

## **BOARD OF DIRECTORS**

### **CONCORDE AIR LOGISTICS LIMITED**

#### **BOARD OF DIRECTORS**

Vaidhyanathan Iyer

Tushar Gunderia

Aneel Gambhir

#### **PRINCIPAL BANKER**

ICICI Bank Ltd.

#### **AUDITORS**

Price Waterhouse

#### **REGISTERED OFFICE**

17, Adarsh Industrial Estate,  
Sahar Road, Chakala,  
Andheri (East),  
Mumbai - 400 099  
CIN - U60230MH2004PLC146141

## DIRECTORS' REPORT

### To the Members

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

### FINANCIAL RESULTS

	Year ended March 31, 2016	Year ended March 31, 2015
(₹ in lacs)		
<b>Revenues:</b>		
Services	180.63	307.20
Commission	355.87	57.92
Other Income	1.42	15.30
Less: Operating Expenses	421.17	323.74
Operating Profit (EBIDTA)	116.75	56.68
Less: Depreciation / Amortisation	5.13	6.15
Earnings before Tax	111.62	50.53
Less: Provision for income tax	35.69	15.79
Earnings after tax	75.93	34.74

### DIVIDEND

Your Directors wish to strengthen the financial position of the Company and as such, no dividend is recommended for the year under consideration.

### RESERVES

The Company has not transferred any amount to the reserves.

### INDUSTRY

Your Company is engaged in the business of clearing and forwarding of time sensitive air cargo packages.

Your Company is a registered Air Cargo Agent with the International Air Transport Association (IATA) and licensed Custom House Agent under the provisions of Customs Act, 1962.

Your Company is also engaged in the business of clearance of import cargo in addition to export cargo at Mumbai.

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

### DIRECTORS

During the year under review, Mr. Dodda Basappa resigned as a Director with effect from November 30, 2015. Your Directors place on record their sincere appreciation for the valuable contribution of Mr. Dodda Basappa during his tenure as a Director of the Company.

Mr. Aneel Gambhir (DIN: 07321422) was appointed as an Additional Director with effect from November 30, 2015. Mr. Gambhir holds office up to the date of the forthcoming Annual General Meeting of the Company. The Company has received a notice under the provisions of

Section 160 of the Companies Act, 2013 along with requisite deposit proposing appointment of Mr. Gambhir as a Director of the Company. The resolution seeking approval of shareholders for Mr. Gambhir's appointment has been incorporated in the Notice of forthcoming Annual General Meeting.

In accordance with the provisions of the Companies Act, 2013 and Articles of Association of the Company, Mr. Tushar Gunderia (DIN : 00090321), Director, retire by rotation at the ensuing Annual General Meeting and, being eligible, offer himself for re-appointment.

### NUMBER OF BOARD MEETINGS

The Board of Directors met 6 (six) times during the year ended March 31, 2016.

Name of Director	Attendance particulars
Mr. Vaidhyanathan Iyer	6
Mr. Tushar Gunderia	6
Mr. Dodda Basappa*	3
Mr. Aneel Gambhir**	2

\*Mr. Dodda Basappa resigned as a Director of the Company with effect from November 30, 2015.

\*\*Mr. Aneel Gambhir was appointed as an Additional Director of the Company with effect from November 30, 2015.

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

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

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

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

### RELATED PARTY TRANSACTIONS

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

Since all related party transactions entered into by the Company were in ordinary course of business and on arm's length basis, from AOC-2 is not applicable to the Company.

### INTERNAL FINANCIAL CONTROLS

Your Company has in place a sound internal control system to ensure that all assets are protected against loss from any unauthorised use. All transactions are recorded and reported correctly. The Company's internal control system is further supplemented by the internal audits carried out by an in-house internal audit team and a co-sourced audit

## DIRECTORS' REPORT

firm viz; KPMG. Well-established and robust internal audit processes, both at the business and corporate level, continuously monitor the adequacy and effectiveness of the internal control environment across Company and status of compliance with operating systems, internal policies and regulatory requirements. In addition to above, during the year, your Company engaged KPMG for review of the Internal control frame work and based on advice received from KPMG, Company has rolled out Risk Control Matrix for each of the processes.

### EXTRACT OF ANNUAL RETURN

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

### DETAILS OF SIGNIFICANT AND MATERIAL ORDERS

There are no significant and material orders passed by the regulators or courts or tribunals impacting the going concern status and Company's operations in future.

### RISK MANAGEMENT

Risk Management Policy of Blue Dart Express Limited, Holding Company, is applicable to Concorde Air Logistics Limited for identifying, assessing and managing their business risks in an efficient and cost effective manner; at the same time ensuring the effective monitoring and accurate reporting of these risks which are systematically addressed.

### DIRECTORS' RESPONSIBILITY STATEMENT

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

- i. In the preparation of the Financial Statement, the applicable accounting standards have been followