explanations given to us, no undisputed amounts payable in respect of provident fund, employees' state insurance, income-tax, duty of custom, goods and service tax, cess and other statutory dues were outstanding at the year-end for a period of more than six months from the date they became payable. The provisions of sales-tax, value added tax and duty of excise are not applicable to the Company.
- (c) According to the records of the Company, the unpaid disputed dues on account of value added tax and cess are as follows. There are no disputed dues in respect of income-tax, sales-tax and duty of custom.

Name of the statute	Nature of dues	Amount (in ₹ Lakhs)	Period to which the amount relates	Forum where the dispute is pending
Kerala Value Added Tax Act, 2003	Tax, Interest and Penalty	2,121	Financial Years 2011-12 to 2013-14	The Hon'ble High Court of Kerala
Madhya Pradesh Value Added Tax Act, 2002	Tax, Interest and Penalty	36	Financial Year 2015-16	M.P. Commercial Tax Appellate Board, Bhopal
Uttar Pradesh Value Added Tax Act, 2008	Penalty	22	Financial Year 2015-16	Appellate Board, Ghaziabad

- viii. In our opinion and according to the information and explanations given by the Management, the Company has not defaulted in repayment of loans or borrowing to a financial institution, bank or government or dues to debenture holders.
- ix. According to the information and explanations given by the Management, the Company has not raised any money by way of initial public offer / further public offer / debt instruments and term loans during the year under review. Hence, reporting under clause 3 (ix) is not applicable to the Company and hence not commented upon.
- x. Based upon the audit procedures performed for the purpose of reporting the true and fair view of the financial statements and according to the information and explanations given by the Management, we report that no fraud by the Company or no material fraud on the Company by the officers and employees of the Company has been noticed or reported during the year.
- xi. According to the information and explanations given by the Management, the managerial remuneration has been paid /

ANNEXURE 1 TO INDEPENDENT AUDITORS' REPORT

Annexure 1 referred to in paragraph 1 under Report on Other Legal and Regulatory Requirements of our audit report of even date:
Re: Blue Dart Express Limited (the "Company")

- provided in accordance with the requisite approvals mandated by the provisions of Section 197 read with Schedule V to the Act.
- xii. In our opinion, the Company is not a nidhi company. Therefore, the provisions of clause 3 (xii) of the order are not applicable to the Company and hence not commented upon.
- xiii. According to the information and explanations given by the Management, transactions with the related parties are in compliance with Sections 177 and 188 of Act, where applicable and the details have been disclosed in the notes to the financial statements, as required by the applicable accounting standards.
- xiv. According to the information and explanations given to us and on an overall examination of the balance sheet, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year under review and hence, reporting requirements under clause 3(xiv) are not applicable to the Company and hence not commented upon.
- xv. According to the information and explanations given by the Management, the Company has not entered into any non-cash transactions with directors or persons connected with him as referred to in Section 192 of the Act.
- xvi. According to the information and explanations given to us, the provisions of Section 45-IA of the Reserve Bank of India Act, 1934 are not applicable to the Company.

Place: Bengaluru
Date: May 26, 2020

For S.R. Batliboi & Associates LLP
Chartered Accountants
ICAI Firm Registration Number: 101049W/E300004

per Sunil Gaggar
Partner
Membership Number: 104315
UDIN : 20104315AAAAV2274

ANNEXURE 2 TO THE INDEPENDENT AUDITOR'S REPORT OF EVEN DATE ON THE STANDALONE IND AS FINANCIAL STATEMENTS OF BLUE DART EXPRESS LIMITED

Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")

We have audited the internal financial controls over financial reporting of Blue Dart Express Limited (the "Company") as of March 31, 2020 in conjunction with our audit of the standalone 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 based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to the Company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records and the timely preparation of reliable financial information, as required under the Act.

Auditor's Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting with reference to these standalone financial statements based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting ("Guidance Note") and the Standards on Auditing as specified under Section 143(10) of the Act, to the extent applicable to an audit of internal financial controls both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting with reference to these standalone 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 over financial reporting with reference to these standalone Ind AS financial statements and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting with reference to these standalone 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 internal financial controls over financial reporting with reference to these standalone Ind AS financial statements.

Meaning of Internal Financial Controls over Financial Reporting with Reference to these Financial Statements

A Company's internal financial control over financial reporting with reference to these standalone Ind AS 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 over financial reporting with reference to these standalone 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 authorizations of Management and directors of the Company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the Company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls over Financial Reporting with Reference to these Standalone Ind AS Financial Statements

Because of the inherent limitations of internal financial controls over financial reporting with reference to these standalone 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 evaluation of the internal financial controls over financial reporting with reference to these standalone financial statements to future periods are subject to the risk that the internal financial control over financial reporting with reference to these standalone 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, the Company has, in all material respects, adequate internal financial controls over financial reporting with reference to these standalone Ind AS financial statements and such internal

ANNEXURE 2 TO THE INDEPENDENT AUDITOR'S REPORT OF EVEN DATE ON THE STANDALONE IND AS FINANCIAL STATEMENTS OF BLUE DART EXPRESS LIMITED

financial controls over financial reporting with reference to these standalone financial statements were operating effectively as at March 31, 2020 based on the internal control over financial reporting criteria established by the Company considering the essential components

of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India.

Place: Bengaluru
Date: May 26, 2020

For S.R. Batliboi & Associates LLP
Chartered Accountants
ICAI Firm Registration Number: 101049W/E300004

per Sunil Gaggar
Partner
Membership Number: 104315
UDIN : 20104315AAAAAV2274

STANDALONE BALANCE SHEET AS AT MARCH 31, 2020

	Note	As at March 31, 2020 in ₹ Lakhs	As at March 31, 2019 in ₹ Lakhs
ASSETS			
NON-CURRENT ASSETS			
Property, Plant and Equipment	4	19,060	19,104
Capital work-in-progress	4	221	764
Right of use assets	4	28,389	-
Other Intangible Assets	4 (a)	8,706	5,618
Intangible Assets under development	4 (a)	207	3,804
		56,583	29,290
Financial Assets			
Investments	5	14,406	14,406
Other Financial Assets	6	7,238	6,809
Deferred Tax Assets (Net)	7	2,691	1,558
Non-Current Tax Assets (Net)	8	7,855	2,349
Other Non-Current Assets	9	275	1,292
		32,465	26,414
CURRENT ASSETS			
Inventories	10	373	589
Financial Assets			
Trade Receivables	11	52,453	48,900
Cash and Cash equivalents	12	9,604	26,431
Bank balances other than above	13	249	264
Loans	14	79	1,185
Other Financial Assets	15	1,249	2,123
Other Current Assets	16	3,069	1,846
		67,076	81,338
TOTAL		156,124	137,042
EQUITY AND LIABILITIES			
EQUITY			
Equity Share Capital	17	2,376	2,376
Other Equity	18	55,974	64,101
		58,350	66,477
LIABILITIES			
NON-CURRENT LIABILITIES			
Financial Liabilities			
Borrowings	19 (a)	5,250	7,500
Lease Liability	19 (b)	19,933	-
Employee Benefit Obligations	20 (a)	1,129	940
		26,312	8,440
CURRENT LIABILITIES			
Financial Liabilities			
Borrowings	21	-	7,118
Lease Liability	21 (a)	8,876	-
Trade Payables	22		
Total outstanding dues to micro and small enterprises		500	706
Total outstanding dues to creditors other than micro and small enterprises		38,609	37,243
Other Financial Liabilities	23	11,720	8,412
Other Current Liabilities	24	1,054	823
Employee Benefit Obligations	20 (b)	10,703	7,823
		71,462	62,125
TOTAL		156,124	137,042

The above Standalone Balance Sheet should be read in conjunction with the accompanying notes.

As per our report of even date

For and on behalf of the Board of Directors

For S.R. Batliboi & Associates LLP
ICAI Firm Registration No.101049W/E300004
Chartered Accountants

Sharad Upasani
Chairman
DIN:01739334

Balfour Manuel
Managing Director
DIN:08416666

Narendra Sarda
Director
DIN:03480129

Air Marshal M. McMahon (Retd.)
Director
DIN:00234293

per Sunil Gaggar
Partner
Membership No. 104315

Tulsi Nowlaxha Mirchandaney
Director
DIN:01842520

Kavita Nair
Director
DIN:07771200

R.S. Subramanian
Director
DIN:02946608

Place: Bengaluru
Date: May 26, 2020

Place: Mumbai
Date: May 26, 2020

Aneel Gambhir
Chief Financial Officer

Tushar Gunderia
Company Secretary

STANDALONE STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED MARCH 31, 2020

	Note	Year ended March 31, 2020 in ₹ Lakhs	Year ended March 31, 2019 in ₹ Lakhs
INCOME			
Revenue from Operations	25	316,639	316,546
Other Income	26	1,401	1,821
Total Income		318,040	318,367
EXPENSES			
Freight, Handling and Servicing Costs (Net)	27	216,106	210,910
Employee Benefits Expense	28	57,400	55,009
Finance Costs	29	3,214	1,535
Depreciation and Amortisation Expense	30	15,280	4,796
Other Expenses	31	24,349	33,282
Total Expenses		316,349	305,532
PROFIT BEFORE EXCEPTIONAL ITEMS AND TAX		1,691	12,835
Exceptional Items	31 (a)	6,411	-
(LOSS)/PROFIT BEFORE TAX		(4,720)	12,835
Income Tax Expense	36	-	4,859
Current Tax		-	(186)
Adjustment of tax relating to earlier years		-	(598)
Deferred Tax (Credit)		(891)	(598)
Total Tax Expense		(891)	4,075
(LOSS)/PROFIT FOR THE YEAR		(3,829)	8,760
OTHER COMPREHENSIVE INCOME			
Items that will not be reclassified to Statement of Profit and Loss in subsequent years			
Actuarial loss arising from remeasurements of post employment benefit obligation		964	791
Income tax relating to this item		(242)	(276)
Total comprehensive (loss)/income for the year		(4,551)	8,245
Earnings Per Equity Share [Nominal value of share ₹ 10 each]			
Basic and Diluted (in ₹)	32	(16.14)	36.92

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

As per our report of even date

For S.R. Batliboi & Associates LLP
ICAI Firm Registration No.101049W/E300004
Chartered Accountants

per Sunil Gaggur
Partner
Membership No. 104315

Place: Bengaluru
Date: May 26, 2020

For and on behalf of the Board of Directors

Sharad Upasani
Chairman
DIN:01739334

Tulsi Nowlakhia Mirchandaney
Director
DIN:01842520

Place: Mumbai
Date: May 26, 2020

Balfour Manuel
Managing Director
DIN:08416666

Kavita Nair
Director
DIN:07771200

Aneel Gambhir
Chief Financial Officer

Narendra Sarda
Director
DIN:03480129

R.S. Subramanian
Director
DIN:02946608

Tushar Gunderia
Company Secretary

Air Marshal M. McMahon (Retd.)
Director
DIN:00234293

STANDALONE STATEMENT OF CASH FLOWS FOR THE YEAR ENDED MARCH 31, 2020

	Note	Year ended March 31, 2020 in ₹ Lakhs	Year ended March 31, 2019 in ₹ Lakhs
A. Cash flows from Operating activities:			
(Loss)/Profit before Tax		(4,720)	12,835
Adjustments for:			
Depreciation and Amortisation Expense of Property, plant and equipment and right of use assets	30 and 31 (a)	16,779	4,796
Finance Costs	29	3,214	1,535
Interest income	26	(194)	(524)
Dividend from mutual funds	26	(305)	(338)
Unwinding interest on Payload Deposit and Lease Deposit	26	(662)	(647)
Loss on sale/scrapping of Property, Plant and Equipments (Net)	31	20	16
Bad debts written off	31	(26)	(151)
Operating profit before working capital changes		14,106	17,522
Adjustments for changes in working capital:			
(Increase) / Decrease in Inventories		216	(141)
(Increase) in Trade Receivables		(3,526)	(3,681)
Decrease / (Increase) in Other Non Current Financial Assets		(60)	167
(Increase) in Other Non Current Assets		(59)	(292)
(Increase) / Decrease in Other Current Financial Assets		870	(212)
Decrease / (Increase) in Other Current Assets		(1,223)	1,183
Decrease in Current Loans		14	7
Increase in Trade Payables		1,160	4,804
Increase in Other Current Financial Liabilities		1,037	1,587
Increase in Other Current Liabilities		231	99
Increase in Current Employee Benefits Obligations		1,917	843
Increase in Non-Current Employee Benefits Obligations		189	360
Cash generated from Operations		14,872	22,246
Taxes paid (net of refunds)	8	(5,506)	(6,547)
Net cash from Operating activities		9,366	15,699
B. Cash flows from Investing activities:			
Payments for Property, Plant and Equipments & other Intangible assets (including movement in capital work-in-progress & Intangible assets under development)		(5,589)	(7,565)
Proceeds from sale of Property, Plant and Equipments		13	15
Interest received		198	624
Dividend from mutual funds	26	305	338
Investments in mutual funds		(287,353)	(363,328)
Redemptions from mutual funds		287,353	363,328
Loans repaid by Blue Dart Aviation Limited	14	1,092	1,904
Investment in Bank fixed deposits (net)	6 and 13	35	41
Net cash (used in) Investing activities		(3,946)	(4,643)

STANDALONE STATEMENT OF CASH FLOWS FOR THE YEAR ENDED MARCH 31, 2020

	Note	Year ended March 31, 2020 in ₹ Lakhs	Year ended March 31, 2019 in ₹ Lakhs
C. Cash flows used in Financing activities:			
Term Loan taken	19	-	7,500
Redemption of Debentures	21	(7,118)	(9,491)
Payment of principal portion of Lease liabilities	33	(8,339)	-
Payment of interest on Lease liabilities	29	(2,163)	-
Interest paid	29	(1,051)	(1,535)
Dividend paid	18	(2,966)	(2,966)
Dividend distribution tax paid	18	(610)	(610)
Net cash (used in) Financing activities		(22,247)	(7,102)
Net increase/(decrease) in Cash and Cash Equivalents		(16,827)	3,954
Cash and cash equivalents at the beginning of the year		26,431	22,477
Cash and cash equivalents at the end of the year		9,604	26,431
Note : There are no changes in liabilities arising from financing activities, due to non-cash changes.			
Reconciliation of cash and cash equivalents as per the cash flow statements			
Cash and Cash Equivalents:	12		
Cheques and Drafts on hand		153	1,221
Balances with banks:			
In current accounts*		8,667	8,018
Deposits with maturity period less than 3 months		35	16,500
Cash on hand*		749	692
		9,604	26,431
		6,021	5,405

*Cash and Bank balances in current account include collections on "Cash on Delivery" shipments held on behalf of customers.

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

As per our report of even date

For S.R. Batliboi & Associates LLP
ICAI Firm Registration No.101049W/E300004
Chartered Accountants

per Sunil Gagar
Partner
Membership No. 104315

Place: Bengaluru
Date: May 26, 2020

For and on behalf of the Board of Directors

Sharad Upasani
Chairman
DIN:01739334

Tulsi Nowlakra Mirchandaney
Director
DIN:01842520

Place: Mumbai
Date: May 26, 2020

Balfour Manuel
Managing Director
DIN:08416666

Kavita Nair
Director
DIN:07771200

Aneel Gambhir
Chief Financial Officer

Narendra Sarda
Director
DIN:03480129

R.S. Subramanian
Director
DIN:02946608

Tushar Gunderia
Company Secretary

Air Marshal M. McMahon (Retd.)
Director
DIN:00234293

**STANDALONE STATEMENT OF CHANGES IN EQUITY (SOCIE)
FOR THE YEAR ENDED MARCH 31, 2020**

A. Equity Share Capital in ₹ Lakhs

Balance as at March 31, 2018	2,376
Changes in equity share capital	-
Balance as at March 31, 2019	2,376
Changes in equity share capital	-
Balance as at March 31, 2020	2,376

B. Other Equity (Refer Note 18) in ₹ Lakhs

	Reserves and Surplus				Total
	Securities Premium	General Reserve	Debenture Redemption Reserve	Retained Earnings	
Balance as at March 31, 2019	3,475	6,193	1,572	52,861	64,101
Loss for the year	-	-	-	(3,829)	(3,829)
Other comprehensive income	-	-	-	(722)	(722)
Total comprehensive loss for the year	-	-	-	(4,551)	(4,551)
Transfer (to)/from other reserves (Net)	-	-	(1,572)	1,572	-
Transactions with owners in their capacity as owners:					
Dividend paid during the year ended March 31, 2020 of ₹12.50 (March 31, 2019-₹12.50) per fully paid share	-	-	-	(2,966)	(2,966)
Dividend distribution tax (DDT)	-	-	-	(610)	(610)
Balance as at March 31, 2020	3,475	6,193	-	46,306	55,974

in ₹ Lakhs

	Reserves and Surplus				Total
	Securities Premium	General Reserve	Debenture Redemption Reserve	Retained Earnings	
Balance as at March 31, 2018	3,475	6,193	3,243	46,838	59,749
Profit for the year	-	-	-	8,760	8,760
Other comprehensive income	-	-	-	(515)	(515)
Total comprehensive income for the year	-	-	-	8,245	8,245
Transfer (to)/from other reserves (Net)	-	-	(1,671)	1,671	-
Transition impact (Ind AS 115)	-	-	-	(317)	(317)
Transactions with owners in their capacity as owners:					
Dividend paid during the year ended March 31, 2019 of ₹12.50 (March 31, 2018-₹15) per fully paid share	-	-	-	(2,966)	(2,966)
Dividend distribution tax (DDT)	-	-	-	(610)	(610)
Balance as at March 31, 2019	3,475	6,193	1,572	52,861	64,101

The above Standalone Statement of Changes in Equity should be read in conjunction with the accompanying notes.

As per our report of even date

For **S.R. Batliboi & Associates LLP**
ICAI Firm Registration No.101049W/E300004
Chartered Accountants

per **Sunil Gaggar**
Partner
Membership No. 104315

Place: Bengaluru
Date: May 26, 2020

For and on behalf of the Board of Directors

Sharad Upasani
Chairman
DIN:01739334

Tulsi Nowlakhia Mirchandaney
Director
DIN:01842520

Place: Mumbai
Date: May 26, 2020

Balfour Manuel
Managing Director
DIN:08416666

Kavita Nair
Director
DIN:07771200

Aneel Gambhir
Chief Financial Officer

Narendra Sarda
Director
DIN:03480129

R.S. Subramanian
Director
DIN:02946608

Tushar Gunderia
Company Secretary

Air Marshal M. McMahon (Retd.)
Director
DIN:00234293

SCHEDULES

Notes forming part of the Standalone Financial Statements as at and for the year ended March 31, 2020

1 General Information

Blue Dart Express Limited ('the Company') is engaged in the business of integrated air and ground transportation and distribution of time sensitive packages to various destinations, primarily within India. The Company is a public limited company incorporated in India having its registered office at Blue Dart Centre, Sahar Airport Road, Andheri East, Mumbai. The Company has its equity shares listed on the Bombay Stock Exchange (BSE) and the National Stock Exchange (NSE).

The standalone financial statements were authorised for issue in accordance with a resolution of the directors on May 26, 2020.

2 Basis of preparation of financial statements

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 except for certain financial assets and liabilities measured at fair value and Defined benefit plans - plan assets measured at fair value (Refer note 28).

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.

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:

- Expected to be realised or intended to be sold or consumed in normal operating cycle
- Held primarily for the purpose of trading
- Expected to be realised within twelve months after the reporting period, or
- 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:

- It is expected to be settled in normal operating cycle
- It is held primarily for the purpose of trading
- It is due to be settled within twelve months after the reporting period, or
- 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.

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:

- Estimation of useful life of property, plant and equipment and intangibles assets (Refer note 3(a))
- Estimation of defined benefit obligation (Refer note 28)
- Estimation of current tax expense and receivable/payable (Refer note 8 and 36)
- Estimation of contingent liabilities (Refer note 40)
- Estimation of deferred costs (Refer note 16)
- Estimation of revenue recognised (Refer note 25)
- Estimation of lease term of contracts (Refer note 33)

3 Significant accounting policies

The accounting policies set out below have been applied consistently to all periods presented in these financial statements (except Note 3.1).

a. Property, plant and equipment

Free hold land is carried at historical cost, net of accumulated impairment losses, if any. All other items of Property, Plant and Equipment are 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.

Capital work-in-progress represents Property, plant and

SCHEDULES

Notes forming part of the Standalone Financial Statements as at and for the year ended March 31, 2020

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.

Intangible Assets:

Intangible assets are stated at cost less any accumulated amortisation and accumulated impairment losses, if any. The Company capitalises identifiable costs relating to development of internally generated software and these are stated net of accumulated amortization.

Intangible assets under development comprise costs relating to development of software that are not yet ready for their intended use as at the balance sheet date.

Depreciation

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

a. Leasehold improvements	Over the period of lease term
b. Office Equipments	10 years
c. Electrical Equipment	6 to 10 years
d. Computers	3 to 6 years
e. Furniture Fixtures	10 years
f. Vehicles	8 years
g. Material Handling Equipment	15 years
h. Machinery and Equipment	2 to 6 years
i. Buildings	60 years

The Company, based on technical assessment made by technical expert and management estimate, depreciates computers over estimated useful lives of 3 to 6 years which are different from the useful life prescribed in Schedule II to the Act. The management believes that these estimated useful lives are realistic and reflect fair approximation of the period over which the assets are likely to be used.

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

Amortisation

Following initial recognition of the development expenditure as an asset, the asset is carried at cost less any accumulated amortisation and accumulated impairment losses, if any.

Amortisation of the asset begins when development is complete and the asset is available for use. It is amortised over the period of expected future benefit. Amortisation expense is recognised in the profit and loss unless such expenditure forms part of carrying value of another asset.

Computer softwares, amortised under straight line method over the estimated useful life of 6 to 10 years. Internally generated software is amortised using the straight-line method over a period of 10 years, based upon its estimated useful economic life.

b. Impairment of Non Financial 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 to be 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 then such reversal is recorded in the Statement of Profit and Loss.

c. Investments in Subsidiaries

The Company has accounted for its investments in subsidiaries at cost.

d. Inventories

Inventories are stated at lower of cost and net realisable value.

Inventories primarily consist of packing and stationery consumables which are valued at cost (arrived at using First-in First-out basis).

e. Revenue Recognition

Service Charges:

Company's normal business operations consist of the business of integrated air and ground transportation and distribution of time sensitive packages to various destinations, primarily in India. All income relating to normal business operations is recognised as revenue in the Statement of profit and loss. All other income is reported as other operating income.

Until March 31, 2018, revenue and other operating income were generally recognised when services were rendered, the amount of revenue and income could be reliably measured and, in all probability, the economic benefits from the transactions would flow to the Company.

Since April 01, 2018, revenue has been recognised when

SCHEDULES

Notes forming part of the Standalone Financial Statements as at and for the year ended March 31, 2020

control over the services transfers to the customer i.e., when the customer has the ability to control the use of the transferred services provided and generally derive their remaining benefits. The requirement is that a contract with enforceable rights and obligations exists and, amongst other things, the receipt of consideration is likely, taking into account the customer's credit quality. The revenue corresponds to the transaction price to which the Company is expected to be entitled. Variable consideration is included in the transaction price when it is highly probable that a significant reversal in the amount of revenue recognised will not occur and as soon as the uncertainty associated with the variable consideration no longer exists. The Company does not expect to have contracts where the period between the transfer of the promised services to the customer and payment by the customer exceeds one year. Accordingly, the promised consideration is not adjusted for the time value of money. For each performance obligation under contracts entered for logistic services, revenue is recognised over a certain period of time as determined by the Company.

Other Income:

- Interest Income (including Unwinding interest on Payload Deposit and Lease Deposit):

Interest income is recognised using the effective interest rate 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.

- Dividend Income:

Dividend income is recognised when the right to receive the dividend is established.

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 recognised in the Statement of Profit and Loss.

Foreign exchange differences regarded as an adjustment to borrowing costs are presented in the Statement of Profit and 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. The liability in respect of compensated absences of short term nature is not actuarially valued and is provided on an estimated basis.

(ii) Other long-term employee benefit obligations

The liabilities for earned 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

SCHEDULES

Notes forming part of the Standalone Financial Statements as at and for the year ended March 31, 2020

is actuarially determined (using the Projected Unit Credit Method) at the end of each year. Remeasurements, comprising of Actuarial losses/ gains are recognised in the Statement of Profit and Loss in the year in which they arise.

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, super annuation 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 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.

Superannuation is classified as a defined contribution scheme of the Company. Contribution due towards Superannuation Fund for eligible employees is made to an insurance company,

and the Company has no further obligation beyond making this payment.

The Company also contributes to State plans, namely Employee's State Insurance Fund and Employee's Pension Scheme 1995, and has no further obligation beyond making its contribution.

Company's contributions to the above funds are charged to the Statement of Profit and Loss for the year for which the contributions are due for payment.

(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 initial 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, as follows:

- Building-1 to 10 years
- Motor Vehicles and other equipments:1 to 5 years

The right-of-use assets are also subject to impairment assessment. Refer to the accounting policies in section 3(b) 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

SCHEDULES

Notes forming part of the Standalone Financial Statements as at and for the year ended March 31, 2020

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 calculates its incremental borrowing rate by using the Government's Zero coupon yield rates adjusted for the financial spreads for AA rated bonds at the lease commencement date because the interest rate implicit in the lease is not readily determinable. 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.

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, equipments (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 equipments 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 systematic basis, which reflects the pattern of lessee's benefit, i.e., on an as and when basis.

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 OCI.

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 provision of The Income Tax Act, 1961.

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 or 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. Trade and other payables

These amounts represent liabilities for goods and services provided to the Company prior to the end of financial year which are unpaid. The amounts are unsecured and are usually paid as per contractual terms. Trade and other payables are presented as current financial liabilities unless payment is not due within 12 months after the reporting period. They are recognised initially at their fair value and subsequently measured at amortised cost using the effective interest method.

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.

SCHEDULES

Notes forming part of the Standalone Financial Statements as at and for the year ended March 31, 2020

Provisions are measured at 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 pre-tax rate that reflect current market assessment of the time value of money and the risk 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

In the cash flow statement, cash and cash equivalents include cash in hand, cheques in hand, demand deposits with banks and other short-term highly liquid investments with original maturities upto three months adjusted for bank overdrafts, if any. 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.

The Company has accounted for its investment in subsidiaries at cost.

(iii) Debt instruments at amortised cost

A 'debt instrument' is measured at the amortised cost if both the following conditions are met:

- a) The asset is held within a business model whose objective is to hold assets for collecting contractual cash flows, and
- b) Contractual terms of the asset give rise to cash flows on specified dates that are solely payments of principal and interest (SPPI) on the principal amount outstanding.

After initial measurement, such financial assets are subsequently measured at amortised cost using the effective interest rate (EIR) method. Amortised cost is calculated by taking into account any discount or premium and fees or costs that are an integral part of the EIR. The EIR amortisation is included in finance income in the Statement of Profit and Loss. The losses arising from impairment are recognised in the Statement of Profit and Loss.

Debt instruments included within the fair value through profit and loss (FVTPL) category are measured at fair value with all changes recognized in the Statement of Profit and Loss.

(iv) 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.

SCHEDULES

Notes forming part of the Standalone Financial Statements as at and for the year ended March 31, 2020

(v) 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 ECL 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 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 Statement of Profit and Loss. Such liabilities, including derivatives that are liabilities, are subsequently measured at fair value.

(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, or as derivatives designated as hedging instruments in an effective hedge, 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 Statement of Profit and 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/losses are not subsequently transferred to Statement of 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 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 Statement of Profit and 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

SCHEDULES

Notes forming part of the Standalone Financial Statements as at and for the year ended March 31, 2020

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
- ▶ 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 net 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 32).

(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 32).

r. Segment Information

The Company has only one operating segment, which is 'integrated air and ground transportation and distribution'. All assets of the Company are domiciled in India and the Company earns its entire revenue from its operations in India. There is no single customer which contributes more than 10% of the Company's total revenues.

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 of the Act.

3.1 Changes in accounting policies and disclosures

New and amended standards

The Company applied Ind AS 116 Leases for the first time. The nature and effect of the changes as a result of adoption of this new accounting standard is described below. The Company has not early adopted any standards, amendments that have been issued but are not yet effective/notified.

The Company adopted Ind AS 116 using the modified retrospective approach of adoption as per para C8(b)(ii) read with C8(a) and C5(b) of Ind AS 116, with the date of initial application on 1 April 2019. For leases previously classified as operating leases under Ind AS 17, the Company:

- Recognized a lease liability measured at the present value of the remaining lease payments, discounted using the Company's incremental borrowing rate
- Measured the right-of-use asset on a lease-by-lease basis at an amount equal to the lease liability, adjusted for previously recognized prepaid or accrued lease payments.

The Company elected to use the transition practical expedient to not reassess whether a contract is, or contains, a lease at 1 April 2019 and considered only contracts those were recognised as lease under erstwhile standard Ind AS 17. The Company also

SCHEDULES

Notes forming part of the Standalone Financial Statements as at and for the year ended March 31, 2020

used practical expedient to not to recognise leases for which the lease term ends within 12 months of the date of initial application, these leases are accounted as short term leases.

Critical judgements and estimates evaluation on implementation:

- (i) In case of leases having a contractual lease term more than non-cancellable period, company has opted to consider the entire contractual lease term, as the company's intention is to continue the lease till the end of contractual lease term based on one or more of the following factors:-
 - (a) The uniqueness of purpose or location of the asset which is taken on lease
 - (b) No availability of a comparable replacement asset
 - (c) The existence and materiality of leasehold improvements
 - (d) Cost of relocation involved
 - (e) Company's past practice of not exiting a contract without having any economic disincentive
- (ii) In case of leases containing both lease and non-lease components, company has decided to separate the amount if the bifurcation is mentioned in the contract and in other cases the non-lease components shall be assumed to be zero and entire amount will be considered as lease rentals.

Please refer note 3(h) for Accounting Policy on Leases.

The effect of adoption Ind AS 116 as at 1 April 2019 (increase/ (decrease)) is, as follows:

Assets	in ₹ Lakhs
Right-of-use assets	25,663
Prepaid expenses	(943)
Total	24,720

Lease Liabilities 24,720

The following table presents the reconciliation of lease liability:

Assets	in ₹ Lakhs
Operating lease commitments as at 31 March 2019	5,271
Less:	
Commitments relating to short-term leases and low-value assets	565
Add:	
Lease payments not included in operating lease commitments as at 31 March 2019	23,312
Undiscounted Lease liabilities as at 1 April 2019	29,148
Weighted average incremental borrowing rate as at 1 April 2019	8.45%
Lease liabilities as at 1 April 2019	24,720

SCHEDULES

Notes forming part of the Standalone Financial Statements as at and for the year ended March 31, 2020

4. PROPERTY, PLANT AND EQUIPMENT

in ₹ Lakhs

Description of Assets	GROSS BLOCK (At Cost)				DEPRECIATION				NET BLOCK
	Opening Balance as at April 1, 2019	Additions	Deductions/ Adjustments	Closing Balance as at March 31, 2020	Upto April 1, 2019	For the Year	On Deductions/ Adjustments	Upto March 31, 2020	Closing Balance as at March 31, 2020
Tangible Assets:									
Land - Freehold	3,963	-	-	3,963	-	-	-	-	3,963
Lease hold improvements	500	-	-	500	356	22	-	378	122
Buildings	1,206	2	-	1,208	187	52	-	239	969
Office Equipment	3,186	547	12	3,721	1,496	610	7	2,099	1,622
Electrical Equipment	3,476	443	23	3,896	1,853	569	3	2,419	1,477
Computers	9,704	2,990	19	12,675	4,278	1,820	6	6,092	6,583
Furniture and Fixtures	6,239	304	4	6,539	3,131	1,125	3	4,253	2,286
Vehicles	145	89	-	234	52	26	-	78	156
Material Handling Equipment	2,491	74	2	2,563	517	246	-	763	1,800
Machinery and Equipment	356	51	(9)	416	292	41	(1)	334	82
Tangible Assets (A)	31,266	4,500	51	35,715	12,162	4,511	18	16,655	19,060
Buildings-ROU Assets	-	36,308	-	36,308	-	9,346	-	9,346	26,962
Office Equipment-ROU Assets	-	137	-	137	-	66	-	66	71
Vehicles-ROU Assets	-	1,939	-	1,939	-	583	-	583	1,356
ROU Assets (B)	-	38,384	-	38,384	-	9,995	-	9,995	28,389
Total Tangible Assets (A+B)	31,266	42,884	51	74,099	12,162	14,506	18	26,650	47,449
Capital work-in-progress	764	-	-	-	-	-	-	-	221

4 (a). OTHER INTANGIBLE ASSETS

in ₹ Lakhs

Description of Assets	GROSS BLOCK (At Cost)				AMORTISATION				NET BLOCK
	Opening Balance as at April 1, 2019	Additions	Deductions/ Adjustments	Closing Balance as at March 31, 2020	Upto April 1, 2019	For the Year	On Deductions/ Adjustments	Upto March 31, 2020	Closing Balance as at March 31, 2020
Intangible Assets:									
Computer Software	8,607	5,361	-	13,968	3,732	2,033	-	5,765	8,203
Internally Generated Software	1,703	-	-	1,703	960	240	-	1,200	503
Total Intangible Assets	10,310	5,361	-	15,671	4,692	2,273	-	6,965	8,706
Intangible Assets under development	3,804	-	-	-	-	-	-	-	207

Expenses capitalised in respect of above Intangible Assets under development									
Employee benefit expenses	1,698	-	1,698	-	-	-	-	-	-
Other Expenses	63	-	63	-	-	-	-	-	-
Total	1,761	-	1,761	-	-	-	-	-	-

SCHEDULES

Notes forming part of the Standalone Financial Statements as at and for the year ended March 31, 2020

4. PROPERTY, PLANT AND EQUIPMENT

in ₹ Lakhs

Description of Assets	GROSS BLOCK (At Cost)				DEPRECIATION				NET BLOCK
	Opening Balance as at April 1, 2018	Additions	Deductions/ Adjustments	Closing Balance as at March 31, 2019	Upto April 1, 2018	For the Year	On Deductions/ Adjustments	Upto March 31, 2019	Closing Balance as at March 31, 2019
Tangible Assets:									
Land - Freehold	3,963	-	-	3,963	-	-	-	-	3,963
Lease hold improvements	500	-	-	500	256	100	-	356	144
Buildings	1,257	4	55	1,206	135	53	1	187	1,019
Office Equipment	2,870	379	63	3,186	1,130	430	64	1,496	1,690
Electrical Equipment	3,165	387	76	3,476	1,443	471	61	1,853	1,623
Computers	6,791	3,147	234	9,704	3,149	1,359	230	4,278	5,426
Furniture and Fixtures	6,019	279	59	6,239	2,466	768	103	3,131	3,108
Vehicles	211	4	70	145	95	27	70	52	93
Material Handling Equipment	1,634	862	5	2,491	349	170	2	517	1,974
Machinery and Equipment	407	-	51	356	283	60	51	292	64
Total Tangible Assets	26,817	5,062	613	31,266	9,306	3,438	582	12,162	19,104
Capital work-in-progress	675	-	-	-	-	-	-	-	764

4 (a). OTHER INTANGIBLE ASSETS

in ₹ Lakhs

Description of Assets	GROSS BLOCK (At Cost)				AMORTISATION				NET BLOCK
	Opening Balance as at April 1, 2018	Additions	Deductions/ Adjustments	Closing Balance as at March 31, 2019	Upto April 1, 2018	For the Year	On Deductions/ Adjustments	Upto March 31, 2019	Closing Balance as at March 31, 2019
Intangible Assets:									
Computer Software	6,066	2,541	-	8,607	2,614	1,118	-	3,732	4,875
Internally Generated Software	1,703	-	-	1,703	720	240	-	960	743
Total Intangible Assets	7,769	2,541	-	10,310	3,334	1,358	-	4,692	5,618
Intangible Assets under development	3,990	-	-	-	-	-	-	-	3,804
Expenses capitalised in respect of above Intangible Assets under development									
Employee benefit expenses	2,045	65	412	1,698	-	-	-	-	1,698
Other Expenses	89	-	26	63	-	-	-	-	63
Total	2,134	65	438	1,761	-	-	-	-	1,761

SCHEDULES

Notes forming part of the Standalone Financial Statements as at and for the year ended March 31, 2020

	As at March 31, 2020 in ₹ Lakhs	As at March 31, 2019 in ₹ Lakhs
5 NON-CURRENT INVESTMENTS		
Investment in unquoted equity instruments (Fully paid up)		
Investment in Subsidiaries		
24,000,000 (March 31, 2019 - 24,000,000) equity shares of ₹ 10 each in Blue Dart Aviation Limited	14,260	14,260
1,10,000 (March 31, 2019 - 1,10,000) equity shares of ₹ 10 each in Concorde Air Logistics Limited	146	146
Total	14,406	14,406
Aggregate amount of unquoted investments	14,406	14,406
6 OTHER NON-CURRENT FINANCIAL ASSETS		
Margin money deposit	3	3
Long term deposits with banks with maturity period more than 12 months	-	-
Advances		
Aircraft Payload Deposit to Subsidiary [Refer note 37(E)(i)]	2,150	1,953
Deposits (Refer note 35 B (ii))	5,085	4,853
Total	7,238	6,809
7 DEFERRED TAX ASSETS / LIABILITIES (NET)		
Deferred Tax Asset		
Provision for Compensated Absences	788	1,008
Provision for Bonus	116	202
Provision for Gratuity	446	483
Others	1,882	824
Gross Deferred Tax Asset	3,232	2,517
Deferred Tax Liability		
Depreciation	541	959
Gross Deferred Tax Liability	541	959
Total	2,691	1,558
8 NON-CURRENT TAX ASSETS (NET)		
Opening balance	2,349	475
Less: Current tax payable for the year	-	4,859
Add: Adjustment of tax relating to earlier years	-	186
Add: Taxes paid	5,506	6,547
Closing balance	7,855	2,349
Advance income tax	75,409	69,903
Provision for tax	67,554	67,554
Advance income tax (Net of provision for tax)	7,855	2,349

SCHEDULES

Notes forming part of the Standalone Financial Statements as at and for the year ended March 31, 2020

	As at March 31, 2020 in ₹ Lakhs	As at March 31, 2019 in ₹ Lakhs
9 OTHER NON-CURRENT ASSETS		
Capital advances	35	167
Prepaid expenses	240	1,125
Total	275	1,292
10 INVENTORIES [Refer note 3(d)]		
Packing and Stationery Consumables	373	589
Total	373	589
11 TRADE RECEIVABLES		
(Unsecured, considered good)		
Trade receivables	49,531	46,592
Receivables from related parties [Refer note 37(E)(i)]	2,922	2,308
Total	52,453	48,900
As at March 31, 2020 ₹ 407 lakhs (March 31, 2019: ₹ 389 lakhs) was recognised as provision for expected credit losses on trade receivables.		
Break-up for security details:		
Trade receivables		
Secured, considered good	-	-
Unsecured, considered good	52,453	48,900
Trade Receivables which have significant increase in credit Risk	-	-
	52,453	48,900
Impairment Allowance (allowance for bad and doubtful debts)		
Unsecured, considered good	-	-
Trade Receivables which have significant increase in credit Risk	-	-
	52,453	48,900
Note: 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.		
12 CASH AND CASH EQUIVALENTS		
Cash and Cash Equivalents		
Cheques and Drafts on hand	153	1,221
Balances with banks:		
In current accounts*	8,667	8,018
Deposits with maturity period less than 3 months	35	16,500
Cash on hand*	749	692
Total	9,604	26,431
*Cash and Bank balances in current account include collections on "Cash on Delivery" shipments held on behalf of customers.	6,021	5,405

SCHEDULES

Notes forming part of the Standalone Financial Statements as at and for the year ended March 31, 2020

	As at March 31, 2020 in ₹ Lakhs	As at March 31, 2019 in ₹ Lakhs
13 BANK BALANCES OTHER THAN ABOVE		
Unpaid dividend accounts	103	101
Unpaid interest accounts	-	9
Unpaid debenture accounts	125	98
Deposits with maturity period more than 3 months but less than 12 months	21	56
Total	249	264
14 CURRENT LOANS		
(Unsecured, considered good, unless otherwise stated)		
Loans to Subsidiary (Refer note 41)	-	1,092
Loans and advances to employees	79	93
Total	79	1,185
15 OTHER CURRENT FINANCIAL ASSETS		
(Unsecured, considered good)		
Interest accrued on Deposits	13	17
Others	1,236	2,106
Total	1,249	2,123
16 OTHER CURRENT ASSETS		
Deferred costs*	14	212
Prepaid expenses	997	1,379
Balances with Government Authorities	2,058	255
Total	3,069	1,846
*Deferred costs represent costs pertaining to undelivered shipments as at the reporting date. (Refer note 25(d))		
17 SHARE CAPITAL		
Authorised		
40,000,000 equity shares (March 31, 2019: 40,000,000) of ₹ 10 each	4,000	4,000
Issued, Subscribed and Paid up		
23,727,934 equity shares (March 31, 2019 : 23,727,934) of ₹ 10 each fully paid-up	2,373	2,373
Add: Forfeited Shares	3	3
Total	2,376	2,376

SCHEDULES

Notes forming part of the Standalone Financial Statements as at and for the year ended March 31, 2020

a. Reconciliation of the number of shares

	As at March 31, 2020		As at March 31, 2019	
	Number of shares	Amount (₹ In Lakhs)	Number of shares	Amount (₹ In Lakhs)
Outstanding as at the beginning of the year	2,37,27,934	2,373	2,37,27,934	2,373
Additions/Deletions during the year	-	-	-	-
Outstanding as at the end of the year	2,37,27,934	2,373	2,37,27,934	2,373

b. Rights, preferences and restrictions attached to equity shares

The Company has only one class of equity shares having a par value of ₹ 10 per share. Every share holder is entitled to participate in dividends. Each shareholder of equity shares is entitled to one vote per share.

The Company declares and pays dividend in Indian Rupees. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting, except in case of interim dividend which is approved by the Board of Directors.

In the event of liquidation, the equity share holders are eligible to receive the remaining assets of the Company after distribution of all preferential amounts, in proportion to their share holding.

c. Shares held by Holding Company

Out of the above equity shares issued by the Company, shares held by the Holding Company:

	As at March 31, 2020 in ₹ Lakhs	As at March 31, 2019 in ₹ Lakhs
DHL Express (Singapore) Pte. Limited, Singapore the Holding Company		
17,795,950 (March 31, 2019: 17,795,950) equity shares of ₹ 10 each fully paid up	1,780	1,780

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

	As at March 31, 2020		As at March 31, 2019	
	Number of shares	%	Number of shares	%
DHL Express (Singapore) Pte. Limited, Singapore	17,795,950	75.00%	17,795,950	75.00%
Derive Trading Private Limited (along with persons acting in concert)	1,268,696	5.35%	1,268,696	5.35%

18 OTHER EQUITY

Reserves and Surplus

	As at March 31, 2020 in ₹ Lakhs	As at March 31, 2019 in ₹ Lakhs
Securities Premium	3,475	3,475
General Reserve	6,193	6,193
Debenture Redemption Reserve	-	1,572
Retained earnings	46,306	52,861
Total	55,974	64,101

SCHEDULES

Notes forming part of the Standalone Financial Statements as at and for the year ended March 31, 2020

	As at March 31, 2020 in ₹ Lakhs	As at March 31, 2019 in ₹ Lakhs
Securities Premium		
Balance as at the beginning and end of the year	3,475	3,475
General Reserve		
Balance as at the beginning and end of the year	6,193	6,193
Debenture Redemption Reserve		
Balance as at the beginning of the year	1,572	3,243
Add: Transferred to Retained Earnings during the year	(1,572)	(1,671)
Balance as at the end of the year	-	1,572
Retained Earnings		
Balance as at the beginning of the year	52,861	46,838
Add: (Loss)/Profit for the year	(3,829)	8,760
Less: Appropriations		
Transition impact (Ind AS 115)	-	487
Deferred Tax on above	-	(170)
Dividend (including dividend distribution tax)	3,576	3,576
Transfer from Debenture Redemption Reserve	(1,572)	(1,671)
Items of other comprehensive income recognised directly in retained earnings:		
Remeasurement of post employment benefit obligations, net of tax	722	515
Balance as at the end of the year	46,306	52,861
Total	55,974	64,101

Nature and purpose of reserves:

Securities Premium

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

Debenture Redemption Reserve

During the year ended March 31, 2015, the Company had issued and allotted 166,095,538 nos. of Series I, 94,911,736 nos. of Series II and 71,183,802 nos. of Series III, Unsecured Redeemable Non-convertible Fully Paid Debentures of ₹10 each by way of Bonus, aggregating to ₹ 33,219 Lakhs to its shareholders by appropriating the Surplus in the Statement of Profit and Loss (Retained earning as per Ind AS) through a Scheme of Arrangement (Scheme) approved by Hon'ble High Court of Mumbai and other relevant authorities.

During the current year on 20th November 2019 the Company redeemed the balance tranche of Non convertible debenture Series III. Accordingly the Company has transferred the accumulated balance of Debenture redemption reserve to retained earnings as per the requirements of the Act and in accordance with the clarifications given by the Ministry of Corporate Affairs.

General Reserve

Under the erstwhile Companies Act 1956, General Reserve was created through an annual transfer from net profit after tax at a specified percentage in accordance with applicable regulations. The purpose of these transfers was to ensure that in a year in which dividend distribution is more than 10% of the paid-up capital of the Company, then the total dividend distribution is lower than the total distributable profits for that year.

Consequent to introduction of Companies Act 2013, the requirement to mandatorily transfer a specified percentage of the net profit to general reserve has been withdrawn. However, the amount previously transferred to the general reserve can be utilised only in accordance with the specific requirements of Companies the Act, 2013.

SCHEDULES

Notes forming part of the Standalone Financial Statements as at and for the year ended March 31, 2020

	As at March 31, 2020 In ₹ Lakhs	As at March 31, 2019 In ₹ Lakhs
19 (a) NON CURRENT FINANCIAL LIABILITY- BORROWINGS		
Term Loan from Axis Bank (Refer note below)	5,250	7,500
Total	5,250	7,500
<p>In November 2018, Company has availed an unsecured loan of ₹ 7,500 Lakhs (Noncurrent portion as on March 31, 2020 is ₹ 5,250 lakhs, March 31, 2019; ₹ 7,500 lakhs) from Axis Bank. The said loan is repayable in ten equal quarterly instalments of ₹ 750 lakhs commencing from August 14, 2020. The current rate of interest on the said loan is 7.4% p.a. and subject to reset periodically. Also Refer note 23 for current portion of the loan liability.</p>		
19 (b) NON-CURRENT FINANCIAL LIABILITIES-LEASES		
Lease Liability (Refer note 33)	19,933	-
Total	19,933	-
20 (a) NON-CURRENT EMPLOYEE BENEFIT OBLIGATIONS		
Other employee benefits payable	1,129	940
Total	1,129	940
20 (b) CURRENT EMPLOYEE BENEFIT OBLIGATIONS		
Provision for Gratuity [Refer note 28]	1,771	1,381
Provision for Compensated Absences [Refer note 28]	3,132	2,885
Other employee benefits payable	5,800	3,557
Total	10,703	7,823
21 CURRENT FINANCIAL LIABILITY - BORROWINGS		
Unsecured Non Convertible Debentures		
Unsecured Debentures (Series III) (Refer note below)	-	7,118
Total	-	7,118
<p>Debentures series (I, II and III) were issued on November 21, 2014 and the redemption period for the said series I, II and III is 36 months, 48 months and 60 months respectively from the date of allotment.</p> <p>On 20th November 2019, Company has redeemed the balance Non Convertible Debenture series III along with interest for the period from April 1, 2019 to November 20, 2019 amounting to ₹ 434 Lakhs. Rate of Interest on the Debenture Series III was 9.5% p.a.</p>		
21 (a) CURRENT FINANCIAL LIABILITIES-LEASES		
Lease Liability (Refer note 33)	8,876	-
Total	8,876	-
22 TRADE PAYABLES		
Trade Payables:		
Total outstanding dues of micro enterprises and small enterprises (Refer note 38)	500	706
Total outstanding dues of creditors other than micro and small enterprises:		

SCHEDULES

Notes forming part of the Standalone Financial Statements as at and for the year ended March 31, 2020

Trade payables other than related parties	26,311	25,864
Trade payables to related parties [Refer note 37(E)(i)]	12,298	11,379
Total	39,109	37,949

23 OTHER FINANCIAL LIABILITIES

Unpaid Dividend (Refer note below)	103	101
Unpaid Interest (Refer note below)	-	9
Unpaid Debenture (Refer note below)	125	98
Current maturities of Term Loan from Axis Bank (Refer note 19 (a))	2,250	-
Payables towards 'Cash on Delivery' shipments	8,554	7,575
Trade Deposits	688	629
Total	11,720	8,412

Note: There are no amounts due for transfer to the Investor Education and Protection Fund under Section 125 of the Act as at the respective year ends.

24 OTHER CURRENT LIABILITIES

Statutory dues (including Provident Fund, GST, Employees State Insurance and Tax Deducted at Source)	1,054	823
Total	1,054	823

25 REVENUE FROM OPERATIONS

Service charges	316,639	316,546
Total	316,639	316,546

a) Disaggregation of Revenue

Revenue from Operation		
Service Charges	316,639	316,546

b) Contract Balances

Contract assets	14	212
Contract liabilities	507	2,125

Contract assets include deferred cost with respect to shipments in transit as at year end.
For Trade receivable Refer note 11

Contract liabilities include revenue of shipments to the extent of incomplete activities relating to delivery as at year end.

c) Reconciling the amount of revenue recognised in the statement of profit and loss with the contracted price

Particulars		
Revenue as per contracted price	323,687	321,765

SCHEDULES

Notes forming part of the Standalone Financial Statements as at and for the year ended March 31, 2020

	Year ended March 31, 2020 in ₹ Lakhs	Year ended March 31, 2019 in ₹ Lakhs
Adjustments:		
Credit note	(6,971)	(5,136)
Discount	(77)	(83)
Revenue from contract with customers	316,639	316,546

d) Significant Judgement and Estimates

The allocation of the transaction price over timing of satisfaction of performance obligation:

Under the revenue recognition standard Ind AS 115 revenue has been recognised when control over the services transfers to the customer i.e., when the customer has the ability to control the use of the transferred services provided and generally derive their remaining benefits.

The revenue from logistics service is recognised over a period of time. The Company has recognized the revenue in respect of undelivered shipments to the extent of completed activities undertaken with respect to delivery. The Company has taken incurrence of cost incurred at stages of delivery (First mile, Network and Last mile) as base to identify the percentage of service completion in respect of undelivered shipments as at year end. At year end, the Company, based on its tracking systems classifies the ongoing deliveries into stages of delivery and applies estimated percentages as calculated above to recognise revenue.

	Year ended March 31, 2020 in ₹ Lakhs	Year ended March 31, 2019 in ₹ Lakhs
26 OTHER INCOME		
Dividend from Mutual Funds	305	338
Interest on Loans/Inter corporate deposits to Subsidiary	77	320
Interest on deposits with banks	117	204
Unwinding interest on Payload Deposit and Lease Deposit	662	647
Net Gain on Foreign Currency Transactions and Translation	5	-
Miscellaneous income	235	312
Total	1,401	1,821
27 FREIGHT, HANDLING AND SERVICING COSTS		
Aircraft charter costs	79,770	74,322
Domestic network operating costs	95,148	93,640
International servicing charges	14,289	14,209
Commercial airlift charges	13,692	15,371
Handling and clearing charges	8,632	8,385
Printing, stationery and consumables	4,575	4,983
Total	216,106	210,910
28 EMPLOYEE BENEFITS EXPENSE		
Salaries, Bonus and Compensated absences	49,715	47,968
Contribution to provident and other funds (including administration charges)	3,313	2,720
Gratuity	806	590
Staff welfare expenses	3,566	3,731
Total	57,400	55,009

SCHEDULES

Notes forming part of the Standalone Financial Statements as at and for the year ended March 31, 2020

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

I Defined Contribution Plans

- a. Superannuation Fund
- b. State Defined Contribution Plans
 - i. Employers' Contribution to Employee's State Insurance Scheme
 - ii. Employers' Contribution to Employee's Pension Scheme 1995
 - iii. Employers' Contribution to Provident Fund

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

	Year ended March 31, 2020 in ₹ Lakhs	Year ended March 31, 2019 in ₹ Lakhs
- Employers' Contribution to Provident Fund	1,029	786
- Employers' Contribution to Superannuation Fund	94	100
- Employers' Contribution to Employee's State Insurance Scheme	502	686
- Employers' Contribution to Employee's Pension Scheme 1995	1,450	958

II Defined Benefit Plans

I. Gratuity:

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

	Present value of obligation	Fair value of plan assets	Net defined benefit (asset) /liability
Balance as on April 1, 2019	8,167	(6,786)	1,381
Interest Cost/(Income)	635	(528)	107
Current Service Cost	699	-	699
Total amount recognised in profit and loss	1,334	(528)	806
Return on Plan Assets	-	(37)	(37)
Remeasurements			
(Gain)/loss from change in demographic assumptions	-	-	-
(Gain)/loss from change in financial assumptions	951	-	951
Experience losses	50	-	50
Total amount recognised in other comprehensive income	1,001	(37)	964
Benefits Paid	(1,723)	1,723	-
Transferred In/Acquisitions	-	-	-
Contributions	-	(1,380)	(1,380)
Balance as on March 31, 2020	8,779	(7,008)	1,771
Balance as on April 1, 2018	7,106	(6,565)	541
Interest Cost/(Income)	559	(517)	42
Current Service Cost	548	-	548
Total amount recognised in profit and loss	1,107	(517)	590

SCHEDULES

Notes forming part of the Standalone Financial Statements as at and for the year ended March 31, 2020

	Present value of obligation	Fair value of plan assets	Net defined benefit (asset) /liability
Return on Plan Assets	-	48	48
Remeasurements			
(Gain)/loss from change in demographic assumptions	-	-	-
(Gain)/loss from change in financial assumptions	541	-	541
Experience (gain)/losses	202	-	202
Total amount recognised in other comprehensive income	743	48	791
Benefits Paid	(720)	720	-
Transferred In/Acquisitions	(69)	69	-
Contributions	-	(541)	(541)
Balance as on March 31, 2019	8,167	(6,786)	1,381

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

	As at March 31, 2020 in ₹ Lakhs	As at March 31, 2019 in ₹ Lakhs
Present Value of funded obligation as at the year end	8,779	8,167
Fair Value of Plan Assets as at the end of the year	7,008	6,786
Funded Status (Deficit)	(1,771)	(1,381)

C) Amount recognised in the Balance Sheet

	As at March 31, 2020 in ₹ Lakhs	As at March 31, 2019 in ₹ Lakhs
Present Value of Obligation at the end of the year	(8,779)	(8,167)
Fair value of plan assets at the end of the year	7,008	6,786
Liability recognised in the Balance Sheet (Net)	(1,771)	(1,381)

D) 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, 2020	As at March 31, 2019
Discount Rate and Rate of Return on Plan Assets (per annum)	6.87%	7.78%
Rate of increase in Compensation levels (refer note below)	7.75%	7.75%
Attrition rate	1%	1%

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.

SCHEDULES

Notes forming part of the Standalone Financial Statements as at and for the year ended March 31, 2020

	Impact on defined benefit obligation (In ₹ Lakhs)			
	As at March 31, 2020		As at March 31, 2019	
	Increase	Decrease	Increase	Decrease
Discount Rate (0.5 % movement)	(543)	598	(460)	504
Rate of increase in Compensation levels (0.5 % movement)	590	(541)	502	(462)
Attrition rate (0.5 % movement)	(52)	55	(3)	3

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, 2020 in ₹ Lakhs	As at March 31, 2019 in ₹ Lakhs
Insured fund in LIC	7,008	6,786
iv) Expected gratuity contribution for the next year	1,220	1,253
Weighted average duration of the Defined Benefit Obligation (in years)	15	14
Maturity profile of defined benefit obligation:		
Within 1 year	429	345
1-2 year	131	224
2-3 year	428	310
3-4 year	364	600
4-5 year	489	529
5-10 years	2,915	3,306
E) Compensated Absences		
Current employee benefit obligations (Refer note 20(b))	3,132	2,885

29 FINANCE COSTS

	Year ended March 31, 2020 in ₹ Lakhs	Year ended March 31, 2019 in ₹ Lakhs
On Term loans	615	240
Interest on Bank Overdraft*	0	0
Interest on Debentures	434	1,248
Interest on Lease Liability	2,163	-
Interest paid to others	2	47
Total	3,214	1,535

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

SCHEDULES

Notes forming part of the Standalone Financial Statements as at and for the year ended March 31, 2020

	Year ended March 31, 2020 in ₹ Lakhs	Year ended March 31, 2019 in ₹ Lakhs
30 DEPRECIATION AND AMORTISATION EXPENSE		
Depreciation on Tangible assets (Refer note 4 and 31(a))	13,007	3,438
Amortisation on Intangible assets (Refer note 4(a))	2,273	1,358
Total	15,280	4,796
31 OTHER EXPENSES		
Rent (Refer note 33)	4,884	14,705
Office expenses	5,078	4,334
Security expenses	3,964	3,733
Electricity	2,060	2,097
Repairs and maintenance	3,415	3,000
Communication expenses	1,413	1,629
Directors sitting fees	20	18
Legal and professional	689	728
Payment to Auditors		
As auditor:		
Statutory Audit fees	37	45
Tax Audit fees	4	6
Reimbursement of Expenses	4	3
Other Matters	19	9
Rates and taxes	1,104	1,137
Travelling and conveyance	293	481
Lease rentals (Refer note 33)	256	379
Insurance	442	424
Sales promotion and advertising	202	160
Bad debts written off (net)	(26)	(151)
Expenditure towards Corporate Social Responsibility activities (Refer note below)	372	489
Loss on sale/scraping of Property, Plant and Equipment (Net)	20	16
Miscellaneous expenses	99	40
Total	24,349	33,282
Note:- Expenditure on Corporate Social Responsibility Activities		
a) Gross amount required to be spent by the Company during the year	372	480
b) Amount spent during the year on (in cash):		
(i) Expenditure on Educational programmes	73	195
(ii) Expenditure on Health care programmes	40	38
(iii) Expenditure on accommodation for needy children	125	130
(iv) Expenditure for plantation of trees	100	101
(v) Other CSR expenditures	34	25
Total	372	489

SCHEDULES

Notes forming part of the Standalone Financial Statements as at and for the year ended March 31, 2020

	Year ended March 31, 2020 in ₹ Lakhs	Year ended March 31, 2019 in ₹ Lakhs
31 (a) EXCEPTIONAL ITEMS		
Expenses relating to right sizing exercise	4,609	-
Fixed Assets written off for discontinued business activities (Refer note 4 and 30)	1,499	-
Other Incidental expenses	303	-
Total	6,411	-

With an intention to create long term value for its stakeholders, Management conducted an Organisation Right Sizing exercise which has an impact of ₹ 4,609 lakhs on the results for the year ended March 31, 2020. The Management further decided to discontinue certain business activities and change the operating software for certain business function and accordingly the net book value of related assets aggregating to ₹ 1,802 lakhs has been written down.

32 EARNINGS PER SHARE

(Loss)/Profit for the year (In ₹ Lakhs)	(3,829)	8,760
Weighted average number of shares (Nos.)	23,727,934	23,727,934
Basic Earnings Per Share (In ₹)	(16.14)	36.92
Diluted Earnings Per Share (In ₹)	(16.14)	36.92
Nominal value of shares outstanding (In ₹)	10	10

33 LEASES

The Company has lease contracts for various items of Buildings, vehicles and office equipments used in its operations. Leases of buildings generally have lease terms between 2 and 10 years, while vehicles and office equipment generally have lease terms of 5 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 with lease terms of 12 months or less and leases of office equipment with low value. The Company applies the 'short-term lease' and 'lease of low-value assets' recognition exemptions for these leases.

Set out below are the carrying amounts of right-of-use assets recognised and the movements during the year:

	As at March 31, 2020 in ₹ Lakhs			
	Initial recognition on April 01, 2019	Additions	Depreciation	Closing net carrying balance
Buildings	23,806	12,502	9,346	26,962
Vehicles	1,726	213	583	1,356
Office Equipment	131	6	66	71
Total	25,663	12,721	9,995	28,389

Lease liabilities: other financial liability

	As at March 31, 2020 in ₹ Lakhs
Current Lease liabilities	8,876
Non-current Lease liabilities	19,933
Total lease liabilities	28,809

SCHEDULES

Notes forming part of the Standalone Financial Statements as at and for the year ended March 31, 2020

Maturity analysis of contractual undiscounted cash flow

As at March 31, 2020
in ₹ Lakhs

	Less than 1 year	1 - 5 years	> 5 years	Total
Buildings	10,283	20,670	1,548	32,502
Vehicles	591	989	-	1,580
Office Equipment	114	46	-	160
Total undiscounted lease liabilities	10,988	21,706	1,548	34,242

The effective interest rate for lease liabilities is from 8.28 % to 8.68 %, with maturity between 2021-2030

Year ended March 31, 2020
in ₹ Lakhs

The following are the amounts recognised in profit and loss:

Depreciation expense of right-of-use assets	9,995
Interest expense on lease liabilities	2,163
Expense relating to short-term leases	5,288
Expense relating to leases of low-value assets	760
Total amount recognised in profit and loss	18,206
Total cash outflow	10,502

34 SEGMENT INFORMATION

The Company has only one operating segment, which is integrated air and ground transportation and distribution. All assets of the Company are domiciled in India and the Company earns its entire revenue from its operations in India. There is no single customer which contributes more than 10% of the Company's total revenues.

35 FINANCIAL INSTRUMENTS – FAIR VALUES AND RISK MANAGEMENT

A Accounting classification and fair values

The carrying value and fair value of financial instruments by categories are as follows. It does not include fair value information for financial assets and financial liabilities if the carrying amount is a reasonable approximation of it's fair value.

March 31, 2020	Note No.	Carrying amount			in ₹ Lakhs
		FVTPL	FVTOCI	Amortised Cost	Total
Financial assets					
(i) Loans (Refer note 2 below)	14	-	-	79	79
(ii) Trade receivables (Refer note 1 below)	11	-	-	52,453	52,453
(iii) Cash and cash equivalents (Refer note 1 below)	12	-	-	9,604	9,604
(iv) Bank balances other than above (Refer note 1 below)	13	-	-	249	249
(v) Deposits (Refer note 2 below)	6	-	-	7,235	7,235
(vi) Other financial assets (Refer note 1 below)	6 and 15	-	-	1,252	1,252
		-	-	70,872	70,872
Financial liabilities					
(i) Borrowings (Refer note 3 below)	19(a) and 21	-	-	5,250	5,250
(ii) Lease Liability (Refer note 1 below)	19(b) and 21 (a)			28,809	28,809

SCHEDULES

Notes forming part of the Standalone Financial Statements as at and for the year ended March 31, 2020

March 31, 2020	Note No.	Carrying amount			in ₹ Lakhs
		FVTPL	FVTOCI	Amortised Cost	Total
(iii) Trade payables (Refer note 1 below)	22	-	-	39,109	39,109
(iv) Other financial liabilities (Refer note 1 below)	19(b) and 23	-	-	11,720	11,720
		-	-	84,888	84,888

March 31, 2019	Note No.	Carrying amount			in ₹ Lakhs
		FVTPL	FVTOCI	Amortised Cost	Total
Financial assets					
(i) Loans (Refer note 2 below)	14	-	-	1,185	1,185
(ii) Trade receivables (Refer note 1 below)	11	-	-	48,900	48,900
(iii) Cash and cash equivalents (Refer note 1 below)	12	-	-	26,431	26,431
(iv) Bank balances other than above (Refer note 1 below)	13	-	-	264	264
(v) Deposits (Refer note 2 below)	6	-	-	6,806	6,806
(vi) Other financial assets (Refer note 1 below)	6 and 15	-	-	2,126	2,126
		-	-	85,712	85,712
Financial liabilities					
(i) Borrowings (Refer note 3 below)	19(a) and 21	-	-	14,618	14,618
(ii) Trade payables (Refer note 1 below)	22	-	-	37,949	37,949
(iii) Other financial liabilities (Refer note 1 below)	19(b) and 23	-	-	8,412	8,412
		-	-	60,979	60,979

Note 1: The carrying value of Trade receivables, cash and cash equivalents, other bank balances, other financial assets, trade payables, lease liability, other financial liability are considered to be the same as their fair values due to their short term nature.

Note 2: Difference between carrying amounts and fair values of loans, deposits, other non-current financial assets measured at amortised cost is not significantly different in each of the year presented.

Note 3: The borrowings includes Term Loan (previous year Debentures and Term loan). Previous Year, Debentures were classified under level 1 in fair value hierarchy with quoted prices in active markets of ₹ 7,076 Lakhs.

Interest rate on term loan is subject to reset periodically considering the then market trend and hence the carrying amount is not materially different from their fair values.

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 assessment and policies and processes are established to identify and analyze 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 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 policies and processes.

SCHEDULES

Notes forming part of the Standalone Financial Statements as at and for the year ended March 31, 2020

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 establishes an allowance for doubtful debts and impairment that represents its estimate of expected credit loss in respect of trade and other receivables and investments.

Trade and other receivables

The Company's exposure to credit risk is influenced mainly by the individual characteristics of each customer and present economic scenario due to COVID 19. The demographics of the customer, including the default risk of the industry in which the customer operates also have an influence on credit risk assessment.

Concentrations of credit risk with respect to trade receivables are limited, due to the Company's customer base being large and diverse and also on account of realisation of receivables within six months. All trade receivables are reviewed and assessed for default on a regular basis.

Our historical experience of collecting receivables, supported by the level of default, is that credit risk is low.

Cash and cash equivalents

The Company held cash and cash equivalents with credit worthy banks amounting to ₹ 8,726 Lakhs and ₹ 24,577 Lakhs as at March 31, 2020 and March 31, 2019 respectively. The credit worthiness of such banks 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, 2020 and March 31, 2019. The credit worthiness of such lessors is evaluated by the management on an ongoing basis and is considered to be good.

Loans and Payload deposit with Blue Dart Aviation Limited

The Company has an outstanding loans of ₹ Nil and ₹ 1,092 Lakhs as at March 31, 2020 and March 31, 2019 respectively. The Company has given interest free payload deposit of ₹ 2,150 Lakhs and ₹ 2,150 Lakhs as at March 31, 2020 and March 31, 2019 respectively.

Further, during the year Company has extended Inter Corporate Deposits aggregating to ₹ 2,644 Lakhs (Previous year ₹ 17,782 Lakhs) as bridge financing arrangement which got settled in full as at year end.

The operation of Blue Dart Aviation Limited are integral part of Company's operations. Considering the operations, future business plan and cash flow projections of wholly owned subsidiary the recoverability of the payload deposit is considered to be good.

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.

The Company has access to funds through various debt instruments option.

As of March 31, 2020, the Company had working capital of ₹ 4,490 Lakhs including loans of ₹ 79 Lakhs, cash and cash equivalents of ₹ 9,604 Lakhs, trade receivables of ₹ 52,453 Lakhs, other assets of ₹ 4,940 Lakhs, employee benefit obligations of ₹ 10,703 Lakhs, trade payables of ₹ 39,109 Lakhs and other liabilities of ₹ 12,774 Lakhs.

As of March 31, 2019, the Company had working capital of ₹ 19,213 Lakhs including loans of ₹ 1,185 Lakhs, cash and cash equivalents of ₹ 26,431 Lakhs, trade receivables of ₹ 48,900 Lakhs, other assets of ₹ 4,822 Lakhs, employee benefit obligations of ₹ 7,823 Lakhs, trade payables of ₹ 37,949 Lakhs, borrowings of ₹ 7,118 Lakhs and other liabilities of ₹ 9,235 Lakhs.

SCHEDULES

Notes forming part of the Standalone Financial Statements as at and for the year ended March 31, 2020

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.

March 31, 2020	Carrying amount	Total	Contractual cash flows				(in ₹ Lakhs)
			0-1 year	1-2 years	2-5 years	More than 5 years	
Non-derivative financial liabilities							
Term Loan from Axis Bank	7,500	8,332	2,742	3,278	2,312	-	
Trade and other payables	39,109	39,109	39,109	-	-	-	
Lease Liability	28,809	34,242	10,988	8,916	12,790	1,548	
Other financial liabilities	9,470	9,470	9,470	-	-	-	
Total	84,888	91,153	62,309	12,194	15,102	1,548	

March 31, 2019	Carrying amount	Total	Contractual cash flows				(in ₹ Lakhs)
			0-1 year	1-2 years	2-5 years	More than 5 years	
Non-derivative financial liabilities							
Unsecured non convertible debentures (Series III)	7,118	7,550	7,550	-	-	-	
Term Loan from Axis Bank	7,500	9,114	646	2,822	5,646	-	
Trade and other payables	37,949	37,949	37,949	-	-	-	
Other financial liabilities	8,412	8,412	8,412	-	-	-	
Total	60,979	63,025	54,557	2,822	5,646	-	

iv) Market risk

Market risk is the risk of loss of future earnings, fair values of 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 its revenue generating and operating activities.

(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.

Interest rate sensitivity - fixed rate instruments

There is no Fixed rate instrument outstanding as on Balance sheet date.

	in ₹ Lakhs	
	Profit or loss	
	100 bp increase	100 bp decrease
As at 31/03/2020		
Variable-rate instruments	(112)	112
sensitivity	(112)	112
As at 31/03/2019		
Variable-rate instruments	(194)	194
sensitivity	(194)	194

SCHEDULES

Notes forming part of the Standalone Financial Statements as at and for the year ended March 31, 2020

(b) Currency risk

The fluctuation in foreign currency exchange rates may have potential impact on the Statement of 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, 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:

Foreign Currency Risk	(in ₹ Lakhs)	
Amount in ₹	March 31, 2020	March 31, 2019
Trade receivables (in USD)	47	69
Trade payables (in USD)	(9)	(7)
Trade payables (in Euro)	-	-
Trade payables (in GBP)	-	-
Net statement of financial position exposure	38	62
Forward exchange contracts	-	-
Net exposure	38	62

Sensitivity analysis

A 10% strengthening / weakening of the respective foreign currencies with respect to functional currency of Company would result in increase or decrease in profit or loss as shown in table below. This analysis assumes that all other variables, in particular interest rates, remain constant and ignores any impact of forecast sales and purchases. 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
March 31, 2020		
EUR	-	-
USD	4	(4)
GBP	-	-
	4	(4)

Effect in ₹ Lakhs	Profit or loss	
	Strengthening	Weakening
March 31, 2019		
EUR	-	-
USD	6	(6)
GBP	-	-
	6	(6)

SCHEDULES

Notes forming part of the Standalone Financial Statements as at and for the year ended March 31, 2020

36 TAX EXPENSE

A. Amounts recognised in statement of profit and loss

	As at March 31, 2020 in ₹ Lakhs	As at March 31, 2019 in ₹ Lakhs
Current income tax	-	4,859
Adjustment of tax relating to earlier years	-	(186)
Deferred income tax liability / (asset), net		
Origination and reversal of temporary differences	(891)	(598)
Deferred tax (credit)	(891)	(598)
Tax expense for the year	(891)	4,075

B. Reconciliation of effective tax rate

	As at March 31, 2020 in ₹ Lakhs	As at March 31, 2019 in ₹ Lakhs
Profit / (Loss) before tax	(4,720)	12,835
Tax using the Company's domestic tax rate (Current year 25.17 % and Previous Year 34.94%)	(1,188)	4,485
Add: Tax Effect on amounts which are not deductible/ (taxable) in calculating taxable income:		
Expenditure towards Corporate Social Responsibility activities	51	111
Dividend from Mutual Funds	-	(118)
Adjustment of tax relating to earlier years	-	(186)
Tax adjustment impact due to change in tax rate in deferred tax	435	-
Other deductions (80 JJAA and others)	(189)	(217)
	(891)	4,075

C. Movement in deferred tax balances

	March 31, 2020			(in ₹ Lakhs)
	Net balance March 31, 2019	Recognised in Statement of Profit and Loss	Recognised in OCI	Net balance March 31, 2020
Deferred tax liability				
Depreciation	(959)	418	-	(541)
Gross Deferred tax liability	(959)	418	-	(541)
Deferred tax assets				
Provision for Compensated Absences	1,008	(220)	-	788
Provision for Bonus	202	(86)	-	116
Provision for Gratuity	483	(279)	242	446
Others	824	1,058	-	1,882
Gross Deferred tax assets	2,517	473	242	3,232
Tax Assets	1,558	891	242	2,691

SCHEDULES

Notes forming part of the Standalone Financial Statements as at and for the year ended March 31, 2020

	March 31, 2019			(in ₹ Lakhs)
	Net balance March 31, 2018	Recognised in Statement of Profit and Loss	Recognised in OCI	Net balance March 31, 2019
Deferred tax liability				
Depreciation	(1,260)	301	-	(959)
Gross Deferred tax liability	(1,260)	301	-	(959)
Deferred tax assets				
Provision for Compensated Absences	852	156	-	1,008
Provision for Bonus	289	(87)	-	202
Provision for Gratuity	187	20	276	483
Others	446	378	-	824
Gross Deferred tax assets	1,774	467	276	2,517
Tax Assets	514	768	276	1,558
Deferred tax on INDAS 115 impact	-	(170)	-	-
		598	276	

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 and deferred tax liabilities relate to income taxes levied by the same tax authority.

Significant management judgement is required in determining provision for income tax, deferred income tax assets and liabilities and recoverability of deferred tax assets. The recoverability of deferred tax assets is based on estimates of taxable income and the period over which deferred tax assets will be recovered. Any changes in future taxable income would impact the recoverability of deferred tax assets.

The Company elected to exercise the option permitted under section 115BAA of the Income Tax Act, 1961 as introduced by the Taxation Laws (Amendment) Ordinance, 2019. Accordingly, the Company has recognised Provision for Income Tax for the year and re-measured its Deferred tax asset basis the rate prescribed in the said section.

37 RELATED PARTY DISCLOSURES

(A) Names of related parties and related party relationship

(i) Enterprises where control exists

Ultimate Holding Company	Deutsche Post AG, Germany
Holding Company	DHL Express (Singapore) Pte. Limited, Singapore
Wholly Owned Subsidiary Company	Concorde Air Logistics Limited, India
Wholly Owned Subsidiary Company	Blue Dart Aviation Limited, India

(B) Related party relationships where transactions have taken place during the year

(i) Enterprises where control exists

Ultimate Holding Company	Deutsche Post AG, Germany
Holding Company	DHL Express (Singapore) Pte. Limited, Singapore
Subsidiary Company	Concorde Air Logistics Limited, India
Subsidiary Company	Blue Dart Aviation Limited, India
Fellow Subsidiary Company	DHL Express (India) Private Limited, India
Fellow Subsidiary Company	DHL Supply Chain India Private Limited, India
Fellow Subsidiary Company	DHL Logistics Private Limited, India
Fellow Subsidiary Company	DHL eCommerce (India) LLP, India
Fellow Subsidiary Company	DHL eCommerce Singapore PTE. Ltd., Singapore
Fellow Subsidiary Company	Deutsche Post IT Services, GMBH

SCHEDULES

Notes forming part of the Standalone Financial Statements as at and for the year ended March 31, 2020

(C) Key Management Personnel

Balfour Manuel	CEO (up to May 15, 2019) and Managing Director (from May 16, 2019)
Sharad Upasani	Chairman
Air Marshal M. McMahon (Retd.)	Director
Narendra Sarda	Director
Kavita Nair	Director (from March 26, 2019)
Anil Khanna	Managing Director (Up to January 23, 2019)

	Year ended March 31, 2020 in ₹ Lakhs	Year ended March 31, 2019 in ₹ Lakhs
(D) Transactions with related parties during the year		
(i) With Holding/Subsidiary/Fellow Subsidiaries Company		
Deutsche Post AG, Germany		
Reimbursements of expenses	-	10
Reimbursements of expenses	(30)	(1)
DHL Express (Singapore) Pte. Limited, Singapore		
Dividend paid	2,224	2,224
Reimbursements of expenses	(2)	-
Concorde Air Logistics Limited, India		
Commercial airlift charges	10,319	11,767
DHL Express (India) Private Limited, India		
International servicing charges	14,289	14,209
Domestic service charges income	(6,964)	(5,841)
Pickup and Delivery charges	200	185
Legal and professional fees	96	87
DHL Supply Chain India Private Limited, India		
Domestic service charges income	(2,868)	(3,991)
Efulfilment Warehousing services	283	440
DHL Logistics Private Limited, India		
Domestic service charges income	(523)	(567)
International Servicing Cost	145	81
DHL eCommerce (India) LLP, India		
Domestic service charges income	(12)	(9)
Domestic Network Operating Cost	5,630	7,011
DHL eCommerce Singapore PTE. Ltd., Singapore		
Payment towards software maintenance and others	-	160
Deutsche Post IT Services, GMBH		
Payment towards software maintenance and others	1	2
Blue Dart Aviation Limited, India		
Aircraft Charter Costs	79,818	74,322
Inter-Corporate Deposits Granted	2,644	17,782
Inter-Corporate Deposits repaid	(2,644)	(17,782)
Inter-Corporate Loan repaid	(1,092)	(1,903)
Interest income on Loan	(58)	(189)

SCHEDULES

Notes forming part of the Standalone Financial Statements as at and for the year ended March 31, 2020

	Year ended March 31, 2020 in ₹ Lakhs	Year ended March 31, 2019 in ₹ Lakhs
Interest income on Inter-Corporate Deposit	(19)	(131)
Domestic service charges income	(43)	(30)
Purchase/(Sale) of fixed assets/Consultancy charges	12	-
(ii) With Key Management Personnel		
Anil Khanna		
Remuneration	-	578
Sharad Upasani		
Commission	-	18
Sitting Fees	8	8
Air Marshal M. McMahon (Retd.)		
Commission	-	18
Sitting Fees	4	2
Narendra P Sarda		
Commission	-	18
Sitting Fees	6	8
Kavita Nair		
Commission	-	-
Sitting Fees	2	-
Balfour Manuel		
Remuneration	148	28
	As at March 31, 2020 in ₹ Lakhs	As at March 31, 2019 in ₹ Lakhs
(E) Related party balances as at the year end		
(i) Receivable/(Payable) from/to Subsidiary/Fellow Subsidiaries company		
Concorde Air Logistics Limited, India	(334)	26
Concorde Air Logistics Limited, India	-	-
DHL Express (India) Private Limited, India	2,066	1,430
DHL Express (India) Private Limited, India	(5,844)	(5,803)
DHL Supply Chain India Private Limited, India	733	711
DHL Supply Chain India Private Limited, India	(87)	(89)
DHL Logistics Private Limited, India	109	139
DHL Logistics Private Limited, India	(26)	(55)
DHL eCommerce (India) LLP, India	(1,561)	(3,613)
DHL eCommerce (India) LLP, India	14	3
Blue Dart Aviation Limited, India	2,150	3,242
Blue Dart Aviation Limited, India	(4,446)	(1,819)
(ii) Payable to Key Management Personnel		
Sharad Upasani	-	18
Air Marshal M. McMahon (Retd.)	-	18

SCHEDULES

Notes forming part of the Standalone Financial Statements as at and for the year ended March 31, 2020

	As at March 31, 2020 in ₹ Lakhs	As at March 31, 2019 in ₹ Lakhs
Narendra Sarda	-	18
Kavita Nair	-	-
Balfour Manuel	-	12

Note: 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.

	Year ended March 31, 2020 in ₹ Lakhs	Year ended March 31, 2019 in ₹ Lakhs
(F) Key management personnel compensation comprised the following:		
Short-term employee benefits	144	461
Post-employment benefits	4	11
Long-term employee benefits	-	134
Total	148	606

38 DUES TO MICRO AND SMALL ENTERPRISES

	As at March 31, 2020 in ₹ Lakhs	As at March 31, 2019 in ₹ Lakhs
Principal amount due to suppliers registered under the MSMED Act and remaining unpaid as at year end	500	706
Interest due to suppliers registered under the MSMED Act and remaining unpaid as at year end	16	11
Principal amounts paid to suppliers registered under the MSMED Act beyond the appointed day during the year	132	169
Interest paid, other than under Section 16 of MSMED Act to suppliers registered under the MSMED Act beyond the appointed day during the year	-	-
Interest paid, under Section 16 of MSMED Act to suppliers registered under the MSMED Act beyond the appointed day during the year	-	-
Interest due and payable towards suppliers registered under MSMED Act for payments already made	2	2
Further interest remaining due and payable for earlier years	11	8

The above information regarding Micro and Small Enterprises given in note 22 - Trade Payables have been identified on the basis of information available with the Company.

Detailed break-up of Interest is as follows:

	As at March 31, 2020 in ₹ Lakhs	As at March 31, 2019 in ₹ Lakhs
Interest due to suppliers registered under the MSMED Act and remaining unpaid as at year end	16	11
Interest due and payable towards suppliers registered under MSMED Act for payments already made	2	2
Further interest remaining due and payable for earlier years	11	8
Interest Charge to Statement of Profit and Loss	5	4

SCHEDULES

Notes forming part of the Standalone Financial Statements as at and for the year ended March 31, 2020

39 CAPITAL AND OTHER COMMITMENTS

	As at March 31, 2020 in ₹ Lakhs	As at March 31, 2019 in ₹ Lakhs
Estimated amount of contracts remaining to be executed on capital account and not provided for [net of advances ₹ 35 Lakhs (March 31, 2019-₹ 167 Lakhs)]	385	1,261

40 CONTINGENT LIABILITIES

Claims against the Company not acknowledged as debt

- a) Stamp Duty - Karnataka and Maharashtra Not ascertainable Not ascertainable

In response to the notices received from Stamp Authorities of Bangalore, Mangalore and Mumbai for payment of stamp duty under the Karnataka Stamp Act, 1957, and Maharashtra Stamp Act, 1958, based on the legal counsel advice received, the Company has filed its reply with those authorities submitting that on various grounds, it does not consider an air waybill to be an 'acknowledgement' chargeable to stamp duty under the Schedule of the said Act.

- b) On February 28, 2019, Honourable Supreme Court of India has passed the Judgement relating to the allowances to be considered while determining the amount of contribution toward Provident Fund. Presently, there are numerous interpretative issues relating to the Judgement. Based on the opinions obtained by the Company from its Legal consultants, the Company has complied the Provident Fund contribution mechanism effective April 1, 2019 and no provision has been made for the past periods in its financial statements as at March 31, 2020.

- c) Service Tax - 434

The Company had received Show Cause cum Demand Notice from service tax authorities relating to the Service Tax demand on courier services provided by the Company to educational institutions (ICAI/CBSE), contending that the Exemption Notification issued for exempting service tax on services rendered to educational institutes (ICAI and CBSE) is not applicable for courier services rendered by the Company.

The Company had filed its reply with the department submitting that courier services provided by the Company are exempt from service tax as per the provisions of the relevant Notification.

In case of exempted turnover, an assessee has the option of (i) reversing input credit in ratio of exempted turnover to total turnover, or (ii) pay a tax of 6% (April 2014 to May 2015) / 7% (June 2015 to Dec 2016). The Company has paid a service tax under option (ii) for the above period. This would be available as credit to be set off against the gross demand.

Further in current year, Company has applied under "Sabka Vishwas – Legacy Dispute Resolution Scheme, 2019" introduced by CBIC (Central Board of Indirect taxes and Customs) and discharged the Service Tax Demand as determined under the scheme.

- d) Pursuant to Aircraft Crew Maintenance and Insurance ("ACMI") agreement entered into between the Company and its wholly owned subsidiary Blue Dart Aviation Limited, the Company where ever required has supported Blue Dart Aviation by issuing Letter of Comfort in favour of various Banks / Financial Institutions to facilitate its borrowings. As on March 31, 2020, the Company has issued letter of comfort worth ₹ 18,500 Lakhs (previous year ₹ 28,500 Lakhs) of which outstanding as on even date is ₹13,084 Lakhs (previous year ₹ 22,410 Lakhs).

- 41 Blue Dart Aviation Limited, wholly owned subsidiary company has repaid the loan in full as per the schedule. During the year, Company has received a repayment of ₹ 1,092 Lakhs [Previous year ₹ 1,903 Lakhs].

42 DIVIDENDS

The final dividend proposed for the year is as follows:

	As at March 31, 2020	As at March 31, 2019
On Equity Shares of ₹ 10/- each		
Amount of dividend proposed (in ₹ Lakhs)	-	2,966
Dividend per equity share	-	12.50

SCHEDULES

Notes forming part of the Standalone Financial Statements as at and for the year ended March 31, 2020

43 CAPITAL MANAGEMENT

The Company's objective for Capital management is to maximise shareholder's value and support the strategic objectives of the Company. The Company determines the capital requirements based on its financial performance, operating and long term investment plans. The funding requirements for current financial year are largely met through operating cash flows generated.

The Company monitors capital using a ratio of 'Adjusted net debt' to 'equity'. For this purpose, adjusted net debt is defined as total borrowings less cash and cash equivalents (excluding collection on cash on delivery shipments held on behalf of customers). Equity comprises all components of equity. Debt equity ratio as at March 31, 2020 is 0.07 and as at March 31, 2019 is nil as the cash and cash equivalents (excluding collection on cash on delivery shipments held on behalf of customers) are more than the total borrowings.

44 Note on COVID 19

World Health Organisation (WHO) declared outbreak of Coronavirus Disease (COVID-19) a global pandemic on March 11, 2020. Consequent to this, The Ministry of Home Affairs vide order No.40-3/2020 dated 24.03.2020 notified first ever nation-wide lockdown in India to contain the outbreak of COVID 19 which impacted the overall economy and the business activities of the Company. The Company's performance for the month of March 2020 has been partially impacted. The impact on our business will depend on future developments that cannot be reliably predicted. The impact of global health pandemic might be different from that estimated as at the date of approval of these financial results and the Company will closely monitor any material changes to future economic conditions.

45 Subsequent event

The Company has changed its Leave Policy effective April 1, 2020. The Company is in the process of evaluating the effect of the revised leave policy on its financial statement.

46 Disclosures pursuant to the Regulation 34(3) read with para A of Schedule V to SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

	Year ended March 31, 2020 in ₹ Lakhs	Year ended March 31, 2019 in ₹ Lakhs
(A) Loans and advances in the nature of loans to subsidiary (Blue Dart Aviation Limited)		
Balance as at the year end	-	1,092
Maximum amount outstanding at any time during the year	3,073	10,394

(B) Investment by the loanee in the shares of the Company

The loanee has not made any investment in the shares of the Company.

As per our report of even date

For S.R. Batliboi & Associates LLP
ICAI Firm Registration No.101049W/E300004
Chartered Accountants

per Sunil Gagar
Partner
Membership No. 104315

Place: Bengaluru
Date: May 26, 2020

For and on behalf of the Board of Directors

Sharad Upasani
Chairman
DIN:01739334

Tulsi Nowlakra Mirchandaney
Director
DIN:01842520

Place: Mumbai
Date: May 26, 2020

Balfour Manuel
Managing Director
DIN:08416666

Kavita Nair
Director
DIN:07771200

Aneel Gambhir
Chief Financial Officer

Narendra Sarda
Director
DIN:03480129

R.S. Subramanian
Director
DIN:02946608

Tushar Gunderia
Company Secretary

Air Marshal M. McMahon (Retd.)
Director
DIN:00234293

BLUE DART AVIATION LIMITED

BOARD OF DIRECTORS

Tushar K. Jani	Chairman
Tulsi Nowlakha Mirchandaney	Managing Director
Clyde C. Cooper	Director
Air Marshal M. McMahon (Retd.)	Director
Air Marshal VA Patkar (Retd.)	Director
Sharad P. Upasani	Director
Geoffrey Kehr	Additional Director
Surendra G. Sheth	Alternate Director to Mr. Clyde C. Cooper

KEY MANAGERIAL PERSONNEL

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

BANKERS

Axis Bank Ltd.
Bank of America N.A.
Citi Bank N.A.
Yes Bank Ltd.

AUDITORS

S.R.Batliboi & Associates 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 a great pleasure in presenting the Twenty Sixth Annual Report of your Company for the financial year ended March 31, 2020.

FINANCIAL RESULTS

	(₹ in Lakhs)	
	Year ended March 31, 2020	Year ended March 31, 2019
Revenues:		
Revenue from Operations	80,686	75,209
Other Income	395	602
Less: Operating Expenses	(52,035)	(64,026)
Operating Profit (EBIDTA)	29,046	11,785
Less: Interest cost (Net)	8,797	3,230
Depreciation / Amortisation	19,448	7,985
Earnings before tax	801	570
Less: Provision for Income tax	1,161	355
(Loss)/Earnings after tax	(360)	215
Other Comprehensive Income	(201)	24
Total Comprehensive (Loss)/ Income for the year	(561)	239

During the year under review, your Company has recorded a profit before tax of ₹ 801 lakhs as compared to profit before tax of ₹ 570 lakhs for the 12 months which ended on March 31, 2019.

REVIEW OF PERFORMANCE

Your Company is the first scheduled domestic cargo airline operating in the Indian skies, with a fleet of six Boeing 757-200 freighters.

Your Company posted an On Time Performance of 87.98 % and a Technical Dispatch Reliability of 99.2%, with an average fleet life of 24.5 years, despite infrastructure constraints, ATC congestion and runway closures. Your Company handled 42 charters, during the year and uplifted 93,854 tonnes on its network during the 12 month period which ended on March 31, 2020. This was made possible with additional operations of 120 flights and a total of 711.50 hours, supplementing the scheduled night operations.

During the year, your company has carried out four major checks and completed an engine shop visit (ESV). ESV costs were controlled by procuring life limited parts (LLPs) and other components from the open market. A few hundred LLPs were shortlisted for procurement from hundreds of parts identified by the purchase team and reviewed by technical services, which helped to control the ESV cost.

Your Company has carried out the avionics upgrade modification

work in-house, enhancing the capability of our entire fleet to operate in the mandated RNP-1 airspace without any restrictions. The Electronic Flight Bag (EFB) project, aimed at making our cockpits paperless, was fully implemented during the year and stands completely integrated into our operations. This resulted in a reduced weight of 42kgs on each aircraft and corresponding fuel and load efficiency, improved enhanced situational awareness of our pilots, printing cost savings and reduced carbon footprint, adding to our Go Green effort.

Your Company had successfully initiated the "As One Project" during the year 2017 at Hyderabad station, and further extended to the Kolkata and Bangalore stations in 2018. During the Year 2019, the above project was streamlined and integrated into combined operations successfully. The duplications in inbound and outbound operations were eliminated, enabling better, efficient last mile connectivity and improved delivery.

DIRECTORS/ KEY MANAGERIAL PERSONNEL

As on March 31, 2020, Your Company's Board has a strength of 8 (Eight) Directors including 1(one) Woman Director, 1 (one) Alternate Director, 1 (one) Additional Director and 2 (two) 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.	Mr. Clyde C. Cooper	Director
4.	Air Marshal M. McMahon (Retd.)	Director
5.	Air Marshal Vijay Achyut Patkar (Retd.)	Director
6.	Mr. Sharad Upasani	Director
7.	Mr. Geoffrey Kehr	Additional Director
8.	Mr. Surendra Sheth	Alternate Director to Mr. Clyde Christopher Cooper

Mr. Geoffrey Kehr has been appointed as an Additional Director of the Company with effect from July 31, 2019.

Mr. Surendra Sheth (DIN 89981) was appointed as an Alternate Director to Mr. Clyde C Cooper (DIN 382001) on October 16, 2018 and he vacated office on May 12, 2019 when original Director, Mr. Clyde C Cooper, returned to India.

Mr. Clyde C. Cooper, Director, has requested the Board of Directors to re-appoint Mr. Surendra Sheth (DIN: 89981) as his alternate during his absence from India, and Mr. Surendra Sheth was again re-appointed as Alternate Director to Mr. Clyde C Cooper on May 18, 2019.

During the year under review, in terms of the requirements under the Companies Act, 2013, all Independent Directors have provided

DIRECTORS' REPORT

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.

Pursuant to Ministry of Corporate Affairs notification dated October 22, 2019, Independent Directors have successfully registered their names in the 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 has met 6 times. The Maximum interval between any two meetings did not exceed 120 days.

Details of Board Meeting as follows:

Sr. No.	Date of Meeting
1.	16.05.2019
2.	30.07.2019
3.	31.10.2019
4.	04.12.2019
5.	17.01.2020
6.	26.03.2020

AUDIT COMMITTEE

The Audit Committee comprises of three Non-Executive Directors viz; Air Marshal M. McMahon (Retd.) as Chairman of the Committee, with Mr. Tushar K. Jani and Air Marshal Vijay Achyut Patkar (Retd.) as members of the Committee.

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

Ms. Tulsi Nowlakha Mirchandaney, Managing Director, Mr. Clyde C Cooper, Director, Mr. Sharad Upasani, Director, Mr. Geoffrey Kehr, Additional Director, 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

Your Company has a sound internal control system to ensure that all assets are protected against loss from any unauthorised use. All transactions are recorded and reported correctly. The Company's internal control system is further supplemented by the internal audits carried out by an outsourced audit firm viz; M/s. KPMG. 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.

The Company engaged the services of M/s. KPMG Advisory Services Pvt. Ltd., renowned consultancy firm, which has established the Blue Dart Ethics Hotline. In terms of the Policy, all suspected violations and reportable matters must be reported to the Ethics Committee via the Blue Dart Ethics Hotline. The Ethics Committee comprises of Mr. Prem K. Thomas, Chief Human Resource Manager, Mr. N. Palaniappan, Company Secretary & General Manager – Finance, 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.

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

Sr. No.	Reporting Channel	Contact Information	Availability
1.	Phone (Toll Free)	1800 200 1072	7 AM to 11 PM on weekdays
2.	Email	bluedart@ethicshelpline.in	24 hours a day
3.	Fax	Dial Toll Free number - 1800 200 1072 and select option 2 on IVR	24 hours a day
4.	Post	PO Box No. 71, DLF Phase 1, Qutub Enclave, Gurgaon – 122002	24 hours a day
5.	Web	www.in.kpmg.com/ethicshelpline	24 hours a day

DIRECTORS' REPORT

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

The web link of the Whistle Blower Policy is <https://bluedartaviation.com/aviation.htm>

SEXUAL HARASSMENT OF WOMEN AT WORKPLACE

The Company values dignity of individuals and strives to provide a safe and respectable work environment for all its employees. The Company is committed to providing an environment which is free of discrimination, intimidation and abuse. Pursuant to the requirements of 'Sexual Harassment of Women at Workplace (Prohibition, Prevention and Redressal) Act, 2013' and rules made thereunder, the Company has a Policy for Prevention of Sexual Harassment of Women in the Company.

Your company constituted an internal committee consisting of Dr. (Mrs). Prasanna Gettu, External Consultant, Ms. Esha Reddy, Office Manager, Ms. Sowmya G, Dy. Maintenance Manager, Mr. N. Krishnamoorthy, Chief Quality Manager and Mr. N. Palaniappan, Company Secretary and General Manager-Finance as its members to accept complaints pertaining to sexual harassment. There was no complaint received from any employee during the financial year 2019-20 and hence no complaint is outstanding for redressal as on March 31, 2020.

COST AUDIT

During the year under review, provisions of cost audit as stated under Section 148 of the Act and the Companies (Audit and Auditors) Rules, 2014 were not applicable to the Company.

NOMINATION AND REMUNERATION COMMITTEE

In compliance with the provisions of the Companies Act, 2013, your Company has a Nomination and Remuneration Committee, with Air Marshal M McMahon (Retd.) as Chairman of the Committee, and Mr. Tushar K. Jani, Mr. Clyde C. Cooper and Air Marshal Vijay Achyut Patkar (Retd.) as members of the Committee.

Ms. Tulsi Nowlakha Mirchandaney, Managing Director, is the permanent invitee to the Nomination and Remuneration Committee Meetings.

NOMINATION AND REMUNERATION POLICY

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

CSR COMMITTEE

The CSR Committee of the Company comprises of Air Marshal M. McMahon (Retd.), as Chairman of the Committee and Mr Tushar

K Jani and Ms. Tulsi Nowlakha Mirchandaney 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 / 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; <https://bluedartaviation.com>.

During the year, your Company has continued its support for the Government Higher Secondary School, K.K. Nagar, Chennai towards promotion of education. Further, your Company has adopted the Government Boy's Higher Secondary School at Padappai, which is a sub-urban area of Chennai, and has expended great effort and expenditure towards development of a more hygienic, comfortable and conducive study infrastructure and environment to support the education and development of the students who are the future of our country. The CSR activity has been well appreciated by the faculty and students and provided great motivation.

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 AUDITORS' REPORT/SECRETARIAL AUDIT REPORT

There are no qualifications, reservations or adverse remarks or disclaimers made by M/s. S.R.Batlboi & Associates 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.

DIRECTORS' REPORT

RELATED PARTY TRANSACTIONS

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

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

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

The particulars of contracts or arrangements with related parties as required under Section 134(3)(h) in prescribed Form AOC 2 are annexed herewith as an 'Annexure 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 and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the Company has appointed a new Secretarial Auditor, Company Secretary in Practice to undertake the secretarial audit of the Company for the year ended March 31, 2020.

The Secretarial Audit Report 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.

EXTRACT OF ANNUAL RETURN

The details forming part of the extract of the Annual Return in form MGT 9 as per Section 92 (3) of the Companies Act, 2013 and Companies (Management and Administration) Rules, 2014 is annexed herewith as an 'Annexure D'.

RISK MANAGEMENT

The Company has in place a mechanism to inform the Board on risk assessment and mitigation procedures, and periodic reviews are conducted in order to ensure that management controls risks through a properly defined framework.

The Company has constituted an Internal Risk Management Committee comprising Ms. Tulsi Nowlakhia 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. S. R. Batliboi & Associates LLP, Chartered Accountants, (Firm Registration no. 101049W/E300004), were appointed as statutory auditors of the Company for a term of five (5) years to hold office from the conclusion of Twenty Third Annual General Meeting of the Company held on July 27, 2017 upto the conclusion of the Twenty Eighth Annual General Meeting, subject to ratification of their appointment at every subsequent Annual General Meeting.

MCA vide its notification dated May 07, 2018 has enforced section 40 of the Companies (Amendment) Act, 2017 and the Companies (Audit and Auditors) Rules, 2014 wherein the requirement for ratifying the appointment of the Auditors of a Company at every Annual General Meeting as per the provisions of section 139 (1) of the Act, 2013 has now been dispensed with.

Accordingly, in terms of the aforesaid amendments, your Company has not sought ratification of the appointment of the Statutory Auditors by the Shareholders at the ensuing Annual General Meeting.

DIRECTORS' REPORT

Your Company has received necessary certificate from M/s. S. R. Battiboi & Associates LLP, Chartered Accountants confirming that they satisfy the criteria provided under section 141 of the Companies Act, 2013 and are not disqualified from continuing as Statutory Auditors of the Company.

The Auditors' Report for 2019-20, does not contain any qualification, reservation or adverse remarks.

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

EMPLOYEES

People are the human capital of the organization and key to the successful implementation of plans and processes. Your Company continues to maintain its 'People' philosophy. Your Directors take this opportunity to thank each one of our people for their dedicated service and contributions that have resulted in successfully surmounting the challenges of another year. Your Company's consistent growth has been made possible by their hard work, solidarity, co-operation, commitment and support.

Information on the particulars of employees' remuneration as per Section 197 of the Companies Act, 2013, read with 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 E' 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

Air Marshal M. McMahon (Retd.)
Director
DIN: 00234293

Sharad Upasani
Director
DIN: 01739334

Surendra Sheth
Alternate Director
DIN: 0089981

Mumbai,
May 26, 2020

Tulsi Nowlakha Mirchandaney
Managing Director
DIN: 01842520

Air Marshal VA Patkar (Retd.)
Director
DIN: 07037116

Geoffrey Kehr
Additional Director
DIN: 08391983

ANNEXURES TO DIRECTORS' REPORT

'ANNEXURE - A'

ANNUAL REPORT ON CSR ACTIVITIES

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

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. Web-Link to the CSR Policy - <https://bluedartaviation.com/csr.pdf>

3. The Composition of the CSR Committee.

The CSR Committee of the Board comprises of the following:

- Air Marshal M.McMahon (Retd.) Chairman of the Committee
- Mr. Tushar K. Jani, Member of the Committee
- Ms. Tulsi Nowlakha Mirchandaney, Member of the Committee.

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

₹ 775 Lakhs

5. Prescribed CSR Expenditure (2% of the amount as in item 4 above) -

₹ 16 Lakhs

6. Details of CSR spent during the financial year

- a) Total amount to be spent for the financial year; - ₹ 16 Lakhs
 b) Amount unspent, if any; - ₹ 3,87,975 /-
 c) Manner in which the amount spent during the financial year is detailed below.

Sr. No.	CSR project or activity identified	Sector in which the Project is covered	Projects or Programs (1) Local area or other (2) Specify the state and district where projects or programs was undertaken	Amount outlay (budget) project or programs wise	Amount spent on the projects or programs Sub – heads: (1) Direct expenditure on projects or programs (2) Overheads	Cumulative expenditure upto the reporting period	Amount spent: Direct or through implementing agency
1.	Adoption of Government School Higher Secondary School, K.K. Nagar to improve amenities	Promoting Education	Chennai	₹ 1,00,000	₹ 1,00,000/-	₹ 1,00,000/-	Direct
2.	Adoption of Government Boy's Higher Secondary School, Padappai, Chennai to improve amenities	Promoting Education, Hygiene & Sanitation and Environment Sustainability	Chennai	₹ 15,00,000	₹ 15,00,000/-	₹ 15,00,000/-	Direct

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

Out of the outlay of Rs.15 lakhs for the Government Boys' Higher Secondary School, Padappai, Chennai, Tamil Nadu for enhancing the infrastructure and amenities to promote education, hygiene, sanitation and environment sustainability, the Company was not in a position to spend Rs.3.87 lakhs owing to the outbreak of the COVID 19 pandemic in the month of March 2020. However, the same has been fully utilised for completion of the CSR project prior to May 26, 2020.

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

For and on behalf of the Board of Directors,

Air Marshal M. McMahon (Retd.)
 Chairman
 DIN: 00234293

Tushar K. Jani
 Director
 DIN: 0192621

Tulsi Nowlakha Mirchandaney
 Managing Director
 DIN: 1842520

Mumbai,
 May 26, 2020

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, 2020, which were not at arm's length basis.

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

a. Name(s) of the related party and nature of relationship

Blue Dart Express Limited - Holding Company
Mr. Tushar K Jani - Chairman and Director
DHL Express (India) Private Limited - Group Company.

b. Nature of contracts/arrangements/transactions

1. Renewal of Aircraft Crew Maintenance Insurance (ACMI) Agreement with Blue Dart Express Limited.
2. Transshipment of General Cargo Agreement with Mumbai Cargo Service Center Airport Private Limited.
3. Cargo Handling agreement with Cargo Service Center India Private Limited
4. Cargo Movement Services Agreement with DHL Express (India) Private Limited.
5. Courier Services Agreement with DHL Express (India) Private Limited.

c. Duration of the contracts / arrangements/transactions

- | | | |
|--|---|--------------------------|
| 1. Blue Dart Express Limited | - | 01.04.2020 to 31.03.2025 |
| 2. Mumbai Cargo Service Center Airport Private Limited | - | 01.04.2019 to 31.03.2020 |
| 3. Cargo Service Center India Private Limited | - | 01.04.2019 to 31.03.2020 |
| 4. DHL Express (India) Private Limited | - | 01.01.2020 to 31.12.2020 |
| 5. DHL Express (India) Private Limited | - | 01.01.2020 to 31.12.2020 |

d. 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.

e. Date(s) of approval by the Board, if any :

Mumbai Cargo Service Center Airport Private Limited	-	May 16, 2019
Cargo Service Center India Private Limited	-	May 16, 2019
DHL Express (India) Private Limited	-	December 04, 2019
DHL Express (India) Private Limited	-	January 17, 2020
Blue Dart Express Limited	-	January 17, 2020

f. Amount paid as advances, if any : NIL

For and on behalf of the Board of Directors,

Tushar K. Jani
Chairman
DIN: 0192621

Tulsi Nowlakhia Mirchandaney
Managing Director
DIN: 01842520

Air Marshal M. McMahon (Retd.)
Director
DIN: 00234293

Air Marshal VA Patkar (Retd.)
Director
DIN: 07037116

Sharad Upasani
Director
DIN: 01739334

Geoffrey Kehr
Additional Director
DIN: 08391983

Surendra Sheth
Alternate Director
DIN: 0089981

Mumbai,
May 26, 2020

ANNEXURES TO DIRECTORS' REPORT

'ANNEXURE - C'

FORM NO. MR - 3

SECRETARIAL AUDIT REPORT

FOR THE FINANCIAL YEAR ENDED MARCH 31, 2020

[Pursuant to section 204(1) of the Companies Act, 2013 and Rule 9 of the Companies (Appointment and Remuneration Personnel) Rules, 2014]

To,
The Members,
Blue Dart Aviation Limited

I have conducted the Secretarial Audit of the Compliance of applicable statutory provisions and the adherence to good corporate practices by **Blue Dart Aviation Limited** (hereinafter called "the Company") 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, 2020, 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, 2020 according to the provisions of:

- 1) The Companies Act, 2013 (the Act) and the rules made there under;
- 2) The Aircraft Public Health Rules, 1954.
- 3) The Aircraft Act, 1934.
- 4) The Aircraft Rules, 1937.
- 5) The Air (Prevention & control of pollution) Act, 1981.
- 6) The Carriage by Air Act, 1972.
- 7) The Customs Act, 1962.
- 8) The Environment (Protection) Act, 1986.
- 9) The Factories Act, 1948.
- 10) The Foreign Exchange Management Act, 1999.
- 11) The Indian Aircraft Rules, 1920.
- 12) The Industrial Disputes Act, 1947.
- 13) The Industrial Employment (Standing Orders) Act, 1946.
- 14) The Legal Metrology Act, 2009.
- 15) The Motor Vehicles Act, 1988.
- 16) The Trade Mark Act, 1999.
- 17) The Unlawful Acts against safety of Civil Aviation Act, 1982.
- 18) The Water (Prevention & Control of Pollution) Act, 1974.

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 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 member.
- d) There are adequate systems and processes in the Company commensurate with the size and operations of the Company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

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

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

Place : Chennai

Date : May 26, 2020

UDIN: F004347B000319521

Signature:

For Mohan Kumar & Associates

A. Mohan Kumar

Practicing Company Secretary

FCS No. 4347

COP No: 19145

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 a test basis to ensure that correct facts are reflected in the 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.

Place : Chennai

Date : May 26, 2020

UDIN: F004347B000319521

Signature:

For Mohan Kumar & Associates

A. Mohan Kumar

Practicing Company Secretary

FCS No. 4347

COP No: 19145

ANNEXURES TO DIRECTORS' REPORT

'ANNEXURE D'

EXTRACT OF ANNUAL RETURN

FOR THE FINANCIAL YEAR ENDED MARCH 31, 2020

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

FORM NO. MGT – 9

I. REGISTRATION AND OTHER DETAILS:

i. CIN	:	U35303MH1994PLC078691
ii. Registration Date	:	May 31, 1994
iii. Name of the Company	:	Blue Dart Aviation Limited
iv. Category / Sub-Category of the Company	:	Company having Share Capital
v. Address of the Registered office and contact details	:	Blue Dart Centre, Sahar Airport Road, Andheri (East) Mumbai - 400 099, India. Tel.No. +91 22 28396444 Head Office : Blue Dart Aviation Terminal, Gate No.6, Old International Airport, Meenambakkam, Chennai – 600 027, India Tel. No. +91 044 22568200
vi. Whether listed company Yes / No	:	No
vii. Name, Address and Contact details of Registrar and Transfer Agent, if any	:	Link Intime India Private Limited C 101, First Floor, 247 Park, L.B.S Marg, Vikhroli West, Mumbai-400 083 Tel. No. +91 22 49186270 E mail : mt.helpdesk@linkintime.co.in

II. PRINCIPAL BUSINESS ACTIVITIES OF THE Company

Sr. No.	Name and Description of main products / services	NIC Code of the Product/ service	% to total turnover of the company
1	Express Air Charter Service	5120	99%
2	Business Support Service	8299	1%

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES

Sr. No.	Name and Address of the Company	CIN/GLN	Holding/ Subsidiary/ Associate	% of shares held	Applicable Section
1.	Blue Dart Express Limited Blue Dart Centre, Sahar Airport Road, Andheri (West), Mumbai - 400 099.	L61074MH1991PLC061074	Holding	100%	2(46)

ANNEXURES TO DIRECTORS' REPORT

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

i. Category-wise Share Holding

Category of Shareholders	No. of Shares held at the beginning of the year (as on April 1, 2019 i.e. on the basis of Shareholding Pattern of March 31, 2019)				No. of Shares held at the end of the year (as on March 31, 2020 i.e. on the basis of Shareholding Pattern of March 31, 2020)				% change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
A. Promoters									
(1) Indian									
a) Individual/HUF	0	0	0	0	0	0	0	0	0
b) Central Govt	0	0	0	0	0	0	0	0	0
c) State Govt (s)	0	0	0	0	0	0	0	0	0
d) Bodies Corp.	0	24000000	24000000	100.00	0	24000000	24000000	100.00	0
e) Banks / FI	0	0	0	0	0	0	0	0	0
f) Any Other	0	0	0	0	0	0	0	0	0
Sub-Total (A)(1):	0	24000000	24000000	100.00	0	24000000	24000000	100.00	0
(2) Foreign									
a) NRIs - Individuals	0	0	0	0	0	0	0	0	0
b) Other - Individuals	0	0	0	0	0	0	0	0	0
c) Bodies Corporate	0	0	0	0	0	0	0	0	0
d) Banks / FI	0	0	0	0	0	0	0	0	0
e) Any Other	0	0	0	0	0	0	0	0	0
Sub-Total (A)(2):	0	0	0	0	0	0	0	0	0
Total Shareholding of Promoters (A) = (A)(1)+(A)(2)	0	24000000	24000000	100.00	0	24000000	24000000	100.00	0
B. Public Shareholding									
1) Institutions									
a) Mutual Funds / UTI	0	0	0	0	0	0	0	0	0
b) Banks / FI	0	0	0	0	0	0	0	0	0
c) Central Govt.	0	0	0	0	0	0	0	0	0
d) State Govt.(s)	0	0	0	0	0	0	0	0	0
e) Venture Capital Funds	0	0	0	0	0	0	0	0	0
f) Insurance Companies	0	0	0	0	0	0	0	0	0
g) FIs	0	0	0	0	0	0	0	0	0
h) Foreign Venture Capital Funds	0	0	0	0	0	0	0	0	0
i) Others (specify)	0	0	0	0	0	0	0	0	0
Sub-Total (B)(1):	0	0	0	0	0	0	0	0	0
(2) Non-Institutions									
a) Bodies Corporate	0	0	0	0	0	0	0	0	0
i) Indian	0	0	0	0	0	0	0	0	0

ANNEXURES TO DIRECTORS' REPORT

ii) Overseas	0	0	0	0	0	0	0	0	0
b) Individuals									
i. Individual Shareholders holding nominal share capital upto ₹ 1 lakh	0	0	0	0	0	0	0	0	0
ii. Individual Shareholders holding nominal share capital in excess of ₹ 1 lakh	0	0	0	0	0	0	0	0	0
c) Others (specify)	0	0	0	0	0	0	0	0	0
1. Clearing Member									
2. NRI	0	0	0	0	0	0	0	0	0
3. Foreign Portfolio Investor (Corporate)	0	0	0	0	0	0	0	0	0
4. OCB	0	0	0	0	0	0	0	0	0
Sub-Total (B)(2):	0	0	0	0	0	0	0	0	0
Total Public Shareholding (B)=(B)(1)+(B)(2)	0	0	0	0	0	0	0	0	0
C. Shares held by Custodian for GDRs & ADRs	0	0	0	0	0	0	0	0	0
Grand Total (A+B+C)	0	24000000	24000000	100	0	24000000	24000000	100	0.00

ii) Shareholding of Promoters

Shareholder's Name	Shareholding at the beginning of the year			Shareholding at the end of the year			% change in shareholding during the year
	No. of Shares	% of total Shares of the company	% of Shares Pledged / encumbered to total shares	No. of Shares	% of total Shares of the company	% of Shares Pledged / encumbered to total shares	
Blue Dart Express Limited	24000000	100	0	24000000	100	0	0

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

Sr. No.		No. of Shares held at the beginning of the year (as on April 1, 2019 i.e. on the basis of Shareholding Pattern of March 31, 2019)		Cumulative Shareholding during the year	
		No. of Shares	% of total Shares of the company	No. of Shares	% of total Shares of the company
1.	At the beginning of the year	No change during the year			
2.	Bought / Sold during the year				
3.	At the End of the year (31/03/2020)				

ANNEXURES TO DIRECTORS' REPORT

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

Sr. No.		Shareholding at the beginning of the year		Change in Shareholding (No. of Shares)		Shareholding at the end of the year	
		No. of Shares	% of total Shares of the company	Increase	Decrease	No. of Shares	% of total Shares of the company
	For each of the Top 10 Shareholders						
1.	-	0	0	0	0	0	0

(v) Shareholding of Directors and Key Managerial Personnel:

Sr. No.	For Each of the Directors and KMP	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of Shares	% of total Shares of the company	No. of Shares	% of total Shares of the company
		0	0	0	0

(v) INDEBTEDNESS

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

₹ in Lakhs

	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year				
i) Principal Amount	0	43592	0	43592
ii) Interest due but not paid	0	0	0	0
iii) Interest accrued but not due	0	0	0	0
Total (i+ii+iii)	0	43592	0	43592
Change in Indebtedness during the financial year				
• Addition	0	33144	0	33144
• Reduction	0	(31236)	0	(31236)
Net Change	0	1908	0	1908
Indebtedness at the end of the financial year		45500		45500
i) Principal Amount	0	45500	0	45500
ii) Interest due but not paid	0	53	0	53
iii) Interest accrued but not due	0	0	0	0
Total (i+ii+iii)	0	45553	0	45553

ANNEXURES TO DIRECTORS' REPORT

VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

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

₹ in Lakhs

Sr. No.	Particulars of Remuneration	Name of MD/WTD/ Manager
		Tulsi Nowlakha Mirchandaney, Managing Director
1.	Gross salary	
	a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	238.16
	b) Value of perquisites u/s 17(2) Income-tax Act, 1961	0.29
	c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961	-
2.	Stock Option	-
3.	Sweat Equity	-
4.	Commission - as % of profit - others, specify...	-
5.	Others, please specify	-
	Total (A)	238.45
	Ceiling as per the Act	Refer note

Note : The remuneration payable to MD is as per the provisions of Companies Act, 2013.

B. Remuneration to other Directors:

₹ in Lakhs

Sr. No.	Particulars of Remuneration	Name of MD/WTD/ Manager		Total Amount
(1)	Independent Directors			
		Air Marshal Michael McMahon	Air Marshal VA Patkar	
	- Fee for attending board / committee meetings	5.1	3.0	8.1
	- Commission	-	-	-
	- Others, please specify	-	-	-
	Total (B) (1)	5.1	3.0	8.1
(2)	Non – Executive Directors			
		Tushar K Jani	Clyde C. Cooper	
	- Fee for attending board / committee meetings	3.3	0.9	4.2
	- Commission	-	-	-
	- Others, please specify	-	-	-
	Total (B) (2)	3.3	0.9	4.2
(3)	Non – Executive Directors			
		Sharad Upasani	Surendra Sheth-Alternate Director	
	- Fee for attending board / committee meetings	1.5	1.5	3.0
	- Commission	-	-	-
	- Others, please specify	-	-	-
	Total (B) (3)	1.5	1.5	3.0
	Total (B) = (B) (1) + (B) (2) + (B) (3)			15.3

ANNEXURES TO DIRECTORS' REPORT

C. REMUNERATION TO KEY MANAGERIAL PERSONNEL OTHER THAN MD/MANAGER/WTD

₹ in Lakhs

Sr. No.	Particulars of Remuneration	Key Managerial Personnel		Total Amount
		Mr. P. Parameshwaran Chief Financial Officer	Mr. N. Palaniappan Company Secretary	
1.	Gross salary			
	a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	66.39	30.34	96.73
	b) Value of perquisites u/s 17(2) Income-tax Act, 1961	0.23	0.29	0.52
	c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961	0.00	0.00	0.00
2.	Stock Option	0.00	0.00	0.00
3.	Sweat Equity	0.00	0.00	0.00
4.	Commission - as % of profit - others, specify...	0.00	0.00	0.00
5.	Others, please specify	0.00	0.00	0.00
	Total (C)	66.62	30.63	97.25

VII. PENALTIES / PUNISHMENT/ COMPOUNDING OF OFFENCES:

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

ANNEXURES TO DIRECTORS' REPORT

'ANNEXURE - E'

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, 2020 was ₹ 179 Lakhs.

(March 31, 2019: ₹ 127 Lakhs)

B) Expenditure in Foreign Currency

Expenditure in foreign currency during year ended March 31, 2020 was ₹ 22,169 Lakhs.

(March 31, 2019: ₹ 27,096 Lakhs)

INDEPENDENT AUDITORS' REPORT

TO THE MEMBERS OF BLUE DART AVIATION LIMITED

Report on the Audit of the Standalone Ind AS Financial Statements

Opinion

We have audited the accompanying standalone Ind AS financial statements of Blue Dart Aviation Limited ("the Company") which comprise the Balance Sheet as at March 31, 2020, the Statement of Profit and Loss, including the statement of Other Comprehensive Income, the Cash Flow Statement and the Statement of Changes in Equity for the year then ended and notes to the standalone Ind AS financial statements, including 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 standalone Ind AS financial statements give the information required by the Companies Act, 2013, as amended ("the Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2020, its losses including other 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 standalone Ind AS financial statements in accordance with the Standards on Auditing (SAs), as specified under section 143(10) of the Act. Our responsibilities under those Standards are further described in the 'Auditor's Responsibilities for the Audit of the Standalone Ind AS 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 together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Act and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the standalone Ind AS 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 Annual report but does not include the standalone Ind AS financial statements and our auditor's report thereon.

Our opinion on the standalone Ind AS 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 standalone Ind AS financial statements, our responsibility is to read the other information and, in doing so, consider whether such other information is materially inconsistent with the financial statements or our knowledge obtained in the 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 for the Standalone Ind AS 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 standalone Ind AS 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 accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the standalone Ind AS financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the standalone Ind AS 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 management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

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

Auditor's Responsibilities for the Audit of the Standalone Ind AS Financial Statements

Our objectives are to obtain reasonable assurance about whether the standalone Ind AS 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 standalone Ind AS financial statements.

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 standalone Ind AS 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.

INDEPENDENT AUDITORS' REPORT

TO THE MEMBERS OF BLUE DART AVIATION LIMITED

- Obtain an understanding of internal 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 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 standalone Ind AS financial statements, including the disclosures, and whether the standalone Ind AS financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2016 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the "Annexure 1" a statement on the matters specified in paragraphs 3 and 4 of the Order.
2. As required by Section 143(3) of the Act, we report that:
 - (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit;
 - (b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;
 - (c) The Balance Sheet, the Statement of Profit and Loss including the Statement of Other Comprehensive Income, the Cash Flow Statement and Statement of Changes in Equity dealt with by this Report are in agreement with the books of account;
 - (d) In our opinion, the aforesaid standalone Ind AS financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Companies (Indian Accounting Standards) Rules, 2015, as amended;
 - (e) On the basis of the written representations received from the directors as on March 31, 2020 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2020 from being appointed as a director in terms of Section 164 (2) of the Act;
 - (f) With respect to the adequacy of the internal financial controls over financial reporting of the Company with reference to these standalone Ind AS financial statements and the operating effectiveness of such controls, refer to our separate Report in "Annexure 2" to this report;
 - (g) In our opinion, the managerial remuneration for the year ended March 31, 2020 has been paid/provided by the Company to its directors in accordance with the provisions of section 197 read with Schedule V to 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.

For S.R. Battiboi & Associates LLP
Chartered Accountants
ICAI Firm Registration Number: 101049W/E300004

per Sunil Gaggar
Partner
Membership Number: 104315
UDIN – 20104315AAAAABA2333

Place: Bengaluru
Date: May 26, 2020

ANNEXURE 1 TO INDEPENDENT AUDITORS' REPORT

Annexure 1 referred to in paragraph 1 under Report on Other Legal and Regulatory Requirements of our audit report of even date:

Re: Blue Dart Aviation Limited (the "Company")

- i. (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.
- (b) Fixed Assets have been physically verified by the management during the year and no material discrepancies were identified on such verification.
- (c) According to the information and explanations given by the Management, there are no immovable properties, included in property, plant and equipment of the Company and accordingly, the requirements under paragraph 3(i)(c) of the Companies (Auditor's report) Order, 2016 (the "Order") are not applicable to the Company and hence not commented upon.
- ii. The Management has conducted physical verification of inventory at reasonable intervals during the year and no material discrepancies were noticed on such physical verification.
- iii. According to the information and explanations given to us, the Company has not granted any loans, secured or unsecured to companies, firms, limited liability partnerships or other parties covered in the register maintained under section 189 of the Companies Act, 2013 ("the Act"). Accordingly, the provisions of paragraph 3(iii) (a), (b) and (c) of the Order are not applicable to the Company and hence not commented upon.
- iv. In our opinion and according to the information and explanations given to us, there are no loans, investments, guarantees, and securities given in respect of which provisions of section 185 and 186 of the Act are applicable. Accordingly, the provision of clause 3(iv) of the Order is not applicable and hence not commented upon.
- v. The Company has not accepted any deposits within the meaning of Sections 73 to 76 of the Act and the Companies (Acceptance of Deposits) Rules, 2014 (as amended). Accordingly, the provisions of clause 3(v) of the Order are not applicable.
- vi. To the best of our knowledge and as explained, the Central Government has not specified the maintenance of cost records under Section 148(1) of the Act, for the products / services of the Company.
- vii. (a) The Company is regular in depositing with appropriate authorities undisputed statutory dues including provident fund, income-tax, duty of custom, goods and service tax, cess and other statutory dues applicable to it. The provision of sales-tax, value added tax and duty of excise are not applicable to the Company.
- (b) According to the information and explanations given to us, no undisputed amounts payable in respect of provident fund, employees' state insurance, income-tax, service tax, duty of custom, value added tax, goods and service tax, cess and other statutory dues were outstanding, at the year end, for a period of more than six months from the date they became payable. The provision of sales-tax, value added tax and duty of excise are not applicable to the Company.
- (c) According to information and explanation given to us, there are no dues of income tax, sales tax, service tax, duty of customs, duty of excise, value added tax and cess which have not been deposited on account of any dispute.
- viii. In our opinion and according to the information and explanations given by the Management, the Company has not defaulted in repayment of loans or borrowing to a financial institution, bank or government or dues to debenture holders.
- ix. According to the information and explanations given by the Management, the Company has not raised any money by way of initial public offer or further public offer or debt instruments and term loans; Hence reporting under paragraph 3 (ix) of the order is not applicable to the Company and hence not commented upon.
- x. Based upon the audit procedures performed for the purpose of reporting the true and fair view of the financial statements and according to the information and explanations given by the Management, we report that no fraud by the Company or no material fraud on the Company by the officers and employees of the Company has been noticed or reported during the year.
- xi. According to the information and explanations given by the Management, the managerial remuneration has been paid / provided in accordance with the requisite approvals mandated by the provisions of section 197 read with Schedule V to the Act.
- xii. In our opinion, the Company is not a nidhi company. Therefore, the provisions of paragraph 3 (xii) of the order are not applicable to the Company and hence not commented upon.
- xiii. According to the information and explanations given by the Management, transactions with the related parties are in compliance with section 177 and 188 of Act, where applicable and the details have been disclosed in the notes to the financial statements, as required by the applicable accounting standards.
- xiv. According to the information and explanations given to us and on an overall examination of the balance sheet, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year under review and hence, reporting requirements under paragraph 3(xiv) of the order are not applicable to the Company and hence not commented upon.
- xv. According to the information and explanations given by the Management, the Company has not entered into any non-cash transactions with directors or persons connected with him as referred to in section 192 of the Act.
- xvi. According to the information and explanations given to us, the provisions of section 45-IA of the Reserve Bank of India Act, 1934 are not applicable to the Company.

For S.R. Batliboi & Associates LLP
Chartered Accountants
ICAI Firm Registration Number: 101049W/E300004

per Sunil Gagar
Partner
Membership Number: 104315
UDIN – 20104315AAAAABA2333

Place: Bengaluru
Date: May 26, 2020

ANNEXURE 2 TO INDEPENDENT AUDITORS' REPORT

Annexure 2 to the Independent Auditor's Report of even date on the standalone Ind AS financial statements of Blue Dart Aviation Limited

Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")

We have audited the internal financial controls over financial reporting of Blue Dart Aviation Limited (the "Company") as of March 31, 2020 in conjunction with our audit of the standalone 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 based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to the Company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records and the timely preparation of reliable financial information, as required under the Act.

Auditor's Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting with reference to these standalone financial statements based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting ("Guidance Note") and the Standards on Auditing as specified under section 143(10) of the Act, to the extent applicable to an audit of internal financial controls and, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting with reference to these standalone 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 system over financial reporting with reference to these standalone Ind AS financial statement and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting with reference to these standalone financial statement, 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 internal financial controls over financial reporting with reference to these standalone Ind AS financial statements.

Meaning of Internal Financial Controls over Financial Reporting with Reference to these Standalone Ind AS Financial Statements

A company's internal financial control over financial reporting with reference to these Standalone Ind AS 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 over financial reporting with reference to these Standalone 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.

ANNEXURE 2 TO INDEPENDENT AUDITORS' REPORT

Inherent Limitations of Internal Financial Controls over Financial Reporting with Reference to these Standalone Ind AS Financial Statements

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting with reference to these Standalone Ind AS Financial Statements to future periods are subject to the risk that the internal financial control over financial reporting with reference to these Standalone Ind AS 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, the Company has, in all material respects, an adequate internal financial controls system over financial reporting with reference to these Standalone Ind AS Financial Statements and such internal financial controls over financial reporting with reference to these Standalone Ind AS Financial Statements were operating effectively as at March 31, 2020, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

For S.R. Batliboi & Associates LLP
Chartered Accountants
ICAI Firm Registration Number: 101049W/E300004

per Sunil Gaggar
Partner
Membership Number: 104315
UDIN – 20104315AAAABA2333

Place: Bengaluru
Date: May 26, 2020

BLUE DART AVIATION LIMITED
BALANCE SHEET AS AT MARCH 31, 2020

	Notes	As at March 31, 2020 in ₹ Lakhs	As at March 31, 2019 in ₹ Lakhs
ASSETS			
NON-CURRENT ASSETS			
Property, Plant and Equipment	4A	109,345	39,729
Capital work-in-progress	4A	1,375	4,498
Other Intangible Assets	4B	982	963
Other Financial Assets	5	869	831
Deferred Tax Assets (Net)	6	3,740	3,558
Non-Current Tax Assets (Net)	7	1,806	2,414
Other Non-Current Assets	8	335	2,539
TOTAL NON-CURRENT ASSETS		118,452	54,532
CURRENT ASSETS			
Inventories	9	2,326	2,012
Financial Assets			
Trade Receivables	10	4,815	2,044
Cash and Cash equivalents	11	109	83
Other Financial Assets	12	370	484
Other Current Assets	13	1,748	3,027
TOTAL CURRENT ASSETS		9,368	7,650
TOTAL ASSETS		127,820	62,182
EQUITY AND LIABILITIES			
EQUITY			
Equity Share Capital	14	2,400	2,400
Other Equity	15	2,240	2,801
TOTAL EQUITY		4,640	5,201
LIABILITIES			
NON-CURRENT LIABILITIES			
Financial Liabilities			
Borrowings	16	35,750	35,000
Lease Liabilities	17	56,923	-
Other Financial Liabilities	18	3,257	2,794
Provisions	19	495	362
TOTAL NON-CURRENT LIABILITIES		96,425	38,156
CURRENT LIABILITIES			
Financial Liabilities			
Trade Payables	21		
Total Outstanding dues of Micro and Small Enterprise		80	263
Total Outstanding dues of Creditors other than Micro and Small Enterprise		4,859	6,305
Lease Liabilities	17	7,360	-
Other Financial Liabilities	22	11,251	9,611
Provisions	19	148	218
Employee Benefit Obligation	20	806	438
Other Current Liabilities	23	2,251	1,990
TOTAL CURRENT LIABILITIES		26,755	18,825
TOTAL LIABILITIES		123,180	56,981
TOTAL EQUITY AND LIABILITIES		127,820	62,182
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 S.R.Batliboi & Associates LLP
ICAI Firm registration number: 101049W/E300004
Chartered Accountants

per Sunil Gaggar
Partner
Membership No. 104315

Place: Bengaluru
Date: May 26, 2020

For and on behalf of the Board of Directors

Tushar K. Jani
Chairman
DIN: 00192621

Air Marshal M. McMahon (Retd.)
Director
DIN: 00234293

Geoffrey Kehr
Additional Director
DIN: 08391983

Place: Mumbai
Date: May 26, 2020

Tulsi Nowlakhia Mirchandaney
Managing Director
DIN: 01842520

Surendra Sheth
Alternate Director
DIN: 00089981

N. Palaniappan
Company Secretary &
General Manager-Finance

Sharad Upasani
Director
DIN: 01739334

Air Marshal Vijay Achyut Patkar (Retd.)
Director
DIN: 07037116

P. Parameshwaran
Chief Financial Officer

BLUE DART AVIATION LIMITED
STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED MARCH 31, 2020

	Notes	Year ended March 31, 2020 in ₹ Lakhs	Year ended March 31, 2019 in ₹ Lakhs
INCOME			
Revenue from Operations	24	80,686	75,209
Other Income	25	395	602
TOTAL INCOME		81,081	75,811
EXPENSES			
Operating Costs	26	29,475	40,219
Employee Benefits Expense	27	15,633	14,517
Finance Costs	28	8,797	3,230
Depreciation and Amortisation Expense	29	19,448	7,985
Other Expenses	30	6,927	9,290
TOTAL EXPENSES		80,280	75,241
PROFIT BEFORE TAX		801	570
Income Tax Expense	32		520
Current Tax		1,276	520
Adjustment of tax relating to earlier year		-	78
Deferred Tax Credit		(115)	(243)
Total Tax Expense		1,161	355
(LOSS)/ PROFIT FOR THE YEAR		(360)	215
OTHER COMPREHENSIVE INCOME ('OCI')			
OCI not to be reclassified to Statement of Profit or Loss in subsequent periods			
- Remeasurement gains/ (loses) on defined benefit plans		(268)	36
- Income tax effect		67	(12)
TOTAL COMPREHENSIVE (LOSS)/ INCOME FOR THE YEAR		(561)	239
Earnings Per Equity Share	31		
[Nominal value of share ₹ 10 each]			
Basic and Diluted (in ₹)		(1.50)	0.90

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

As per our report of even date

For and on behalf of the Board of Directors

For S.R.Batliboi & Associates LLP
ICA I Firm registration number: 101049W/E300004
Chartered Accountants

Tushar K. Jani
Chairman
DIN:00192621

Tulsi Nowlalkha Mirchandaney
Managing Director
DIN:01842520

Sharad Upasani
Director
DIN: 01739334

Air Marshal M . McMahon (Retd.,)
Director
DIN:00234293

Surendra Sheth
Alternate Director
DIN: 00089981

Air Marshal Vijay Achyut Patkar (Retd.,)
Director
DIN:07037116

per Sunil Gaggar
Partner
Membership No. 104315

Geoffrey Kehr
Additional Director
DIN: 08391983

N. Palaniappan
Company Secretary &
General Manager-Finance

P. Parameshwaran
Chief Financial Officer

Place: Bengaluru
Date: May 26, 2020

Place: Mumbai
Date: May 26, 2020

BLUE DART AVIATION LIMITED
STATEMENT OF CASH FLOWS FOR THE YEAR ENDED MARCH 31, 2020

	Notes	Year ended March 31, 2020 in ₹ Lakhs	Year ended March 31, 2019 in ₹ Lakhs
A. Cash flows from Operating activities:			
Profit before tax		801	570
Adjustments to reconcile profit before tax to net cash flows:			
Depreciation and amortisation expenses	29	19,448	7,985
Loss on sale/ scrapping of property, plant and equipment (net)	30	23	57
Finance costs	28	8,797	3,058
Rotables/Components & overhaul written off	26	103	203
Unrealised loss / (gain) on foreign currency transactions and translation	30	2,098	(104)
Unwinding interest on security deposit	25	(77)	86
Provision for slow moving Inventory	26	107	121
Operating profit before changes in operating assets and liabilities		31,300	11,976
Adjustments for changes in operating assets and liabilities:			
(Increase) in trade receivables		(2,771)	(1,607)
(Increase) in inventories		(421)	(448)
(Decrease) / increase in trade payables		(1,840)	147
Decrease / (increase) in other current financial assets		5	(223)
Decrease in other current assets		691	749
(Increase) / decrease in other non-current Financial assets		(38)	142
(Increase) in other non-current assets		(245)	(1,228)
Increase in current provisions and Employee Benefit Obligation		30	179
(Decrease) / increase in non-current provisions and Employee Benefit Obligation		133	(74)
Increase in other current liabilities		261	477
(Decrease) in other non-current liabilities		-	(178)
Increase in other financial liabilities		243	110
Increase / (decrease) in other non-current financial liabilities		463	(77)
Cash generated from Operations		27,811	9,945
Taxes paid (net of refunds)	7	(668)	(1,264)
Net cash flows from operating activities		27,143	8,681
B. Cash flows from / (used in) Investing activities:			
Purchase of property, plant and equipment and other intangible assets		(14,365)	(21,205)
Proceeds from sale of property, plant and equipment		191	37
Net cash flows used in Investing activities		(14,174)	(21,168)
C. Cash flows from / (used in) Financing activities:			
Proceeds from borrowings		30,500	21,500
Repayment of borrowings		(28,592)	(5,653)
Inter Corporate deposits accepted from Blue Dart Express		2,644	17,782
Inter Corporate deposits repaid to Blue Dart Express		(2,644)	(17,782)

BLUE DART AVIATION LIMITED
STATEMENT OF CASH FLOWS FOR THE YEAR ENDED March 31, 2020

	Notes	Year ended March 31, 2020 in ₹ Lakhs	Year ended March 31, 2019 in ₹ Lakhs
Payment of principal portion of Lease liabilities		(6,293)	-
Interest Paid		(8,558)	(3,058)
Net cash flows from / (used) in financing activities		(12,943)	12,789
Net increase in Cash and cash equivalents		26	302
Cash and cash equivalents at the beginning of the year		83	(219)
Cash and cash equivalents at the end of the year		109	83
Note : There are no changes in liability arising from financing, activities due to non cash changes			
Cash and cash equivalents comprise of :			
Balances with banks in current accounts		107	81
Cash on hand		2	2
		109	83

Notes:

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

As per our report of even date

For S.R.Batliboi & Associates LLP
ICAI Firm registration number: 101049W/E300004
Chartered Accountants

per Sunil Gaggar
Partner
Membership No. 104315

Place: Bengaluru
Date: May 26, 2020

For and on behalf of the Board of Directors

Tushar K. Jani
Chairman
DIN:00192621

Air Marshal M . McMahon (Retd.,)
Director
DIN:00234293

Geoffrey Kehr
Additional Director
DIN: 08391983

Place: Mumbai
Date: May 26, 2020

Tulsi Nowlakra Mirchandaney
Managing Director
DIN:01842520

Surendra Sheth
Alternate Director
DIN: 00089981

N. Palaniappan
Company Secretary &
General Manager-Finance

Sharad Upasani
Director
DIN: 01739334

Air Marshal Vijay Achyut Patkar (Retd.,)
Director
DIN:07037116

P. Parameshwaran
Chief Financial Officer

BLUE DART AVIATION LIMITED

STATEMENT OF CHANGES IN EQUITY (SOCIE) FOR THE YEAR ENDED MARCH 31, 2020

A. Equity Share Capital in ₹ Lakhs

Balance as at April 1, 2018	2,400
Changes in equity share capital	-
Balance as at March 31, 2019	2,400
Changes in equity share capital	-
Balance as at March 31, 2020	2,400

B. Other Equity in ₹ Lakhs

Particulars	Reserves & Surplus		
	Securities Premium	Retained earnings	Total Other Equity
Balance as at April 1, 2018	600	1,962	2,562
Profit for the year	-	215	215
Other comprehensive income	-	24	24
Total comprehensive income for the year	-	239	239
As at March 31, 2019	600	2,201	2,801
Loss for the year	-	(360)	(360)
Other comprehensive income	-	(201)	(201)
Total comprehensive loss for the year	-	(561)	(561)
As at March 31, 2020	600	1,640	2,240

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

As per our report of even date

For S.R.Batliloi & Associates LLP
ICAI Firm registration number: 101049W/E300004
Chartered Accountants

per Sunil Gaggar
Partner
Membership No. 104315

Place: Bengaluru
Date: May 26, 2020

For and on behalf of the Board of Directors

Tushar K. Jani
Chairman
DIN:00192621

Air Marshal M . McMahon (Retd.,)
Director
DIN:00234293

Geoffrey Kehr
Additional Director
DIN: 08391983

Place: Mumbai
Date: May 26, 2020

Tulsi Nowlakra Mirchandaney
Managing Director
DIN:01842520

Surendra Sheth
Alternate Director
DIN: 00089981

N. Palaniappan
Company Secretary &
General Manager-Finance

Sharad Upasani
Director
DIN: 01739334

Air Marshal Vijay Achyut Patkar (Retd.,)
Director
DIN:07037116

P. Parameshwaran
Chief Financial Officer

SCHEDULES

Notes to the financial statements for the year ended March 31, 2020

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, India.

The standalone financial statements were authorised for issue in accordance with a resolution of the directors on May 26, 2020.

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').

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 5,12,17,18 & 19).

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]
- (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.

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

SCHEDULES

Notes to the financial statements for the year ended March 31, 2020

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 three to five 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
Aircraft Componets & Overhaul	Over the engine life cycle
Aircraft Rotable Parts	10 years
Computer Software	6 years
Computers	3 to 6 years
Electrical equipments	10 years
Furnitures & fixtures	10 years
Leasehold Improvements	20 years
Office Equipment	5 years
Type Certification	3-5 years
Vehicles	8 years
Ground Equipment	10 to 15 years

The Company, based on technical assessment made by technical expert and management estimate, depreciates computers over estimated useful lives of 3 to 6 years, leasehold improvement over the period of lease and aircraft rotatable parts over estimated useful lives of 10 years which are different from the useful life prescribed in Schedule II. The management believes that these estimated useful lives are realistic and reflect fair approximation of the period over which the assets are likely to be used.

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

₹ 5,000 are depreciated over a period of one year from the date put to use.

Aircraft components and overhaul includes the 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, 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.

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

SCHEDULES

Notes to the financial statements for the year ended March 31, 2020

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 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

SCHEDULES

Notes to the financial statements for the year ended March 31, 2020

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 calculates its incremental borrowing rate by using the Government's Zero coupon yield rates adjusted for the financial spreads for AA rated bonds at the lease commencement date because the interest rate implicit in the lease is not readily determinable. 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.

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, equipments (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, equipments 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 Statement of profit and loss except to the extent that it relates items recognised directly in equity or in Other Comprehensive Income ('OCI').

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.

SCHEDULES

Notes to the financial statements for the year ended March 31, 2020

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 event, 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.

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.

l. Contingent Liabilities

Contingent liabilities are disclosed when there is a possible obligation arising from past events, the existence of which will be confirmed only by the occurrence or non occurrence of one or more uncertain future events not wholly within the control of the Company or a present obligation that arises from past events where it is either not probable that an outflow of resources will be required to settle or a reliable estimate of the amount cannot be made.

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.

SCHEDULES

Notes to the financial statements for the year ended March 31, 2020

n. 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 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.

SCHEDULES

Notes to the financial statements for the year ended March 31, 2020

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.

o. 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
- ▶ 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.

p. 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).

SCHEDULES

(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).

q. 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.

r. 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

New and amended standards

The Company applied Ind AS 116 Leases for the first time. The nature and effect of the changes as a result of adoption of this new accounting standard is described below. The Company has not early adopted any standards, amendments that have been issued but are not yet effective/notified.

The Company adopted Ind AS 116 using the modified retrospective approach of adoption as per para C8(b)(ii) read with C8(a) and C5(b) of Ind AS 116, with the date of initial application on 1 April 2019. For leases previously classified as operating leases under Ind AS 17, the Company :

- Recognized a lease liability measured at the present value of the remaining lease payments, discounted using the Company's incremental borrowing rate
- Measured the right-of-use asset on a lease-by-lease basis at an amount equal to the lease liability, adjusted for previously recognized prepaid or accrued lease payments.

The Company elected to use the transition practical expedient to not reassess whether a contract is, or contains, a lease at 1 April 2019 and considered only contracts those were recognised as lease under erstwhile standard Ind AS 17. The Company also used practical expedient to not to recognise leases for which the lease term ends within 12 months of the date of initial application,

these leases are accounted as short term leases.

Critical judgements and estimates evaluation on implementation:

(i) In case of leases having a contractual lease term more than non-cancellable period, company has opted to consider the entire contractual lease term, as the company's intention is to continue the lease till the end of contractual lease term based on one or more of the following factors:-

- (a) The uniqueness of purpose or location of the asset which is taken on lease
- (b) No availability of a comparable replacement asset
- (c) The existence and materiality of leasehold improvements
- (d) Cost of relocation involved
- (e) Company's past practice of not exiting a contract without having any economic disincentive

(ii) In case of leases containing both lease and non-lease components, company has decided to separate the amount if the bifurcation is mentioned in the contract and in other cases the non-lease components shall be assumed to be zero and entire amount will be considered as lease rentals.

Please refer note 3(h) for Accounting Policy on Leases.

The effect of adoption Ind AS 116 as at 1 April 2019 (increase/ (decrease)) is, as follows:

Assets	in ₹ Lakhs
Right-of-use assets	63,645
Other Assets (Net book value of Bangalore premises- Refer note 38)	(2,338)
Prepaid expenses	(941)
Total	60,366

The following table presents the reconciliation of lease liability:

Assets	in ₹ Lakhs
Operating lease commitments as at 31 March 2019	86,064
Less: Commitments relating to short-term leases & low-value assets	(1,457)
Undiscounted Lease liabilities as at 1 April 2019	84,607
Weighted average incremental borrowing rate as at 1 April 2019	8.44%
Lease liabilities as at 1 April 2019	60,366

SCHEDULES

Notes forming part of Financial Statements as of and for the year ended March 31, 2020

4A. PROPERTY, PLANT AND EQUIPMENT

in ₹ Lakhs

Description of Assets	GROSS CARRYING VALUE				ACCUMULATED DEPRECIATION				NET CARRYING VALUE
	Opening Balance as at April 1, 2019	Additions	Deductions/ Adjustments	Closing Balance as at March 31, 2020	Upto April 1, 2019	For the Year	Deductions/ Adjustments	Upto March 31, 2020	Closing Balance as at March 31, 2020
Tangible Assets:									
Leasehold Improvements	2,288	18	50	2,256	196	175	-	371	1,885
Aircraft Rotable Parts	5,995	1,389	130	7,254	2,112	655	50	2,717	4,537
Aircraft Components and Overhaul	36,781	13,644	1,690	48,735	12,577	7,107	1,610	18,074	30,661
Ground Equipment	7,529	742	44	8,227	2,040	645	23	2,662	5,565
Office Equipment	632	113	9	736	150	128	8	270	466
Electrical Equipment	1,980	374	26	2,328	450	219	12	657	1,671
Computers	429	155	4	580	186	83	4	265	315
Furniture and Fittings	2,296	533	93	2,736	530	275	25	779	1,957
Vehicles	70	9	15	64	30	9	12	27	37
Total Tangible Assets (A)	58,000	16,977	2,061	72,916	18,271	9,296	1,744	25,822	47,094
Right of use ('ROU') Assets									
Buildings	-	39,163	-	39,163	-	4,711	-	4,711	34,452
Aircraft	-	32,412	-	32,412	-	4,931	-	4,931	27,481
Vehicle	-	436	-	436	-	118	-	118	318
Total ROU Assets (B)	-	72,011	-	72,011	-	9,760	-	9,760	62,251
Total Tangible & ROU Assets (A+B)	58,000	88,988	2,061	144,927	18,271	19,056	1,744	35,582	109,345
Capital work-in-progress	4,498	-	-	-	-	-	-	-	1,375

Notes:

- As a prudent practice, Company has been depreciating full value of the assets, though the assets will have residual value and Companies Act, 2013, also allows upto 5% to be retained as a residual value.
- Deductions/Adjustments also includes reclassification from one category to another category of asset, if any.
- In 2016-17, on transition to IND AS, the Company has availed the deemed cost exemption in relation to Property, Plant & Equipment and hence net block carrying amount has been considered as the gross block carrying amount on April 1, 2015.

4B. INTANGIBLE ASSETS

in ₹ Lakhs

Description of Assets	GROSS CARRYING VALUE				ACCUMULATED AMORTISATION				NET CARRYING VALUE
	Opening Balance as at April 1, 2019	Additions	Deductions/ Adjustments	Closing Balance as at March 31, 2020	Upto April 1, 2019	For the Year	Deductions/ Adjustments	Upto March 31, 2020	Closing Balance as at March 31, 2020
Computers - Software	707	3	-	710	449	116	-	565	146
Type Certification Course	1,489	407	225	1,671	784	276	225	835	836
Total Intangible Assets	2,196	410	225	2,381	1,233	392	225	1,400	982

Notes :

In 2016-17, on transition to IND AS, the Company has availed the deemed cost exemption in relation to Property, Plant & Equipment and hence net block carrying amount has been considered as the gross block carrying amount on 1st April 2015.

SCHEDULES

Notes forming part of Financial Statements as of and for the year ended March 31, 2020

4A. PROPERTY, PLANT AND EQUIPMENT

in ₹ Lakhs

Description of Assets	GROSS CARRYING VALUE				ACCUMULATED DEPRECIATION				NET CARRYING VALUE
	Opening Balance as at April 1, 2018	Additions	"Deductions/ Adjustments"	Closing Balance as at March 31, 2019	Upto April 1, 2018	For the Year	Deductions/ Adjustments	Upto March 31, 2019	Closing Balance as at March 31, 2019
Tangible Assets:									
Leasehold Improvements	3,400	2,115	3,227	2,288	822	118	744	196	2,092
Aircraft Rotable Parts	4,841	1,270	116	5,995	1,553	588	29	2,112	3,883
Aircraft Components and Overhaul	26,350	13,009	2,578	36,781	8,939	5,806	2,168	12,577	24,204
Ground Equipment	5,752	1,846	69	7,529	1,493	567	20	2,040	5,489
Office Equipment	183	451	2	632	86	68	4	150	482
Electrical Equipment	756	1,264	40	1,980	312	163	25	450	1,530
Computers	345	86	2	429	116	71	1	186	243
Furniture and Fittings	1,003	1,386	93	2,296	393	208	71	530	1,766
Vehicles	49	23	2	70	19	12	1	30	40
Total Tangible Assets	42,679	21,450	6,129	58,000	13,733	7,601	3,063	18,271	39,729
Capital work-in-progress	5,257	-	-	-	-	-	-	-	4,498

Notes:

- As a prudent practice, Company has been depreciating full value of the assets, though the assets will have residual value and Companies Act, 2013, also allows upto 5% to be retained as a residual value.
- Deductions/Adjustments also includes reclassification from one category to another category of asset, if any.
- In 2016-17, on transition to IND AS, the Company has availed the deemed cost exemption in relation to Property, Plant & Equipment and hence net block carrying amount has been considered as the gross block carrying amount on April 1, 2015.

4B. INTANGIBLE ASSETS

in ₹ Lakhs

Description of Assets	GROSS CARRYING VALUE				ACCUMULATED AMORTISATION				NET CARRYING VALUE
	Opening Balance as at April 1, 2018	Additions	"Deductions/ Adjustments"	Closing Balance as at March 31, 2019	Upto April 1, 2018	For the Year	Deductions/ Adjustments	Upto March 31, 2019	Closing Balance as at March 31, 2019
Computers - Software	628	98	19	707	340	118	9	449	258
Type Certification Course	1,350	368	229	1,489	729	266	211	784	705
Total Intangible Assets	1,978	466	248	2,196	1,069	384	220	1,233	963

Notes :

In 2016-17, on transition to IND AS, the Company has availed the deemed cost exemption in relation to Property, Plant & Equipment and hence net block carrying amount has been considered as the gross block carrying amount on 1st April 2015.

SCHEDULES

Notes forming part of Financial Statements as of and for the year ended March 31, 2020

	As at March 31, 2020 in ₹ Lakhs	As at March 31, 2019 in ₹ Lakhs
5 OTHER NON-CURRENT FINANCIAL ASSETS		
(Unsecured, considered good, unless otherwise stated)		
Deposits	869	831
Total	869	831
6 DEFERRED TAX ASSET [Refer Note 3 (i) and Note 32]		
Deferred Tax Assets		
Property, Plant and Equipment and intangible assets	2,090	2,817
Other timing differences	1,650	741
Total	3,740	3,558
7 NON-CURRENT TAX ASSETS (NET)		
Opening balance	2,414	1,748
Less: Current tax payable for the year	1,276	520
Less: Adjustment of tax relating to earlier year	-	78
Less: Refund received	422	271
Less: Advance Tax adjusted related to earlier year	579	-
Add: Tax provision adjusted related to earlier year	579	-
Add: Taxes paid	1,090	1,535
Closing balance	1,806	2,414
Advance income tax	4,094	4,005
Provision for tax	2,288	1,591
Advance income tax (Net of provision for tax)	1,806	2,414
8 OTHER NON-CURRENT ASSETS		
Capital Advances	273	175
Prepaid Expenses	62	274
Other non-current asset (Refer Note 38)	-	2,090
Total	335	2,539
9 INVENTORIES		
Consumables/Spares*	2,108	1,803
Loose Tools	218	209
Total	2,326	2,012
* Net of provision for slow-moving items of ₹ 809 Lakhs, (March 31, 2019 - ₹ 702 Lakhs)		
10 TRADE RECEIVABLES		
(Unsecured, considered good)		
Trade receivables	14	20
Receivables from related parties (Refer Note 33)	4,801	2,024
Total	4,815	2,044

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.

SCHEDULES

Notes forming part of Financial Statements as of and for the year ended March 31, 2020

	As at March 31, 2020 in ₹ Lakhs	As at March 31, 2019 in ₹ Lakhs
11 CASH AND CASH EQUIVALENTS		
Balances with banks in current accounts	107	81
Cash on hand	2	2
Total	109	83
12 OTHER CURRENT FINANCIAL ASSETS		
(Unsecured, considered good, unless otherwise stated)		
Deposits	370	484
Total	370	484
13 OTHER CURRENT ASSETS		
(Unsecured, considered good)		
Prepaid Expenses	675	1,657
Balance with Government Authorities	787	1,034
Others	286	336
Total	1,748	3,027
14 EQUITY SHARE CAPITAL		
Authorised		
40,000,000 Equity Shares(March 31, 2019- 40,000,000 of ₹ 10 each	4,000	4,000
Issued, Subscribed and Fully Paid up		
24,000,000 Equity Shares (March 31, 2019 : 24,000,000 of ₹ 10 each fully paid-up	2,400	2,400
Total	2,400	2,400

i. Reconciliation of the number of shares

	As at March 31, 2020		As at March 31, 2019	
	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	-	-	-	-
Balance as at the end of the year	24,000,000	2,400	24,000,000	2,400

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, 2020

	As at March 31, 2020 in ₹ Lakhs	As at March 31, 2019 in ₹ Lakhs
iii. Shares held by Holding Company		
Blue Dart Express Limited, the Holding Company	2,400	2,400
24,000,000 (March 31, 2019- 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, 2020		As at March 31, 2019	
	Number of shares	%	Number of shares	%
Blue Dart Express Limited ('BDEL') and its nominees	24,000,000	100%	24,000,000	100%
Total	24,000,000	100%	24,000,000	100%

	As at March 31, 2020 in ₹ Lakhs	As at March 31, 2019 in ₹ Lakhs
15 OTHER EQUITY		
Reserves and Surplus		
Securities Premium	600	600
Retained earnings	1,640	2,201
Total	2,240	2,801
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	2,201	1,962
Net (loss) / Profit for the year	(360)	215
Remeasurements of defined benefit obligations, (net of tax)	(201)	24
Balance as at the end of the year	1,640	2,201
Total of Other Equity	2,240	2,801

Nature and purpose of reserve:

Security 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 Company Act. 2013.

16 NON CURRENT FINANCIAL LIABILITIES - BORROWINGS

Term loans

Unsecured

(a) Term Loan from financial institutions (Refer note (a))	10,500	17,500
---	--------	--------

SCHEDULES

Notes forming part of Financial Statements as of and for the year ended March 31, 2020

	As at March 31, 2020 in ₹ Lakhs	As at March 31, 2019 in ₹ Lakhs
(b) Term Loan from banks (Refer note (b) and (c))	25,250	17,500
(c) Term Loan from Blue Dart Express Limited (Refer note (d) and (e))	-	-
Total	35,750	35,000

Security and Salient Terms:

- a) During the year, the Company has taken additional unsecured term loan of ₹10,500 lakhs from Citicorp Finance India Ltd ('Citicorp') on various dates, having a moratorium period of 24 months and repayable in four equal instalments over a period of 36 months, with an interest rate of 7.45% p.a. Also, the Company has repaid the term loan of ₹ 7,500 lakhs as per its repayment schedule and ₹ 10,000 lakhs ahead of its repayment schedule.
- b) During the year, the Company has taken further unsecured term loan from Bank of America of ₹ 20,000 lakhs (two tranches of ₹10,000 lakhs each) at interest rate of 7.48% p.a. and 7.30% each p.a., respectively, for the purposes of capital expenditure including reimbursements/ refinancing of loan taken earlier for capital expenditure.
- c) During the year, the Company has fully repaid the term loan of ₹ 10,000 lakhs availed from Federal Bank ahead of its repayment schedule.
- d) During the year, the Company has repaid ₹ 1,092 lakhs towards the unsecured interest bearing loan borrowed from Blue Dart Express Limited. The outstanding amount as at March 31, 2020 is ₹ Nil.
- e) During the year, the Company has taken unsecured Inter Corporate Deposit of ₹ 2,644 lakhs and same has been repaid fully during the year itself.
- f) Blue Dart Express Limited, the holding company, has provided the Letter of Comfort to the banks/ financial institutions in respect of credit facilities provided by the banks/ financial institutions to the Company.

	As at March 31, 2020 in ₹ Lakhs	As at March 31, 2019 in ₹ Lakhs
17 CURRENT LEASE LIABILITIES	7,360	-
Total	7,360	-
NON CURRENT LEASE LIABILITIES	56,923	-
Total	56,923	-
18 OTHER FINANCIAL LIABILITIES		
Aircraft Payload Deposit from Blue Dart Express Limited (refer note 33)	2,150	1,964
Deposit Received from DHL Express (India) Private Limited (refer note 33)	498	648
Employee Benefits Payable	609	182
Total	3,257	2,794
19 CURRENT PROVISIONS		
Provision for aircraft redelivery obligation	148	218
Total	148	218
NON-CURRENT PROVISIONS		
Provision for aircraft redelivery obligation	495	362
Total	495	362

SCHEDULES

Notes forming part of Financial Statements as of and for the year ended March 31, 2020

	As at March 31, 2020 in ₹ Lakhs	As at March 31, 2019 in ₹ Lakhs
20 CURRENT EMPLOYEE BENEFITS OBLIGATION		
Provision for Employee Benefits:		
[Refer notes 3 (g)]		
Provision for Gratuity	273	(7)
Provision for Compensated absences	533	445
Total	806	438

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, 2020 in ₹ Lakhs	For the Year ended March 31, 2019 in ₹ Lakhs
- Employer's Contribution to Provident Fund	242	205
- Employer's Contribution to Employees' State Insurance	25	34
- Employer's Contribution to Employees' Pension Scheme 1995	162	112

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

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
Balance as on April 1, 2018	1,285	(1,211)	74
Interest Cost	101	-	101
Current Service Cost	91	-	91
Expected Return on Plan Assets	-	(96)	(96)
Total amount recognised in profit or loss	192	(96)	96
Liability Transferred In/ Acquisitions	59	(59)	-
Actuarial (gain)/loss on obligations	(46)	10	(36)
Total amount recognised in other comprehensive income	13	(49)	(36)
Benefits Paid	(80)	80	-
Contributions	-	(141)	(141)
Balance as on March 31, 2019	1,410	(1,417)	(7)
Interest Cost	110	(110)	-
Current Service Cost	99	-	99
Expected Return on Plan Assets	-	-	-
Total amount recognised in profit or loss	209	(110)	99

SCHEDULES

Notes forming part of Financial Statements as of and for the year ended March 31, 2020

	Present value of obligation	Fair value of plan assets	Net defined benefit (asset) /liability
Liability Transferred In/ Acquisitions	4	(4)	-
Remeasurements	(1)	1	-
Actuarial (gain)/loss on obligations	257	11	268
Total amount recognised in other comprehensive income	260	8	268
Benefits Paid	(90)	90	-
Contributions	-	(87)	(87)
Balance as on March 31, 2020	1,789	(1,516)	273

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

	As at March 31, 2020 in ₹ Lakhs	As at March 31, 2019 in ₹ Lakhs
Present Value of funded obligation as at the year end	1,789	1,410
Fair Value of Plan Assets as at the end of the year	(1,516)	(1,417)
Present Value of unfunded obligation as at the year end	273	(7)
Unrecognised Actuarial (gains)/losses	-	-
Unfunded Net Liability Recognised in Balance Sheet	273	(7)

C Amount recognised in the Balance Sheet

	As at March 31, 2020 in ₹ Lakhs	As at March 31, 2019 in ₹ Lakhs
Present Value of Obligation at the end of the year	1,789	1,410
Fair value of plan assets	(1,516)	(1,417)
Liability recognised in the Balance Sheet	273	(7)

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, 2020 in ₹ Lakhs	As at March 31, 2019 in ₹ Lakhs
Discount Rate and Expected Return on Plan Assets (per annum)	6.82%	7.78%
Rate of increase in Salary growth rate	7.75%	7.25%
Rate of employee turnover	1.00%	1.00%

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.

SCHEDULES

Notes forming part of Financial Statements as of and for the year ended March 31, 2020

Impact on defined benefit obligation (In ₹ Lakhs)

	As at March 31, 2020		As at March 31, 2019	
	Increase (0.5%)	Decrease (0.5%)	Increase (0.5%)	Decrease (0.5%)
Discount rate (0.5% movement)	(90)	98	(65)	71
Future salary growth (0.5% movement)	96	(89)	71	(66)
Employee Turnover (0.5% movement)	(8)	8	3	(3)

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, 2020 in ₹ Lakhs	As at March 31, 2019 in ₹ Lakhs
Insured fund in LIC	1516	1417

iv Expected gratuity contribution for the next year

	213	92
--	-----	----

E Compensated Absences

Non-current provisions (Refer note 20)	-	-
Current provisions (Refer note 20)	533	445

21 TRADE PAYABLES

	As at March 31, 2020 in ₹ Lakhs	As at March 31, 2019 in ₹ Lakhs
Trade Payables:		
Total outstanding dues of Micro enterprises and Small Enterprises (Refer Note 34)	80	263
Total outstanding dues of creditors other than Micro enterprises and small enterprises:		
Trade payable other than related parties	1,454	4,449
Trade payables to related parties (Refer Note 33)	2,699	670
Other Payables	706	1,186
Total	4,939	6,568

22 OTHER FINANCIAL LIABILITIES

Current maturities of term loan from Blue Dart Express Limited (Refer Note 16)	-	1,092
Current maturities of unsecured term loan from Financial Institutions (Refer Note 16)	7,500	7,500
Current maturities of unsecured term loan from Banks (Refer Note 16)	2,250	-
Interest accrued and due but not paid on borrowings	53	-
Deposit received from DHL Express (India) Private Limited	150	150
Employee benefits payable	1,298	869
Total	11,251	9,611

SCHEDULES

Notes forming part of Financial Statements as of and for the year ended March 31, 2020

	As at March 31, 2020 in ₹ Lakhs	As at March 31, 2019 in ₹ Lakhs
23 OTHER CURRENT LIABILITIES		
Statutory dues	2,251	1,814
Air charter service income received in advance	-	176
Total	2,251	1,990
24 REVENUE FROM OPERATIONS		
Express Air Charter Services [Refer Note 3(e)]	79,812	74,315
Other Operating Revenue		
Business Support Services [Refer Note 3(e)]	874	894
Total	80,686	75,209
25 OTHER INCOME		
Sale of Spares / Services	276	265
Unwinding interest on security deposit	77	86
Net Gain on Foreign Currency Transactions and Translation [Refer Note 3(f)]	-	89
Miscellaneous Income	42	162
Total	395	602
26 OPERATING COSTS		
Aircraft Fuel	21,071	23,845
Aircraft and Engine Lease Rentals [Refer Note 3(h)]	680	8,458
Navigation Charges	3,445	3,651
Engineering Maintenance Costs	1,088	1,246
Loss on sale/scraping of Rotables/Components & Overhaul written off	103	203
Consumption of Consumables and Tools	1,279	1,154
Provision for aircraft redelivery obligation	63	144
Provision for slow-moving inventory	107	121
Aircraft Insurance	237	229
Handling and Clearing	1,005	871
Interline Expenses	397	297
Total	29,475	40,219
27 EMPLOYEE BENEFITS EXPENSE		
Salaries, Bonus and compensated absences	14,199	13,104
Contribution to provident and other funds	456	372

SCHEDULES

Notes forming part of Financial Statements as of and for the year ended March 31, 2020

	Year ended March 31, 2020 in ₹ Lakhs	Year ended March 31, 2019 in ₹ Lakhs
Gratuity	99	96
Staff Welfare Expenses	879	945
Total	15,633	14,517
28 FINANCE COSTS		
Interest Expense:		
On Term loan from bank	1,812	702
On Term loans from financial institutions	1,700	2,023
On Unsecured term loan and inter corporate deposits from Blue Dart Express Limited	77	320
Unwinding of interest on provisions/payload deposits	186	179
On Lease	5,012	-
On Others	10	6
Total	8,797	3,230
29 DEPRECIATION AND AMORTISATION EXPENSE		
Depreciation on Tangible assets	19,056	7,601
Amortisation on Intangible assets	392	384
Total	19,448	7,985
30 OTHER EXPENSES		
Rent	929	5,455
Electricity	352	392
Repairs and Maintenance - Others	993	881
Communication Expenses	87	100
Directors sitting fees	15	13
Legal and Professional Expenses	146	111
Payment to Auditors		
Statutory Audit fees	11	9
Tax Audit fees	1	1
Reimbursement of Expenses	5	12
Rates and taxes	177	147
Insurance	187	192
Lease and Hire charges	30	55
Loss on Sale/Scrapping of Assets (net)	23	57
Loss on Foreign Currency Transactions (net)	2,098	-
Printing and Stationery	193	187
Subscriptions Charges	293	297
Travelling Expenses	414	438

SCHEDULES

Notes forming part of Financial Statements as of and for the year ended March 31, 2020

	Year ended March 31, 2020 in ₹ Lakhs	Year ended March 31, 2019 in ₹ Lakhs
Expenditure towards Corporate Social Responsibility Activities (Refer note below)	16	9
Miscellaneous expenses	957	934
Total	6,927	9,290
Note:- Expenditure on Corporate Social Responsibility Activities		
a) Gross amount required to be spent by the Company during the year	16	9
b) Amount spent during the year on (in cash): Expenditure on Educational programmes	12	9
c) Amount unspent carried forward to next year	4	-
31 EARNINGS PER SHARE		
(Loss) / Profit for the year	(360)	215
Weighted average number of shares (Nos.)	24,000,000	24,000,000
Basic and Diluted Earnings Per Share (In ₹)	(1.50)	0.90
Nominal value of shares outstanding (In ₹)	10	10
32 TAX EXPENSE		
A. Amounts recognised in profit and loss		
(a) Income tax expense		
Current Tax		
Current tax on profits for the year	1,276	520
Adjustment of tax relating to earlier year	-	78
Total current tax expense	1,276	598
Deferred tax		
Decrease (increase) in deferred tax (net)	(115)	(243)
Total deferred tax expense/(benefit)	(115)	(243)
Income tax expense	1,161	355
(b) Reconciliation of tax expense and the accounting profit multiplied by India's tax rate:		
Profit before income tax expense	801	570
Tax at the Indian tax rate of 25.17% (2018-2019 – 34.96%)	202	199
Tax effect of amounts which are not deductible (taxable) in calculating taxable income:		
Tax adjustment impact due to change in tax rate in deferred tax	995	-
Others	(36)	156
Income tax expense	1,161	355

SCHEDULES

Notes forming part of Financial Statements as of and for the year ended March 31, 2020

B. Movement in deferred tax balances

(in ₹ Lakhs)

	Net balance March 31, 2019	Recognised in Profit and Loss	Recognised in OCI	Net deferred tax asset / liability	Deferred tax asset March 31, 2020
Deferred Tax Assets					
Depreciation	(2,817)	727	-	(2,090)	(2,090)
Provision for Compensated Absences	(156)	21	-	(135)	(135)
Provision for Bonus	(4)	9	-	5	5
Provision for Gratuity	2	(71)	-	(69)	(69)
Others	(583)	(801)	(67)	(1,451)	(1,451)
(Tax assets)	(3,558)	(115)	(67)	(3,740)	(3,740)

(in ₹ Lakhs)

	Net balance March 31, 2018	Recognised in Profit and Loss	Recognised in OCI	Net deferred tax asset / liability	Deferred tax asset March 31, 2019
Deferred Tax Assets					
Depreciation	(2,686)	(131)	-	(2,817)	(2,817)
Provision for Compensated Absences	(152)	(4)	-	(156)	(156)
Provision for Bonus	(11)	7	-	(4)	(4)
Provision for Gratuity	(36)	38	-	2	2
Others	(443)	(153)	12	(583)	(583)
(Tax assets)	(3,327)	(243)	12	(3,558)	(3,558)

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.

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.

The Company elected to exercise the option permitted under section 115BAA of the Income Tax Act, 1961 as introduced by the Taxation Laws (Amendment) Ordinance, 2019. Accordingly, the Company has recognised provision for income tax for the year ended March 31, 2020 at the rate of 25.17 % and re-measured its deferred tax asset basis the said rate.

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

Name	Type	Place of Incorporation	Ownership Interest	
			March 31, 2020	March 31, 2019
Blue Dart Express Limited and its nominees	Holding Company	India	100%	100%

SCHEDULES

Notes forming part of Financial Statements as of and for the year ended March 31, 2020

ii) Key Management Personnel

Ms. Tulsi Nowlakha Mirchandaney	Managing Director
Mr. Tushar K. Jani	Non-Executive Chairman
Mr. Clyde C Cooper	Non-Executive Director
Air Marshal M. McMahon (Retd.)	Independent Director
Air Marshal Vijay Achyut Patkar (Retd.)	Independent Director
Mr. Sharad Upasani	Non-Executive Director
Mr. Geoffrey Kehr	Additional Director
Mr. Surendra Sheth	Alternate Director

iii) Entities under common control where transaction have taken place

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

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

Cargo Service Center India Private Limited
 Delhi Cargo Service Center Private Limited
 Mumbai Cargo Service Center Airport Private Limited

Key management personnel compensation

Name : Ms Tulsi Nowlakha Mirchandaney

Particulars	Year ended March 31, 2020 in ₹ Lakhs	Year ended March 31, 2019 in ₹ Lakhs
Short-term employee benefits	302	233

B) TRANSACTIONS WITH RELATED PARTIES DURING THE YEAR:

NATURE OF TRANSACTIONS:	Year ended March 31, 2020 in ₹ Lakhs	Year ended March 31, 2019 in ₹ Lakhs
i) With Blue Dart Express Limited		
Express Air Charter Service Income (including service income accrued in advance)	(79,812)	(74,315)
Interest charges incurred on Term Loan	59	189
Interest charges incurred on Inter corporate Deposit	18	131
Courier charges incurred	43	30
Inter Corporate deposits accepted during the year	2,644	17,782
Inter Corporate deposits repaid during the year	(2,644)	(17,782)
Unsecured Term Loan repaid during the year	(1,092)	(1,903)
Purchase / (Sale) of Plant, property and equipment/Consultancy Charges	12	-

SCHEDULES

Notes forming part of Financial Statements as of and for the year ended March 31, 2020

	Year ended March 31, 2020 in ₹ Lakhs	Year ended March 31, 2019 in ₹ Lakhs
ii) Directors Sitting Fees		
Mr. Tushar K. Jani	3	3
Mr. Clyde C Cooper	1	-
Air Marshal M. McMahan (Retd.)	5	4
Air Marshal Vijay Achyut Patkar (Retd.)	3	3
Mr. Surendra Sheth	2	1
Mr. Sharad Upasani	2	1
iii) Entities under common control :		
(a) With Concorde Air Logistics Limited:		
Clearing and Forwarding charges	83	151
Agency charges incurred for customs clearing	12	14
(b) With DHL Express India Private Limited		
Business support services income	(874)	(894)
Other income	(95)	(98)
Courier charges incurred	604	503
Professional fees	13	15
(c) With European Air Transport, Leipzig GmbH		
Expenses towards Aircraft spares /Repairs	25	45
Sale of C Duct	(22)	-
(d) With DHL Aviation (Netherlands) B.V.		
Aircraft Dry Lease	7,098	7,750
Technical Services	17	17
(e) With DHL Air UK Limited		
Purchase of spares	13	-
(f) With DHL Aviation EEMEA, Kingdom of Bahrain		
Purchase of Aircraft parts	5	-
(g) With DHL Logistics Private Limited		
Freight Charges	1	60
(h) With Delhi Cargo Service Centre India Private Limited		
Rent	1,613	775
Civil Work	-	44
Electricity /Water/De stuffing charges	138	115
(i) With Cargo Service Centre India Private Limited		
Interline Expenses	13	12
(j) With DHL Worldwide Network NV/SA		
AMC charges for Engineering & Maintenance ERP	-	42
(k) DHL ECOMMERCE (SINGAPORE) PTE LTD		
Re-imbursement of go getter award expenses	-	4
(l) Mumbai Cargo Service Center Airport Private Limited		
Cargo handling charges	154	31

SCHEDULES

Notes forming part of Financial Statements as of and for the year ended March 31, 2020

C) RELATED PARTY BALANCES:

(i) Receivable/(Payable) from/to subsidiary/Fellow Subsidiaries Company	As at March 31, 2020 in ₹ Lakhs	As at March 31, 2019 in ₹ Lakhs
a) Blue Dart Express Limited		
Aircraft Payload Deposit	(2,150)	(2,150)
Account payable	-	(5)
Account Receivable(net)	4,448	1,838
Outstanding Unsecured Term Loan	-	(1,092)
b) DHL Express India Private Limited		
Outstanding Security Deposit (refer note 18 & 22)	(648)	(798)
Receivables towards other operating income (net)	353	186
Payable towards freight charges	(12)	(31)
c) DHL Aviation (Netherlands) B.V.		
Payable towards Aircraft Dry Lease charges	(2,671)	(624)
d) Concorde Air Logistics Limited		
Payable	(1)	(1)
e) Cargo Service Center India Private Limited		
Payable towards Interline	(1)	(1)
f) Delhi Cargo Service Center Private Limited		
Security Deposit	1,314	1,314
Payable towards Interline	(8)	(8)
g) European Air Transport, Leipzig GmbH		
Payable towards Aircraft spares/Repairs	-	(1)
h) Mumbai Cargo Service Center Airport Private Limited		
Payable towards cargo handling charges	(6)	(9)
i) Payable to Key Management Personnel		
Ms. Tulsi Nowlakha Mirchandaney	110	72

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 at March 31, 2020 in ₹ Lakhs	As at March 31, 2019 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	80	263
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

SCHEDULES

Notes forming part of Financial Statements as of and for the year ended March 31, 2020

	As at March 31, 2020 in ₹ Lakhs	As at March 31, 2019 in ₹ Lakhs
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.		

35 COMMITMENTS

	As at March 31, 2020 in ₹ Lakhs	As at March 31, 2019 in ₹ Lakhs
i) CAPITAL COMMITMENTS		
Estimated amount of contracts remaining to be executed on Capital account and not provided for (net of advances)	5,725	1,540

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.

Set out below are the carrying amounts of right-of-use assets recognised and the movements during the period:

	As at March 31, 2020 in ₹ Lakhs			
	Opening net carrying balance	Additions	Depreciation	Closing net carrying balance
Aircraft	29,221	3,191	4,931	27,481
Building	34,076	5,087	4,711	34,452
Vehicle	348	88	118	318
Total	63,645	8,366	9,760	62,251

	As at March 31, 2020 in ₹ Lakhs
Lease liabilities: other financial liability	
Lease liabilities - Current	7,360
Lease liabilities - Non-current	56,923
Total lease liabilities	64,283

SCHEDULES

Notes forming part of Financial Statements as of and for the year ended March 31, 2020

Maturity analysis of contractual undiscounted cash flow

	As at March 31, 2020 in ₹ Lakhs			
	Less than 1 year	1 - 5 years	More than 5 Years	Total
Aircraft	6,564	23,284	8,888	38,736
Building	5,548	21,921	20,321	47,790
Vehicle	125	248	-	373
Total undiscounted lease liabilities	12,237	45,453	29,209	86,899

The effective interest rate for lease liabilities is from 7.40 % to 8.60 %, with maturity between 2021-2031.

For the year ended March 31, 2020 in ₹ Lakhs

The following are the amounts recognised in profit or loss:

Depreciation expense of right-of-use assets	9,760
Interest expense on lease liabilities	5,012
Expense relating to short-term leases & low-value assets (included in operating cost, Employee benefit expenses & other expenses)	960
Variable lease payments (included in other expenses)	-
Total amount recognised in profit or loss	15,732

36 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, 2020	Note No.	FVPL	Carrying amount		in ₹ Lakhs
			FVOCI	Amortised Cost	Total
Financial assets					
(i) Trade receivables (Refer Note 1 below)	10	-	-	4,815	4,815
(ii) Cash and cash equivalents (Refer Note 1 below)	11	-	-	109	109
(iii) Others financial assets (Refer Note 2 below)	5 and 12	-	-	1,239	1,239
		-	-	6,163	6,163
Financial liabilities					
(i) Borrowings (Refer Note 3 below)	16 and 22	-	-	45,500	45,500
(ii) Trade payables (Refer Note 1 below)	21	-	-	4,939	4,939
(iii) Lease Liability	17	-	-	64,283	64,283
(iv) Other financial liabilities (Refer Note 1 below)	18 and 22	-	-	4,758	4,758
		-	-	119,480	119,480

SCHEDULES

Notes forming part of Financial Statements as of and for the year ended March 31, 2020

March 31, 2019	Note No.	FVPL	Carrying amount		in ₹ Lakhs
			FVOCI	Amortised Cost	Total
Financial assets					
(i) Trade receivables (Refer Note 1 below)	10	-	-	2,044	2,044
(ii) Cash and cash equivalents (Refer Note 1 below)	11	-	-	83	83
(iii) Others financial assets (Refer Note 2 below)	5 and 12	-	-	1,315	1,315
		-	-	3,442	3,442
Financial liabilities					
(i) Borrowings (Refer Note 3 below)	16 and 22	-	-	43,592	43,592
(ii) Trade payables (Refer Note 1 below)	21	-	-	6,568	6,568
(iii) Other financial liabilities (Refer Note 1 below)	18 and 22	-	-	3,813	3,813
		-	-	53,973	53,973

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 nature.

Note 2: Difference between carrying amounts and fair values of other financial assets 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.

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.

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

	March 31, 2020	March 31, 2019
Neither past due nor impaired		
Past due but not impaired		
Past due 1–90 days	4,726	2,042
Past due 91–180 days	89	2
	4,815	2,044

Of the above total balances of ₹ 4815 lakhs, the related party balances is ₹ 4801 lakhs and the remaining is ₹ 14 lakhs.

SCHEDULES

Notes forming part of Financial Statements as of and for the year ended March 31, 2020

Expected credit loss assessment for customers as at March 31, 2019 and March 31, 2020

Exposures to customers outstanding at the end of each reporting period are reviewed by the Company to determine incurred and expected credit losses. As company's customer 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.

Cash and cash equivalents

The Company held cash and cash equivalents with credit worthy banks and financial institutions of ₹ 107 Lakhs and ₹ 81 Lakhs as at March 31, 2020 and March 31, 2019 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, 2020 and March 31, 2019. The credit worthiness of such lessors is evaluated by the management on an ongoing basis and is considered to be good.

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, 2020, the Company had working capital of ₹ (17387) lakhs including inventories of ₹ 2326 lakhs, cash and cash equivalents of ₹ 109 lakhs, trade receivables of ₹ 4815 lakhs, other assets of ₹ 2118 lakhs, trade payables of ₹ 4939 lakhs, provisions for aircraft redelivery obligation ₹ 148 lakhs, employee benefit obligation of ₹ 806 lakhs, lease liability of ₹ 7360 lakhs and other current liabilities of ₹ 13502 lakhs.

As of March 31, 2019, the Company had working capital of ₹ (11174) lakhs including inventories of ₹ 2012 lakhs, cash and cash equivalents of ₹ 83 lakhs, trade receivables of ₹ 2044 lakhs, other assets of ₹ 3511 lakhs, trade payables of ₹ 6568 lakhs, provisions for aircraft redelivery obligation ₹ 218 lakhs, employee benefit obligation of ₹ 438 lakhs and other current liabilities of ₹ 11600 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, 2020	Contractual cash flows						
	Carrying amount	Total	2 months or less	2-12 months	1-2 years	2-5 years	More than 5 years
Non-derivative financial liabilities							
Borrowings	45,500	50,514	1,799	10,948	27,321	10,446	-
Trade payables	4,939	4,939	4,939	-	-	-	-
Lease Liability	64,283	86,898	2,040	10,197	11,454	33,998	29,209
Other financial liabilities	4,758	4,758	1,193	308	578	2,679	-
Total	119,480	147,109	9,971	21,453	39,353	47,123	29,209

SCHEDULES

Notes forming part of Financial Statements as of and for the year ended March 31, 2020

in ₹ Lakhs

March 31, 2019	Contractual cash flows						
	Carrying amount	Total	2 months or less	2-12 months	1-2 years	2-5 years	More than 5 years
Non-derivative financial liabilities							
Borrowings	43,592	43,592	-	8,592	25,417	9,583	-
Trade payables	6,568	6,568	6,568	-	-	-	-
Other financial liabilities	3,813	3,813	-	3,165	150	498	-
Total	53,973	53,973	6,568	11,757	25,567	10,081	-

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.

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 and Note 22 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
As at March 31, 2020		
Variable-rate instruments sensitivity	(455)	455
	(455)	455
As at March 31, 2019		
Variable-rate instruments sensitivity	(436)	436
	(436)	436

SCHEDULES

Notes forming part of Financial Statements as of and for the year ended March 31, 2020

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:

	in ₹ Lakhs	
	March 31, 2020	March 31, 2019
Lease Liability(in USD)	4,693	-
Lease Liability(in Euro)	25,503	-
Trade payables(in GBP)	4	4
Trade payables(in USD)	1,440	3,374
Trade payables(in Euro)	2,092	520
Net statement of financial position exposure	33,732	3,898

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 sales and purchases. 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
March 31, 2020		
USD	(307)	307
EUR	(1,380)	1,380
	(1,687)	1,687

Effect in ₹ Lakhs	Profit or loss	
	Strengthening	Weakening
March 31, 2019		
USD	(169)	169
EUR	(26)	26
	(195)	195

(Note: The impact is indicated on the profit/loss and equity before tax basis)

37 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.

SCHEDULES

Notes forming part of Financial Statements as of and for the year ended March 31, 2020

The Company's adjusted net debt to equity ratio at March 31, 2020 was as follows:

	As at March 31, 2020 in ₹ Lakhs	As at March 31, 2019 in ₹ Lakhs
Total external borrowings	45,500	43,592
Less : Cash and cash equivalent	109	83
Adjusted net debt	45,391	43,509
Total equity	4,640	5,201
Adjusted net debt to adjusted equity ratio	9.78	8.37

38 SURRENDER AND TRANSFER DEED

During the previous year, the Company entered in to Surrender and Transfer Deed and new Sub Lease agreement with Bangalore International Airport Limited ('BIAL') whereby Company surrendered the existing building / premises built on land taken on lease from BIAL in earlier periods and taken on lease new premises from BIAL at preferred rent. The net book value of premises surrendered ₹ 2,350 Lakhs has been reclassified from the fixed assets and has been classified under Other non assets amounting to ₹ 2090 Lakhs & Other current assets amounting to ₹ 260 Lakhs as at March 31, 2019 representing the value of concession in rent to be received over the period of lease agreement.

During the current year, on the first time implementation of IND AS 116, the Company has transferred the said net book value of premises amounting to ₹ 2,350 Lakhs to ROU assets on April 01, 2019.

39 A NOTE ON COVID 19

World Health Organisation (WHO) declared outbreak of Coronavirus Disease (COVID-19) a global pandemic on March 11, 2020. Consequent to this, The Ministry of Home Affairs vide order No.40-3/2020 dated 24.03.2020 notified first ever nation-wide lockdown in India to contain the outbreak of COVID 19 which impacted the overall economy and the business activities of the Company. The Company's performance for the month of March 2020 has been partially impacted. The impact on our business will depend on future developments that cannot be reliably predicted. The impact of global health pandemic might be different from that estimated as at the date of approval of these financial results and the Company will closely monitor any material changes to future economic conditions.

39 B SUBSEQUENT EVENT

The Company has changed its Leave Policy effective April 1, 2020. The Company is in the process of evaluating the effect of the revised leave policy on its financial statement.

40 CONTINGENT LIABILITY - Nil

41 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 of Rs.79,812 lakhs (March 31, 2019: Rs. 74,315 lakhs) is derived from the holding company.

As per our report of even date

For S.R.Batliboi & Associates LLP
ICAI Firm registration number: 101049W/E300004
Chartered Accountants

per Sunil Gaggar
Partner
Membership No. 104315

Place: Bengaluru
Date: May 26, 2020

For and on behalf of the Board of Directors

Tushar K. Jani
Chairman
DIN: 00192621

Air Marshal M . McMahon (Retd.)
Director
DIN: 00234293

Geoffrey Kehr
Additional Director
DIN: 08391983

Place: Mumbai
Date: May 26, 2020

Tulsi Nowlakhia Mirchandaney
Managing Director
DIN: 01842520

Surendra Sheth
Alternate Director
DIN: 00089981

N. Palaniappan
Company Secretary &
General Manager-Finance

Sharad Upasani
Director
DIN: 01739334

Air Marshal Vijay Achyut Patkar (Retd.,)
Director
DIN: 07037116

P. Parameshwaran
Chief Financial Officer

CONCORDE AIR LOGISTICS LIMITED

BOARD OF DIRECTORS

Vaidhyanathan Iyer

Tushar Gunderia

Aneel Gambhir

BANKER

ICICI Bank Ltd.

AUDITORS

S. R. Batliboi & Associates LLP

REGISTERED OFFICE

17, Adarsh Industrial Estate,

Sahar Road, Chakala,

Andheri (East),

Mumbai - 400 099

CIN - U60230MH2004PLC146141

DIRECTORS' REPORT

To the Members

Your Directors have great pleasure in presenting the Sixteenth Annual Report of your Company for the financial year ended March 31, 2020.

FINANCIAL RESULTS

	Year ended March 31, 2020	Year ended March 31, 2019
(₹ in Lakhs)		
Revenues:		
Services	456.22	478.01
Commission	-	-
Other Income	28.98	0.39
Less: Operating Expenses	471.71	462.99
Operating Profit (EBIDTA)	13.49	15.41
Less: Depreciation / Amortisation	6.32	6.70
Earnings before Tax	7.17	8.71
Less: Provision for income tax	4.00	7.81
Earnings after tax	3.17	0.90
Other Comprehensive Income (Post Tax)	(3.88)	0.38
Total Comprehensive Income for the year	(0.71)	0.52

DIVIDEND

Your Directors do not recommend any dividend for the year under consideration.

DETAILS OF SUBSIDIARY, JOINT VENTURE OR ASSOCIATE COMPANIES

The Company does not have any Subsidiary, Joint Venture or Associate Company and is a Wholly Owned Subsidiary of M/s. Blue Dart Express Limited.

RESERVES

The Company has not transferred any amount to the reserves.

INDUSTRY

Your Company is engaged in the business of clearing and forwarding of time sensitive air cargo packages.

Your Company is a registered Air Cargo Agent with the International Air Transport Association (IATA) and licensed Customs House Agent under the provisions of Customs Act, 1962.

Your Company is also engaged in the business of clearance of import cargo in addition to export cargo at Mumbai.

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

DIRECTORS AND KEY MANAGERIAL PERSONNEL (KMP)

During the year under review, there has been no change in the constitution of the Board of the Company i.e. the structure of the Board remains the same.

As per provisions of Companies Act, 2013, the Company is not mandatorily required to appoint whole time KMPs.

In accordance with the provisions of the Companies Act, 2013 and Articles of Association of the Company, Mr. V.N. Iyer (DIN : 00090717) Director, retires by rotation at the ensuing Annual General Meeting and, being eligible, offer himself for re-appointment.

NUMBER OF BOARD MEETINGS

The Board of Directors met 5 (five) times during the year ended March 31, 2020. The intervening gap between the Meetings was within the period prescribed under the Companies Act, 2013.

Meetings were conducted on May 16, 2019, July 30, 2019, October 31, 2019, December 04, 2019 and January 17, 2020.

Name of Director	Attendance particulars
Mr. Vaidhyanathan Iyer	5/5
Mr. Tushar Gunderia	5/5
Mr. Aneel Gambhir	5/5

MATERIAL CHANGES AND COMMITMENTS AFFECTING THE FINANCIAL POSITION OF THE COMPANY

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

PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS UNDER SECTION 186

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

RELATED PARTY TRANSACTIONS

All Related Party Transactions which were entered into during the Financial Year were on an arm's length basis and in the ordinary course of business.

There are no materially significant related party transactions made by the Company with related party(s) as defined under Section 2(76) of the Companies Act, 2013 which may have a potential conflict with the interest of the Company at large.

Since all related party transactions entered into by the Company were in ordinary course of business and on arm's length basis, from AOC-2 is not applicable to the Company.

DIRECTORS' REPORT

INTERNAL FINANCIAL CONTROLS

Your Company has in place a sound internal control system to ensure that all assets are protected against loss from an unauthorised use. All transactions are recorded and reported correctly.

EXTRACT OF ANNUAL RETURN

The details forming part of the extracts of the Annual Return in form MGT 9 as per Section 92 (3) of the Companies Act, 2013 and Companies (Management and Administration) Rules, 2014 are annexed herewith as an 'Annexure A'.

The Annual Return of the Company in form MGT-7 has been placed on the website of the Company and can be accessed at www.bluedart.com.

DETAILS OF SIGNIFICANT AND MATERIAL ORDERS

There are no significant and material orders passed by any regulating authority or courts or tribunals impacting the 'going concern' status and company's operations in future.

RISK MANAGEMENT

The Risk Management Policy of Blue Dart Express Limited, Holding Company, is applicable to Concorde Air Logistics Limited for identifying, assessing and managing their business risks in an efficient and cost effective manner; at the same time ensuring effective monitoring and accurate reporting of these risks which are systematically addressed.

DIRECTORS' RESPONSIBILITY STATEMENT

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

- i. In the preparation of the Financial Statement, the applicable accounting standards have been followed and that no material departures have been made from the same;
- ii. They have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent, so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the profit of the Company for that year;
- iii. They have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Act, for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- iv. They have prepared the annual accounts on a going concern basis;
- v. They have devised proper systems to ensure compliance with the provisions of all applicable laws were in place and were adequate and operating effectively.

AUDITORS

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. S. R. Batliboi & Associates LLP, Chartered Accountants, (Firm Registration no. 101049W/E300004) were appointed as Statutory Auditors of the Company for a term of five (5) years, to hold office from conclusion of the Thirteenth Annual General Meeting of the Company held on July 26, 2017 upto the conclusion of the Eighteenth Annual General Meeting, subject to ratification of their appointment at every subsequent Annual General Meeting.

The requirement of seeking ratification of the members for continuance of their appointment has been withdrawn consequent to changes made by the Companies (Amendment) Act, 2018 with effect from May 07, 2018. Hence, the resolution seeking ratification by members in respect of their appointment is not being placed at the ensuing Annual General Meeting.

You Company has received necessary certificate from M/s. S. R. Batliboi & Associates LLP, Chartered Accountants, confirming that they satisfy the criteria provided under section 141 of the Companies Act, 2013 and are not disqualified from continuing as Statutory Auditors of the Company.

The Auditors' Report for 2019-20, does not contain any qualification, reservation or adverse remarks.

SEXUAL HARASSMENT OF WOMAN AT WORKPLACE

The Company has adopted a policy on prevention, prohibition and redressal of sexual harassment at workplace and has duly constituted an internal complaints committee in line with the provisions of the sexual harassment of women at workplace (Prevention, Prohibition and Redressal) Act, 2013 and rules thereunder. There was no complaint received from any employee during the financial year 2019-20 and hence no complaint is outstanding as on March 31, 2020 for redressal.

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.

DEPOSIT

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

EMPLOYEES

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

During the year under review, your Company did not have any employee falling under the provisions of Section 197 (12) of the Companies Act, 2013 read with Companies (Appointment & Remuneration of Managerial Personnel) Rules, 2014.

DIRECTORS' REPORT

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

The information pursuant of Section 134(3)(m) of the Companies Act, 2013 is as under-

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

GENERAL

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

1. Details relating to deposits covered under Chapter V of the Companies Act, 2013.
2. Issue of shares (including sweat equity shares) to employees of the Company under any scheme.
3. The Company has no subsidiary and neither the Managing Director nor the Whole-time Directors of the Company receive any remuneration or commission from any of its subsidiaries.

4. No significant or material orders were passed by the Regulators or Courts or Tribunals which impact the going concern status and Company's operations in future.
5. CSR is not applicable on the Company.
6. No fraud has been reported by the Auditors to the Board

ACKNOWLEDGEMENT

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

The Directors regret the loss of life due to COVID-19 pandemic and are deeply grateful and have immense respect for the Medical Fraternity/ Police/ Municipal Workers and various other fighters on the front lines who risk their life and safety to fight this pandemic and protect the society at large.

For and on behalf of the Board of Directors

Aneel Gambhir
Director
DIN: 07321422

Vaidhyanathan Iyer
Director
DIN: 00090717

Tushar Gunderia
Director
DIN: 00090321

Mumbai,
May 26, 2020

ANNEXURES TO DIRECTORS' REPORT

'ANNEXURE A'

EXTRACT OF ANNUAL RETURN

For the Financial Year ended March 31, 2020

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

FORM NO. MGT – 9

I. REGISTRATION AND OTHER DETAILS

i. CIN	:	U60230MH2004PLC146141
ii. Registration Date	:	May 7, 2004
iii. Name of the Company	:	Concorde Air Logistics Limited
iv. Category / Sub-Category of the Company	:	Company Limited by Shares Indian Non-Government Company
v. Address of the Registered office and contact details	:	17, Adarsh Industrial Estate, Sahar Road, Andheri East, Chakala, Mumbai - 400099. Tel : 022 2836 6268
vi. Whether listed company Yes / No	:	No
vii. Name, Address and Contact details of Registrar and Transfer Agent, if any	:	Not Applicable

II. PRINCIPAL BUSINESS ACTIVITIES OF THE Company

Sr. No.	Name and Description of main products / services	NIC Code of the Product/ service	% to total turnover of the company
1	Custom House Agent. Clearing and forwarding Agent.	63090	100%

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES

Sr. No.	Name and Address of the Company	CIN/GLN	Holding/ Subsidiary/ Associate	% of shares held	Applicable Section
1.	Blue Dart Express Limited Blue Dart Centre, Sahar Airport Road, Andheri (East), Mumbai - 400 099	L61074MH1991PLC061074	Holding	100%	2(46)

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

Company is wholly owned subsidiary of Blue Dart Express Limited

i. Category-wise Share Holding

Category of Shareholders	No. of Shares held at the beginning of the year (as on April 1, 2019)				No. of Shares held at the end of the year (as on March 31, 2020)				% change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
A. Promoters									
(1) Indian	-	-	-	-	-	-	-	-	-
a) Individual/HUF	-	-	-	-	-	-	-	-	-

ANNEXURES TO DIRECTORS' REPORT

b) Central Govt	-	-	-	-	-	-	-	-	-
c) State Govt (s)	-	-	-	-	-	-	-	-	-
d) Bodies Corp.	-	110000	110000	100%	-	110000	110000	100%	-
e) Banks / FI	-	-	-	-	-	-	-	-	-
f) Any Other	-	-	-	-	-	-	-	-	-
Sub-Total (A)(1)	-	110000	110000	100%	-	110000	110000	100%	-
(2) Foreign	-	-	-	-	-	-	-	-	-
a) NRIs - Individuals	-	-	-	-	-	-	-	-	-
b) Other - Individuals	-	-	-	-	-	-	-	-	-
c) Bodies Corporate	-	-	-	-	-	-	-	-	-
d) Banks / FI	-	-	-	-	-	-	-	-	-
e) Any Other	-	-	-	-	-	-	-	-	-
Sub-Total (A)(2)	-	-	-	-	-	-	-	-	-
Total Shareholding of Promoters (A) = (A)(1)+(A)(2)	-	110000	110000	100%	-	110000	110000	100%	-
B. Public Shareholding	-	-	-	-	-	-	-	-	-
1) Institutions	-	-	-	-	-	-	-	-	-
a) Mutual Funds / UTI	-	-	-	-	-	-	-	-	-
b) Banks / FI	-	-	-	-	-	-	-	-	-
c) Central Govt.	-	-	-	-	-	-	-	-	-
d) State Govt.(s)	-	-	-	-	-	-	-	-	-
e) Venture Capital Funds	-	-	-	-	-	-	-	-	-
f) Insurance Companies	-	-	-	-	-	-	-	-	-
g) FIIs	-	-	-	-	-	-	-	-	-
h) Foreign Venture Capital Funds	-	-	-	-	-	-	-	-	-
i) Others (specify)	-	-	-	-	-	-	-	-	-
Sub-Total (B)(1)	-	-	-	-	-	-	-	-	-
(2) Non-Institutions	-	-	-	-	-	-	-	-	-
a) Bodies Corporate	-	-	-	-	-	-	-	-	-
i) Indian	-	-	-	-	-	-	-	-	-
ii) Overseas	-	-	-	-	-	-	-	-	-
b) Individuals	-	-	-	-	-	-	-	-	-
i. Individual Shareholders holding nominal share capital upto ₹ 1 lakh	-	-	-	-	-	-	-	-	-
ii. Individual Shareholders holding nominal share capital in excess of ₹ 1 lakh	-	-	-	-	-	-	-	-	-
c) Others (specify)	-	-	-	-	-	-	-	-	-
1. Clearing Member	-	-	-	-	-	-	-	-	-
2. NRI	-	-	-	-	-	-	-	-	-

ANNEXURES TO DIRECTORS' REPORT

3. Foreign Portfolio Investor (Corporate)	-	-	-	-	-	-	-	-	-
4. OCB	-	-	-	-	-	-	-	-	-
Sub-Total (B)(2)	-	-	-	-	-	-	-	-	-
Total Public Shareholding (B)=(B)(1)+(B)(2)	-	-	-	-	-	-	-	-	-
C. Shares held by Custodian for GDRs & ADRs	-	-	-	-	-	-	-	-	-
Grand Total (A+B+C)	-	110000	110000	100%	-	110000	110000	100%	-

ii) Shareholding of Promoters

Shareholder's Name	Shareholding at the beginning of the year			Shareholding at the end of the year			% change in share holding during the year
	No. of Shares	% of total Shares of the company	% of Shares Pledged / encumbered to total shares	No. of Shares	% of total Shares of the company	% of Shares Pledged / encumbered to total shares	
Blue Dart Express Ltd.	110000	100%	Nil	110000	100%	Nil	Nil

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

Sr. No.		No. of Shares held at the beginning of the year i.e. on the basis of Share Holding Pattern of March 31, 2019)		Cumulative Shareholding during the year	
		No. of Shares	% of total Shares of the company	No. of Shares	% of total Shares of the company
1.	At the beginning of the year	110000	100%	110000	100%
2.	Date wise Increase/Decrease in Promoters Shareholding during the year specifying the reasons for increase/decrease (e.g. allotment / transfer / bonus/ sweat equity etc):	No change during the year			
3.	At the end of the year	110000	100%	110000	100%

Note – There is no change in the total shareholding of promoters between 01.04.2019 and 31.03.2020

iv) Shareholding Pattern of top ten Shareholders (other than Directors, Promoters and Holders of GDRs and ADRs): N.A.

Sr. No.	For each of the Top 10 Shareholders	Shareholding at the beginning of the year		Change in Shareholding (No. of Shares)		Shareholding at the end of the year	
		No. of Shares	% of total Shares of the company	Increase	Decrease	No. of Shares	% of total Shares of the company
1.	-	-	-	-	-	-	-
2.	-	-	-	-	-	-	-

ANNEXURES TO DIRECTORS' REPORT

3.	-	-	-	-	-	-	-
4.	-	-	-	-	-	-	-
5.	-	-	-	-	-	-	-
6.	-	-	-	-	-	-	-
7.	-	-	-	-	-	-	-
8.	-	-	-	-	-	-	-
9.	-	-	-	-	-	-	-
10.	-	-	-	-	-	-	-

(v) Shareholding of Directors and Key Managerial Personnel

Company is wholly owned subsidiary of Blue Dart Express Limited and Mr. V.N.Iyer, Mr. Tushar Gunderia and Mr. Aneel Gambhir hold 1 share each of the Company as nominee of Blue Dart Express Ltd.

Sr. No.	For Each of the Directors and KMP	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of Shares	% of total Shares of the company	No. of Shares	% of total Shares of the company
1.	Mr. V.N.Iyer (as nominee of Blue Dart Express Ltd.)				
	At the beginning of the year	1	0.01%	1	0.01%
	Date wise Increase / Decrease in Promoters Share holding during the year specifying the reasons for increase / decrease	-	-	-	-
	At the End of the year	1	0.01%	1	0.01%
2.	Mr. Tushar Gunderia (as nominee of Blue Dart Express Ltd.)				
	At the beginning of the year	1	0.01%	1	0.01%
	Date wise Increase / Decrease in Promoters Share holding during the year specifying the reasons for increase / decrease	-	-	-	-
	At the End of the year	1	0.01%	1	0.01%
3.	Mr. Aneel Gambhir (as nominee of Blue Dart Express Ltd.)				
	At the beginning of the year	1	0.01%	1	0.01%
	Date wise Increase / Decrease in Promoters Share holding during the year specifying the reasons for increase / decrease	-	-	-	-
	At the End of the year	1	0.01%	1	0.01%

ANNEXURES TO DIRECTORS' REPORT

(v) INDEBTEDNESS

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

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

VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

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

Sr. No.	Particulars of Remuneration	Name of MD/WTD/ Manager
		NA
1.	Gross salary	-
	a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	
	b) Value of perquisites u/s 17(2) Income-tax Act, 1961	
	c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961	
2.	Stock Option	-
3.	Sweat Equity	-
4.	Commission - as % of profit - others, specify	-
5.	Others, please specify	-
	Total (A)	-
	Ceiling as per the Act	-

B. Remuneration to other Directors: Nil

Sr. No.	Particulars of Remuneration	Name of Directors			Total Amount
(1)	Independent Directors				
	- Fee for attending board / committee meetings	-	-	-	-
	- Commission	-	-	-	-
	- Others, please specify	-	-	-	-
	Total (1)	-	-	-	-

ANNEXURES TO DIRECTORS' REPORT

Sr. No.	Particulars of Remuneration	Name of Directors			Total Amount
(2)	Non – Executive Directors & Non-Independent Directors				
	Date wise Increase /Decrease in Promoters				
	Shareholding during the year specifying the reasons for increase / decrease	-	-	-	-
	Commission	-	-	-	-
	Others, please specify	-	-	-	-
	Total (2)	-	-	-	-
	Total (1) + (2)	-	-	-	-
	Overall Ceiling as per the Act	-	-	-	-

C. REMUNERATION TO KEY MANAGERIAL PERSONNEL OTHER THAN MD/MANAGER/WTD - N.A.

Sr. No.	Particulars of Remuneration	Key Managerial Personnel		Total Amount
1.	Gross salary a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961 b) Value of perquisites u/s 17(2)Income-tax Act, 1961 c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961 d) Company contribution towards PF	-	-	-
2.	Stock Option	-	-	-
3.	Sweat Equity	-	-	-
4.	Commission - as % of profit - others, specify	-	-	-
5.	Others, please specify	-	-	-
	Total	-	-	-

VII. PENALTIES / PUNISHMENT/ COMPOUNDING OF OFFENCES

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

INDEPENDENT AUDITORS' REPORT

TO THE MEMBERS OF CONCORDE AIR LOGISTICS LIMITED

Report on the Audit of the Standalone Ind AS Financial Statements

Opinion

We have audited the accompanying standalone Ind AS financial statements of Concorde Air Logistics Limited ("the Company") which comprise the Balance sheet as at March 31 2020, the Statement of Profit and Loss, including the statement of Other Comprehensive Income, the Cash Flow Statement and the Statement of Changes in Equity for the year then ended, and notes to the standalone Ind AS financial statements, including 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 standalone Ind AS financial statements give the information required by the Companies Act, 2013, as amended ("the Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2020, its profit including other 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 standalone Ind AS financial statements in accordance with the Standards on Auditing (SAs), as specified under section 143(10) of the Act. Our responsibilities under those Standards are further described in the 'Auditor's Responsibilities for the Audit of the Standalone Ind AS 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 together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Act and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the standalone Ind AS financial statements.

Information other than the Financial Statements and Auditor's Report Thereon

The Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Annual report but does not include the standalone Ind AS financial statements and our auditor's report thereon.

Our opinion on the standalone Ind AS 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 standalone Ind AS financial statements, our responsibility is to read the other information and in doing so, consider whether such other information is materially inconsistent with the financial statements or our knowledge obtained in the 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 for the Standalone Ind AS 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 standalone Ind AS 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 accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the standalone Ind AS financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the standalone Ind AS 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 management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

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

INDEPENDENT AUDITORS' REPORT

TO THE MEMBERS OF CONCORDE AIR LOGISTICS LIMITED

Auditor's Responsibilities for the Audit of the Standalone Ind AS Financial Statements

Our objectives are to obtain reasonable assurance about whether the standalone Ind AS 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 standalone Ind AS financial statements.

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 standalone Ind AS 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 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 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 standalone Ind AS financial statements, including the disclosures, and whether the standalone Ind AS financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2016 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the "Annexure 1" a statement on the matters specified in paragraphs 3 and 4 of the Order.
2. As required by Section 143(3) of the Act, we report that:
 - (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit;
 - (b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;
 - (c) The Balance Sheet, the Statement of Profit and Loss including the Statement of Other Comprehensive Income, the Cash Flow Statement and Statement of Changes in Equity dealt with by this Report are in agreement with the books of account;
 - (d) In our opinion, the aforesaid standalone Ind AS financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Companies (Indian Accounting Standards) Rules, 2015, as amended;

INDEPENDENT AUDITORS' REPORT

TO THE MEMBERS OF CONCORDE AIR LOGISTICS LIMITED

- (e) On the basis of the written representations received from the directors as on March 31, 2020 and taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2020 from being appointed as a director in terms of Section 164 (2) of the Act;
- (f) With respect to the adequacy of the internal financial controls over financial reporting of the Company with reference to these standalone Ind AS financial statements and the operating effectiveness of such controls, refer to our separate Report in "Annexure 2" to this report;
- (g) In our opinion, the managerial remuneration for the year ended March 31, 2020 has been paid / provided by the Company to its directors in accordance with the provisions of section 197 read with Schedule V to 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.

For S.R. Batliboi & Associates LLP
Chartered Accountants
ICAI Firm Registration Number: 101049W/E300004

per Sunil Gaggar
Partner
Membership Number: 104315
UDIN: 20104315AAAAAX1838

Place: Bengaluru
Date: May 26, 2020

ANNEXURE 1 TO INDEPENDENT AUDITORS' REPORT

Annexure 1 referred to in paragraph 1 under Report on Other Legal and Regulatory Requirements of our report of even date
Re: Concorde Air Logistics Limited (the "Company")

- i. (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets; state insurance, income tax, goods and services tax, duty of custom, cess which have not been deposited on account of any dispute.
- (b) All Fixed Assets have been physically verified by the management during the year and no material discrepancies were identified on such verification; and
- (c) According to the information and explanations given by the management, the title deeds of immovable properties included in property, plant and equipment are held in the name of the Company.
- ii. The Company's business does not involve inventories and accordingly, the requirements under paragraph 3(ii) of the Order are not applicable to the Company.
- iii. According to the information and explanations given to us, the Company has not granted any loans, secured or unsecured to companies, firms, Limited Liability Partnerships or other parties covered in the register maintained under section 189 of the Companies Act, 2013 ("the act"). Accordingly, the provisions of clause 3(iii)(a), (b) and (c) of the Order are not applicable to the Company and hence not commented upon.
- iv. In our opinion and according to the information and explanations given to us, there are no loans, investments, guarantees and securities given in respect of which provisions of section 185 and 186 of the Companies Act 2013 are applicable and hence not commented upon.
- v. The Company has not accepted any deposits within the meaning of Sections 73 to 76 of the Act and the Companies (Acceptance of Deposits) Rules, 2014 (as amended). Accordingly, the provisions of clause 3(v) of the Order are not applicable and hence not commented upon.
- vi. To the best of our knowledge and as explained, the Central Government has not specified the maintenance of cost records under Section 148(1) of the Act, for the products/services of the Company.
- vii. (a) The Company is regular in depositing with appropriate authorities undisputed statutory dues including provident fund, employees' state insurance, income-tax, duty of custom, goods and service tax, cess and other statutory dues applicable to it. The provisions relating to wealth tax, sales tax, excise duty and value added tax are not applicable to the Company.
- (b) According to the information and explanations given to us, no undisputed amounts payable in respect of provident fund, employees' state insurance, income-tax, Goods and service tax, duty of custom, cess and other statutory dues were outstanding, at the year end, for a period of more than six months from the date they became payable. The provisions relating to wealth tax, sales tax, excise duty and value added tax are not applicable to the Company.
- (c) According to the information and explanations given to us, there are no dues in respect of provident fund, employees' state insurance, income tax, goods and services tax, duty of custom, cess which have not been deposited on account of any dispute.
- viii. The Company did not have any outstanding loans or borrowing dues in respect of a financial institution or bank or to government or dues to debenture holders during the year.
- ix. According to the information and explanations given by the management, the Company has not raised any money by way of initial public offer or further public offer or debt instruments or term loans during the year under review. Hence, reporting under clause (ix) is not applicable to the Company and hence not commented upon.
- x. Based upon the audit procedures performed for the purpose of reporting the true and fair view of the financial statements and according to the information and explanations given by the Management, we report that no fraud by the Company or no material fraud on the Company by the officers and employees of the Company has been noticed or reported during the year.
- xi. Based on our audit procedures performed for the purpose of reporting the true and fair view of the financial statements and accordingly to the information and explanations given by the Management, we report that the managerial remuneration has been paid/provided in accordance with the provisions of Section 197 read with Schedule V to the Act.
- xii. In our opinion, the Company is not a nidhi company. Therefore, the provisions of clause 3(xii) of the order are not applicable to the Company and hence not commented upon.
- xiii. According to the information and explanations given by the Management, transactions with the related parties are in compliance with section 188 of Act where applicable and the details have been disclosed in the notes to the financial statements, as required by the applicable accounting standards. The provisions of Section 177 are not applicable to the Company and accordingly reporting under clause 3(xiii) in so far as it relates to section 177 of the Act is not applicable to the Company and hence not commented upon.
- xiv. According to the information and explanations given to us and on an overall examination of the balance sheet, the company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year under review and hence, reporting requirements under clause 3(xiv) are not applicable to the Company and hence not commented upon.
- xv. According to the information and explanations given by the Management, the Company has not entered into any non-cash transactions with directors or persons connected with him as referred to in section 192 of the Act.
- xvi. According to the information and explanations given to us, the provisions of section 45-IA of the Reserve Bank of India Act, 1934 are not applicable to the Company.

ANNEXURE 2 TO INDEPENDENT AUDITORS' REPORT

Annexure 2 referred to in paragraph 2 under Report on Other Legal and Regulatory Requirements of our report of even date

Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 (the "Act")

We have audited the internal financial controls over financial reporting of the Concorde Air Logistics Limited ("the Company") as of March 31, 2020 in conjunction with our audit of the standalone 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 based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to the Company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records and the timely preparation of reliable financial information, as required under the Act.

Auditor's Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting with reference to these standalone Ind AS financial statements based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") and the Standards on Auditing as specified under section 143(10) of the Act, to the extent applicable to an audit of internal financial controls and, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting with reference to these standalone Ind AS 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 over financial reporting with reference to these standalone Ind AS financial statements and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting with reference to these standalone Ind AS 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 internal financial controls over financial reporting with reference to these standalone Ind AS financial statements.

Meaning of Internal Financial Controls Over Financial Reporting with Reference to these financial statements

A company's internal financial control over financial reporting with reference to these standalone Ind AS 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 over financial reporting with reference to these standalone Ind AS 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 Over Financial Reporting With reference to these standalone Ind AS financial statements

Because of the inherent limitations of internal financial controls over financial reporting with reference to these standalone Ind AS 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 evaluation of the internal financial controls over financial reporting with reference to these standalone Ind AS financial statements to future periods are subject to the risk that the internal financial control over financial reporting with reference to these standalone Ind AS financial statements may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

ANNEXURE 2 TO INDEPENDENT AUDITORS' REPORT

Annexure 2 referred to in paragraph 2 under Report on Other Legal and Regulatory Requirements of our report of even date

Opinion

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting with reference to these standalone Ind AS financial statements and such internal financial controls over financial reporting with reference to these standalone Ind AS financial statements were operating effectively as at March 31, 2020, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

For S.R. Batliboi & Associates LLP
Chartered Accountants
ICAI Firm Registration Number: 101049W/E300004

per Sunil Gaggar
Partner
Membership Number: 104315
UDIN: 20104315AAAAAX1838

Place: Bengaluru
Date: May 26, 2020

CONCORDE AIR LOGISTICS LIMITED
BALANCE SHEET AS AT MARCH 31, 2020

	Note	As at March 31, 2020 in ₹ ('000)	As at March 31, 2019 in ₹ ('000)
ASSETS			
NON-CURRENT ASSETS			
Property, Plant and Equipment	4 (a)	1,502	2,089
Other Intangible Assets	4 (b)	109	117
		1,611	2,206
Financial Assets			
Other Financial Assets	5	641	640
Deferred Tax Assets (Net)	6	2,275	1,705
Non-Current Tax Assets (Net)	7	96,174	106,641
		99,090	108,986
CURRENT ASSETS			
Financial Assets			
Trade Receivables	8	33,523	81
Cash and Cash Equivalents	9	3,827	9,266
Other Financial Assets	10	40	13
Other Current Assets	11	9,310	16,758
		46,700	26,118
TOTAL		147,401	137,310
EQUITY AND LIABILITIES			
EQUITY			
Equity Share Capital	12	1,100	1,100
Other Equity	13	48,848	48,920
		49,948	50,020
LIABILITIES			
NON-CURRENT LIABILITIES			
Employee Benefits Obligations	14 (a)	5,726	4,673
		5,726	4,673
CURRENT LIABILITIES			
Financial Liabilities			
Trade Payables			
-Total outstanding dues of micro enterprises and small enterprises	15	-	-
-Total outstanding dues of creditors other than micro enterprises and small enterprises	15	83,856	75,120
Other Current Liabilities	16	2,384	2,923
Employee Benefits Obligations	14 (b)	5,487	4,574
		91,727	82,617
TOTAL		147,401	137,310

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

As per our report of even date

For S.R. BATLIBOI & ASSOCIATES LLP

Firm Registration Number: 101049W/E300004

Chartered Accountants

per Sunil Gaggar

Partner

Membership No. 104315

Place : Bengaluru

Date: May 26, 2020

For and on behalf of the Board of Directors

V. N. Iyer

Director

DIN : 00090717

Tushar Gunderia

Director

DIN : 00090321

Aneel Gambhir

Director

DIN : 07321422

Place : Mumbai

Date: May 26, 2020

CONCORDE AIR LOGISTICS LIMITED
STATEMENT OF CASH FLOW FOR THE YEAR ENDED MARCH 31, 2020

	Note	Year ended March 31, 2020 in ₹ ('000)	Year ended March 31, 2019 in ₹ ('000)
A. Cash flows from Operating activities:			
Profit before Tax		717	871
Adjustments for:			
Depreciation and Amortisation Expense	4(a) and 4(b)	632	670
Interest Income	18	(2,893)	(23)
Profit on sale/scraping of Property, Plant and Equipments (Net)	18	-	(16)
Operating profit before working capital changes		(1,544)	1,502
Adjustments for changes in working capital :			
(Increase) / Decrease in Trade Receivable	8	(33,442)	2,020
(Increase)/ Decrease in Current Financial Assets	10	(27)	145
Decrease in Other Current Assets	11	7,448	7,277
Increase in Trade Payables	15	8,736	11,456
Increase / (Decrease) in Non-Current Employee Benefit Obligations	14(a)	1,053	731
Increase in Current Employee Benefits Obligations	14(b)	409	598
Increase / (Decrease) in Other Current Liabilities	16	(539)	(340)
Cash (used in) / generated from Operations		(17,906)	23,389
Taxes paid (Net of refunds)	7	9,612	(24,124)
Net cash (used in) / generated from Operating activities (A)		(8,294)	(735)
B. Cash flows from Investing activities:			
Purchase of Property, Plant and Equipment and Other Intangible Assets	4(a) and 4(b)	(37)	(12)
Proceeds from sale of Property, Plant and Equipment	4(a)	-	16
Realisation on maturity of Investments		-	-
Interest Received		2,912	3
Margin money with Banks		(20)	(240)
Net cash generated /(used in) from Investing activities (B)		2,855	(233)
C. Cash flows from Financing activities:			
Net cash from Financing activities (C)		-	-
Net cash used in Financing activities (C)		-	-
Net (Decrease) in Cash and Cash Equivalents (A+B+C)		(5,439)	(968)
Cash and Cash Equivalents at the beginning of the year		9,266	10,234
Cash and Cash Equivalents at the end of the year		3,827	9,266
Note: There are no changes in liabilities arising from financing activities, due to non-cash changes.			
		As at March 31, 2020 in ₹ ('000)	As at March 31, 2019 in ₹ ('000)
Cash and Cash Equivalents comprise of:			
Balance with banks :			
In current accounts	9	3,773	9,247
Cash on Hand	9	54	19
		3,827	9,266

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

As per our report of even date

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

Firm Registration Number: 101049W/E300004

Chartered Accountants

per **Sunil Gaggar**

Partner

Membership No. 104315

Place : Bengaluru

Date: May 26, 2020

For and on behalf of the Board of Directors

V. N. Iyer

Director

DIN : 00090717

Aneel Gambhir

Director

DIN : 07321422

Place : Mumbai

Date: May 26, 2020

Tushar Gunderia

Director

DIN : 00090321

SCHEDULES

Notes Forming Part of the Financial Statements as at and for the year ended March 31, 2020

1 General Information

Concorde Air Logistics Limited "the Company" is an International Air Cargo Agent with International Air Transport Association ('IATA') and engaged inter alia in the business of clearing and forwarding of time sensitive air cargo packages. The Company is a public limited company incorporated in India having its registered office at 17, Adarsh Industrial Estate, Sahar Airport Road, Andheri (E), Mumbai. The financial statements were authorised for issue in accordance with a resolution of the directors on May 26, 2020.

2 Basis of preparation of financial statements

These financial statements have been prepared in accordance with Indian Accounting Standards (Ind AS) notified under the Companies (Indian Accounting Standards) Rules, 2015 under the provisions of the Companies Act, 2013 (the 'Act') and subsequent amendments thereof. The financial statements have been prepared under the historical cost basis except for certain financial assets and liabilities measured at fair value (Refer note 3(l)) and Defined benefit plans - plan assets measured at fair value (Refer note 21).

The financial statements are presented in Indian Rupees ('INR') and all values are rounded off to the nearest thousands (INR 000), except when otherwise indicated.

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:

- Expected to be realised or intended to be sold or consumed in normal operating cycle
- Held primarily for the purpose of trading
- Expected to be realised within twelve months after the reporting period, or
- 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:

- It is expected to be settled in normal operating cycle
- It is held primarily for the purpose of trading
- It is due to be settled within twelve months after the reporting period, or
- 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.

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:

- Estimation of useful life of property, plant and equipment and intangibles assets (Refer note 3(a))
- Estimation of defined benefit obligation (Refer note 21)
- Estimation of current tax expense and receivable/payable (Refer note 7 and 30)

3. Significant Accounting Policies

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

(a) Property, plant and equipment

All items of Property, Plant and Equipment are at historical cost net of accumulated depreciation and accumulated impairment losses, if any. Historical cost includes expenditures 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 derecognized when replaced. All other repairs and maintenance are charged to Statement of Profit and Loss during the reporting period in which they are incurred.

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.

Intangible Assets:

Intangible assets are stated at acquisition cost net of accumulated amortisation and accumulated impairment losses, if any.

SCHEDULES

Notes Forming Part of the Financial Statements as at and for the year ended March 31, 2020

Depreciation

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

Asset	Useful Life
Office Equipments	10 years
Electrical Equipment	6 to 10 years
Computers	3 to 6 years
Furniture Fixtures	10 years
Vehicles	8 years

The Company, based on technical assessment made by technical expert and management estimate, depreciates computers over estimated useful lives of 3 to 6 years which are different from the useful life prescribed in Schedule II to the Act. The management believes that these estimated useful lives are realistic and reflect fair approximation of the period over which the assets are likely to be used.

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

Amortisation

Computer software, other than internally generated, is amortised under straight line method over the estimated useful life of 6 years.

(b) 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.

(c) Revenue Recognition

Service Charges:

Service charges for clearing and forwarding of shipments are recognised as income when shipments are manifested and represent amounts invoiced, net of goods and service tax and all discounts and allowances.

Commission Income:

Commission is accrued when cargo is delivered to the custody of the airline and the master airway bill is issued.

Interest Income:

Interest Income is recognised on a time proportion basis taking into account the amount outstanding and applicable interest rate. Interest income is included in "Other Income" in the statement of profit and loss.

Interest from government authorities is recognised when there is reasonable assurance that the interest will be received.

(d) 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. The liability in respect of compensated absences of short term nature is not actuarially valued and is provided on an estimated basis.

ii) Other long-term employee benefit obligations

The liabilities for earned 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 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. Actuarial losses/ gains are recognised in the Statement of Profit and Loss in the year in which they arise.

The Company presents the leave as a short term employee benefit obligation in the balance sheet to the extent it does

SCHEDULES

Notes Forming Part of the Financial Statements as at and for the year ended March 31, 2020

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 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 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.

(e) Leases

The Company assesses at contract inception whether a contract is or contains, lease. That is, if 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:

Short term leases and low value assets:

The Company applies the short term lease recognition exemption to its short term leases of buildings (i.e. those leases that have a lease term for 12 months or less from the commencement date and do not contain a purchase option). Lease payments on short-term leases and leases of low-value assets are recognised as expense on a systematic basis, which reflects the pattern of lease benefit i.e. on an as and when basis.

(f) Income Taxes

Income tax expense comprises current and deferred tax. It is recognised in Statement of Profit and Loss except to the extent that it relates to items recognised directly in equity or in OCI.

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 or 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

SCHEDULES

Notes Forming Part of the Financial Statements as at and for the year ended March 31, 2020

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.

(g) Trade and other payables

These amounts represent liabilities for services provided to the Company prior to the end of financial year which are unpaid. The amounts are unsecured and are usually paid as per contractual terms. Trade and other payables are presented as current liabilities unless payment is not due within 12 months after the reporting period. They are recognised initially at their fair value and subsequently measured at amortised cost using the effective interest method.

(h) Provisions

Provisions are recognised when the Company has a present legal or constructive obligation as a result of 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 measured at 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 pre-tax rate that reflect current market assessment of the time value of money and the risk specific to the liability.

(i) Cash and Cash Equivalents

In the cash flow statement, cash and cash equivalents include cash in hand, cheques in hand, demand deposits with banks and other short-term highly liquid investments with original maturities of three months or less. Bank overdrafts are shown within borrowings in current liabilities in the balance sheet.

(j) Trade receivables

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

(k) 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.

(l) A. Financial assets

i. Classification

The Company classifies financial assets as subsequently measured at amortised cost, fair value through OCI or fair value through profit or loss (Statement of Profit and 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, in the case of financial assets not recorded at fair value through profit or loss (Statement of Profit and 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. Debt instruments at amortised cost

A 'debt instrument' is measured at the amortised cost if both the following conditions are met:

- a) The asset is held within a business model whose objective is to hold assets for collecting contractual cash flows, and
- b) Contractual terms of the asset give rise to cash flows on specified dates that are solely payments of principal and interest (SPPI) on the principal amount outstanding.

After initial measurement, such financial assets are subsequently measured at amortised cost using the effective interest rate (EIR) method. Amortised cost is calculated by taking into account any discount or premium

SCHEDULES

Notes Forming Part of the Financial Statements as at and for the year ended March 31, 2020

and fees or costs that are an integral part of the EIR. The EIR amortisation is included in finance income in the Statement of Profit and Loss. The losses arising from impairment are recognised in the Statement of Profit and Loss.

Debt instruments included within the fair value through profit and loss (FVTPL) category are measured at fair value with all changes recognized in the Statement of Profit and Loss.

iv. 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.

v. 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., 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 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 (Statement of Profit and Loss). Such liabilities, including derivatives that are liabilities, shall be subsequently measured at fair value.

ii. Initial recognition and measurement

Financial liabilities are classified, at initial recognition, as financial liabilities at fair value through profit or loss (Statement of Profit and Loss), loans and borrowings, payables, or as derivatives designated as hedging instruments in an effective hedge, as appropriate.

All financial liabilities are recognised initially at fair value.

The Company's financial liabilities include trade and other payables.

iii. Financial liabilities at fair value through Statement of Profit and 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 (Statement of Profit and 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.

SCHEDULES

Notes Forming Part of the Financial Statements as at and for the year ended March 31, 2020

Financial liabilities designated upon initial recognition at fair value through profit or loss (Statement of Profit and 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 Profit and Loss (FVTPL), fair value gains/ losses attributable to changes in own credit risk are recognized in OCI. These gains/losses are not subsequently transferred to Statement of 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. 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.

v. 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.

(m) 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
- ▶ 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 Group 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.

(n) 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 and excluding treasury shares (Refer note 24).

(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 24).

SCHEDULES

Notes Forming Part of the Financial Statements as at and for the year ended March 31, 2020

4.(a) PROPERTY, PLANT AND EQUIPMENT

in ₹ ('000)

Description of Assets	GROSS BLOCK				DEPRECIATION				NET BLOCK
	Opening Balance as at April 1, 2019	Additions	Deductions/ Adjustments	Closing Balance as at March 31, 2020	Upto April 1, 2019	For the year	Deductions / Adjustments	Upto March 31, 2020	Closing Balance as at March 31, 2020
Tangible Assets									
Buildings	4	-	-	4	-	-	-	-	4
Office Equipment	99	-	-	99	76	5	-	81	18
Electrical Equipment	590	-	-	590	343	79	-	422	168
Computers	851	-	-	851	470	128	-	598	253
Furniture and Fixtures	1,355	-	-	1,355	742	185	-	927	428
Vehicles	1,474	-	-	1,474	653	190	-	843	631
Total Tangible Assets	4,373	-	-	4,373	2,284	587	-	2,871	1,502

in ₹ ('000)

Description of Assets	GROSS BLOCK				DEPRECIATION				NET BLOCK
	Opening Balance as at April 1, 2018	Additions	Deductions/ Adjustments	Closing Balance as at March 31, 2019	Upto April 1, 2018	For the Year	Deductions/ Adjustments	Upto March 31, 2019	Closing Balance as at March 31, 2019
Tangible Assets									
Buildings	4	-	-	4	-	-	-	-	4
Office Equipment	139	-	40	99	104	12	40	76	23
Electrical Equipment	590	-	-	590	258	85	-	343	247
Computers	838	13	-	851	323	147	-	470	381
Furniture and Fixtures	1,355	-	-	1,355	556	186	-	742	613
Vehicles	1,474	-	-	1,474	465	188	-	653	821
Total Tangible Assets	4,400	13	40	4,373	1,706	618	40	2,284	2,089

4 (b) OTHER INTANGIBLE ASSETS

in ₹ ('000)

Description of Assets	GROSS BLOCK				AMORTISATION				NET BLOCK
	Opening Balance as at April 1, 2019	Additions	Deductions/ Adjustments	Upto March 31, 2020	Upto April 1, 2019	For the year	Deductions / Adjustments	Upto March 31, 2020	Closing Balance as at March 31, 2020
Intangible Assets									
Computer Software	298	37	-	335	181	45	-	226	109
Total Intangible Assets	298	37	-	335	181	45	-	226	109

in ₹ ('000)

Description of Assets	GROSS BLOCK				AMORTISATION				NET BLOCK
	Opening Balance as at April 1, 2018	Additions	Deductions/ Adjustments	Upto March 31, 2019	Upto April 1, 2018	For the year	Deductions / Adjustments	Upto March 31, 2019	Closing Balance as at March 31, 2019
Intangible Assets:									
Computer Software	298	-	-	298	129	52	-	181	117
Total Intangible Assets	298	-	-	298	129	52	-	181	117

SCHEDULES

Notes Forming Part of the Financial Statements as at and for the year ended March 31, 2020

	As at March 31, 2020 in ₹ ('000)	As at March 31, 2019 in ₹ ('000)
5 Other Non current Financial Assets		
Margin money deposit against Guarantees	410	380
Interest accrued but not due	6	25
Deposits	225	235
Total	641	640
6 Deferred Tax Assets (Net)		
Deferred Tax Assets		
Provision for Compensated Absences	428	370
Provision for Gratuity	1,511	1,248
Provision for Bonus	341	167
	2,280	1,785
Deferred Tax Liability		
Property, Plant and Equipment and Other Intangible Assets	5	80
Total	2,275	1,705
7 Non-Current Tax Assets (Net)		
Opening balance	106,641	82,744
Less : Current tax payable for the year	(510)	(227)
Less : Tax in respect of previous year	(166)	-
Less : ROI Adjustment in respect of previous year	(179)	-
Less : Refund Received	(23,889)	-
Add: Taxes paid	14,277	24,124
Closing balance	96,174	106,641
Advance income tax	111,207	124,905
Provision for tax	15,033	18,264
Advance income tax (Net of provision for tax)	96,174	106,641
8 Trade Receivables		
Trade Receivables	12	-
Receivables from related parties [Refer note 26(d)]	33,511	81
Total	33,523	81
Break-up of security details		
Secured, considered good	-	-
Unsecured, considered good	33,523	81
Trade Receivables which have significant increase in credit Risk	-	-
	33,523	81

Note: 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.

SCHEDULES

Notes Forming Part of the Financial Statements as at and for the year ended March 31, 2020

	As at March 31, 2020 in ₹ ('000)	As at March 31, 2019 in ₹ ('000)
9 Cash And Cash Equivalents		
Balance with banks :		
In current accounts	3,773	9,247
Cash on Hand	54	19
Total	3,827	9,266
10 Other Financial Assets		
(Unsecured, considered good)		
Advances to Employees	40	13
Total	40	13
11 Other Current Assets		
(Unsecured, considered good)		
Prepaid Expenses	240	172
Advance to vendor	369	3,346
Other loans and advances:		
Balances with Government Authorities	8,701	13,240
Total	9,310	16,758
12 Equity Share Capital		
Authorised		
200,000 (March 31, 2019 : 200,000) equity shares of ₹ 10 each	2,000	2,000
Issued, Subscribed and Paid up		
110,000 (March 31, 2019 : 110,000) equity shares of ₹ 10 each fully paid-up	1,100	1,100
Total	1,100	1,100

a. Reconciliation of the number of shares

	As at March 31, 2020		As at March 31, 2019	
	Number of shares	Amount In ₹ ('000)	Number of shares	Amount In ₹ ('000)
Balance as at the beginning of the year	110,000	1,100	110,000	1,100
Additions/Deletions during the year	-	-	-	-
Balance as at the end of the year	110,000	1,100	110,000	1,100

b. Rights, preferences and restrictions attached to equity shares

The Company has only one class of equity shares having a par value of ₹ 10 per share. Every share holder is entitled to participate in dividends. Each shareholder of equity shares is entitled to one vote per share.

The Company declares and pays dividend in Indian Rupees. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting, except in case of interim dividend which is approved by the Board of Directors.

In the event of liquidation, the equity share holders are eligible to receive the remaining assets of the Company after distribution of all preferential amounts, in proportion to their share holding.

SCHEDULES

Notes Forming Part of the Financial Statements as at and for the year ended March 31, 2020

c. Shares held by holding company

Out of the above equity shares issued by the Company, shares held by the holding company:

	As at March 31, 2020 In ₹ ('000)	As at March 31, 2019 In ₹ ('000)
Blue Dart Express Limited, the Holding Company and its nominees 110,000 (March 31, 2019 : 110,000) equity shares of ₹ 10 each fully paid up	1,100	1,100

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

	As at March 31, 2020		As at March 31, 2019	
	Number of shares	%	Number of shares	%
Blue Dart Express Limited	110,000	100	110,000	100

13 OTHER EQUITY

Reserves and Surplus

	As at March 31, 2020 in ₹ ('000)	As at March 31, 2019 in ₹ ('000)
Securities Premium	13,500	13,500
General Reserve	4,500	4,500
Retained earnings	30,848	30,920
Total	48,848	48,920

Securities Premium

Balance as at the beginning and end of the year	13,500	13,500
--	---------------	---------------

General Reserve

Balance as at the beginning and end of the year	4,500	4,500
--	--------------	--------------

Retained Earnings

Balance as at the beginning of the year	30,920	30,868
Add: Profit for the year	317	90
Items of other comprehensive income recognised directly in retained earnings		
Actuarial loss/gain arising from remeasurements of post employment benefit obligation	(389)	(38)
Balance as at the end of the year	30,848	30,920
Total	48,848	48,920

14 (a) Non-Current Employee Benefit Obligations

Provision for Gratuity	5,726	4,673
Total	5,726	4,673

SCHEDULES

Notes Forming Part of the Financial Statements as at and for the year ended March 31, 2020

	As at March 31, 2020 in ₹ ('000)	As at March 31, 2019 in ₹ ('000)
14 (b) Current Employee Benefit Obligations		
Provision for Gratuity	277	125
Provision for Compensated Absences	1,869	1,602
Other Employee benefits obligations	3,341	2,847
Total	5,487	4,574
15 Trade Payables		
Total outstanding dues of micro enterprises and small enterprises	-	-
Total outstanding dues of creditors other than micro enterprises and small enterprises	83,856	75,120
Total	83,856	75,120
16 Other Current Liabilities		
Statutory Dues (including Provident Fund, Employee State Insurance, Professional Tax and Tax deducted at Source)	2,384	2,923
Total	2,384	2,923
	Year ended March 31, 2020 in ₹ ('000)	Year ended March 31, 2019 in ₹ ('000)
17 Revenue from Operations		
Income from Service Charges	45,622	47,801
Total	45,622	47,801
18 Other Income		
Interest on		
- Fixed deposits	30	23
- income tax refund	2,863	-
Profit on Sale of Property, Plant and Equipment	-	16
Miscellaneous Income	5	-
Total	2,898	39
19 Freight, Handling and Servicing Costs		
Handling and clearing charges	7,392	6,902
Domestic network operating costs	2,872	2,940
Printing, stationery and consumables	226	205
Total	10,490	10,047

SCHEDULES

Notes Forming Part of the Financial Statements as at and for the year ended March 31, 2020

	Year ended March 31, 2020 in ₹ ('000)	Year ended March 31, 2019 in ₹ ('000)
20 Employee Benefits Expense		
Salaries, Wages, Bonus and Leave Encashment	29,401	28,632
Contribution to provident and other funds	1,648	1,392
Gratuity	737	691
Staff welfare expenses	257	321
Total	32,043	31,036

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

I Defined Contribution Plans

- a. Provident Fund
- b. State Defined Contribution Plans
 - i. Employers' Contribution to Employee's State Insurance
 - ii. Employers' Contribution to Employee's Pension Scheme 1995.

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

	Year ended March 31, 2020 in ₹ ('000)	Year ended March 31, 2019 in ₹ ('000)
- Employers' Contribution to Provident Fund	738	585
- Employers' Contribution to Employee's State Insurance	141	253
- Employers' Contribution to Employee's Pension Scheme 1995	769	554

II Defined Benefit Plan

GRATUITY

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

	Net defined benefit liability
Balance as on April 1, 2019	4,745
Interest Cost	370
Current Service Cost	368
Expected Return on Plan Assets	
Total amount recognised in Statement of Profit and Loss	738
Benefit Paid Directly by The Employer	-
Remeasurements	
(Gain)/loss from change in demographic assumptions	-
(Gain)/loss from change in financial assumptions	464
Experience (gain)/losses	56

SCHEDULES

Notes Forming Part of the Financial Statements as at and for the year ended March 31, 2020

	Net defined benefit liability
Total amount recognised in other comprehensive income	520
Benefits Paid	-
Contributions	-
Balance as on March 31, 2020	6,003
Balance as on April 1, 2018	4,681
Interest Cost	368
Current Service Cost	323
Expected Return on Plan Assets	
Total amount recognised in Statement of Profit and Loss	691
Remeasurements	
(Gain)/loss from change in demographic assumptions	-
(Gain)/loss from change in financial assumptions	37
Experience (gain)/losses	15
Total amount recognised in other comprehensive income	52
Benefits Paid	(679)
Contributions	-
Balance as on March 31, 2019	4,745

	As at March 31, 2020 in ₹ ('000)	As at March 31, 2019 in ₹ ('000)
B) Reconciliation of Present Value of Defined Benefit Obligation and the Fair value of Assets		
Present Value of funded obligation as at the year end	6,003	4,745
Fair Value of Plan Assets as at the end of the year	-	-
Unfunded Net Liability Recognised in Balance Sheet	(6,003)	(4,745)
C) Amount recognised in the Balance Sheet		
Present Value of Obligation at the end of the year	(6,003)	(4,745)
Fair value of plan assets	-	-
Liability recognised in the Balance Sheet	(6,003)	(4,745)

SCHEDULES

Notes Forming Part of the Financial Statements as at and for the year ended March 31, 2020

- D) i) Valuations in respect of gratuity have been carried out by an independent actuary, as at the Balance Sheet date, based on the following assumptions.

	As at March 31, 2020	As at March 31, 2019
Discount Rate (per annum)	6.82%	7.78%
Rate of increase in Compensation levels (refer note below)	6.75%	6.75%
Rate of Return on Plan Assets	Nil	Nil
Expected Average remaining working lives of employees (years)	18	19
Attrition rate	1%	1%

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 ₹ ('000)]			
	As at March 31, 2020		As at March 31, 2019	
	Increase	Decrease	Increase	Decrease
Discount rate (0.5 % movement)	(250)	270	(198)	213
Future salary growth (0.5 % movement)	269	(251)	214	(200)
Employee turnover (0.5 % movement)	1	(1)	16	(17)

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

	As at March 31, 2020 in ₹ ('000)	As at March 31, 2019 in ₹ ('000)
Recognised under:		
Non Current Employee Benefits Obligation [Refer note 14(a)]	5,726	4,673
Current Employee Benefits Obligation [Refer note 14(b)]	277	125
	6,003	4,798
III Compensated Absences		
The liabilities for Compensated Absences as at year end (Refer note 14(b))	1,869	1,602

22 Depreciation and Amortisation expense

	Year ended March 31, 2020 in ₹ ('000)	Year ended March 31, 2019 in ₹ ('000)
Depreciation on Tangible assets [Refer Note 4(a)]	587	618
Amortisation on Intangible assets [Refer Note 4(b)]	45	52
Total	632	670

SCHEDULES

Notes Forming Part of the Financial Statements as at and for the year ended March 31, 2020

	Year ended March 31, 2020 in ₹ ('000)	Year ended March 31, 2019 in ₹ ('000)
23 Other Expenses		
Legal and Professional charges	1,353	1,976
Payment to Auditors:		
- Statutory Audit fees	450	350
- Tax Audit fees	50	50
- Reimbursement of Expenses	21	15
Office expenses	237	207
Electricity	227	244
Communication expenses	155	215
Rates and taxes	54	87
Repairs and maintenance - others	157	164
Travelling and conveyance	1,292	1,261
Insurance	642	647
Total	4,638	5,216
24 Earnings Per Share (EPS)		
Profit for the year (in ₹ '000)	317	90
Weighted Average number of Equity shares (Nos.)	110,000	110,000
Basic and Diluted Earnings per share (in ₹)	2.89	0.81
Face value per Equity share (in ₹)	10	10
25 Segment Reporting		
The Company has only one operating segment, which is clearing and forwarding of time sensitive shipments. All assets of the Company are domiciled in India and the Company earns entire revenue from its operation in India.		
26 Related Party Disclosures		
a) Enterprises where control exists		
i) Blue Dart Express Limited - Holding Company		
ii) Deutsche Post AG, Germany - Ultimate Holding Company		
b) Related party relationships where transactions have taken place during the year		
i) Blue Dart Express Limited - Holding Company		
ii) Blue Dart Aviation Limited - Fellow Subsidiary		
c) Transactions with related parties during the year :		
(i) With Holding Company		
Blue Dart Express Limited		
Recoveries towards air freight, etc.	(1,031,936)	(1,176,707)

SCHEDULES

Notes Forming Part of the Financial Statements as at and for the year ended March 31, 2020

	Year ended March 31, 2020 in ₹ ('000)	Year ended March 31, 2019 in ₹ ('000)
(ii) With Fellow Subsidiary		
Blue Dart Aviation Limited		
Reimbursement of expenses	(8,328)	(13,002)
Service Charges	(1,295)	(1,416)

d) Related party balances as at the year end :

	As at March 31, 2020 in ₹ ('000)	As at March 31, 2019 in ₹ ('000)
Receivable /(Payable) from Holding Company		
Blue Dart Express Limited	33,446	(2,462)
Blue Dart Aviation Limited	65	56

27 Lease Disclosure

Company has entered into various cancellable leasing arrangements for motor cars and official/residential premises. The lease rentals for motor cars of ₹ 1,381 ('000) [Previous year ₹ 1,411 ('000)] and the lease rentals for residential premises ₹ 645 ('000) [Previous year ₹ 600 ('000)] has been included under the head "Employee Benefits Expense - Salaries, Bonus and Leave Encashment" under Note 20 forming part of the Statement of Profit and Loss.

28 Dues to Micro and Small Enterprises

Based on the information available with the company, the company does not have suppliers who are registered as micro or small enterprise under the Micro, Small and Medium Enterprises Development Act, 2006 as at March 31, 2020 and March 31, 2019. The information regarding micro or small enterprises has been determined on the basis of information available with the management, which has been relied upon by the auditors.

29 Financial instruments – Fair Values and Risk Management

A Accounting classification and fair values

The carrying value and fair values of financial instruments by categories are as follows. It does not include fair value information for financial assets and financial liabilities if the carrying amount is a reasonable approximation of its fair value.

	March 31, 2020	Note No.	Carrying amount				Total
			FVTPL	FVTOCI	Amortised Cost		
Financial assets							
(i) Trade Receivables		8	-	-	33,523	33,523	
(ii) Cash and cash equivalents		9	-	-	3,827	3,827	
(iii) Deposits		5	-	-	225	225	
(iv) Other financial assets		5 & 10	-	-	456	456	
			-	-	38,031	38,031	
Financial liabilities							
(i) Trade payables		15	-	-	83,856	83,856	
			-	-	83,856	83,856	

SCHEDULES

Notes Forming Part of the Financial Statements as at and for the year ended March 31, 2020

in ₹ ('000)

March 31, 2019	Note No.	Carrying amount				Total
		FVTPL	FVTOCI	Amortised Cost		
Financial assets						
(i) Trade Receivables	8	-	-	81		81
(ii) Cash and cash equivalents	9	-	-	9,266		9,266
(iii) Deposits	5	-	-	235		235
(iv) Other financial assets	5 & 10	-	-	418		418
		-	-	10,000		10,000
Financial liabilities						
(i) Trade payables	15	-	-	75,120		75,120
		-	-	75,120		75,120

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

Note 2: Difference between carrying amounts and fair values of deposits, other non-current financial assets measured at amortised cost is not significantly different in each of the year presented.

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 analyze the risks faced by the Company, to set appropriate risk limits and controls, and to monitor such risks and compliance with the same. 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 establishes an allowance for doubtful debts and impairment that represents its estimate of incurred losses in respect of trade and other receivables.

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.

Concentration of credit risk with respect to trade receivables is limited, due to the Company's customer base being small and consisting of mainly related parties and also on account of realisation of receivables within six months. All trade receivables are reviewed and assessed for default on a regular basis.

SCHEDULES

Notes Forming Part of the Financial Statements as at and for the year ended March 31, 2020

Cash and Cash Equivalents

The Company held Cash and Cash Equivalents with credit worthy banks and financial institutions of Rs. 3,773 ('000), Rs.9,247 ('000) as at March 31, 2020, March 31, 2019 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.

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.

The net-worth of the Company as on March 31, 2019, March 31, 2020 is ₹ 49,948 ('000), ₹ 50,020 ('000) respectively. Further, there is continued support from Blue Dart Express Limited, the Holding Company, to provide financial support to the Company to meet its financial obligations, as and when they fall due for a period not less than twelve months from the date of signing the Financial Statements.

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

March 31, 2020	Carrying amount	Total	Contractual cash flows				in ₹ ('000)
			0-1 year	1-2 years	2-5 years	More than 5 years	
Non-derivative financial liabilities							
Trade and other payables	83,856	83,856	83,856	-	-	-	
Total	83,856	83,856	83,856	-	-	-	

March 31, 2019	Carrying amount	Total	Contractual cash flows				in ₹ ('000)
			0-1 year	1-2 years	2-5 years	More than 5 years	
Non-derivative financial liabilities							
Trade and other payables	75,120	75,120	75,120	-	-	-	
Total	75,120	75,120	75,120	-	-	-	

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 debts. 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 activities.

(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.

SCHEDULES

Notes Forming Part of the Financial Statements as at and for the year ended March 31, 2020

30 Tax expense

A. Amounts recognised in Statement of Profit and Loss

	For the Year ended March 31, 2020 in ₹ ('000)	For the Year ended March 31, 2019 in ₹ ('000)
Current income tax	673	227
Deferred income tax liability / (asset), net		
Origination and reversal of temporary differences	(273)	554
Tax expense for the year	400	781

B. Reconciliation of effective tax rate

	As at March 31, 2020 in ₹ ('000)	As at March 31, 2019 in ₹ ('000)
Profit before tax	717	871
Tax using the Company's domestic tax rate (Current year 26% and Previous Year 30.90%)	507	226
Tax effect of amounts which are not deductible (taxable) in calculating taxable income:		
Less Tax Effect of:		
Adjustment of tax relating to earlier years	166	198
Others	(273)	356
	400	780

C. Movement in deferred tax balances

	March 31, 2020				in ₹ ('000)
	Net balance March 31, 2019	Recognised in Statement of Profit and Loss	Recognised in OCI	Others	Net balance March 31, 2020
Deferred tax liability					
Property, Plant and Equipment	80	(75)	-	-	5
Deferred tax asset					
Provision for Compensated Absences	(370)	(58)	-	-	(428)
Provision for Gratuity	(1,209)	(140)	(131)	(31)	(1,511)
Provision for Bonus	(167)	-	-	(174)	(341)
Tax assets (Liabilities)	(1,666)	(273)	(131)	(205)	(2,275)

	March 31, 2019				in ₹ ('000)
	Net balance April 1, 2018	Recognised in Statement of Profit and Loss	Recognised in OCI	Others	Net balance March 31, 2019
Deferred tax liability					
Property, Plant and Equipment	163	(83)	-	-	80
Deferred tax asset					
Provision for Compensated Absences	(489)	119	-	-	(370)
Provision for Gratuity	(1,447)	199	38	-	(1,209)
Provision for Bonus	(474)	307	-	-	(167)
Tax assets (Liabilities)	(2,246)	542	38	-	(1,666)

SCHEDULES

Notes Forming Part of the Financial Statements as at and for the year ended March 31, 2020

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 and deferred tax liabilities relate to income taxes levied by the same tax authority.

Significant management judgement 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.

31 Going Concern

The Net worth of the Company as at March 31, 2020 is ₹ 49,948(000) [as at March 31, 2019: ₹ 50,020 (000)]. The Company has negative working capital as at March 31, 2020 of ₹ 45,027 (000) [as at March 31, 2019: ₹ 56,499 (000)]. The holding Company, Blue Dart Express Limited, is committed to provide operational and financial support to the Company, to meet its financial obligations as and when they fall due, in the foreseeable future. Accordingly, these financial statements have been prepared on the going concern basis.

32 Note on COVID-19

“World Health Organisation (WHO) declared outbreak of Coronavirus Disease (COVID-19) a global pandemic on March 11, 2020. Consequent to this, The Ministry of Home Affairs vide order No.40-3/2020 dated 24.03.2020 notified first ever nation-wide lockdown in India to contain the outbreak of COVID 19 which impacted the overall economy and the business activities of the Company. The Company's performance for the month of March 2020 has been partially impacted. The impact on our business will depend on future developments that cannot be reliably predicted. The impact of global health pandemic might be different from that estimated as at the date of approval of these financial statements and the Company will closely monitor any material changes to future economic conditions.”

33 Capital Management

The Company's objective for Capital Management is to maximise shareholder's value, support the strategic objectives of the Company. The Company determines the capital requirements based on its financial performance, operating and long term investment plans. The funding requirements are met through operating cash flows generated.

As per our report of even date

For S.R. BATLIBOI & ASSOCIATES LLP
Firm Registration Number: 101049W/E300004
Chartered Accountants

per Sunil Gaggar
Partner
Membership No. 104315

Place : Bengaluru
Date: May 26, 2020

For and on behalf of the Board of Directors

V. N. Iyer	Tushar Gunderia
Director	Director
DIN : 00090717	DIN : 00090321

Aneel Gambhir
Director
DIN : 07321422

Place : Mumbai
Date: May 26, 2020

CONSOLIDATED FINANCIAL STATEMENTS

INDEPENDENT AUDITORS' REPORT

TO THE MEMBERS OF BLUE DART EXPRESS LIMITED

Report on the Audit of the Consolidated Ind AS Financial Statements

Opinion

We have audited the accompanying consolidated Ind AS financial statements of Blue Dart Express Limited (hereinafter referred to as “the Holding Company”) and its subsidiaries (the Holding Company and its subsidiaries together referred to as “the Group”) comprising of the consolidated Balance Sheet as at March 31 2020, the consolidated Statement of Profit and Loss, including Other Comprehensive Income, the consolidated Cash Flow Statement and the consolidated Statement of Changes in Equity for the year then ended and notes to the consolidated Ind AS financial statements, including a summary of significant accounting policies and other explanatory information (hereinafter referred to as “the consolidated Ind AS financial statements”).

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid consolidated Ind AS financial statements give the information required by the Companies Act, 2013, as amended (“the Act”) in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the consolidated state of affairs of the Group as at March 31, 2020, their consolidated losses including other comprehensive income, their consolidated cash flows and the consolidated statement of changes in equity for the year ended on that date.

Basis for Opinion

We conducted our audit of the consolidated Ind AS financial statements in accordance with the Standards on Auditing (SAs), as specified under Section 143(10) of the Act. Our responsibilities under those Standards are further described in the ‘Auditor’s Responsibilities for the audit of the consolidated Ind AS financial statements’ section of our report. We are independent of the Group in accordance with the ‘Code of Ethics’ issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Act and the Rules thereunder and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the consolidated Ind AS financial statements.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated Ind AS financial statements for the financial year ended March 31, 2020. These matters were addressed in the context of our audit of the consolidated Ind AS financial statements as a whole and in forming our opinion thereon and we do not provide a separate opinion on these matters. For each matter below, our description of how our audit addressed the matter is provided in that context.

We have determined the matter described below to be the key audit matter to be communicated in our report. We have fulfilled the responsibilities described in the Auditor’s responsibilities for the audit of the consolidated Ind AS financial statements section of our report, including in relation to these matters. Accordingly, our audit included the performance of procedures designed to respond to our assessment of the risks of material misstatement of the consolidated Ind AS financial statements. The results of audit procedures performed by us, including those procedures performed to address the matters below, provide the basis for our audit opinion on the accompanying consolidated Ind AS financial statements.

Key audit matter	How our audit addressed the key audit matter
<p>Revenue recognition</p> <p>The Group enters into contracts with customers for the provision of services. Revenue from these contracts is recognized in accordance with the requirements of Ind AS 115, Revenue from Contracts with Customers (as described in note 3(d) of the Consolidated Ind AS financial statements).</p> <p>As at the year end, for all incomplete contracts, revenue is recognized for the completed performance obligation which are part of incomplete contract based on the stage of completion and transaction price allocated to the specific completed performance obligation.</p> <p>The process of identifying the stage of completion and allocation of transaction price to the specific performance obligation as at the balance sheet date is complex and dependent on management estimates and relevant IT controls in certain operational systems.</p>	<p>Our audit procedures included assessing the Group's revenue recognition accounting policies in accordance with Ind AS 115, Revenue from Contracts with Customers.</p> <p>We obtained an understanding of management’s internal controls over the revenue process and evaluated whether these were designed in line with the Group’s accounting policies. We tested relevant internal controls, including IT controls over revenue process. We assessed the management’s evaluation process to recognize revenue over a period of time, ascertain stage of completion and allocation of transaction price to the specific performance obligation.</p> <p>We performed test of details for the selected sample of revenue transactions during the year and traced these to underlying supporting documentation / evidence.</p>

INDEPENDENT AUDITORS' REPORT

TO THE MEMBERS OF BLUE DART EXPRESS LIMITED

Key audit matters	How our audit addressed the key audit matter
Revenue recognition	
Considering complexity and volume, there is a risk that revenue recognized for completed performance obligations which are part of incomplete contracts as at the balance sheet date may not be appropriate.	We selected a sample of revenue transactions wherein revenue was recognized for the completed performance obligation which was a part of incomplete contracts as at the year end. For the transactions selected we compared the underlying documents including proof of service delivery for services completed subsequent to the year end and tested the working for allocation of transaction price to the specific completed performance obligation.

Information Other than the Financial Statements and Auditor's Report Thereon

The Holding Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Annual Report but does not include the consolidated Ind AS financial statements and our auditor's report thereon.

Our opinion on the consolidated Ind AS 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 consolidated Ind AS financial statements, our responsibility is to read the other information and in doing so, consider whether such other information is materially inconsistent with the consolidated financial statements or our knowledge obtained in the 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 for the Consolidated Ind AS Financial Statements

The Holding Company's Board of Directors is responsible for the preparation and presentation of these consolidated Ind AS financial statements in terms of the requirements of the Act that give a true and fair view of the consolidated financial position, consolidated financial performance including other comprehensive income, consolidated cash flows and consolidated statement of changes in equity of the Group in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under Section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended. The respective Board of Directors of the companies included in the Group are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Group 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 the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the consolidated Ind AS financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the consolidated Ind AS financial statements by the Directors of the Holding Company, as aforesaid.

In preparing the consolidated Ind AS financial statements, the respective Board of Directors of the companies included in the Group are responsible for assessing the ability of the Group to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

Those respective Board of Directors of the companies included in the Group are also responsible for overseeing the financial reporting process of the Group.

Auditor's Responsibilities for the audit of the Consolidated Ind AS financial statements

Our objectives are to obtain reasonable assurance about whether the consolidated Ind AS 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 consolidated Ind AS financial statements.

INDEPENDENT AUDITORS' REPORT

TO THE MEMBERS OF BLUE DART EXPRESS 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 consolidated Ind AS 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 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 Holding Company and its subsidiary companies, which are companies incorporated in India, have 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 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 ability of the Group 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 consolidated Ind AS 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 Group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated Ind AS financial statements, including the disclosures and whether the consolidated Ind AS financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group of which we are the independent auditors, to express an opinion on the consolidated Ind AS financial statements. We are responsible for the direction, supervision and performance of the audit of the financial statements of such entities included in the consolidated financial statements of which we are the independent auditors.

We communicate with those charged with governance of the Holding Company and such other entities included in the consolidated Ind AS financial statements of which we are the independent auditors 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.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the consolidated Ind AS financial statements for the financial year ended March 31, 2020 and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on Other Legal and Regulatory Requirements

As required by Section 143(3) of the Act, based on our audit we report, to the extent applicable, that:

- (a) We have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit of the aforesaid consolidated Ind AS financial statements;
- (b) In our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidation of the financial statements have been kept so far as it appears from our examination of those books and reports of the other auditors;
- (c) The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss including the Statement of Other Comprehensive Income, the Consolidated Cash Flow Statement and Consolidated Statement of Changes in Equity dealt with by this Report are in agreement with the books of account maintained for the purpose of preparation of the consolidated Ind AS financial statements;

INDEPENDENT AUDITORS' REPORT

TO THE MEMBERS OF BLUE DART EXPRESS LIMITED

- (d) In our opinion, the aforesaid consolidated Ind AS financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Companies (Indian Accounting Standards) Rules, 2015, as amended;
- (e) On the basis of the written representations received from the directors and taken on record by the Board of Directors of the Holding Company and subsidiaries incorporated in India as on March 31, 2020, none of the directors of the Group's companies incorporated in India are disqualified as on March 31, 2020 from being appointed as a director in terms of Section 164 (2) of the Act;
- (f) With respect to the adequacy and the operating effectiveness of the internal financial controls over financial reporting with reference to these consolidated Ind AS financial statements of the Holding Company and its subsidiary companies incorporated in India, refer to our separate Report in "Annexure 1" to this report;
- (g) In our opinion, the managerial remuneration for the year ended March 31, 2020 has been paid / provided by the Holding Company and its subsidiaries incorporated in India to their directors in accordance with the provisions of Section 197 read with Schedule V to 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 consolidated Ind AS financial statements disclose the impact of pending litigations on its consolidated financial position of the Group in its consolidated Ind AS financial statements. Refer Note 41 to the consolidated Ind AS financial statements;
 - ii. The Group 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 Holding Company and its subsidiaries incorporated in India.

Place: Bengaluru
Date: May 26, 2020

For S.R. Batliboi & Associates LLP
Chartered Accountants
ICAI Firm Registration Number: 101049W/E300004

per Sunil Gaggar
Partner
Membership Number: 104315
UDIN: 20104315AAAAAW6065

ANNEXURE 1 TO THE INDEPENDENT AUDITOR'S REPORT OF EVEN DATE ON THE CONSOLIDATED IND AS FINANCIAL STATEMENTS OF BLUE DART EXPRESS LIMITED

Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")

In conjunction with our audit of the consolidated financial statements of Blue Dart Express Limited (hereinafter referred to as "the Holding Company") and its subsidiaries (the Holding Company and its subsidiaries together referred to as "the Group") as of and for the year ended March 31, 2020, we have audited the internal financial controls over financial reporting of the Holding Company and its subsidiary companies, which are companies incorporated in India, as of that date.

Management's Responsibility for Internal Financial Controls

The respective Board of Directors of the Holding Company and its subsidiary companies, which are companies incorporated in India, are responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Holding 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 the respective company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records and the timely preparation of reliable financial information, as required under the Act.

Auditor's Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting with reference to these consolidated financial statements based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting and the Standards on Auditing, both, issued by Institute of Chartered Accountants of India, and deemed to be prescribed under Section 143(10) of the Act, to the extent applicable to an audit of internal financial controls. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting with reference to these consolidated Ind AS 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 over financial reporting with reference to these consolidated financial statements and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting with reference to these consolidated 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 internal financial controls over financial reporting with reference to these consolidated financial statements.

Meaning of Internal Financial Controls over Financial Reporting with Reference to these Consolidated Ind AS Financial Statements

A Company's internal financial control over financial reporting with reference to these consolidated 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 over financial reporting with reference to these consolidated 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 authorizations of management and directors of the Company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the Company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls over Financial Reporting With Reference to these Consolidated Ind AS Financial Statements

Because of the inherent limitations of internal financial controls over financial reporting with reference to these consolidated 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 evaluation of the internal financial controls over financial reporting with reference to these consolidated financial statements to future periods are subject to the risk that the internal financial control over financial reporting with reference to these

ANNEXURE 1 TO THE INDEPENDENT AUDITOR'S REPORT OF EVEN DATE ON THE CONSOLIDATED FINANCIAL STATEMENTS OF BLUE DART EXPRESS LIMITED

consolidated 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, the Holding Company and its subsidiary companies, which are companies incorporated in India, have, maintained in all material respects, adequate internal financial controls over financial reporting with reference to these consolidated financial statements and such internal financial controls over financial reporting with reference to these consolidated financial statements were operating effectively as at March 31, 2020, based on the internal control over financial reporting criteria established by the Holding Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

Place: Bengaluru
Date: May 26, 2020

For S.R. Batliboi & Associates LLP
Chartered Accountants
ICAI Firm Registration Number: 101049W/E300004

per Sunil Gaggar
Partner
Membership Number: 104315
UDIN: 20104315AAAAAW6065

BLUE DART EXPRESS LIMITED

CONSOLIDATED BALANCE SHEET AS AT MARCH 31, 2020

	Note	As at March 31, 2020 in ₹ Lakhs	As at March 31, 2019 in ₹ Lakhs
ASSETS			
NON-CURRENT ASSETS			
Property, plant and equipment	4	66,169	58,854
Capital Work-in-progress	4	1,596	5,262
Right of use assets	4	90,640	-
Other Intangible Assets	4 (a)	9,689	6,582
Intangible Assets under development	4 (a)	207	3,804
		168,301	74,502
Financial Assets			
Other Financial Assets	5	5,963	5,693
Deferred Tax Assets (Net)	6	6,451	5,132
Non-Current Tax Assets (Net)	7	10,623	5,828
Other Non-Current Assets	8	610	3,655
		23,647	20,308
CURRENT ASSETS			
Inventories	9	2,699	2,601
Financial Assets			
Trade Receivables	10	52,823	49,102
Cash and Cash Equivalents	11	9,751	26,607
Bank balances other than above	12	249	264
Loans	13	79	93
Other Financial Assets	14	1,909	2,977
Other Current Assets	15	4,621	4,672
		72,131	86,316
		264,079	181,126
TOTAL			
EQUITY AND LIABILITIES			
EQUITY			
Equity Share Capital	16	2,376	2,376
Other Equity	17	46,707	55,396
		49,083	57,772
LIABILITIES			
NON-CURRENT LIABILITIES			
Financial Liabilities			
Borrowings	18	41,000	42,500
Lease Liability	18 (a)	76,856	-
Other Financial Liabilities	19	498	659
Employee Benefit Obligations	20	1,796	1,168
Provisions	21	495	362
		120,645	44,689
CURRENT LIABILITIES			
Financial Liabilities			
Borrowings	22	-	7,118
Lease Liability	22 (a)	16,236	-
Trade Payables	23		
Total outstanding dues to micro and small enterprises		580	969
Total outstanding dues to creditors other than micro and small enterprises		39,523	42,456
Other Financial Liabilities	24	21,673	16,062
Other Current Liabilities	25	3,478	2,883
Employee Benefit Obligations	26	12,861	9,177
		94,351	78,665
		264,079	181,126

The above Consolidated Balance Sheet should be read in conjunction with the accompanying notes.

As per our report of even date

For and on behalf of the Board of Directors

For S.R. Batliboi & Associates LLP
ICAI Firm Registration No.101049W/E300004
Chartered Accountants

Sharad Upasani
Chairman
DIN:01739334

Balfour Manuel
Managing Director
DIN:08416666

Narendra Sarda
Director
DIN:03480129

Air Marshal M. McMahon (Retd.)
Director
DIN:00234293

per Sunil Gaggar
Partner
Membership No. 104315

Tulsi Nowlakha Mirchandaney
Director
DIN:01842520

Kavita Nair
Director
DIN:07771200

R.S. Subramanian
Director
DIN:02946608

Place: Bengaluru
Date: May 26, 2020

Place: Mumbai
Date: May 26, 2020

Aneel Gambhir
Chief Financial Officer

Tushar Gunderia
Company Secretary

BLUE DART EXPRESS LIMITED
CONSOLIDATED STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED MARCH 31, 2020

	Note	Year ended March 31, 2020 in ₹ Lakhs	Year ended March 31, 2019 in ₹ Lakhs
INCOME			
Revenue from Operations	27	317,513	317,440
Other Income	28	1,552	1,924
Total Income		319,065	319,364
EXPENSES			
Freight, Handling and Servicing Costs (Net)	29	165,605	176,622
Employee Benefits Expense	30	73,353	69,836
Finance Costs	31	11,738	4,266
Depreciation and Amortisation Expense	32	34,733	12,789
Other Expenses	33	31,137	42,437
Total Expenses		316,566	305,950
PROFIT BEFORE EXCEPTIONAL ITEMS AND TAX			
Exceptional Items	33 (a)	2,499	13,414
		6,411	-
(LOSS)/PROFIT BEFORE TAX			
Income Tax Expense	37	(3,912)	13,414
Current Tax		1,281	5,381
Adjustment of tax relating to earlier years		2	(108)
Deferred Tax (Credit)		(1,009)	(835)
Total Tax Expense		274	4,438
(LOSS)/PROFIT FOR THE YEAR			
OTHER COMPREHENSIVE INCOME			
Items that will not be reclassified to Statement of Profit and Loss in subsequent years			
Actuarial loss arising from remeasurements of post employment benefit obligation		1,237	755
Income tax relating to this item		(310)	(263)
TOTAL COMPREHENSIVE (LOSS)/INCOME FOR THE YEAR			
		(5,113)	8,484
Earnings Per Equity Share [Nominal value of share ₹ 10 each]			
Basic and Diluted (in ₹)	34	(17.64)	37.83

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

As per our report of even date

For S.R. Batliboi & Associates LLP
 ICAI Firm Registration No.101049W/E300004
 Chartered Accountants

per Sunil Gaggar
 Partner
 Membership No. 104315

Place: Bengaluru
 Date: May 26, 2020

For and on behalf of the Board of Directors

Sharad Upasani
 Chairman
 DIN:01739334

Tulsi Nowlakhia Mirchandaney
 Director
 DIN:01842520

Place: Mumbai
 Date: May 26, 2020

Balfour Manuel
 Managing Director
 DIN:08416666

Kavita Nair
 Director
 DIN:07771200

Aneel Gambhir
 Chief Financial Officer

Narendra Sarda
 Director
 DIN:03480129

R.S. Subramanian
 Director
 DIN:02946608

Tushar Gunderia
 Company Secretary

Air Marshal M. McMahon (Retd.)
 Director
 DIN:00234293

BLUE DART EXPRESS LIMITED
CONSOLIDATED STATEMENT OF CASH FLOWS FOR THE YEAR ENDED MARCH 31, 2020

	Note	Year ended March 31, 2020 in ₹ Lakhs	Year ended March 31, 2019 in ₹ Lakhs
A. Cash flows from Operating activities:			
(Loss)/Profit before Tax		(3,912)	13,414
Adjustments for:			
Depreciation and Amortisation Expense of Property, plant and equipment and right of use assets.	32	36,232	12,789
Finance Costs	31	11,738	4,266
Interest income	28	(146)	(204)
Dividend from mutual funds	28	(305)	(338)
Rotables/Components & overhaul written off	29	103	203
Loss on sale/scraping of Property, Plant and Equipments (Net)	33	43	73
Provision for slow moving inventory	29	107	121
Unwinding interest on Lease Deposit	28	(543)	(554)
Unrealised loss/(gain) on Foreign currency Transactions and Translation	33	2,098	(104)
Bad debts written off	33	(26)	(151)
Operating profit before changes in operating assets and liabilities		45,389	29,515
Adjustments for changes in operating assets and liabilities:			
(Increase) in Inventories		(205)	(589)
(Increase) in Trade Receivables		(3,695)	(3,661)
(Increase) / Decrease in Other non-current Financial Assets		(19)	395
(Increase) / Decrease in Other non-current Assets		(483)	(1,522)
(Increase) / Decrease in Other current Financial Assets		878	2,063
(Increase) in Other current Assets		(537)	(673)
Increase in current loans		14	7
Increase / (Decrease) in Trade Payables		(3,533)	3,423
Increase in Other Current Financial Liabilities		1,037	1,587
Increase in Other Current Liabilities		595	791
(Decrease) in Other Non-Current Financial Liabilities		(161)	(139)
Increase in Current Employee Benefits Obligations		2,448	924
Increase / (Decrease) in Other Non current Provisions		133	(74)
Increase in Non-Current Employee benefits obligations		628	336
Cash generated from Operations		42,489	32,383
Taxes paid (net of refunds)	7	(6,078)	(8,050)
Net cash from Operating activities		36,411	24,333
B. Cash flows from Investing activities:			
Payments for Property, Plant and Equipments & Other Intangible Assets (including movement in capital work-in-progress & Intangible assets under development)		(19,895)	(28,738)
Proceeds from sale of Property, Plant and Equipments		147	53
Interest received		150	304
Dividend from mutual funds	28	305	338
Investments in mutual funds		(287,353)	(363,328)
Redemptions from mutual funds		287,353	363,328
Investment in Bank fixed deposits (net)	5 and 12	35	40
Net cash (used in) Investing activities		(19,258)	(28,003)

BLUE DART EXPRESS LIMITED
CONSOLIDATED STATEMENT OF CASH FLOWS FOR THE YEAR ENDED MARCH 31, 2020

		Year ended March 31, 2020 in ₹ Lakhs	Year ended March 31, 2019 in ₹ Lakhs
C. Cash flows used in Financing activities:			
Redemption of Debenture	18 and 22	(7,118)	(9,491)
Proceeds from Fresh borrowings from Institutions	18 and 22	30,500	29,000
Repayment of Bank Loan	18 and 22	(27,500)	(3,750)
Payment of principal portion of Lease liabilities	35	(14,632)	-
Payment of interest on Lease liabilities	31	(7,175)	-
Interest paid	31	(4,508)	(4,266)
Dividend paid	17	(2,966)	(2,966)
Dividend distribution tax paid	17	(610)	(610)
Net cash (used in)/from Financing Activities		(34,009)	7,917
Net (decrease)/increase in Cash and Cash Equivalents		(16,856)	4,247
Cash and cash equivalents at the beginning of the year		26,607	22,360
Cash and cash equivalents at the end of the year		9,751	26,607
Note : There are no changes in liabilities arising from financing activities, due to non-cash changes.			
Cash and Cash Equivalents:			
Cheques and Drafts on hand	11	153	1,221
Balances with banks:			
In current accounts*	11	8,811	8,192
Deposits with maturity period less than 3 months	11	36	16,500
Cash on hand*	11	751	694
		9,751	26,607
		6,021	5,405

* Cash and Bank balances in current account include collections on "Cash on Delivery" shipments held on behalf of customers.

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

As per our report of even date

For S.R. Batliboi & Associates LLP
ICAI Firm Registration No.101049W/E300004
Chartered Accountants

per Sunil Gaggar
Partner
Membership No. 104315

Place: Bengaluru
Date: May 26, 2020

For and on behalf of the Board of Directors

Sharad Upasani
Chairman
DIN:01739334

Tulsi Nowlakra Mirchandaney
Director
DIN:01842520

Place: Mumbai
Date: May 26, 2020

Balfour Manuel
Managing Director
DIN:08416666

Kavita Nair
Director
DIN:07771200

Aneel Gambhir
Chief Financial Officer

Narendra Sarda
Director
DIN:03480129

R.S. Subramanian
Director
DIN:02946608

Tushar Gunderia
Company Secretary

Air Marshal M. McMahon (Retd.)
Director
DIN:00234293

BLUE DART EXPRESS LIMITED
CONSOLIDATED STATEMENT OF CHANGES IN EQUITY (SOCIE) FOR THE YEAR ENDED MARCH 31, 2020

A. Equity Share Capital in ₹ Lakhs

Balance as at March 31, 2018	2,376
Changes in equity share capital	-
Balance as at March 31, 2019	2,376
Changes in equity share capital	-
Balance as at March 31, 2020	2,376

B. Other Equity (Refer note 17) in ₹ Lakhs

	Reserves & Surplus				Total
	Securities Premium	General Reserve	Debenture Redemption Reserve	Retained Earnings	
Balance as at March 31, 2019	3,475	6,273	1,572	44,076	55,396
Loss for the year	-	-	-	(4,186)	(4,186)
Other comprehensive income	-	-	-	(927)	(927)
Total comprehensive loss for the year	-	-	-	(5,113)	(5,113)
Transfer (to)/from other reserves (Net)	-	-	(1,572)	1,572	-
Transactions with owners in their capacity as owners:					
Dividend paid during the year ended March 31, 2020 of ₹ 12.50 (March 31, 2019 - ₹ 12.50) per fully paid share	-	-	-	(2,966)	(2,966)
Dividend Distribution tax (DDT)	-	-	-	(610)	(610)
Balance as at March 31, 2020	3,475	6,273	-	36,959	46,707

in ₹ Lakhs

	Reserves & Surplus				Total
	Securities Premium	General Reserve	Debenture Redemption Reserve	Retained Earnings	
Balance as at March 31, 2018	3,475	6,273	3,243	37,814	50,805
Profit for the year	-	-	-	8,976	8,976
Other comprehensive income	-	-	-	(492)	(492)
Total comprehensive income for the year	-	-	-	8,484	8,484
Transfer (to)/from other reserves (Net)	-	-	(1,671)	1,671	-
Transition impact (Ind AS 115)	-	-	-	(317)	(317)
Transactions with owners in their capacity as owners:					
Dividend paid during the year ended March 31, 2019 of ₹12.50 (March 31, 2018 - ₹15) per fully paid share	-	-	-	(2,966)	(2,966)
Dividend Distribution tax (DDT)	-	-	-	(610)	(610)
Balance as at March 31, 2019	3,475	6,273	1,572	44,076	55,396

The above Consolidated Statement of Changes in Equity should be read in conjunction with the accompanying notes.

As per our report of even date

For and on behalf of the Board of Directors

For S.R. Batliboi & Associates LLP
ICAI Firm Registration No.101049W/E300004
Chartered Accountants

Sharad Upasani
Chairman
DIN:01739334

Balfour Manuel
Managing Director
DIN:08416666

Narendra Sarda
Director
DIN:03480129

Air Marshal M. McMahon (Retd.)
Director
DIN:00234293

per Sunil Gaggar
Partner
Membership No. 104315

Tulsi Nowlakhia Mirchandaney
Director
DIN:01842520

Kavita Nair
Director
DIN:07771200

R.S. Subramanian
Director
DIN:02946608

Place: Bengaluru
Date: May 26, 2020

Place: Mumbai
Date: May 26, 2020

Aneel Gambhir
Chief Financial Officer

Tushar Gunderia
Company Secretary

SCHEDULES

Notes forming part of the Consolidated Financial Statements as at and for the year ended March 31, 2020

1. General Information

Blue Dart Express Limited ('the Company') is engaged in the business of integrated air and ground transportation and distribution of time sensitive packages to various destinations, primarily within India. The Company is a public limited company incorporated in India having its registered office situated at Blue Dart Centre, Sahar Airport Road, Andheri (East), Mumbai, Maharashtra. The Company has its equity shares listed on the Bombay Stock Exchange (BSE) and the National Stock Exchange (NSE). These consolidated financial statements comprise the Company and its subsidiaries (referred to collectively as 'the Group').

The Company has following subsidiaries:

Name of the Subsidiary	Ownership Interest
Blue Dart Aviation Limited	100%
Concorde Air Logistics Limited	100%

Blue Dart Aviation Limited (BDAL) was incorporated on May 31, 1994. BDAL is authorised by the Director General of Civil Aviation to commercially operate aircrafts for transporting cargo and to provide aircraft maintenance services. "Express Air Charter Services" income is generated from the charter flight services rendered exclusively to Blue Dart Express Limited.

The Concorde Air Logistics Limited is an International Air Cargo Agent with International Air Transport Association ('IATA') and engaged inter alia in the business of clearing and forwarding of time sensitive air cargo packages.

The Consolidated financial statements were authorised for issue in accordance with a resolution of the directors on May 26, 2020.

2. Basis of preparation of financial statements

These consolidated 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 except for certain financial assets and liabilities measured at fair value and Defined benefit plans - plan assets measured at fair value (Refer note 30).

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

Current versus non-current classification

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

- Expected to be realised or intended to be sold or consumed in normal operating cycle
- Held primarily for the purpose of trading

- Expected to be realised within twelve months after the reporting period, or
- 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:

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

The Group 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 Group has identified twelve months as its operating cycle.

Use of estimates and judgements

The preparation of the consolidated 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:

- Estimation of useful life of property, plant and equipment and intangibles (Refer note 3(a))
- Estimation of defined benefit obligation (Refer note 30)
- Estimation of current tax expense and payable (Refer note 7 and 37)
- Estimation of contingent liabilities (Refer note 41)
- Estimation of deferred costs (Refer note 15)
- Estimation of revenue recognised (Refer note 27)
- Estimation of lease term of contracts (Refer note 35)

Principles of consolidation

Subsidiaries are all entities over which the Group has control. The Group controls an entity when the Group is exposed to, or has rights to, variable return from its involvement with the entity and

SCHEDULES

Notes forming part of the Consolidated Financial Statements as at and for the year ended March 31, 2020

has the ability to affect those returns through its power to direct the relevant activities of the entity. Subsidiaries are fully consolidated from the date on which control is transferred to the Group.

The Group combines the financial statements of the parent and its subsidiaries line by line adding together like items of assets, liabilities, equity, income and expenses. Intercompany transactions, balances and unrealised gains on transactions between group companies are eliminated. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the transferred asset. Accounting policies of subsidiaries have been changed where necessary to ensure consistency with the policies adopted by the Group.

3. Significant accounting policies

The accounting policies set out below have been applied consistently to all periods presented in these consolidated financial statements (except Note 3.1).

a. Property, plant and equipment

Free hold land is carried at historical cost net of accumulated impairment losses, if any. All other items of Property, Plant and Equipment are at historical cost less depreciation. 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 Group 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 and loss during the reporting period in which they are incurred.

Capital work-in-progress represents fixed assets 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.

Intangible Assets:

Intangible assets are stated at acquisition cost net of accumulated amortisation and accumulated impairment losses, if any. The Group capitalises identifiable costs relating to development of internally generated software and these are stated net off accumulated amortization.

Intangible assets under development comprise costs relating to development of software that are not yet ready for their intended use as at the balance sheet date.

Depreciation

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

Asset	Useful Life
Leasehold improvements	Over the period of lease
Office Equipments	5 to 10 years
Electrical Equipment	6 to 10 years
Computers	3 to 6 years
Furniture Fixtures	10 years
Vehicles	8 years
Material Handling Equipment	10 to 15 years
Machinery and equipment	2 to 6 years
Buildings	60 years
Aircraft Componets & Overhaul	Over the engine life cycle
Aircraft Rotable Parts	10 years

The Group, based on technical assessment made by technical expert and management estimate, depreciates computers over estimated useful lives of 3 to 6 years which are different from the useful life prescribed in Schedule II to the Act. The management believes that these estimated useful lives are realistic and reflect fair approximation of the period over which the assets are likely to be used.

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

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

Amortisation

Following initial recognition of the development expenditure as an asset, the asset is carried at cost less any accumulated amortisation and accumulated impairment losses, if any. Amortisation of the asset begins when development is complete and the asset is available for use. It is amortised over the period of expected future benefit. Amortisation expense is recognised in the profit and loss unless such expenditure forms part of carrying value of another asset.

Computer softwares, are amortised under straight line method over the estimated useful life of 6 to 10 years. Internally generated software is amortised using the straight-line method over a period of 10 years, based upon its estimated useful economic life. Type Certification are amortised under straight line method over the estimated useful life 3 to 5 years.

b. Impairment of Non-Financial Assets

The Group assesses at each reporting date whether there is

SCHEDULES

Notes forming part of the Consolidated Financial Statements as at and for the year ended March 31, 2020

any indication that an asset (tangible or intangible) may be impaired. If any indication exists, the Group estimates the asset's recoverable amount. An asset's recoverable amount is the higher of an asset's or cash generating unit's (CGU) net selling price and its value in use. Where the carrying amount of an asset or CGU exceeds its recoverable amount, the asset is considered to be 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 then such reversal is recorded in the Statement of Profit and Loss.

c Inventories

Inventories are stated at lower of cost and net realisable value.

Inventories of packing and stationery consumables are valued at cost (arrived at using First-in First-out basis).

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

d. Revenue Recognition

Service Charges:

Group's normal business operations consist of the business of integrated air and ground transportation and distribution of time sensitive packages to various destinations, primarily in India. All income relating to normal business operations is recognised as revenue in the Statement of profit and loss. All other income is reported as other operating income.

Until March 31, 2018, revenue and other operating income were generally recognised when services were rendered, the amount of revenue and income could be reliably measured and, in all probability, the economic benefits from the transactions would flow to the Group.

Since April 01, 2018, revenue has been recognised when control over the services transfers to the customer i.e., when the customer has the ability to control the use of the transferred services provided and generally derive their remaining benefits. The requirement is that a contract with enforceable rights and obligations exists and, amongst other things, the receipt of consideration is likely, taking into account the customer's credit quality. The revenue corresponds to the transaction price to which the Group is expected to be entitled. Variable consideration is included in the transaction price when it is highly probable that a significant reversal in the amount of revenue recognised will not occur and as soon as the uncertainty associated with the variable consideration no longer exists. The Group does not expect to have contracts

where the period between the transfer of the promised services to the customer and payment by the customer exceeds one year. Accordingly, the promised consideration is not adjusted for the time value of money. For each performance obligation under contracts entered for logistic services, revenue is recognised over a certain period of time as determined by the Group.

Business Support Service Income (net of service tax, goods and services tax):

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

Other Income:

Interest Income (including Unwinding interest on Lease Deposit):

Interest income is recognised using the effective interest rate 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 Group 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.

Dividend Income:

Dividend income is recognised when the right to receive the dividend is established.

e. Foreign Currency Transactions

i. Functional and Presentation currency

Items included in the financial statements of the Group 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 Group's functional and presentation currency.

ii. 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 recognised in the Statement of Profit and Loss.

SCHEDULES

Notes forming part of the Consolidated Financial Statements as at and for the year ended March 31, 2020

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.

f. 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. The liability in respect of compensated absences of short term nature is not actuarially valued and is provided on an estimated basis.

ii. Other long-term employee benefit obligations

The liabilities for earned 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 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 Group's liability is actuarially determined (using the Projected Unit Credit Method) at the end of each year. Actuarial losses/ gains are recognised in the Statement of Profit and Loss in the year in which they arise.

The Group 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 Group operates the following post-employment schemes:

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

Defined Benefit Plans:

Gratuity:

The Group provides for gratuity, a defined benefit plan (the 'Gratuity Plan') covering eligible employees in accordance with the Payment of Gratuity Act, 1972. The Gratuity Plan provides a lump sum payment to vested employees at retirement, death, incapacitation or termination of employment, of an amount based on the respective employee's salary and the tenure of employment. The Group'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 Group 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 Group has no further obligations. Such benefits are classified as Defined Contribution Schemes as the Group does not carry any further obligations, apart from the contributions made on a monthly basis.

Superannuation is classified as a defined contribution scheme of the Group. Contribution due towards Superannuation Fund for eligible employees is made to an insurance company, and the Group has no further obligation beyond making this payment.

SCHEDULES

Notes forming part of the Consolidated Financial Statements as at and for the year ended March 31, 2020

The Group 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.

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

g. Leases

The Group 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.

Group as a lessee

The Group applies a single recognition and measurement approach for all leases, except for short-term leases and leases of low-value assets. The Group 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 Group 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 initial 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, as follows:

- Building-1 to 10 years
- Motor Vehicles and other equipments:1 to 5 years

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

Lease Liabilities

At the commencement date of the lease, the Group 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 Group calculates its incremental borrowing rate by using the

Government's Zero coupon yield rates adjusted for the financial spreads for AA rated bonds at the lease commencement date because the interest rate implicit in the lease is not readily determinable. 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 Group's lease liabilities are included in Other Financial Liabilities.

Short-term leases and leases of low-value assets

The Group applies the short-term lease recognition exemption to its short-term leases of buildings, equipments (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 equipments 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 systematic basis, which reflects the pattern of lessee's benefit, i.e., on an as and when basis.

h. Income Taxes

Income tax expense comprises current and deferred tax. It is recognised in Statement of Profit and Loss except to the extent that it relates to items recognised directly in equity or in OCI.

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 provision of The Income Tax Act, 1961.

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 or 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.

SCHEDULES

Notes forming part of the Consolidated Financial Statements as at and for the year ended March 31, 2020

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 Group 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.

i. Trade and other payables

These amounts represent liabilities for goods and services provided to the Group prior to the end of financial year which are unpaid. The amounts are unsecured and are usually paid as per contractual terms. Trade and other payables are presented as current financial liabilities unless payment is not due within 12 months after the reporting period. They are recognised initially at their fair value and subsequently measured at amortised cost using the effective interest method.

j. Provisions

Provisions are recognised when the Group 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 measured at 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 pre-tax rate that reflect current market assessment of the time value of money and the risk specific to the liability.

k. Contingent Liabilities

Contingent liabilities are disclosed when there is a possible obligation arising from past events, the existence of which will be confirmed only by the occurrence or non occurrence of one or more uncertain future events not wholly within the control of the Group or a present obligation that arises from past events where it is either not probable that an outflow of resources will be required to settle or a reliable estimate of the amount cannot be made.

l. Cash and Cash Equivalents

In the cash flow statement, cash and cash equivalents include cash in hand, cheques in hand, demand deposits with banks and other short-term highly liquid investments with original maturities upto three months adjusted for bank overdrafts, if any. Bank overdrafts are shown within borrowings in current liabilities in the balance sheet.

m. Trade receivables

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

n. 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 Group 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 Group commits to purchase or sell the asset.

iii. Debt instruments at amortised cost

A 'debt instrument' is measured at the amortised cost if both the following conditions are met:

- a) The asset is held within a business model whose objective is to hold assets for collecting contractual cash flows, and

SCHEDULES

Notes forming part of the Consolidated Financial Statements as at and for the year ended March 31, 2020

b) Contractual terms of the asset give rise to cash flows on specified dates that are solely payments of principal and interest (SPPI) on the principal amount outstanding.

After initial measurement, such financial assets are subsequently measured at amortised cost using the effective interest rate (EIR) method. Amortised cost is calculated by taking into account any discount or premium and fees or costs that are an integral part of the EIR. The EIR amortisation is included in finance income in the Statement of Profit and Loss. The losses arising from impairment are recognised in the Statement of Profit and Loss.

Debt instruments included within the fair value through profit and loss (FVTPL) category are measured at fair value with all changes recognized in the Statement of Profit and Loss.

iv. Derecognition

A financial asset is derecognised only when:

- (i) The Group 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 Group 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 Group has not retained control of the financial asset. Where the Group retains control of the financial asset, the asset is continued to be recognised to the extent of continuing involvement in the financial asset.

v. Impairment of financial assets

In accordance with Ind-AS 109, the Group 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 Group 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 Group to track changes in credit risk. Rather, it recognises impairment loss allowance based on lifetime ECL at each reporting date, right from its initial recognition.

For recognition of impairment loss on other financial assets and risk exposure, the Group 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 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 Group classifies all financial liabilities as subsequently measured at amortised cost, except for financial liabilities at fair value through Statement of Profit and Loss. Such liabilities, including derivatives that are liabilities, are subsequently measured at fair value.

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, or as derivatives designated as hedging instruments in an effective hedge, 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 Group's financial liabilities include trade and other payables, loans and borrowings including bank overdrafts.

iii. Financial liabilities at fair value through Statement of Profit and 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 Group that are not

SCHEDULES

Notes forming part of the Consolidated Financial Statements as at and for the year ended March 31, 2020

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/losses are not subsequently transferred to Statement of Profit and Loss. However, the Group 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 Group has not designated any financial liability as 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 Statement of Profit and 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.

o. 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 Group 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
- ▶ 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 Group 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.

p. Earnings per share

(i) Basic earnings per share

Basic earnings per share is calculated by dividing:

- the net profit attributable to owners of the Group
- 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 34).

(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 34).

q. Segment Information

The Group has only one operating segment, which is integrated air and ground transportation and distribution. All assets

SCHEDULES

Notes forming part of the Consolidated Financial Statements as at and for the year ended March 31, 2020

of the Group are domiciled in India and the Group earns its entire revenue from its operations in India. There is no single customer which contributes more than 10% of the Group's total revenues. (Refer note 46).

r. 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 of the Act.

3.1.Changes in accounting policies and disclosures

New and amended standards

The Group applied Ind AS 116 Leases for the first time. The nature and effect of the changes as a result of adoption of this new accounting standard is described below. The Group has not early adopted any standards, amendments that have been issued but are not yet effective/notified.

The Group adopted Ind AS 116 using the modified retrospective approach of adoption as per para C8(b)(ii) read with C8(a) and C5(b) of Ind AS 116, with the date of initial application on 1 April 2019. For leases previously classified as operating leases under Ind AS 17, the Group:

- Recognized a lease liability measured at the present value of the remaining lease payments, discounted using the Group's incremental borrowing rate
- Measured the right-of-use asset on a lease-by-lease basis at an amount equal to the lease liability, adjusted for previously recognized prepaid or accrued lease payments.

The Group elected to use the transition practical expedient to not reassess whether a contract is, or contains, a lease at 1 April 2019 and considered only contracts those were recognised as lease under erstwhile standard Ind AS 17. The Group also used practical expedient to not to recognise leases for which the lease term ends within 12 months of the date of initial application, these leases are accounted as short term leases.

Critical judgements and estimates evaluation on implementation:

- (i) In case of leases having a contractual lease term more than non-cancellable period, Group has opted to consider the entire contractual lease term, as the Group's intention is to continue the lease till the end of contractual lease term based on one or more of the following factors:-

- (a) The uniqueness of purpose or location of the asset which is taken on lease
- (b) No availability of a comparable replacement asset
- (c) The existence and materiality of leasehold improvements
- (d) Cost of relocation involved
- (e) Group's past practice of not exiting a contract without having any economic disincentive

- (ii) In case of leases containing both lease and non-lease components, Group has decided to separate the amount if the bifurcation is mentioned in the contract and in other cases the non-lease components shall be assumed to be zero and entire amount will be considered as lease rentals.

Please refer note 3(g) for Accounting Policy on Leases.

The effect of adoption Ind AS 116 as at 1 April 2019 (increase/ (decrease)) is, as follows:

Assets	in ₹ Lakhs
Right-of-use assets	89,308
Prepaid expenses	(1,884)
Other Assets	(2,338)
Total	85,086

Lease Liabilities 85,086

The following table presents the reconciliation of lease liability:

Assets	in ₹ Lakhs
Operating lease commitments as at 31 March 2019	91,335
Less:	
Commitments relating to short-term leases and low-value assets	2,022
Add:	
Lease payments not included in operating lease commitments as at 31 March 2019	20,398
Undiscounted Lease liabilities as at 1 April 2019	113,755
Weighted average incremental borrowing rate as at 1 April 2019	8.45%
Lease liabilities as at 1 April 2019	85,086

SCHEDULES

Notes forming part of the Consolidated Financial Statements as at and for the year ended March 31, 2020

4. PROPERTY, PLANT AND EQUIPMENT

in ₹ Lakhs

Description of Assets	GROSS BLOCK (At Cost)				DEPRECIATION				NET BLOCK
	Opening Balance as at April 1, 2019	Additions	Deductions/ Adjustments	Closing Balance as at March 31, 2020	Upto April 1, 2019	For the Year	On Deductions/ Adjustments	Upto March 31, 2020	Closing Balance as at March 31, 2020
Tangible Assets:									
Land - Freehold	3,963	-	-	3,963	-	-	-	-	3,963
Leasehold Improvements	2,787	18	50	2,755	552	197	-	749	2,006
Buildings	1,206	2	-	1,208	187	52	-	239	969
Office Equipment	3,819	660	21	4,458	1,647	738	15	2,370	2,088
Electrical Equipment	5,462	817	49	6,230	2,306	789	15	3,080	3,150
Computers	10,141	3,145	23	13,263	4,469	1,905	10	6,364	6,899
Furniture and Fixtures	8,358	781	41	9,098	3,478	1,401	28	4,851	4,247
Vehicles	390	98	15	473	248	37	13	272	201
Aircraft Rotable Parts	5,995	1,389	130	7,254	2,112	655	50	2,717	4,537
Aircraft Components and Overhaul	36,781	13,644	1,690	48,735	12,577	7,107	1,610	18,074	30,661
Material Handling Equipment	9,484	816	46	10,254	2,020	891	23	2,888	7,366
Machinery and Equipment	924	51	(9)	984	860	41	(1)	902	82
Tangible Assets (A)	89,310	21,421	2,056	108,675	30,456	13,813	1,763	42,506	66,169
Buildings-ROU Assets	-	75,471	-	75,471	-	14,057	-	14,057	61,414
Aircraft -ROU Assets	-	32,412	-	32,412	-	4,931	-	4,931	27,481
Vehicles-ROU Assets	-	2,375	-	2,375	-	701	-	701	1,674
Office Equipment-ROU Assets	-	137	-	137	-	66	-	66	71
ROU Assets (B)	-	110,395	-	110,395	-	19,755	-	19,755	90,640
Total Tangible Assets (A+B)	89,310	131,816	2,056	219,070	30,456	33,568	1,763	62,261	156,809
Capital work-in-progress	5,262	-	-	-	-	-	-	-	1,596

4 (a). OTHER INTANGIBLE ASSETS

in ₹ Lakhs

Description of Assets	GROSS BLOCK (At Cost)				AMORTISATION				NET BLOCK
	Opening Balance as at April 1, 2019	Additions	Deductions/ Adjustments	Closing Balance as at March 31, 2020	Upto April 1, 2019	For the Year	On Deductions/ Adjustments	Upto March 31, 2020	Closing Balance as at March 31, 2020
Intangible Assets:									
Internally Generated Software	1,703	-	-	1,703	720	240	-	960	743
Computer Software	9,316	5,364	-	14,680	4,184	2,148	-	6,332	8,348
Type Certification Course	1,509	407	225	1,691	1,042	276	225	1,093	598
Total Intangible Assets	12,528	5,771	225	18,074	5,946	2,664	225	8,385	9,689
Intangible Assets under development	3,804	-	-	-	-	-	-	-	207
Expenses capitalised in respect of above Intangible Assets under development									
Employee benefit expenses	1,698	-	1,698	-	-	-	-	-	-
Other Expenses	63	-	63	-	-	-	-	-	-
Total	1,761	-	1,761	-	-	-	-	-	-

SCHEDULES

Notes forming part of the Consolidated Financial Statements as at and for the year ended March 31, 2020

4. PROPERTY, PLANT AND EQUIPMENT

in ₹ Lakhs

Description of Assets	GROSS BLOCK (At Cost)				DEPRECIATION				NET BLOCK
	Opening Balance as at April 1, 2018	Additions	Deductions/ Adjustments	Closing Balance as at March 31, 2019	Upto April 1, 2018	For the Year	On Deductions/ Adjustments	Upto March 31, 2019	Closing Balance as at March 31, 2019
Tangible Assets:									
Land - Freehold	3,963	-	-	3,963	-	-	-	-	3,963
Leasehold Improvements	3,789	2,115	3,117	2,787	959	218	625	552	2,235
Buildings	1,257	4	55	1,206	135	53	1	187	1,019
Office Equipment	3,151	830	162	3,819	1,216	498	67	1,647	2,172
Electrical Equipment	3,841	1,651	30	5,462	1,758	635	87	2,306	3,156
Computers	7,139	3,233	231	10,141	3,267	1,431	229	4,469	5,672
Furniture and Fixtures	7,035	1,474	151	8,358	2,673	978	173	3,478	4,880
Vehicles	265	185	60	390	277	41	70	248	142
Aircraft Rotable Parts	4,938	1,270	213	5,995	1,686	589	163	2,112	3,883
Aircraft Components and Overhaul	26,359	13,009	2,587	36,781	8,949	5,806	2,178	12,577	24,204
Material Handling Equipment	7,417	2,072	5	9,484	1,874	170	24	2,020	7,464
Machinery and Equipment	407	637	120	924	283	627	50	860	64
Total Tangible Assets	69,561	26,480	6,731	89,310	23,077	11,046	3,667	30,456	58,854
Capital work-in-progress	5,932	-	-	-	-	-	-	-	5,262

4 (a). OTHER INTANGIBLE ASSETS

in ₹ Lakhs

Description of Assets	GROSS BLOCK (At Cost)				AMORTISATION				NET BLOCK
	Opening Balance as at April 1, 2018	Additions	Deductions/ Adjustments	Closing Balance as at March 31, 2019	Upto April 1, 2018	For the Year	On Deductions/ Adjustments	Upto March 31, 2019	Closing Balance as at March 31, 2019
Intangible Assets:									
Internally Generated Software	1,703	-	-	1,703	480	240	-	720	983
Computer Software	6,695	2,640	19	9,316	2,956	1,237	9	4,184	5,132
Type Certification Course	1,370	368	229	1,509	986	266	210	1,042	467
Total Intangible Assets	9,768	3,008	248	12,528	4,422	1,743	219	5,946	6,582
Intangible Assets under development	3,990	-	-	-	-	-	-	-	3,804
Expenses capitalised in respect of above Intangible Assets under development									
Employee benefit expenses	2,045	65	412	1,698	-	-	-	-	1,698
Other Expenses	89	-	26	63	-	-	-	-	63
Total	2,134	65	438	1,761	-	-	-	-	1,761

SCHEDULES

Notes forming part of the Consolidated Financial Statements as at and for the year ended March 31, 2020

	As at March 31, 2020 in ₹ Lakhs	As at March 31, 2019 in ₹ Lakhs
5 OTHER NON-CURRENT FINANCIAL ASSETS		
Margin money deposit	7	7
Long term deposits with banks with maturity period more than 12 months*	0	0
Deposits (Refer note 36 B (ii))	5,956	5,686
Total	5,963	5,693
* Amount is below the rounding off norm adopted by the Company		
6 DEFERRED TAX ASSETS/LIABILITIES (NET)		
Deferred Tax Asset		
Provision for Compensated Absences	926	1,012
Provision for Bonus	124	204
Provision for Gratuity	529	495
Depreciation	2,090	2,817
Others	3,323	1,564
Gross Deferred Tax Asset	6,992	6,092
Deferred Tax Liability		
Depreciation	541	960
Gross Deferred Tax Liability	541	960
Total	6,451	5,132
7 NON-CURRENT TAX ASSETS (NET)		
Opening balance	5,828	3,051
Less: Current tax payable for the year	1,281	5,381
Add: Adjustment of tax relating to earlier years	(2)	108
Add: Taxes paid	6,078	8,050
Closing balance	10,623	5,828
Advance income tax	84,682	78,604
Provision for tax	74,059	72,776
Advance income tax (Net of provision for tax)	10,623	5,828
8 OTHER NON-CURRENT ASSETS		
Capital advances	308	342
Other loans and advances:		
Prepaid expenses	302	1,223
Others*	-	2,090
Total	610	3,655

* During the previous year, Blue Dart Aviation Limited entered in to Surrender and Transfer Deed and new Sub Lease agreement with Bangalore International Airport Limited ('BIAL') whereby Company surrendered the existing building / premises built on land taken on lease from BIAL in earlier periods and taken on lease new premises from BIAL at preferred rent. The net book value of premises surrendered ₹ 2,350 Lakhs has been reclassified from the fixed assets and has been treated as 'expenses recoverable' classified under Other assets as at March 31, 2019 representing the value of concession in rent to be received over the period of lease agreement. In current year the Group has transferred the amount to Right of use assets on application of Ind AS 116.

SCHEDULES

Notes forming part of the Consolidated Financial Statements as at and for the year ended March 31, 2020

	As at March 31, 2020 in ₹ Lakhs	As at March 31, 2019 in ₹ Lakhs
9 INVENTORIES		
Packing and Stationery Consumables	373	589
Consumables (Refer note below)	2,108	1,803
Loose Tools	218	209
Total	2,699	2,601
Note: Net of provision for slow-moving items.	809	702
10 TRADE RECEIVABLES		
(Unsecured, considered good)		
Trade receivables	48,240	44,519
Receivables from related parties [Refer note 38(F)(i)]	4,583	4,583
Total	52,823	49,102
As at March 31, 2020 ₹407 lakhs (March 31, 2019: ₹389 lakhs) was recognised as provision for expected credit losses on trade receivables.		
Break-up for security details:		
Trade receivables		
Secured, considered good	-	-
Unsecured, considered good	52,823	49,102
Trade Receivables which have significant increase in credit Risk	-	-
	52,823	49,102
Impairment Allowance (allowance for bad and doubtful debts)		
Unsecured, considered good	-	-
Trade Receivables which have significant increase in credit Risk	-	-
	52,823	49,102
Note: No trade or other receivable are due from directors or other officers of the group 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.		
11 CASH AND CASH EQUIVALENTS		
Cash and Cash Equivalents		
Cheques and Drafts on hand	153	1,221
Balances with banks:		
In current accounts*	8,811	8,192
Deposits with maturity period less than 3 months	36	16,500
Cash on hand*	751	694
Total	9,751	26,607
* Cash and Bank balances in current account include collections on "Cash on Delivery" shipments held on behalf of customers.	6,021	5,405
12 BANK BALANCES OTHER THAN ABOVE		
Unpaid dividend accounts	103	101
Unpaid interest accounts	-	9
Unpaid debenture accounts	125	98

SCHEDULES

Notes forming part of the Consolidated Financial Statements as at and for the year ended March 31, 2020

	As at March 31, 2020 in ₹ Lakhs	As at March 31, 2019 in ₹ Lakhs
Deposits with maturity period more than 3 months but less than 12 months	21	56
Total	249	264
13 LOANS - CURRENT ASSETS		
(Unsecured, considered good, unless otherwise stated)		
Loans and advances to employees	79	93
Total	79	93
14 OTHER CURRENT FINANCIAL ASSETS		
(Unsecured, considered good)		
Interest accrued on Deposits	13	17
Deposits	370	484
Others	1,526	2,476
Total	1,909	2,977
15 OTHER CURRENT ASSETS		
Deferred costs*	14	212
Prepaid expenses	1,674	3,038
Balances with Government Authorities	2,933	1,422
Total	4,621	4,672
*Deferred costs represent costs pertaining to undelivered shipments as at the reporting date. (Refer note 27(d))		
16 Share Capital		
Authorised		
40,000,000 equity shares (March 31, 2019: 40,000,000) of ₹ 10 each	4,000	4,000
Issued, Subscribed and Paid up		
23,727,934 equity shares (March 31, 2019: 23,727,934) of ₹ 10 each fully paid-up	2,373	2,373
Add: Forfeited Shares	3	3
Total	2,376	2,376

a. Reconciliation of the number of shares

	As at March 31, 2020		As at March 31, 2019	
	Number of shares	Amount (₹ In Lakhs)	Number of shares	Amount (₹ In Lakhs)
Outstanding as at the beginning of the year	2,37,27,934	2,373	2,37,27,934	2,373
Additions/Deletions during the year	-	-	-	-
Outstanding as at the end of the year	2,37,27,934	2,373	2,37,27,934	2,373

b. Rights, preferences and restrictions attached to equity shares

The Company has only one class of equity shares having a par value of ₹ 10 per share. Every share holder is entitled to participate in dividends. Each shareholder of equity shares is entitled to one vote per share.

SCHEDULES

Notes forming part of the Consolidated Financial Statements as at and for the year ended March 31, 2020

The Company declares and pays dividend in Indian Rupees. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting, except in case of interim dividend which is approved by the Board of Directors.

In the event of liquidation, the equity share holders are eligible to receive the remaining assets of the Company after distribution of all preferential amounts, in proportion to their share holding.

c. Shares held by Holding Company

Out of the above equity shares issued by the Company, shares held by the Holding Company:

	As at March 31, 2020 in ₹ Lakhs	As at March 31, 2019 in ₹ Lakhs
DHL Express (Singapore) Pte. Limited, Singapore the Holding Company 17,795,950 (March 31, 2019: 17,795,950) equity shares of ₹ 10 each fully paid up	1,780	1,780

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

	As at March 31, 2020		As at March 31, 2019	
	Number of shares	%	Number of shares	%
DHL Express (Singapore) Pte. Limited, Singapore	17,795,950	75.00%	17,795,950	75.00%
Derive Trading Private Limited (along with persons acting in concert)	1,268,696	5.35%	1,268,696	5.35%

17 OTHER EQUITY

Reserves and Surplus

	As at March 31, 2020 in ₹ Lakhs	As at March 31, 2019 in ₹ Lakhs
Securities Premium	3,475	3,475
General Reserve	6,273	6,273
Debenture Redemption Reserve	-	1,572
Retained earnings	36,959	44,076
Total	46,707	55,396

Securities Premium

Balance as at the beginning and end of the year	3,475	3,475
--	--------------	--------------

General Reserve

Balance as at the beginning and end of the year	6,273	6,273
--	--------------	--------------

Debenture Redemption Reserve

Balance as at the beginning of the year	1,572	3,243
Add: Transferred to Retained Earning during the year	(1,572)	(1,671)
	-	1,572

SCHEDULES

Notes forming part of the Consolidated Financial Statements as at and for the year ended March 31, 2020

	As at March 31, 2020 in ₹ Lakhs	As at March 31, 2019 in ₹ Lakhs
Retained Earnings		
Balance as at the beginning of the year	44,076	37,814
Add: (Loss)/Profit for the year	(4,186)	8,976
Less: Appropriations		
Transition impact (Ind AS 115)	-	487
Deferred Tax on above	-	(170)
Dividend (including dividend distribution tax)	3,576	3,576
Transfer from Debenture Redemption Reserve	(1,572)	(1,671)
Items of other comprehensive income recognised directly in retained earnings:		
Actuarial loss arising from remeasurements of post employment benefit obligation, net of tax	927	492
Balance as at the end of the year	36,959	44,076
Total	46,707	55,396

Nature and purpose of reserves:

Securities Premium

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

Debenture Redemption Reserve

During the year ended March 31, 2015, the Group had issued and allotted 166,095,538 nos. of Series I, 94,911,736 nos. of Series II and 71,183,802 nos. of Series III, Unsecured Redeemable Non-convertible Fully Paid Debentures of ₹ 10 each by way of Bonus, aggregating to ₹ 33,219 Lakhs to its shareholders by appropriating the Surplus in the Statement of Profit and Loss (Retained earning as per Ind AS) through a Scheme of Arrangement (Scheme) approved by Hon'ble High Court of Mumbai and other relevant authorities.

During the current year on 20th November 2019 the Group redeemed the balance tranche of Non convertible debenture Series III. Accordingly the Group has transferred the accumulated balance of Debenture redemption reserve to retained earnings as per the requirements of the Act and in accordance with the clarifications given by the Ministry of Corporate Affairs.

General Reserve

Under the erstwhile Companies Act 1956, General Reserve was created through an annual transfer from net profit after tax at a specified percentage in accordance with applicable regulations. The purpose of these transfers was to ensure that in a year in which dividend distribution is more than 10% of the paid-up capital of the Company, then the total dividend distribution is lower than the total distributable profits for that year.

Consequent to introduction of Companies Act 2013, the requirement to mandatorily transfer a specified percentage of the net profit to general reserve has been withdrawn. However, the amount previously transferred to the general reserve can be utilised only in accordance with the specific requirements of Companies the Act, 2013.

SCHEDULES

Notes forming part of the Consolidated Financial Statements as at and for the year ended March 31, 2020

	As at March 31, 2020 In ₹ Lakhs	As at March 31, 2019 In ₹ Lakhs
18 NON CURRENT FINANCIAL LIABILITIES- BORROWINGS		
Unsecured Loan		
Term Loan from Bank (Refer note below)	30,500	25,000
Term Loan from Financial Institutions (Refer note below)	10,500	17,500
Total	41,000	42,500

Notes:

Blue Dart Express Limited:

In November 2018, Company has availed an unsecured loan of ₹ 7,500 Lakhs (Noncurrent portion as on March 31, 2020 is ₹ 5,250 lakhs, March 31, 2019; ₹ 7,500 lakhs) from Axis Bank. The said loan is repayable in ten equal quarterly instalments of ₹ 750 lakhs commencing from August 14, 2020. The current rate of interest on the said loan is 7.4% p.a. and subject to reset periodically. Also Refer note 24 for current portion of the loan liability.

Blue Dart Aviation Limited:

During the year, the Blue Dart Aviation Limited (BDAL) has taken additional unsecured term loan of ₹ 10,500 lakhs from Citicorp Finance India Ltd ('Citicorp') on November 15, 2019, having a moratorium period of 24 months and repayable in four equal instalments over a period of 36 months from November 15, 2019, starting from February 14, 2022 with an interest rate of 7.45% p.a. Also, the company has repaid the term loan of ₹ 7,500 lakhs availed from Citicorp Finance India Ltd ('Citicorp') as per its repayment schedule and ₹ 10,000 lakhs availed from Citicorp Finance India Ltd ('Citicorp') ahead of its repayment schedule.

During the year, the BDAL has taken further unsecured term loan from Bank of America of ₹ 20,000 lakhs (₹10,000 lakhs each) at interest rate of 7.48% p.a. and 7.30% each p.a., respectively, which will be reset at every 364 days from the date of disbursement for the purposes of refinancing exiting loan, aviation related maintenance and other capital expenditure.

During the year, the BDAL has fully repaid the term loan of ₹ 10,000 lakhs availed from Federal Bank ahead of its repayment schedule.

	As at March 31, 2020 In ₹ Lakhs	As at March 31, 2019 In ₹ Lakhs
18 (a) NON-CURRENT FINANCIAL LIABILITIES-LEASES		
Lease Liability (Refer note 35)	76,856	-
Total	76,856	-
19 OTHER FINANCIAL LIABILITIES		
Deposit received from DHL Express (India) Private Limited, India	498	659
Total	498	659
20 NON-CURRENT EMPLOYEE BENEFIT OBLIGATIONS		
Provision for Gratuity (Refer note 30)	58	46
Employee benefits payable	1,738	1,122
Total	1,796	1,168
21 PROVISION - LONG TERM		
Provision for aircraft redelivery obligation	495	362
Total	495	362

SCHEDULES

Notes forming part of the Consolidated Financial Statements as at and for the year ended March 31, 2020

	As at March 31, 2020 In ₹ Lakhs	As at March 31, 2019 In ₹ Lakhs
22 CURRENT FINANCIAL LIABILITY - BORROWINGS		
Unsecured		
Unsecured Debentures (Series III) (Refer note below)	-	7,118
Total	-	7,118
<p>Debentures series (I, II and III) were issued on November 21, 2014 and the redemption period for the said series I, II and III is 36 months, 48 months and 60 months respectively from the date of allotment.</p> <p>On 20th November 2019, Group has redeemed the balance Non Convertible Debenture series III along with interest for the period from April 1, 2019 to November 20, 2019 amounting to ₹ 434 Lakhs. Rate of Interest on the Debenture Series III was 9.5% p.a.</p>		
22 (a) CURRENT FINANCIAL LIABILITIES-LEASES		
Lease Liability (Refer note 35)	16,236	-
Total	16,236	-
23 TRADE PAYABLES		
Trade Payables		
Total outstanding dues to micro and small enterprises (Refer note 39)	580	969
Total outstanding dues to creditors other than micro and small enterprises		
Trade payables other than related parties	29,306	32,231
Trade payables to related parties [Refer note 38(F)(i)]	10,217	10,225
Total	40,103	43,425
24 OTHER FINANCIALS LIABILITIES		
Unpaid Dividend (Refer note below)	103	101
Unpaid Interest (Refer note below)	-	9
Unpaid Debenture (Refer note below)	125	98
Interest accrued and due	53	-
Payables towards 'Cash on Delivery' shipments	8,554	7,575
Current maturities of Unsecured term loan from bank and Financial Institutions (Refer note 18)	12,000	7,500
Trade Deposits	688	629
Deposit Received from DHL Express (India) Private Limited	150	150
Total	21,673	16,062
<p>Note: There are no amounts due for transfer to the Investor Education and Protection Fund under Section 125 of the Act as at the respective year ends.</p>		
25 OTHER CURRENT LIABILITIES		
Statutory dues (including Provident Fund, GST, Employees State Insurance and Tax Deducted at Source)	3,330	2,665
Provision for aircraft redelivery obligation	148	218
Total	3,478	2,883

SCHEDULES

Notes forming part of the Consolidated Financial Statements as at and for the year ended March 31, 2020

	As at March 31, 2020 In ₹ Lakhs	As at March 31, 2019 In ₹ Lakhs
26 CURRENT EMPLOYEE BENEFIT OBLIGATIONS		
Provision for Gratuity (Refer note 30)	2,047	1,377
Provision for Compensated Absences (Refer note 30)	3,683	3,346
Other Employee benefits payable	7,131	4,454
Total	12,861	9,177
	Year ended March 31, 2020 In ₹ Lakhs	Year ended March 31, 2019 In ₹ Lakhs
27 REVENUE FROM OPERATIONS		
Service charges	316,639	316,546
Other Operating income:		
Business support services	874	894
Total	317,513	317,440
a) Disaggregation of Revenue		
Revenue from Operation		
Service Charges	316,639	316,546
Business support services	874	894
b) Contract Balances		
Contract assets	14	212
Contract liabilities	507	2,125
Contract assets include deferred cost with respect to shipments in transit as at year end.		
For Trade receivable Refer note 10.		
Contract liabilities include revenue of shipments to the extent of incomplete activities relating to delivery as at year end.		
c) Reconciling the amount of revenue recognised in the statement of profit and loss with the contracted price		
Particulars		
Revenue as per contracted price	323,687	321,765
Adjustments:		
Credit note	(6,971)	(5,136)
Discount	(77)	(83)
Revenue from contract with customers	316,639	316,546
d) Significant Judgement and Estimates		
The allocation of the transaction price over timing of satisfaction of performance obligation:		
Under the revenue recognition standard Ind AS 115 revenue has been recognised when control over the services transfers to the customer i.e., when the customer has the ability to control the use of the transferred services provided and generally derive their remaining benefits.		

SCHEDULES

Notes forming part of the Consolidated Financial Statements as at and for the year ended March 31, 2020

The revenue from logistics service is recognised over a period of time. The Group has recognized the revenue in respect of undelivered shipments to the extent of completed activities undertaken with respect to delivery. The Group has taken incurrence of cost incurred at stages of delivery (First mile, Network and Last mile) as base to identify the percentage of service completion in respect of undelivered shipments as at year end. At year end, the Group, based on its tracking systems classifies the ongoing deliveries into stages of delivery and applies estimated percentages as calculated above to recognise revenue.

	Year ended March 31, 2020 In ₹ Lakhs	Year ended March 31, 2019 In ₹ Lakhs
28 OTHER INCOME		
Dividend from Mutual Funds	305	338
Interest on deposits with banks	146	204
Net Gain on Foreign Currency Transactions and Translation	5	89
Sale of Spares	276	265
Unwinding interest on Lease Deposit	543	554
Miscellaneous income	277	474
Total	1,552	1,924
29 FREIGHT, HANDLING AND SERVICING COSTS		
Domestic network operating costs	95,177	93,669
International servicing charges	14,289	14,209
Commercial airlift charges	13,236	14,893
Handling and clearing charges	9,711	9,325
Printing, stationery and consumables	4,770	5,172
Aircraft Fuel	21,023	23,852
Aircraft and Engine Lease Rentals	680	8,458
Navigation Charges	3,445	3,651
Engineering Maintenance Costs	1,088	1,245
Loss on sale/ scrapping of Rotables/Components & Overhaul written off	103	203
Consumption of Consumables and Tools	1,279	1,154
Provision for aircraft redelivery obligation	63	144
Provision for slow-moving inventory	107	121
Aircraft Insurance	237	229
Interline Expenses	397	297
Total	165,605	176,622
30 EMPLOYEE BENEFITS EXPENSE		
Salaries, Bonus and Compensated absences	64,208	61,358
Contribution to provident and other funds (including administration charges)	3,785	3,106
Gratuity	912	694
Staff welfare expenses	4,448	4,678
Total	73,353	69,836

SCHEDULES

Notes forming part of the Consolidated Financial Statements as at and for the year ended March 31, 2020

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

I Defined Contribution Plans

- a. Superannuation Fund
- b. State Defined Contribution Plans
 - i. Employers' Contribution to Employee's State Insurance Scheme
 - ii. Employers' Contribution to Employee's Pension Scheme 1995
 - iii. Employers' Contribution to Provident Fund

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

	Year ended March 31, 2020 in ₹ Lakhs	Year ended March 31, 2019 in ₹ Lakhs
- Employers' Contribution to Provident Fund	1,278	996
- Employers' Contribution to Superannuation Fund	94	100
- Employers' Contribution to Employee's State Insurance Scheme	528	723
- Employers' Contribution to Employee's Pension Scheme 1995	1,620	1,076

II Defined Benefit Plans

I. Gratuity:

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

	Present value of obligation	Fair value of plan assets	Net defined benefit (asset) /liability
Balance as on April 1, 2019	9,627	(8,204)	1,423
Interest Cost/(Income)	748	(638)	110
Current Service Cost	802	-	802
Expected Return on Plan Assets	-	-	-
Total amount recognised in Profit and Loss	1,550	(638)	912
Return on Plan Assets	-	(37)	(37)
Remeasurements	(1)	1	-
(Gain)/loss from change in financial assumptions	1,213	11	1,224
Experience (gain)/losses	50	-	50
Total amount recognised in other comprehensive income	1,262	(25)	1,237
Benefits Paid	(1,813)	1,813	-
Transferred In/Acquisitions	4	(4)	-
Contributions	-	(1,467)	(1,467)
Balance as on March 31, 2020	10,630	(8,525)	2,105
Balance as on April 1, 2018	8,438	(7,777)	661
Interest Cost/(Income)	664	(613)	51
Current Service Cost	643	-	643
Total amount recognised in Profit and Loss	1,307	(613)	694
Return on Plan Assets	-	48	48
Remeasurements	-	-	-
(Gain)/loss from change in financial assumptions	541	-	541

SCHEDULES

Notes forming part of the Consolidated Financial Statements as at and for the year ended March 31, 2020

	Present value of obligation	Fair value of plan assets	Net defined benefit (asset) /liability
Experience (gain)/losses	156	10	166
Total amount recognised in other comprehensive income	697	58	755
Benefits Paid	(805)	800	(5)
Transferred In/Acquisitions	(10)	10	-
Contributions	-	(682)	(682)
Balance as on March 31, 2019	9,627	(8,204)	1,423

	As at March 31, 2020 in ₹ Lakhs	As at March 31, 2019 in ₹ Lakhs
B) Reconciliation of Present Value of Defined Benefit Obligation and the Fair value of Assets		
Present Value of funded obligation as at the year end	10,630	9,627
Fair Value of Plan Assets as at the end of the year	8,525	8,204
Funded Status (Deficit)	(2,105)	(1,423)
C) Amount recognised in the Balance Sheet		
Present Value of Obligation at the end of the year	(10,630)	(9,627)
Fair value of plan assets at the end of the year	8,525	8,204
Liability recognised in the Balance Sheet (Net)	(2,105)	(1,423)

D) 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, 2020	As at March 31, 2019
Discount Rate and Rate of Return on Plan Assets (per annum)	6.87%/6.82%	7.78%
Rate of increase in Compensation levels (refer note below)	7.75%/6.75%	7.75%/7.25%/6.75%
Attrition rate	1%	1%

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.

	As at March 31, 2020		As at March 31, 2019	
	Increase	Decrease	Increase	Decrease
Discount rate (0.5 % movement)	(635)	698	(527)	577
Rate of increase in Compensation levels (0.5 % movement)	688	(632)	575	(530)
Attrition rate (0.5 % movement)	(60)	63	-	-

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.

SCHEDULES

Notes forming part of the Consolidated Financial Statements as at and for the year ended March 31, 2020

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, 2020 in ₹ Lakhs	As at March 31, 2019 in ₹ Lakhs
Insured fund in LIC	8,525	8,204
iv) Expected gratuity contribution for the next year	1,433	1,345
Weighted average duration of the Defined Benefit Obligation (in years)	15/12	14/11
Maturity profile of defined benefit obligation:		
Within 1 year	575	474
1-2 year	189	262
2-3 year	497	407
3-4 year	475	668
4-5 year	565	635
5-10 years	3,662	3,885

E) Compensated Absences

Current employee benefit obligations (Refer note 26)	3,683	3,346
--	-------	-------

31 FINANCE COSTS

	Year ended March 31, 2020 in ₹ Lakhs	Year ended March 31, 2019 in ₹ Lakhs
Interest on Term Loan	4,127	2,965
Interest on Bank Overdraft*	0	0
Interest on Debentures	434	1,248
Interest on Lease Liability	7,175	-
Interest paid to others	2	53
Total	11,738	4,266

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

32 DEPRECIATION AND AMORTISATION EXPENSE

Depreciation on Tangible assets (Refer note 4 and 33(a))	32,069	11,046
Amortisation on Intangible assets (Refer note 4(a))	2,664	1,743
Total	34,733	12,789

33 OTHER EXPENSES

Rent (Refer note 35)	5,813	20,160
Office expenses	5,080	4,336
Security expenses	3,964	3,733
Electricity	2,414	2,491

SCHEDULES

Notes forming part of the Consolidated Financial Statements as at and for the year ended March 31, 2020

	Year ended March 31, 2020 in ₹ Lakhs	Year ended March 31, 2019 in ₹ Lakhs
Repairs and maintenance - others	4,410	3,883
Communication expenses	1,502	1,731
Directors sitting fees	35	31
Legal and professional	849	871
Payment to Auditors		
As auditor:		
Statutory Audit fees	52	57
Tax Audit fees	6	8
Reimbursement of Expenses	9	3
Other Matters	19	9
Rates and taxes	1,281	1,285
Travelling and conveyance	720	932
Lease rentals (Refer note 35)	286	434
Insurance	636	622
Sales promotion and advertising	202	160
Bad debts written off (net)	(26)	(151)
Expenditure towards Corporate Social Responsibility activities (Refer note below)	388	489
Loss on sale/scrapping of fixed assets (Net)	43	73
Net Loss on Foreign Currency Transactions and Translation	2,098	-
Subscriptions charges	293	297
Miscellaneous expenses	1,063	983
Total	31,137	42,437
Note:- Expenditure on Corporate Social Responsibility Activities		
a) Gross amount required to be spent by the Company during the year	388	480
b) Amount spent during the year on (in cash):		
(i) Expenditure on Educational programmes	78	195
(ii) Expenditure on Health care programmes	40	38
(iii) Expenditure on accommodation for needy children	125	130
(iv) Expenditure for plantation of trees	100	101
(v) Other CSR expenditures	45	25
Total	388	489
33 (a) EXCEPTIONAL ITEMS		
Expenses relating to right sizing exercise	4,609	-
Fixed Assets written off for discontinued business activities (Refer note 4 and 32)	1,499	-
Other Incidental expenses	303	-
Total	6,411	-

With an intention to create long term value for its stakeholders, Management conducted an Organisation Right Sizing exercise which has an impact of ₹ 4,609 lakhs on the results for the year ended March 31, 2020. The Management further decided to discontinue certain business activities and change the operating software for certain business function and accordingly the net book value of related assets aggregating to ₹ 1,802 lakhs has been written down.

SCHEDULES

Notes forming part of the Consolidated Financial Statements as at and for the year ended March 31, 2020

	Year ended March 31, 2020 in ₹ Lakhs	Year ended March 31, 2019 in ₹ Lakhs
34 EARNINGS PER SHARE		
(Loss)/Profit for the year (In ₹ Lakhs)	(4,186)	8,976
Weighted average number of shares (Nos.)	23,727,934	23,727,934
Basic Earnings Per Share (In ₹)	(17.64)	37.83
Diluted Earnings Per Share (In ₹)	(17.64)	37.83
Nominal value of shares outstanding (In ₹)	10	10

35 LEASES

The Group has lease contracts for various items of Buildings, Office equipment, vehicles and aircrafts used in its operations. Leases of buildings generally have lease terms between 2 to 10 years, Leases of aircraft generally have lease terms between 5 to 7 years, while vehicles and office equipment generally have lease terms of 5 years. The Group's obligations under its leases are secured by the lessor's title to the leased assets.

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

Set out below are the carrying amounts of right-of-use assets recognised and the movements during the year:

	As at March 31, 2020 in ₹ Lakhs			
	Initial recognition on April 01, 2019	Additions	Depreciation	Closing net carrying balance
Buildings	57,882	17,589	14,057	61,414
Aircraft	29,221	3,191	4,931	27,481
Vehicles	2,074	301	701	1,674
Office Equipment	131	6	66	71
Total	89,308	21,087	19,755	90,640

	As at March 31, 2020 in ₹ Lakhs
Lease liabilities: other financial liability	
Current Lease liabilities	16,236
Non-current Lease liabilities	76,856
Total lease liabilities	93,092

Maturity analysis of contractual undiscounted cash flow

	As at March 31, 2020 in ₹ Lakhs			
	Less than 1 year	1 - 5 years	> 5 years	Total
Buildings	15,831	42,591	21,869	80,292
Aircraft	6,564	23,284	8,888	38,736
Vehicles	716	1,237	-	1,953
Office Equipment	114	46	-	160
Total undiscounted lease liabilities	23,225	67,159	30,757	121,141

SCHEDULES

Notes forming part of the Consolidated Financial Statements as at and for the year ended March 31, 2020

The effective interest rate for lease liabilities is from 7.59 % to 8.68 %, with maturity between 2021-2030

Year ended March 31, 2020
in ₹ Lakhs

The following are the amounts recognised in profit and loss:

Depreciation expense of right-of-use assets	19,755
Interest expense on lease liabilities	7,175
Expense relating to short-term leases	6,248
Expense relating to leases of low-value assets	760
Total amount recognised in profit and loss	33,938
Total cash outflow	21,807

36 FINANCIAL INSTRUMENTS – FAIR VALUES AND RISK MANAGEMENT

A Accounting classification and fair values

The carrying value and fair value of financial instruments by categories are as follows. It does not include fair value information for financial assets and financial liabilities if the carrying amount is a reasonable approximation of its fair value.

			Carrying amount			in ₹ Lakhs
			March 31, 2020	Note No.	FVTPL	FVTOCI
Financial assets						
(i) Loans (Refer note 1 below)	13	-	-	79	79	
(ii) Trade receivables (Refer note 1 below)	10	-	-	52,823	52,823	
(iii) Cash and cash equivalents (Refer note 1 below)	11	-	-	9,751	9,751	
(iv) Bank balances other than above (Refer note 1 below)	12	-	-	249	249	
(v) Deposits (Refer note 2 below)	5 and 14	-	-	6,326	6,326	
(vi) Other financial assets (Refer note 1 below)	5 and 14	-	-	1,546	1,546	
		-	-	70,774	70,774	
Financial liabilities						
(i) Borrowings	18, 22 and 24					
Term Loan and Bank overdraft (Refer note 4 below)		-	-	41,000	41,000	
(ii) Lease Liability (Refer note 1 below)	18 (a) and 22 (a)	-	-	93,092	93,092	
(iii) Trade payables (Refer note 1 below)	23	-	-	40,103	40,103	
(iv) Other financial liabilities (Refer note 1 below)	19 and 24	-	-	22,171	22,171	
		-	-	196,366	196,366	

			Carrying amount			in ₹ Lakhs
			March 31, 2019	Note No.	FVTPL	FVTOCI
Financial assets						
(i) Loans (Refer note 1 below)	13	-	-	93	93	
(ii) Trade receivables (Refer note 1 below)	10	-	-	49,102	49,102	
(iii) Cash and cash equivalents (Refer note 1 below)	11	-	-	26,607	26,607	
(iv) Bank balances other than above (Refer note 1 below)	12	-	-	264	264	
(v) Deposits (Refer note 2 below)	5 and 14	-	-	6,170	6,170	
(vi) Other financial assets (Refer note 1 below)	5 and 14	-	-	2,500	2,500	
		-	-	84,736	84,736	

SCHEDULES

Notes forming part of the Consolidated Financial Statements as at and for the year ended March 31, 2020

March 31, 2019	Note No.	FVTPL	Carrying amount		in ₹ Lakhs
			FVTOCI	Amortised Cost	Total
Financial liabilities					
(i) Borrowings	18, 22 and 24				
Unsecured Debentures (Refer note 3 below)		-	-	7,118	7,118
Term Loan and Bank overdraft (Refer note 4 below)		-	-	50,000	50,000
(ii) Trade payables (Refer note 1 below)	23	-	-	43,425	43,425
(iii) Other financial liabilities (Refer note 1 below)	19 and 24	-	-	9,221	9,221
		-	-	109,764	109,764

Note 1: The carrying value of Trade receivables, Loans, cash and cash equivalents, other bank balances, other financial assets, trade payables, lease liability, other financial liability are considered to be the same as their fair values due to their short term nature.

Note 2: Difference between carrying amounts and fair values of loans, deposits, other non-current financial assets measured at amortised cost is not significantly different in each of the year presented.

Note 3: The borrowings includes Term Loan (previous year Debentures and Term loan). Previous Year, Debentures were classified under level 1 in fair value hierarchy with quoted prices in active markets of ₹ 7,076 Lakhs.

Note 4: Term Loans and Bank Overdraft are taken at interest rates which are subject to reset periodically considering the then market trend and hence the carrying amount is not materially different from their fair values.

B Financial Risk management

i) Risk management framework

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

ii) Credit Risk

Credit risk is the risk of financial loss to the Group if a customer or counterparty to a financial instrument fails to meet its contractual obligations and arises principally from the Group's receivables from customers. Credit risk is managed through credit approvals, establishing credit limits and continuously monitoring the creditworthiness of customers to which the Group grants credit terms in the normal course of business. The Group establishes an allowance for doubtful debts and impairment that represents its estimate of expected credit loss in respect of trade and other receivables and investments.

Trade and other receivables

The Group's exposure to credit risk is influenced mainly by the individual characteristics of each customer and present economic scenario due to COVID 19. The demographics of the customer, including the default risk of the industry in which the customer operates also have an influence on credit risk assessment.

Concentrations of credit risk with respect to trade receivables are limited, due to the Group's customer base being large and diverse and also on account of realisation of receivables within six months. All trade receivables are reviewed and assessed for default on a regular basis.

Our historical experience of collecting receivables, supported by the level of default, is that credit risk is low.

Cash and cash equivalents

The Group held cash and cash equivalents with credit worthy banks amounting to ₹ 8,875 Lakhs and ₹ 24,755 Lakhs as at March 31, 2020 and March 31, 2019 respectively. The credit worthiness of such banks is evaluated by the management on an ongoing basis and is considered to be good.

SCHEDULES

Notes forming part of the Consolidated Financial Statements as at and for the year ended March 31, 2020

Security deposits given to lessors

The Group has given security deposit to lessors for premises leased by the Group as at March 31, 2020 and as at March 31, 2019. The credit worthiness of such lessors is evaluated by the management on an ongoing basis and is considered to be good.

iii) Liquidity risk

Liquidity risk is the risk that the Group will not be able to meet its financial obligations as they become due. The Group 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 Group's reputation.

The Group has access to funds through various debt instruments option.

As of March 31, 2020, the Group had working capital of ₹ (5,984) Lakhs including inventories of ₹ 2,699 Lakhs, cash and cash equivalents of ₹ 9,751 Lakhs, trade receivables of ₹ 52,823 Lakhs, other assets of ₹ 6,858 Lakhs, employee benefit obligation of ₹ 12,861 Lakhs, trade payables of ₹ 40,103 Lakhs and other liabilities of Rs. 25,151 Lakhs.

As of March 31, 2019, the Group had working capital of ₹ 7,651 Lakhs including inventories of ₹ 2,601 Lakhs, cash and cash equivalents of ₹ 26,607 Lakhs, trade receivables of ₹ 49,102 Lakhs, other assets of ₹ 8,006 Lakhs, employee benefit obligation of ₹ 9,177 Lakhs, trade payables of ₹ 43,425 Lakhs, borrowing ₹ 7,118 Lakhs and other liabilities of ₹ 18,945 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.

March 31, 2020	Carrying amount	Total	Contractual cash flows			in ₹ Lakhs
			0-1 year	1-2 years	2-5 years	More than 5 years
Non-derivative financial liabilities						
Term Loan from Bank	53,000	53,832	12,492	28,903	12,437	-
Trade and other payables	40,103	40,103	40,103	-	-	-
Lease Liability	93,092	121,141	23,225	20,371	46,788	30,757
Other financial liabilities	10,171	10,171	6,914	578	2,679	-
Total	196,366	225,247	82,734	49,852	61,904	30,757

March 31, 2019	Carrying amount	Total	Contractual cash flows			in ₹ Lakhs
			0-1 year	1-2 years	2-5 years	More than 5 years
Non-derivative financial liabilities						
Unsecured non convertible debentures (Series III)	7,118	7,550	7,550	-	-	-
Term Loan from Bank	50,000	51,614	8,146	28,239	15,229	-
Trade and other payables	43,425	43,425	43,425	-	-	-
Other financial liabilities	9,221	9,221	8,573	300	348	-
Total	109,764	111,810	67,694	28,539	15,577	-

SCHEDULES

Notes forming part of the Consolidated Financial Statements as at and for the year ended March 31, 2020

iv) Market risk

Market risk is the risk of loss of future earnings, fair values of 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 Group is exposed to market risk primarily related to foreign exchange rate risk and interest rate risk. Thus, the Group's exposure to market risk is a function of investing and borrowing activities and its revenue generating and operating activities.

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.

Interest rate sensitivity - fixed rate instruments

The Group's fixed rate borrowings are carried at amortised cost. They are therefore not subject to interest rate risk since neither the carrying amount nor the future cash flow will fluctuate because of a change in market interest rates.

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 analysis 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 year end balances are not necessarily representative of the average debt outstanding during the period.

	in ₹ Lakhs	
	Profit or loss	
	100 bp increase	100 bp decrease
As at 31/03/2020		
Variable-rate instruments	(567)	567
sensitivity	(567)	567
As at 31/03/2019		
Variable-rate instruments	(630)	630
sensitivity	(630)	630

b) Currency risk

The fluctuation in foreign currency exchange rates may have potential impact on the Statement of 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 Group 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 and Euro, against the functional currency of the Group.

Exposure to currency risk

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

	in ₹ Lakhs	
Amounts in INR	March 31, 2020	March 31, 2019
Lease Liability (in USD)	(4,693)	-
Lease Liability (in Euro)	(25,503)	-
Trade receivables (in USD)	47	69

SCHEDULES

Notes forming part of the Consolidated Financial Statements as at and for the year ended March 31, 2020

	in ₹ Lakhs	
Amounts in INR	March 31, 2020	March 31, 2019
Trade payables (in USD)	(1,449)	(3,381)
Trade payables (in Euro)	(2,092)	(520)
Trade payables (in GBP)	(4)	(4)
Net statement of financial position exposure	(33,694)	(3,836)
Forward exchange contracts	-	-
Net exposure	(33,694)	(3,836)

Sensitivity analysis

A 10% strengthening / weakening of the respective foreign currencies with respect to functional currency of Group would result in increase or decrease in profit or loss as shown in table below. This analysis assumes that all other variables, in particular interest rates, remain constant and ignores any impact of forecast sales and purchases. The following analysis has been worked out based on the exposures as of the date of statements of financial position.

Effect in ₹ Lakhs March 31, 2020	Profit or loss	
	Strengthening	Weakening
EUR	(2,760)	2,760
USD	(610)	610
GBP	(0)	0
	(3,369)	3,369

Effect in ₹ Lakhs March 31, 2019	Profit or loss	
	Strengthening	Weakening
EUR	(52)	52
USD	(331)	331
GBP	(0)	0
	(383)	383

37 TAX EXPENSE

A. Amounts recognised in Statement of Profit and Loss

	As at March 31, 2020 in ₹ Lakhs	As at March 31, 2019 in ₹ Lakhs
Current income tax	1,281	5,381
Adjustment of tax relating to earlier years	2	(108)
Deferred income tax liability / (asset), net		
Origination and reversal of temporary differences	(1,009)	(835)
Deferred tax (credit)	(1,009)	(835)
Tax expense for the year	274	4,438

SCHEDULES

Notes forming part of the Consolidated Financial Statements as at and for the year ended March 31, 2020

B. Reconciliation of effective tax rate

	As at March 31, 2020 in ₹ Lakhs	As at March 31, 2019 in ₹ Lakhs
Profit/(Loss) before tax	(3,912)	13,414
Tax using the Group's domestic tax rate (Current year 25.17% and Previous Year 34.94%)	(985)	4,687
Add: Tax Effect on amounts which are not deductible/(Taxable) in calculating taxable income:		
Expenditure towards Corporate Social Responsibility activities	51	111
Dividend from Mutual Funds	-	(118)
Adjustment of tax relating to earlier years	2	(108)
Tax adjustment impact due to change in tax rate in deferred tax	435	-
Other deductions	771	(134)
	274	4,438

C. Movement in deferred tax balances

	March 31, 2020				in ₹ Lakhs
	Net balance March 31, 2019	Recognised in Statement of Profit and Loss	Recognised in OCI	Others	Net balance March 31, 2020
Deferred tax asset					
Depreciation	1,857	(308)	-	-	1,549
Provision for Compensated Absences	1,012	(86)	-	-	926
Provision for Bonus	204	(80)	-	-	124
Provision for Gratuity	495	(276)	310	-	529
Other	1,564	1,759	-	-	3,323
Tax Assets	5,132	1,009	310	-	6,451
	March 31, 2019				in ₹ Lakhs
	Net balance March 31, 2018	Recognised in Statement of Profit and Loss	Recognised in OCI	Others	Net balance March 31, 2019
Deferred tax asset					
Depreciation	1,415	442	-	-	1,857
Provision for Compensated Absences	857	155	-	-	1,012
Provision for Bonus	294	(90)	-	-	204
Provision for Gratuity	201	31	263	-	495
Other	1,097	467	-	-	1,564
Tax Assets	3,864	1,005	263	-	5,132
Deferred tax on INDAS 115 impact	-	(170)	-	-	-
		835	263		

The Group 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 and deferred tax liabilities relate to income taxes levied by the same tax authority.

Significant management judgement is required in determining provision for income tax, deferred income tax assets and liabilities and recoverability of deferred tax assets. The recoverability of deferred tax assets is based on estimates of taxable income and the period over which deferred tax assets will be recovered. Any changes in future taxable income would impact the recoverability of deferred tax assets.

SCHEDULES

Notes forming part of the Consolidated Financial Statements as at and for the year ended March 31, 2020

The Group elected to exercise the option permitted under section 115BAA of the Income Tax Act, 1961 as introduced by the Taxation Laws (Amendment) Ordinance, 2019. Accordingly, the Group has recognised Provision for Income Tax for the year and re-measured its Deferred tax asset basis the rate prescribed in the said section.

38 RELATED PARTY DISCLOSURES

(A) Names of related parties and related party relationship

(i) Enterprises where control exists

Ultimate Holding Company	Deutsche Post AG, Germany
Holding Company	DHL Express (Singapore) Pte. Limited, Singapore

(B) Related party relationships where transactions have taken place during the year

(i) Enterprises where control exists

Ultimate Holding Company	Deutsche Post AG, Germany
Holding Company	DHL Express (Singapore) Pte. Limited, Singapore
Fellow Subsidiary Company	DHL Express (India) Private Limited, India
Fellow Subsidiary Company	DHL Supply Chain India Private Limited, India
Fellow Subsidiary Company	DHL Logistics Private Limited, India
Fellow Subsidiary Company	DHL eCommerce (India) LLP, India
Fellow Subsidiary Company	DHL eCommerce Singapore PTE. Ltd., Singapore
Fellow Subsidiary Company	Deutsche Post IT Services, GMBH
Fellow Subsidiary Company	European Air Transport, Leipzig GMBH
Fellow Subsidiary Company	DHL Aviation (Netherlands) B.V.
Fellow Subsidiary Company	DHL Aviation EEMEA, Kingdom of Bahrain
Fellow Subsidiary Company	DHL WorldWide Network NV/SA
Fellow Subsidiary Company	DHL Air UK Ltd., UK

(C) Entities in which a Director of a Subsidiary Company is interested

Company	Cargo Service Center India Private Limited
Company	Delhi Cargo Service Center Private Limited
Company	Mumbai Cargo Service Center Airport Private Limited

(D) Key Management Personnel

Balfour Manuel	CEO (up to May 15, 2019) and Managing Director (from May 16, 2019) - Blue Dart Express Limited
Sharad Upasani	Chairman
Air Marshal M. McMahon (Retd.)	Director
Tulsi Nowlakha Mirchandaney	Managing Director - Blue Dart Aviation Limited and Director in Blue Dart Express Limited.
Narendra Sarda	Director
Kavita Nair	Director (from March 26, 2019)
Anil Khanna	Managing Director - Blue Dart Express Limited (Up to January 23, 2019)

SCHEDULES

Notes forming part of the Consolidated Financial Statements as at and for the year ended March 31, 2020

	Year ended March 31, 2020 in ₹ Lakhs	Year ended March 31, 2019 in ₹ Lakhs
(E) Transactions with related parties during the year		
(i) With Holding/Fellow Subsidiaries		
Deutsche Post AG, Germany		
Reimbursements of expenses	-	10
Reimbursements of expenses	(30)	(1)
DHL Express (Singapore) Pte. Limited, Singapore		
Dividend paid	2,224	2,224
Reimbursements of expenses	(2)	-
DHL Express (India) Private Limited, India		
International servicing cost	14,289	14,209
Domestic service charges income	(6,964)	(5,841)
Legal and professional fees	109	102
Business support services income	(874)	(894)
Other income	(95)	(98)
Pickup and Delivery charges	200	185
Courier charges incurred	604	503
DHL Supply Chain India Private Limited, India		
Domestic service charges income	(2,868)	(3,991)
Efulfillment Warehousing services	283	440
DHL Logistics Private Limited, India		
Domestic service charges income	(523)	(567)
International Servicing Cost	145	81
Freight income	(1)	(60)
DHL eCommerce (India) LLP, India		
Domestic service charges income	(12)	(9)
Domestic Network Operating Cost	5,630	7,011
European Air Transport, Leipzig GMBH		
Aircraft spares /Repairs	25	45
Sale of C Duct	(22)	-
DHL eCommerce Singapore PTE. Ltd., Singapore		
Payment towards software maintenance and others	-	164
Deutsche Post IT Services, GMBH		
Payment towards software maintenance and others	1	2
DHL Air UK Ltd., UK		
Purchase of spares	13	-
DHL Aviation (Netherlands) B.V.		
Aircraft Dry Lease	7,098	7,750
Technical services	17	17
DHL Aviation EEMEA, Kingdom of Bahrain		
Purchase of Aircraft parts	5	-

SCHEDULES

Notes forming part of the Consolidated Financial Statements as at and for the year ended March 31, 2020

	Year ended March 31, 2020 in ₹ Lakhs	Year ended March 31, 2019 in ₹ Lakhs
Delhi Cargo Service Centre Private Limited		
Rent, Civil and Other work	1,751	934
Cargo Service Centre India Private Limited		
Interline Expenses	13	12
DHL WorldWide Network NV/SA		
AMC charges for Engineering & Maintenance ERP	-	42
Reimbursement of Freight charges	-	-
Mumbai Cargo Service Center Airport Private Limited		
Cargo handling charges	154	31
(ii) With Key Management Personnel		
Anil Khanna - Blue Dart Express Limited		
Remuneration	-	578
Sharad Upasani		
Commission	-	18
Sitting Fees	8	8
Air Marshal M. McMahon (Retd.)		
Commission	-	18
Sitting Fees	4	2
Narendra P Sarda		
Commission	-	18
Sitting Fees	6	8
Kavita Nair		
Sitting Fees	2	-
Balfour Manuel		
Remuneration	148	28
Tulsi Nowlakha Mirchandaney - Blue Dart Aviation Limited		
Remuneration	302	233
	As at March 31, 2020 in ₹ Lakhs	As at March 31, 2019 in ₹ Lakhs
(F) Related party balances as at the year end		
(i) Receivable/(Payable) from/to Fellow Subsidiaries		
DHL Express (India) Private Limited, India	2,419	1,616
DHL Express (India) Private Limited, India	(6,504)	(6,632)
DHL Supply Chain India Private Limited, India	733	711
DHL Supply Chain India Private Limited, India	(87)	(89)
DHL Logistics Private Limited, India	109	139
DHL Logistics Private Limited, India	(26)	(55)
DHL eCommerce (India) LLP, India	(1,561)	(3,613)

SCHEDULES

Notes forming part of the Consolidated Financial Statements as at and for the year ended March 31, 2020

	As at March 31, 2020 in ₹ Lakhs	As at March 31, 2019 in ₹ Lakhs
DHL eCommerce (India) LLP, India	14	3
DHL Aviation (Netherlands) B.V.	(2,671)	(624)
Cargo Service Center India Private Limited	(2)	(1)
Delhi Cargo Service Center Private Limited	1,314	1,314
Delhi Cargo Service Center Private Limited	(8)	(8)
European Air Transport, Leipzig GmbH	-	(1)
Mumbai Cargo Service Center Airport Private Limited	(6)	(9)

(ii) Payable to Key Management Personnel

Sharad Upasani	-	18
Air Marshal M. McMahon (Retd.)	-	18
Narendra Sarda	-	18
Kavita Nair	-	-
Balfour Manuel	-	12
Tulsi Nowlakha Mirchandaney	110	72

Note: 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.

(G) Key management personnel compensation comprised the following:

	Blue Dart Express Limited		Blue Dart Aviation Limited	
	Year ended March 31, 2020 in ₹ Lakhs	Year ended March 31, 2019 in ₹ Lakhs	Year ended March 31, 2020 in ₹ Lakhs	Year ended March 31, 2019 in ₹ Lakhs
Short-term employee benefits	144	461	302	233
Post-employment benefits	4	11	-	-
Long-term employee benefits	-	134	-	-
Total	148	606	302	233

39 DUES TO MICRO AND SMALL ENTERPRISES

	As at March 31, 2020 in ₹ Lakhs	As at March 31, 2019 in ₹ Lakhs
Principal amount due to suppliers registered under the MSMED Act and remaining unpaid as at year end	580	969
Interest due to suppliers registered under the MSMED Act and remaining unpaid as at year end	16	11
Principal amounts paid to suppliers registered under the MSMED Act beyond the appointed day during the year	132	169
Interest paid, other than under Section 16 of MSMED Act to suppliers registered under the MSMED Act beyond the appointed day during the year	-	-
Interest paid, under Section 16 of MSMED Act to suppliers registered under the MSMED Act beyond the appointed day during the year	-	-

SCHEDULES

Notes forming part of the Consolidated Financial Statements as at and for the year ended March 31, 2020

	As at March 31, 2020 in ₹ Lakhs	As at March 31, 2019 in ₹ Lakhs
Interest due and payable towards suppliers registered under MSMED Act for payments already made	2	2
Further interest remaining due and payable for earlier years	11	8
The above information regarding Micro and Small Medium Enterprises given in note 23 - Trade Payables have been identified on the basis of information available with the Group.		

	As at March 31, 2020 in ₹ Lakhs	As at March 31, 2019 in ₹ Lakhs
Detailed break-up of Interest is as follows:		
Interest due to suppliers registered under the MSMED Act and remaining unpaid as at year end	16	11
Interest due and payable towards suppliers registered under MSMED Act for payments already made	2	2
Further interest remaining due and payable for earlier years	11	8
Interest Charge to Statement of Profit and Loss	5	4

	As at March 31, 2020 in ₹ Lakhs	As at March 31, 2019 in ₹ Lakhs
40 CAPITAL AND OTHER COMMITMENTS		
Estimated amount of contracts remaining to be executed on capital account and not provided for [net of advances ₹ 35 Lakhs (March 31, 2019 - ₹ 167 Lakhs)]	6,110	2,801

41 CONTINGENT LIABILITIES

Claims against the group not acknowledged as debt

- | | | |
|---|-------------------|-------------------|
| a) Stamp Duty - Karnataka | Not ascertainable | Not ascertainable |
| <p>In response to the notices received from Stamp Authorities of Bangalore, Mangalore and Mumbai for payment of stamp duty under the Karnataka Stamp Act, 1957, and Maharashtra Stamp Act, 1958, based on the legal counsel advise received, the Company has filed its reply with those authorities submitting that on various grounds, it does not consider an air waybill to be an 'acknowledgement' chargeable to stamp duty under the Schedule of the said Act.</p> | | |
| b) On February 28, 2019, Honourable Supreme Court of India has passed the Judgement relating to the allowances to be considered while determining the amount of contribution toward Provident Fund. Presently, there are numerous interpretative issues relating to the Judgement. Based on the opinions obtained by the Group from its Legal consultants, the Group has complied the Provident Fund contribution mechanism effective April 1, 2019 and no provision has been made for the past periods in its financial statements as at March 31, 2020. | | |
| c) Service Tax | - | 434 |
| <p>The Group had received Show Cause cum Demand Notice from service tax authorities relating to the Service Tax demand on courier services provided by the Group to educational institutions (ICAI/CBSE), contending that the Exemption Notification issued for exempting service tax on services rendered to educational institutes (ICAI and CBSE) is not applicable for courier services rendered by the Group .</p> <p>The Group had filed its reply with the department submitting that courier services provided by the Group are exempt from service tax as per the provisions of the relevant Notification.</p> | | |

SCHEDULES

Notes forming part of the Consolidated Financial Statements as at and for the year ended March 31, 2020

In case of exempted turnover, an assessee has the option of (i) reversing input credit in ratio of exempted turnover to total turnover, or (ii) pay a tax of 6% (April 2014 to May 2015) / 7% (June 2015 to Dec 2016). The Group has paid a service tax under option (ii) for the above period. This would be available as credit to be set off against the gross demand.

Further in current year, Group has applied under "Sabka Vishwas – Legacy Dispute Resolution Scheme, 2019" introduced by CBIC (Central Board of Indirect taxes and Customs) and discharged the Service Tax Demand as determined under the scheme.

42 Disclosures required by Schedule III of the Companies Act, 2013 by way of additional information:

Name of the entity	Net Assets, i.e., total assets minus total liabilities		Share in profit or loss	
	As % of consolidated net assets	Amount in ₹ Lakhs	As % of consolidated profit	Amount in ₹ Lakhs
Parent:				
Blue Dart Express Limited	95%	46,574	91%	(3,829)
Subsidiaries (Indian):				
Blue Dart Aviation Limited	5%	2,344	9%	(360)
Concorde Air Logistics Limited	0%	165	0%	3
Total	100%	49,083	100%	(4,186)

43 CAPITAL MANAGEMENT

The Group's objective for Capital management is to maximise shareholder's value and support the strategic objectives of the Group. The Group determines the capital requirements based on its financial performance, operating and long term investment plans. The funding requirements are met through operating cash flows generated.

The Group monitors capital using a ratio of 'debt' to 'equity'. For this purpose, adjusted net debt is defined as total borrowings, comprising term loan from financial institution and Bank, less cash and cash equivalents. Equity comprises all components of equity. Debt equity ratio as at March 31, 2020 is 1.00 and as at March 31, 2019 is 0.62.

44 DIVIDENDS

The final dividend proposed for the year is as follows:

On Equity Shares of ₹ 10/- each

Amount of dividend proposed (in ₹ Lakhs)

Dividend per equity share

	As at March 31, 2020	As at March 31, 2019
	-	2,966
	-	12.50

45 NOTE ON COVID 19

World Health Organisation (WHO) declared outbreak of Coronavirus Disease (COVID-19) a global pandemic on March 11, 2020. Consequent to this, The Ministry of Home Affairs vide order No.40-3/2020 dated 24.03.2020 notified first ever nation-wide lockdown in India to contain the outbreak of COVID 19 which impacted the overall economy and the business activities of the Group. The Group's performance for the month of March 2020 has been partially impacted. The impact on our business will depend on future developments that cannot be reliably predicted. The impact of global health pandemic might be different from that estimated as at the date of approval of these financial results and the Group will closely monitor any material changes to future economic conditions.

SCHEDULES

Notes forming part of the Consolidated Financial Statements as at and for the year ended March 31, 2020

46 SUBSEQUENT EVENT

The Group has changed its Leave Policy effective April 1, 2020. The Group is in the process of evaluating the effect of the revised leave policy on its financial statement.

47 SEGMENT INFORMATION

The Group has only one operating segment, which is integrated air and ground transportation and distribution. All assets of the Group are domiciled in India and the Group earns its entire revenue from its operations in India. There is no single customer which contributes more than 10% of the Group's total revenues.

As per our report of even date

For S.R. Batliboi & Associates LLP
ICAI Firm Registration No.101049W/E300004
Chartered Accountants

per Sunil Gaggar
Partner
Membership No. 104315

Place: Bengaluru
Date: May 26, 2020

For and on behalf of the Board of Directors

Sharad Upasani
Chairman
DIN:01739334

Tulsi Nowlakhia Mirchandaney
Director
DIN:01842520

Place: Mumbai
Date: May 26, 2020

Balfour Manuel
Managing Director
DIN:08416666

Kavita Nair
Director
DIN:07771200

Aneel Gambhir
Chief Financial Officer

Narendra Sarda
Director
DIN:03480129

R.S. Subramanian
Director
DIN:02946608

Tushar Gunderia
Company Secretary

Air Marshal M. McMahon (Retd.)
Director
DIN:00234293

LEADERSHIP

HEAD

Being results orientated
Leveraging strengths



HEART

Providing purpose
Having and creating trust



GUTS

Focusing on clear priorities
Being positive about challenges,
uncertainty and change



Most Customer Centric
Most Global Quality Leader



Corporate Information

Registered Office:

Blue Dart Centre, Sahar Airport Road,
Andheri (E), Mumbai - 400 099.
Tel: +91 22 2839 6444
Fax: +91 22 2824 4131, 2831 1184
CIN: L61074MH1991PLC061074
www.bluedart.com
communications@bluedart.com

Bankers:

Axis Bank Ltd.
Canara Bank
Citibank N.A.
HDFC Bank Ltd.
ICICI Bank Ltd.
IDBI Bank Ltd.
Standard Chartered Bank
State Bank of India
Yes Bank Ltd.

Statutory Auditors:

S. R. Batliboi & Associates LLP

Internal Auditors:

KPMG
(co-sourced with Company's
Internal Audit Team)

Solicitors:

Mulla & Mulla & Craigie Blunt & Caroe
DSK Legal

Registrar & Transfer Agent:

Link Intime India Pvt. Ltd.



Corporate Office: Blue Dart Express Limited, Blue Dart Centre, Sahar Airport Road, Andheri (East),
Mumbai - 400 099. India. Tel: (022) 2839 6444 | Fax: (022) 2824 4131

 1860 233 1234 / 022 6260 1234 |  www.bluedart.com |  /bluedart.official
 /BlueDartTweets |  /company/bluedart |  /bluedartofficialchannel



I  MY BLUE DART

BLUE DART

BLUE DART

EXPRESS LIMITED

NOTICE

NOTICE is hereby given that Twenty Ninth Annual General Meeting of Blue Dart Express Limited will be held on Friday, July 31, 2020 at 4:00 p.m. through Video Conferencing (“VC”)/ Other Audio-Visual Means (“OAVM”) to transact the following business.

ORDINARY BUSINESS:

1. To receive, consider and adopt;
 - a) the Audited Financial Statements of the Company for the financial year ended March 31, 2020, the reports of the Board of Directors and Auditors; and
 - b) the Audited Consolidated Financial Statements of the Company for the financial year ended March 31, 2020, together with the Report of the Auditors thereon.
2. To appoint a Director in place of Mr. Kenneth Allen (DIN: 08376337) who retires by rotation and being eligible, offers himself for re-appointment.

SPECIAL BUSINESS:

3. (a) To consider and, if thought fit, to pass the following resolution as a **Special Resolution**:

“**RESOLVED THAT** in partial modification of earlier resolution passed by the Members at the Twenty Eighth Annual General Meeting of the Company held on July 31, 2019 for appointment and remuneration payable to Mr. Balfour Manuel, Managing Director (DIN: 08416666) and pursuant to provisions of Sections 196, 197, 198, 203 and other applicable provisions, if any, of the Companies Act, 2013 read with Schedule V to the Companies Act, 2013 and Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 (including any statutory modification(s) or re-enactment(s) made thereof for the time being in force), relevant provisions of the Articles of Association of the Company and in terms of recommendation of the Nomination and Remuneration Committee and as approved by the Board of Directors, approval of Members of the Company be and is hereby accorded for payment of remuneration to Mr. Balfour Manuel, Managing Director, for the period from May 16, 2019 to March 31, 2020 as approved in the Twenty Eighth Annual General Meeting of the Company held on July 31, 2019, notwithstanding inadequacy of profits/no profits during the aforesaid period under provisions of applicable law and as detailed in the Explanatory Statement attached to the Notice;

RESOLVED FURTHER THAT any Director and / or the Company Secretary be and is hereby authorised severally to do all such acts, deeds, matters and things as may be considered necessary or desirable to give effect to this resolution and matters incidental thereto.”

- (b) To consider and, if thought fit, to pass the following resolution as a **Special Resolution**:

“**RESOLVED THAT** in partial modification of earlier Resolution passed by the Members at the Twenty Eighth Annual General Meeting of the Company held on July 31, 2019 and pursuant to provisions of Sections 196, 197, 198, 203 and other applicable provisions, if any, of the Companies Act, 2013 read with Schedule V of the Companies Act, 2013 and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, (including any statutory modification(s) or re-enactment(s) made thereof for the time being in force), relevant provisions of the Articles of Association of the Company and in terms of recommendation of Nomination and Remuneration Committee and as approved by the Board of Directors, approval of Members of the Company be and is hereby accorded to revise remuneration of Mr. Balfour Manuel, Managing Director (DIN 08416666), for the financial year April 1, 2020 to March 31, 2021 as set out in the Explanatory Statement and Supplementary Agreement (“the Agreement”) to be entered into between the Company and Mr. Balfour Manuel, Managing Director, the draft whereof is placed before this meeting and initialed by the Chairman for the purpose of identification, which Agreement is hereby specifically sanctioned with liberty to the Board of Directors to alter and vary the terms and conditions of the said Agreement and/or remuneration or any modifications thereto as may be agreed to between the Board of Directors and Mr. Balfour Manuel;

RESOLVED FURTHER THAT in the event of, during the aforesaid financial year, the Company has no profits or its profits are inadequate, the Company will pay to the Managing Director remuneration as set out in the Explanatory Statement as minimum remuneration;

RESOLVED FURTHER THAT any Director and / or Company Secretary be and is hereby authorised severally to do all such acts, deeds, matters and things as may be considered necessary or desirable to give effect to this resolution and matters incidental thereto.”

4. To consider and, if thought fit, to pass the following resolution as a **Special Resolution**:

“RESOLVED THAT pursuant to provisions of Regulation 17(1A) of the SEBI (Listing Obligations & Disclosure Requirements) (Amendment) Regulations, 2018 issued vide SEBI Notification dated May 09, 2018, (including any statutory amendment(s) or modification(s) thereto or re-enactment(s) thereof for the time being in force) and subject to such other applicable laws, rules, regulations etc. as may be applicable in this regard, and pursuant to recommendation and approval of Nomination & Remuneration Committee and Board of Directors, consent of the members be and is hereby accorded to continue the appointment of Mr. Narendra Sarda (DIN: 03480129), as a Non-Executive Independent Director of the Company on his attaining the age of 75 years, from the period beginning from November 08, 2020 until the expiry of his tenure on March 27, 2022 as per the terms of appointment thereof.

RESOLVED FURTHER THAT any Director and/ or the Company Secretary of the Company, be and is hereby authorized severally to do all such acts, deeds, matters and things as may be considered necessary or desirable to give effect to this resolution and matters incidental thereto.”

Mumbai,
May 26, 2020

By Order of the Board
sd/-
Tushar Gunderia
Company Secretary

Regd. Office:
Blue Dart Centre, Sahar Airport Road,
Andheri (East), Mumbai – 400 099.
Tel : 28396444 | Fax : 28244131
CIN: L61074MH1991PLC061074
www.bluedart.com
Investors@bluedart.com

NOTES:

1. An Explanatory Statement pursuant to Section 102 of the Companies Act, 2013, ('the Act') relating to the Special Business to be transacted at the Annual General Meeting ('AGM') and relevant details in respect of Item no. 2 pursuant to the provisions of Securities and Exchange Board of India (Listing Obligations & Disclosure Requirements) Regulations, 2015 & Secretarial Standard on General Meeting (SS-2) are annexed hereto. The Board of Directors have considered and decided to include item nos. 3 (a) and 3 (b) and 4 given above as 'Special Business' in the forthcoming AGM, being unavoidable. The venue of the Meeting shall deemed to be the Registered Office of the Company viz; Blue Dart Centre, Sahar Airport Road, Andheri (East), Mumbai - 400099.
2. In view of continuing restrictions on the movement of people at several places in the country, due to outbreak of COVID-19, the Ministry of Corporate Affairs (MCA), vide its General Circular No. 20/2020 dated May 05, 2020 read with General Circular No. 14/2020 dated April 08, 2020 and General Circular No. 17/2020 dated April 13, 2020 and other applicable circulars issued by the Securities and Exchange Board of India (SEBI), has allowed the Companies to conduct the AGM through Video Conferencing (VC) or Other Audio Visual Means (OAVM) during the calendar year 2020. In accordance with, the said circulars of MCA, SEBI and applicable provisions of the Act and SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015 (Listing Regulations), the 29th AGM of the Company shall be conducted through VC / OAVM. National Securities Depositories Limited ('NSDL') will be providing facility for voting through remote e-voting, for participation in the AGM through VC / OAVM facility and e-voting during the AGM. The procedure for participating in the meeting through VC / OAVM is explained below and is also available on website of the Company at www.bluedart.com.
3. Pursuant to provisions of the Act, a Member entitled to attend and vote at the AGM is entitled to appoint a proxy to attend and vote on his/her behalf and the proxy need not be a Member of the Company. Since this AGM is being held pursuant to the MCA Circulars through VC / OAVM, physical attendance of Members has been dispensed with. Accordingly, the facility for appointment of proxies by the Members will not be available for the AGM and hence the Proxy Form and Attendance Slip including Route Map are not annexed to this Notice.
4. Pursuant to Section 113 of the Companies Act, 2013, Institutional / Corporate Members are requested to send a scanned copy (PDF/JPEG format) of the Board Resolution authorising its representatives to attend and vote at the AGM through VC/OAVM on its behalf and to vote through remote e-voting. The said Resolution/Authorization shall be sent to the Scrutinizer by e-mail through its registered email address to nilesh@ngshah.com with a copy marked to evoting@nsdl.co.in

ELECTRONIC DISPATCH OF ANNUAL REPORT AND PROCESS FOR REGISTRATION OF E-MAIL ID FOR OBTAINING COPY OF ANNUAL REPORT:

5. In compliance with the aforesaid MCA Circulars and SEBI Circular dated May 12, 2020, Notice of the AGM along with the Annual Report 2019-20 is being sent only through electronic mode to those Members whose email addresses are registered with the Company/ Depositories. Members may note that the Notice and Annual Report 2019-20 will also be available on the Company's website www.bluedart.com, website of the Stock Exchanges i.e. BSE Limited and National Stock Exchange of India Limited at www.bseindia.com and www.nseindia.com and on the website of NSDL <https://www.evoting.nsdl.com>
6. Members holding shares in physical mode and who have not updated their e-mail addresses with the Company are requested to update their e-mail addresses by writing to the Company's Registrar & Share Transfer Agent, Link Intime India Pvt. Ltd., C-101, 1st Floor, 247 Park, LBS Marg, Vikhroli (West), Mumbai - 400083 along with copy of the signed request letter mentioning the name and address of the Member, self-attested copy of the PAN card and self-attested copy of any document (eg; Driving License, Election Identity Card, Passport) in support of address of the Member. Members holding shares in dematerialised mode are requested to register / update their e-mail addresses with the relevant Depository Participants. Pursuant to general circular no. 20/2020 dated May 05, 2020 issued by the Ministry of Corporate Affairs, the Company has also enabled the process for the limited purpose of receiving the Company's Annual Report and notice of Annual General Meeting (including remote e-voting instructions) electronically and members may temporarily update their e-mail address by accessing the link https://linkintime.co.in/emailreg/email_register.html or on their web site www.linkintime.co.in under the Investor Services tab by choosing the e-mail registration heading and follow registration process as guided therein.

PROCEDURE FOR JOINING THE AGM THROUGH VC / OAVM:

7. Members will be provided with a facility to attend the AGM through VC / OAVM through the NSDL e-voting system. Members may access the same at <https://www.evoting.nsdl.com> under Members login by using the remote e-voting credentials. The link for VC / OAVM will be available in Members login where the EVEN of Company will be displayed. Please note that the Members who do not have the User ID and Password for e-voting or have forgotten the User ID and Password may retrieve the same by following the remote e-voting instructions mentioned in the notice. Further Members can also use the OTP based login for logging into the e-voting system of NSDL.
8. For convenience of Members and proper conduct of AGM, Members can login and join at least 30 (thirty) minutes prior to the time scheduled for the AGM and facility to join AGM shall be

kept open throughout the proceedings of AGM. Members will be allowed to attend the AGM on first come, first served basis.

9. Members who need assistance before or during the AGM with use of technology, can: - Send a request at evoting@nsdl.co.in or use Toll free no.: 1800-222-990; or - Contact Mr. Amit Vishal, Senior Manager, NSDL at the designated email ID: evoting@nsdl.co.in or AmitV@nsdl.co.in or at telephone no. +91-22-24994360; or - Contact Ms. Pallavi Mhatre, Manager, NSDL at the designated email ID: evoting@nsdl.co.in or pallavid@nsdl.co.in or at telephone no. +91-22-24994545.
10. Institutional Members are encouraged to attend and vote at the AGM through VC / OAVM. In case, if any Institutional Members, face issues for participating in the AGM, they can write at an e-mail stated above at no. 9 or call at the contact no. given above for any support or assistance.
11. Please note that participants connecting from Mobile devices or Tablets or through Laptop connecting via Mobile Hotspot may experience Audio / Video loss due to fluctuations in their respective network. It is therefore recommended to use stable Wi-Fi or LAN connection to mitigate any kind of aforesaid glitches.
12. Members attending the AGM through VC / OAVM shall be counted for the purpose of reckoning the quorum under Section 103 of the Act.

PROCEDURE TO RAISE QUESTIONS / SEEK CLARIFICATIONS WITH RESPECT TO ANNUAL REPORT:

13. As the AGM is being conducted through VC / OAVM, for smooth conduct of proceedings of the AGM, Members are encouraged to express their views / send their queries in advance mentioning their name, demat account no. / folio no., email id, mobile no. at Investors@bluedart.com. Questions / queries received by the Company by Wednesday, July 29, 2020 till 5.00 p.m. shall be considered and responded during AGM.
14. Members who would like to express their views or ask questions during the AGM, may register themselves as a speaker by sending an email to the Company at Investors@bluedart.com by Wednesday, July 29, 2020 till 5.00 p.m.
15. The Company reserves its right to restrict the number of questions and number of speakers, as appropriate for smooth conduct of the AGM.

PROCEDURE FOR REMOTE E-VOTING AND E-VOTING DURING THE AGM:

16. Pursuant to Section 108 of the Act read with Rule 20 of the Companies (Management and Administration) Rules, 2014, as amended and Regulation 44 of Listing Regulations, the Company is pleased to provide the facility to Members to exercise their rights to vote on the resolutions proposed to be passed at AGM by electronic means.

17. The Members, whose names appear in the Register of Members / list of Beneficial Owners as on Thursday, July 23, 2020, i.e. the cut-off date, are entitled to vote on the Resolutions set forth in this Notice.
18. Members may cast their votes on electronic voting system from any place (remote e-voting). The remote e-voting period will commence at 9.00 a.m. on Saturday, July 25, 2020 and will end at 5.00 p.m. on Thursday, July 30, 2020. The remote e-voting module shall be disabled by NSDL for voting thereafter. In addition, the facility for voting through electronic voting system shall also be made available during the AGM. Members attending the AGM who have not cast their votes by remote e-voting shall be eligible to cast their votes through e-voting during the AGM. Members who have voted through remote e-voting shall be eligible to attend the AGM, however, they shall not be eligible to vote at the meeting. Members holding shares in physical form are requested to access the remote e-voting facility provided by the Company through NSDL e-voting system at <https://www.evoting.nsdl.com/>.
19. The details of the process and manner for remote e-voting are explained herein below:

Step 1: Log-in to NSDL e-voting system at <https://www.evoting.nsdl.com/>

- a) Visit the e-Voting website of NSDL. Open web browser by typing the following URL: <https://www.evoting.nsdl.com/> either on a Personal Computer or on a mobile.
- b) Once the home page of e-Voting system is launched, click on the icon "Login" which is available under 'Shareholders' section.
- c) A new screen will open. You will have to enter your User ID, your Password and a Verification Code as shown on the screen.

Alternatively, if you are registered for NSDL e-services i.e. IDEAS, you can log-in at <https://eservices.nsdl.com/> with your existing IDEAS login. Once you log-in to NSDL eservices after using your log-in credentials, click on e-Voting and you can proceed to Step 2 i.e. Cast your vote electronically.

- d) Your User ID details are given below :

Manner of holding shares i.e. Demat (NSDL or CDSL) or Physical	Your User ID is:
a) For Members who hold shares in demat account with NSDL.	8 Character DP ID followed by 8 Digit Client ID For example if your DP ID is IN300*** and Client ID is 12***** then your user ID is IN300***12*****.

b) For Members who hold shares in demat account with CDSL.	16 Digit Beneficiary ID For example if your Beneficiary ID is 12***** then your user ID is 12*****
c) For Members holding shares in Physical Form.	EVEN Number followed by Folio Number registered with the company For example if folio number is 001*** and EVEN is 101456 then user ID is 101456001***

e) Your password details are given below:

- i. If you are already registered for e-voting, then you can use your existing password to login and cast your vote.
- ii. If you are using NSDL e-voting system for the first time, you will need to retrieve the 'initial password' which was communicated to you. Once you retrieve your 'initial password', you need to enter the 'initial password' and the system will force you to change your password.
- iii. How to retrieve your 'initial password'?
 - If your email ID is registered in your demat account or with the Company, your 'initial password' is communicated to you on your email ID. Trace the email sent to you from NSDL from your mailbox. Open the email and open the attachment i.e. a .pdf file. Open the .pdf file. The password to open the .pdf file is your 8 digit client ID for NSDL account, last 8 digits of client ID for CDSL account or folio number for shares held in physical form. The .pdf file contains your 'User ID' and your 'initial password'.
 - If your email ID is not registered, please follow steps mentioned in Note No. 6 above
- iv. If you are unable to retrieve or have not received the "Initial password" or have forgotten your password:
 - a) Click on "Forgot User Details/Password?" (If you are holding shares in your demat account with NSDL or CDSL) option available on www.evoting.nsd.com.
 - b) "Physical User Reset Password?" (If you are holding shares in physical mode) option available on www.evoting.nsd.com.
 - c) If you are still unable to get the password by aforesaid two options, you can send a request at evoting@nsdl.co.in mentioning your demat account number/folio number, your PAN, your name and your registered address.

d) Members can also use the OTP (One Time Password) based login for casting the votes on the e-Voting system of NSDL.

- v. After entering your password, tick on Agree to "Terms and Conditions" by selecting on the check box.
- vi. Now, you will have to click on "Login" button
- vii. After you click on the "Login" button, Home page of e-Voting will open.

Step 2: Cast your vote electronically on NSDL e-voting system.

How to cast your vote electronically on NSDL e-voting system?

- (a) After successful login at Step 1, you will be able to see the Home page of e-voting. Click on e-voting. Then, click on Active Voting Cycles.
- (b) After click on Active Voting Cycles, you will be able to see all the companies 'EVEN' in which you are holding shares and whose voting cycle is in active status.
- (c) Select 'EVEN' of Company, which is 113089.
- (d) Now you are ready for e-voting as the voting page opens.
- (e) Cast your vote by selecting appropriate options i.e. assent or dissent, verify / modify the number of shares for which you wish to cast your vote and click on 'Submit' and also 'Confirm' when prompted.
- (f) Upon confirmation, the message 'Vote cast successfully' will be displayed.
- (g) You can also take the printout of the votes cast by you by clicking on the print option on the confirmation page.
- (h) Once you confirm your vote on the resolution, you will not be allowed to modify your vote.

The guidance note / instructions for Members for e-voting on the day of the AGM are as under:

- (a) The procedure for e-voting on the day of the AGM is same as the instructions mentioned above for remote e-voting.
- (b) Only those Members, who will be present in the AGM through VC / OAVM facility and have not casted their votes on the Resolutions through remote e-voting and are otherwise not barred from doing so, shall be eligible to vote through e-voting system in the AGM.
- (c) Members who have voted through remote e-voting will be eligible to attend the AGM. However, they will not be eligible to vote at the AGM.
- (d) For details of the person who may be contacted for any assistance connected with the facility for e-voting on the day of the AGM, please refer Note No. 9 above.

GENERAL INFORMATION:

20. It is strongly recommended not to share your password with any other person and ensure utmost care to keep your password confidential. Login to the e-voting website will be disabled upon five unsuccessful attempts to key in the correct password. In such an event, you will need to go through the 'Forgot User Details/Password?' or 'Physical User Reset Password?' option available on www.evoting.nsdl.com to reset the password.
21. The voting rights of Members shall be in proportion to their shares of the paid – up equity share capital of the Company as on July 23, 2020, being the cut-off date. Members are eligible to cast vote electronically only if they are holding shares as on that date.
22. Any person, who acquires shares of the Company and becomes a Member of the Company after sending of the Notice and holding shares as of the cut-off date, may obtain the login ID and password by sending a request at evoting@nsdl.co.in. However, if he/she is already registered with NSDL for remote e-voting then he/she can use his/her existing User ID and password for casting the vote.
23. The Company has appointed Mr. Nilesh Shah, Practicing Company Secretary (Membership No. FCS 4554), failing him Ms. Hetal Shah (Membership No. FCS – 8063), to act as the 'Scrutinizer', to scrutinize the entire e-voting process in a fair and transparent manner.
24. The results of the electronic voting shall be declared to the Stock Exchanges, within forty eight hours of conclusion of AGM pursuant to Regulation 44 of Securities and Exchange Board of India (Listing Obligations & Disclosure Requirements). The results declared along with the Scrutinizer's Report shall be placed on the Company's website www.bluedart.com and on the website of NSDL and communicated to the BSE Limited (BSE), and National Stock Exchange of India Limited (NSE) where the shares of the Company are listed. The results shall also be displayed on the Notice Board at the Registered Office of the Company.

PROCEDURE FOR INSPECTION OF DOCUMENTS:

25. All the documents referred to in the accompanying Notice and Explanatory Statements, shall be available for inspection through the electronic mode, based on the request being sent on Investors@bluedart.com.
26. The Register of Directors and Key Managerial Personnel and their shareholding maintained under Section 170 of the Companies Act, 2013, the Register of Contracts or arrangements in which the Directors are interested under Section 189 of the Companies Act, 2013 and all other documents referred to in the Notice will be available for inspection in electronic mode, based on the request being sent on Investors@bluedart.com.

OTHERS:

27. The Company has transferred unclaimed dividend declared for the Financial Years 1995-96, 1996-97, 1998-99, 1999-2000 (interim and final dividend), 2000-2001, 2001-2002, 2002-2003, 2003-2004, 2004-2005 December 2006, December 2007, December 2008, December 2009, December 2010 and December 2011 to "The Investors Education and Protection Fund" (IEPF) established by the Central Government.
28. The Ministry of Corporate Affairs has notified provisions relating to unpaid/ unclaimed dividend under sections 124 and 125 of Companies Act, 2013 and the Investor Education & Protection Fund (IEPF) (Accounting, Audit, Transfer and Refund) Rules, 2016. As per the rules, dividends which are not encashed/claimed by the shareholders for a period of seven consecutive years shall be transferred to the IEPF Authority. The new IEPF rules mandate the Companies to transfer shares of shareholders whose dividends have remained unpaid/ unclaimed for a period of seven consecutive years to Demat Account of the IEPF Authority.

Accordingly, the shares in respect of which dividend was not claimed for a period of seven years starting from the year ended December 31, 2009, December 31, 2010 and December 31, 2011 were transferred to the IEPF Account in November, 2017, May 2018 and May 2019 respectively. Details of shares transferred to the IEPF Authority are available on website of the Company and on the Ministry of Corporate Affairs (MCA) Website. The Members whose dividend/ Shares have been transferred to the IEPF Authority can now claim the same from the Authority by following the Procedure as detailed on IEPF website www.iepf.gov.in.
29. All members who have either not received or have not yet encashed their dividend warrant(s) for the fifteen months period ended March 2013 till the financial year ended March 31, 2019 and Interim Dividend for the financial year ended March 31, 2014, are requested to write to the Company's Registrar and Share Transfer Agent at the address mentioned below for obtaining duplicate dividend warrant without any further delay.
30. Members are requested to furnish their Bank Account details, change of address, e-mail address etc. to the Company's Registrar and Transfer Agent viz; Link Intime India Pvt. Ltd. at the address mentioned below, in respect of shares held in the physical form and to their respective Depository Participants, if shares are held in electronic form.
31. Members desirous of getting any information about accounts of the Company are requested to send their queries at Investors@bluedart.com of the Company at least 10 days prior to the date of meeting so that the requisite information can be readily made available at the meeting.

32. In case of any queries relating to e-voting you may refer to the FAQs for Shareholders and e-voting user manual for Shareholders available at the download section of <https://www.evoting.nsdl.com> or call on toll free no.: 1800-222-990 or send a request at evoting@nsdl.co.in. In case of any grievances connected with facility for e-voting, please contact Ms. Pallavi Mhatre, Manager, NSDL, 4th Floor, 'A' Wing, Trade World, Kamala Mills Compound, Senapati Bapat Marg, Lower Parel, Mumbai 400 013. Email: evoting@nsdl.co.in, Tel: 91 22 2499 4545/ 1800-222-990
33. The Securities and Exchange Board of India (SEBI) vide its circular dated 20th April, 2018 has mandated registration of Permanent Account Number (PAN) and Bank Account Details for all securities holders. Members holding shares in the physical form are therefore, requested to submit their PAN and Bank Account Details to Link Intime India Pvt. Ltd. / Company by sending a duly signed letter along with self-attested copy of PAN Card and original cancelled cheque. The original cancelled cheque should bear name of the Member. In the alternative, Members are requested to submit a copy of the bank passbook/ statement attested by the bank. Members holding shares in Demat mode are requested to submit the aforesaid information to their respective Depository Participant.
34. As per Regulation 40 of SEBI Listing Regulations as amended, securities of listed companies can be transferred only in dematerialised form with effect from April 1, 2019, except in case of request received for transmission or transposition of securities.

In view of above and to avail various benefits of dematerialisation, members are advised to dematerialise shares held by them in physical form.

35. Members of the Company had approved the appointment of M/s. S. R. Batliboi & Associates LLP, Chartered Accountants, as Statutory Auditors at the Twenty Sixth Annual General Meeting of the Company for a term of five years subject to ratification by the members at every Annual General Meeting. The Ministry of Corporate Affairs vide its Notification dated May 7, 2018 has enforced Section 40 of the Companies (Amendment) Act, 2017 and Companies (Audit and Auditors) Rules, 2014 wherein the requirement for ratifying the appointment of the Statutory Auditors of the Company at every Annual General Meeting has now been dispensed with. Accordingly, the proposal for ratification of the appointment of Statutory Auditors is not forming part of the Notice convening ensuing Annual General Meeting.

REGISTRAR & SHARE TRANSFER AGENT:

Link Intime India Pvt. Ltd.,
C- 101, First Floor, 247 Park,
LBS Marg, Vikhroli West,
Mumbai-400083

EXPLANATORY STATEMENT PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013.

As required by the provisions of Section 102 of the Companies Act, 2013, the following Explanatory Statement sets out all material facts relating to the business mentioned under item nos. 3 (a) and 3 (b) and item no. 4 of the accompanying Notice dated May 26, 2020.

Item Nos. 3(a) and 3(b)

Mr. Balfour Manuel was appointed Managing Director of the Company by an ordinary resolution passed by the Members at the Twenty Eighth Annual General Meeting (“AGM”) of the Company held on July 31, 2019 for a period of (three) years with effect from May 16, 2019 to May 15, 2022. Further, Members at the AGM of the Company held on July 31, 2019, approved remuneration payable to Mr. Balfour Manuel, Managing Director, for the period from May 16, 2019 to March 31, 2020 including minimum remuneration to be paid in case of inadequacy of profits or no profits.

Pursuant to provisions of Section 197 and 198 read with Schedule V of the Companies Act, 2013, remuneration paid/payable to Mr. Balfour Manuel for the period ended March 31, 2020 is required to be approved by the Members in its meeting vide special resolution due to inadequacy of profits/ no profits as required under provisions of law.

The Board of Directors, based on recommendation of Nomination and Remuneration Committee in its meeting held on May 26, 2020, has approved and proposed to the Members, the remuneration paid/payable to Mr. Balfour Manuel for the period ended March 31, 2020.

The details of remuneration paid/ payable to Mr. Balfour Manuel for the period ended March 31, 2020 is as under:

Basic	-	₹ 6.00 lakhs p.m.
House Rent Allowance	-	₹ 0.40 lakhs p.m.
Special Allowance	-	₹ 2.82 lakhs p.m.

In addition to above amount, Mr. Balfour Manuel shall be entitled to following:

- (i) The Company’s contribution to Provident Fund, in accordance with the Rules and Regulations of the Company;
- (ii) Superannuation contribution subject to a maximum ceiling of 15% of basic salary by way of contribution to a fund or an allowance in lieu thereof or a combination of both;
- (iii) Gratuity payable at a rate not exceeding half a month’s salary for each completed year of service;
- (iv) Encashment of an unavailed leave at the end of each year as per the Company policy;
- (v) Telephone expenses;
- (vi) A chauffeur – driven vehicle or transport allowance as per the Company policy;

- (vii) Coverage under the Company’s Group Insurance Cover;
- (viii) The Managing Director shall be entitled to an incentive payment based on achievement of profitability levels and other performance parameters as determined by the Board of Directors for the calendar year ended December 31, 2019, upto a maximum of ₹ 84.00 lakhs;
- (ix) Increment for each year shall be determined by the ‘Nomination and Remuneration Committee’ and which shall be subject to approval of the Board of Directors and Members of the Company at the General Meeting of Members; and
- (x) entitlement to LTI as per LTI scheme.

Further, subject to necessary approval by Members at the ensuing Annual General Meeting and on recommendation of Nomination and Remuneration Committee in its meeting held on May 26, 2020, the Board of Directors in its Meeting held on May 26, 2020, approved revision in remuneration terms of Mr. Balfour Manuel as Managing Director for the year from April 1, 2020 to March 31, 2021 as under, including minimum remuneration to be paid in the event of no profits or inadequate profits as contemplated under the provisions of Schedule V of the Companies Act, 2013:

Basic	-	₹ 8.40 lakhs per month
House Rent Allowance	-	₹ 0.54 lakhs per month
Special Allowance	-	₹ 3.67 lakhs per month

In addition to above amount, Mr. Balfour Manuel, shall be entitled to following:

- (i) The Company’s contribution to Provident Fund, in accordance with the Rules and Regulations of the Company;
- (ii) Superannuation contribution subject to a maximum ceiling of 15% of basic salary by way of contribution to a fund or an allowance in lieu thereof or a combination of both;
- (iii) Gratuity payable at a rate not exceeding half a month’s salary for each completed year of service;
- (iv) Encashment of an unavailed leave as per Company policy;
- (v) Telephone expenses;
- (vi) A chauffeur – driven vehicle or transport allowance as per Company policy;
- (vii) Coverage under the Company’s Group Insurance Cover;
- (viii) The Managing Director shall be entitled to an incentive payment based on achievement of profitability levels and other performance parameters as determined by the Board of Directors for the calendar year ended December 31, 2020, upto a maximum of ₹137.20 lakhs;

- (ix) Increment for each year shall be determined by the 'Nomination and Remuneration Committee' and which shall be subject to approval of the Board of Directors and Members of the Company at the General Meeting of Members; and
- (x) entitlement to LTI as per LTI scheme, as applicable.

Save and except as indicated hereinabove, other terms and conditions of appointment of Mr. Balfour Manuel, Managing Director, remain the same.

In accordance with the provisions of Part B of Section II of Part II of Schedule V of the Companies Act, 2013, as amended from time to time, the Company hereby confirms the following:

- a) The Nomination and Remuneration Committee and Board of Directors of the Company at their meetings held on May 26, 2020 accorded their consent and proposed the matter for approval of Members by 'special resolution' for payment of minimum remuneration to Mr. Balfour Manuel, Managing Director (DIN: 08416666), due to inadequacy of profits/no profits for the financial year 2019-20 and for revision of remuneration for the financial year 2020-21 including payment of minimum remuneration in the event of 'no profits' or 'inadequacy of profits'.
- b) Mr. Manuel is functioning in a professional capacity and does not have any interest in the share capital of the Company or its holding company or any of its subsidiaries directly or indirectly or through any other statutory structures.
- c) Mr. Manuel does not have any direct or indirect interest nor a relation to any of the directors or promoters of the Company or its holding company or any of its subsidiaries at any time during the last two years before, or on or after the date of his appointment.
- d) Mr. Manuel is a MBA in Marketing and a graduate from the University of Mumbai, with expertise and specialized knowledge of the field in which the Company operates.
- e) The Company has not committed any default in payments of dues to any bank or public financial institution or non-convertible debenture holders or any other secured creditor.

STATEMENT OF INFORMATION FOR THE MEMBERS PURSUANT TO SECTION II OF PART II OF SCHEDULE V TO THE COMPANIES ACT, 2013.

I. General Information

1. Nature of Industry:

The Company is South Asia's premier express air and integrated transportation and distribution company and offers secure and reliable delivery of consignments to over 35,000 locations in India. As part of Deutsche Post DHL Group's DHL eCommerce Solutions division, the Company accesses the largest and most comprehensive express and logistics network worldwide, covering over 220 countries and territories,

and offers the entire spectrum of distribution services including air express, freight forwarding, supply-chain solutions and customs clearance.

2. Date of commencement of commercial production:

The Company carries on the express logistics/courier business since the year 1983.

3. In case of new companies, expected date of commencement of activities as per the project approved by financial institutions appearing in the prospectus;

Not Applicable

4. Financial performance based on given indicators:

₹ in Lakhs

Particulars	2019-2020*	2018-2019	2017-2018
Net Sales and other Income	3,18,040	3,18,367	2,81,339
(Loss)/Profit Before Tax	(4,720)	12,835	21,178
(Loss)/Profit After Tax	(3,829)	8,760	14,210
Earnings Per share	(16.14)	36.92	59.89
Dividend in %	Nil	125%	125%

* These are Audited Financial results approved by the Board of Directors and subject to approval by the Members at the ensuing Annual General Meeting.

5. Foreign investments or collaboration, if any:

The Company has neither made any Foreign Investments nor entered into any collaborations during the last year.

II. Information about the Appointee:

1. Background details:

Mr. Balfour Manuel, Managing Director, is a Company veteran since 36 years and instrumental in the success of the Company since its inception. A longtime employee of the Company, Mr. Balfour Manuel, prior to his appointment as the Managing Director, was the Senior Vice President in charge of the Company's B2B (business-to-business) customers, a cornerstone of the Company's customer base.

Prior to this, he also held a key general management position where he was responsible for the growth and development of the Company's business in the Western region of India.

Mr. Balfour Manuel, aged 59 years, is a MBA in Marketing from the University of Mumbai.

Mr. Balfour Manuel was first appointed on the Board of the Company on May 16, 2019 and he has attended all the 6 Board Meetings held during the Financial year 2019-20.

Shareholding of the Company as on March 31, 2020: 800 shares
 Directorship in other company - Express Industry Council of India (EICI)

Membership/ Chairmanship of the Committees of other Boards = NIL

The remuneration paid/ payable to Mr. Balfour Manuel for the period ended March 31, 2020 is ₹ 206.65 Lakhs inclusive of Incentive payment of ₹ 84 lakhs as per remuneration terms stated above,

2. Past remuneration:

₹ in Lakhs

Sr. No.	Particulars of Remuneration	For the Financial Year 2018 -19	For the Financial Year 2019 - 20
1.	Gross salary		
	a) Salary as per provisions of section 17(1) of the Income-tax Act, 1961	101.81	159.25*
	b) Value of perquisites u/s. 17(2)Income-tax Act, 1961	3.45	10.91
	c) 'profits in lieu of salary' under section 17(3) Income-tax Act, 1961	-	-
	d) Company's contribution towards PF	3.73	9.61
2.	Stock Option	-	-
3.	Sweat Equity	-	-
4.	Commission - as % of profit - others, specify...	-	-
5.	Others, please specify	-	-
	Total	108.99	179.77*

Notes :

- i. * Salary as per provisions contained in Section 17 (1) of the Income Tax Act consists of below mentioned amounts :

₹ in Lakhs

Amount paid for 2019-20 as per limits defined in Schedule V	122.65
Add : Previous years incentive accrued in 2018-19 but paid in 2019-20	36.60
Salary as per provisions contained in Section 17 (1) of the Income Tax Act	159.25

- ii) Mr. Balfour Manuel was appointed as Managing Director w.e.f. May 16, 2019
- iii) Remuneration does not include contribution to approved Gratuity Scheme under the defined benefits scheme which is actuarially determined on an overall Company basis.
- iv) Based on computation of 'Effective capital', permissible limit of the remuneration as per Schedule V to the Act, for the Managing Director is ₹122.98 Lakhs.

in ₹

Remuneration paid	1,22,65,040
Remuneration (Incentive) payable	84,00,000
Total Remuneration	2,06,65,040

3. Recognition and awards:

Under dynamic leadership of Mr. Balfour Manuel, the Company has won several awards which validates its brand equity, leadership, human resource philosophy, customer service, business acumen and corporate social responsibility. The notable awards won during the year are :

The Company received prestigious 'Golden Peacock Award for Corporate Ethics – 2019', at an event organised by 'The Institute of Directors' at "IOD India's "4th Annual Global Convention on CORPORATE ETHICS AND RISK MANAGEMENT" held on 16th January, 2020 at Singapore.

The Company is benchmarked on the international standards and has won several brand leadership awards. It was voted as the 'Business Superbrand' for the 13th consecutive year by the 'Super brands India' 2019, recognized as the Most Trusted Brand 2019 for the 13th time in a row by the Reader's Digest, awarded with the ET NOW Stars of the Industry Awards 'Brand Leadership Award' for Excellence In Supply Chain and Logistics, conferred with 'The Best Compliance Team Award' by the Legasis Compliance 10/10 Compliance by Choice, facilitated with the Award for 'Service Excellence' by Yusen Logistics, conferred with the 'Best Air Transportation, Best Surface Express Transportation and Best Implant' at Fiat Plant by JEEP - FIAT CHRYSLER – FCA at India Transport Excellence Awards, certified as one of 'India's Best Companies to Work for' by The Great Place to Work® Institute India 2019, recognized as a 'Company with Great People Managers' by The Great Manager Institute in association with Forbes, presented with 'Global HR Excellence Awards' 2020, at the World HRD Congress for Talent Management practices, recognized by Green Freight Asia (GFA) for its commitment to adopting Green Road Freight Practices as a Carrier in 2019.

4. Job Profile and suitability:

Mr. Balfour Manuel, Managing Director, possess rich experience in the logistics industry. He has successfully and in a sustained manner, contributed significantly during challenging times.

Mr. Balfour Manuel, a Company veteran of over 36 years, has been instrumental in the success of the Company from the very beginning of the Company's inception.

Mr. Balfour Manuel is one of the core managerial personnel who uses his wide business experience and network in expanding business opportunities of the Company. He has overall responsibility for operations, business and financial performance of the Company and performance of the subsidiaries.

The Company has two wholly-owned subsidiary companies viz; Blue Dart Aviation Limited (“**BDAL**”) and Concorde Air Logistics Limited. The Company has an ACMI Contract with BDAL, India’s first domestic scheduled cargo airline in the country and provides dedicated air carriage capacity to the Company which has ensured a key differentiator in sustaining the Company’s leadership position through its unique aviation network. Further, increase in remuneration of the Managing Director is within the benchmarks and guidance norms of the parent group DP-DHL.

5. Remuneration proposed:

Based on computation of ‘Effective capital’, permissible limit of remuneration as per Schedule V to the Act, for Managing Director is ₹ 122.98 Lakhs p.a. and in excess of this remuneration, can be paid by passing a Special Resolution.

There is no change in terms of appointment and remuneration of Mr. Balfour Manuel, Managing Director, as already approved by the Members at the AGM held on July 31, 2019 for the period from May 16, 2019 to March 31, 2020 as detailed in the resolution set out at item no. 3(a) of the accompanying Notice. Total remuneration paid/ payable to Mr. Balfour Manuel for the aforesaid period is ₹ 206.65 Lakhs inclusive of Incentive payment of ₹ 84 lakhs as per the remuneration terms stated above,

Increase in remuneration is proposed for the financial year April 1, 2020 to March 31, 2021 as set out above.

6. Considering profile, knowledge, experience and responsibilities shouldered by Mr. Balfour Manuel in respect of business activities during these challenging times, remuneration is commensurate with the industry standards and Board level positions held in similar sized and similarly positioned businesses.

7. Pecuniary relationship directly or indirectly with the Company or relationship with the managerial personnel, if any:

Besides remuneration proposed herein, Mr. Balfour Manuel does not have any other pecuniary relationship with the Company. Mr. Balfour Manuel is not related to any Director of the Company and is a ‘Key Managerial Personnel’ (KMP) under provisions of law.

III. Other Information

1. Reasons of loss or inadequate profits:

The Company’s profitability for the financial year 2019-20 was impacted due to an exceptional items in respect of the ‘Organization Right-Sizing exercise’ undertaken by the Company during the year to create long term value for the stakeholders, adoption of the Ind

AS 116 new Accounting Standard effective April 1, 2019 which led to a higher impact on profit and the national lockdown to curb the spread of the coronavirus pandemic which stalled businesses in India. The Company reported a loss of ₹ 3,829 Lakhs on a standalone basis.

2. Steps taken or proposed to be taken for improvement and expected increase in productivity and profits in measurable terms:

The Company is a resilient company and expects to see its operations coming to ‘near normal’ soon after the lockdown is lifted. The Company played active role in the nation’s fight against the COVID-19 pandemic by transporting over thousands of tons of essential supplies in co-ordination with the Government of India, several State Governments, Municipalities, pharmaceutical companies, hospitals and other research institutions. The Company’s cargo aircrafts flew across major Indian and International cities (Hong Kong, Dhaka, Guangzhou, Shanghai and Yangon) transporting mission critical supplies through charter operations. To ensure safety of our customers and employees, the Company has pioneered ‘contactless deliveries’ for its shipments. Blue Darters have worked round the clock to deliver essentials in a time-bound manner. The Company is also honoured to be a part of the Government’s ‘Lifeline Udan’ initiative. The Company played a crucial role of being a ‘trade facilitator’ for the Nation by working across the industries during the extended lockdown in May 2020. The Company is closely tracking the impact of COVID-19 on the economy. As things continue to evolve, the Company is working along with its customers and partners to ensure safety and to ramp up of its operations. Automation and technology will continue to be the pivots of its business. As a company focused on revenue enhancement, service quality and profitability, the Company will continue with an unwavering focus on delivering our core competencies of reliability and responsiveness with immense customer centricity. The Company is committed to serve the Nation with the support of its dedicated and passionate team.

IV. Disclosures:

All elements of remuneration package such as salary, benefits, incentives etc. are as stated above.

Mr. Balfour Manuel’s brief profile and the disclosures as required pursuant to provisions of ‘Secretarial Standards’ notified by the ICSI are stated above.

Except Mr. Balfour Manuel, none of the other Directors and Key Managerial Personnel of the Company and their respective relatives is concerned or interested, financially or otherwise, in the resolutions as set out in item nos. 3(a) and 3(b) of the accompanying Notice.

This Explanatory Statement be treated as a written memorandum under Section 190 of the Companies Act, 2013, of the Agreement to be entered into between the Company and Mr. Balfour Manuel.

A copy of the draft of the Supplementary Agreement referred to in the said resolution is available for inspection in the electronic mode. Members can inspect the same by sending an email to Investors@bluedart.com.

In compliance with the applicable provisions of the Companies Act, 2013, Special Resolutions as per the terms set out in Item Nos. 3(a) and 3(b) of the accompanying Notice are being placed before the Members at the ensuing Annual General Meeting.

The Board of Directors recommends the resolutions as set out at Item Nos. 3(a) and 3(b) of the accompanying Notice for approval by the Members.

Item No. 4

As per the provisions of Section 149, 152, Schedule IV of the Act read with rules made thereunder, the Company had appointed Mr. Narendra Sarda as an Independent Director as per the requirement of the Companies Act, 2013 for a period 5 (Five) consecutive years commencing from March 28, 2017 to March 27, 2022.

SEBI vide its circular dated May 09, 2018 has amended SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015 and has now mandated all Listed Companies w.e.f. April 1, 2019, vide regulation 17(1A) of SEBI (Listing Obligations & Disclosure Requirements) (Amendment) Regulations, 2018 to obtain shareholders' approval vide special resolution for appointment/ continuance of appointment of any non-Executive Director who has attained the age of 75 years.

Since Mr. Narendra Sarda would be attaining the age of 75 years on November 8, 2020, consent of the Members by way of Special Resolution is sought by the Company in compliance with Regulation 17 (1A) of Securities and Exchange Board of India (Listing Obligations & Disclosure Requirements) (Amendment) Regulations, 2018, for continuance of his appointment as an Independent Director of the Company on his attaining age of 75 years for the period with effect from November 8, 2020 till the expiry of his tenure i.e. March 27, 2022.

Mr. Narendra Sarda is Chairman of the Nomination & Remuneration Committee and Risk Management Committee, Member of the Audit Committee and Business Responsibility Committee and has been rendering valuable advice and guidance to the Board of Directors and Management from time to time. Mr. Narendra Sarda also constructively debated with other Independent Directors, leveraging range of their skills and experience to drive the Board's performance. Based on performance appraisal criteria viz; effectiveness of meetings, time and focus given to particular areas, information issues, corporate governance norms etc. it was concluded that Mr. Narendra Sarda's contribution to performance of the Board has been effective and valuable.

Accordingly, based on performance evaluation of Mr. Narendra Sarda, the Board of Directors of the Company ('the Board') at its Meeting held on May 26, 2020, on recommendation of Nomination & Remuneration Committee and subject to approval of Members, approved and

recommended continuation of appointment of Mr. Narendra Sarda on his attaining the age of 75 years on November 8, 2020 till March 27, 2022 as set out in the respective Resolutions and he shall not be liable to retire by rotation at the Annual General Meeting as provided under Section 152(6) of the Companies Act, 2013.

The Company has received from Mr. Narendra Sarda (i) consent in writing to act as a Director in Form DIR- 2 pursuant to Rule 8 of the Companies (Appointment & Qualification of Directors) Rules, 2014, (ii) intimation in Form DIR- 8 in terms of the Companies (Appointment & Qualification of Directors) Rules, 2014, to the effect that he is not disqualified under the provisions of sub-section (2) of Section 164 of the Companies Act, 2013, and (iii) a declaration to the effect that he meets the criteria of independence as provided in sub-section (6) of Section 149 of the Companies Act, 2013 and Regulation 16 and 25 of Securities and Exchange Board of India (Listing Obligations & Disclosure Requirements) Regulations, 2015 as amended.

In the opinion of the Board, Mr. Narendra Sarda fulfils the conditions specified under the Companies Act, 2013 and Companies (Amendment) Act, 2017 and Rules framed there under for appointment as an Independent Director and he is independent of the management.

Brief resume of Mr. Narendra Sarda pursuant to Regulation 36 of Securities and Exchange Board of India (Listing Obligations & Disclosure Requirements) Regulations, 2015 and Secretarial Standard-2 on General Meeting are provided below.

Mr. Narendra Sarda aged 74 years was the President of The Institute of Chartered Accountants of India (ICAI) in 1993-1994. He was Chairman of Deloitte Haskins Sells & Affiliates, India during 2007 to 2011. He was a Public Representative Director on the Board of The Stock Exchange, Mumbai, (BSE) during 1999 to 2001. He was a member on the Board of the erstwhile International Accounting Standards Committee, London during 1993 to 1995. He was a member of the IFRS Advisory Council, London (Advisory body to International Accounting Standards Board -IASB) during 2009 to 2011. He was a partner in P. C. Hansotia & Co., Chartered Accountants for 41 years during 1970 to 2011. He has delivered lectures, since 1968, at the classes for CA Students and at various conferences and seminars organized by Professional Institutes and Chambers of Commerce.

Mr. Narendra Sarda holds 'Nil' Equity Shares in the Company. He has no relationship with other Directors and other 'Key Managerial Personnel' of the Company.

Date of first appointment on the Board: March 28, 2015

Details of remuneration sought to be paid:

Mr. Narendra Sarda shall be entitled to receive sitting fees and commission.

The remuneration last drawn by Mr. Narendra Sarda:

₹ 6,30,000/- (Sitting fees for the period from April 01, 2019 upto March 31, 2020).

The number of Meetings of the Board attended during the year: 6 (For the period April 01, 2019 to March 31, 2020).

Directorship/ Membership/ Chairmanship of Committees of Other Boards:

Sr. No.	Names of the Companies	Designation
1.	Gillette India Limited	Director
2.	Gillette India Limited	Audit Committee

Given his expertise, knowledge and experience, the Board considers that continued association of Mr. Narendra Sarda would be of immense benefit to the Company and it is desirable to continue to avail services of Mr. Narendra Sarda as an Independent Director. Accordingly, the Board considers continuation of Mr. Narendra Sarda on his attaining 75 years of age, as an Independent Director to be in the best interest of the Company and recommend the resolution at no. 4 as set out in the accompanying Notice for approval by Members as a special resolution.

None of the Directors, Key Managerial Personnel of the Company or their relatives, other than Mr. Narendra Sarda for his continuation is, in any manner concerned or interested financial or otherwise in the resolution as set out at Item no. 4 in the accompanying Notice of Annual General Meeting.

Mumbai,
May 26, 2020

By Order of the Board
sd/-
Tushar Gunderia
Company Secretary

Regd. Office:
Blue Dart Centre, Sahar Airport Road,
Andheri (East), Mumbai – 400 099.
Tel : 28396444 | Fax : 28244131
CIN: L61074MH1991PLC061074
www.bluedart.com
Investors@bluedart.com

**PROFILE OF MR. KENNETH ALLEN, DIRECTOR RETIRING BY ROTATION AND SEEKING
RE-APPOINTMENT
(Pursuant to Regulation 36 of Securities and Exchange Board of India)
[(Listing Obligations & Disclosure Requirements) Regulations, 2015
and Secretarial Standard (SS - 2)]**

Mr. Kenneth Allen, aged 64 years, is the CEO of DHL eCommerce Solutions. He has been a Corporate Board Member of the Deutsche Post DHL Group since 2009. He became Board Member for DHL eCommerce Solutions with effect from January 1, 2019, and his new assignment includes the 'Parcel Europe and Ecommerce' businesses. Apart from keeping the responsibility for Customer Solutions & Innovation (CSI), Mr. Allen leads the further development of the overall e-commerce strategy for the Group.

Mr. Kenneth Allen successfully shaped the Express strategy and led the division to an unparalleled growth trajectory by unlocking its revenue and profit potential. With relentless focus on the core principles of the customer centricity, employee engagement and profitable growth, Mr. Allen established truly world-class processes within the Express division.

Mr. Kenneth Allen is a Chartered Certified Accountant (F. C. C. A.).

Details of remuneration sought to be paid: No remuneration is drawn by Mr. Kenneth Allen.

Date of first appointment on the Board: March 11, 2019

Terms & Conditions of Re-appointment : Mr. Kenneth Allen is proposed to be re-appointed as Non-Executive Director of the Company, liable to retire by rotation.

The number of Meetings of the Board attended during the year: 1(One).

Directorship/ Membership/ Chairmanship of Committees of Other Boards: NIL

Shareholding of the Company as on March 31, 2020 : Nil

Mr. Kenneth Allen and any of the other Directors, Manager or Key Managerial Personnel of the Company do not have any inter-se relationship.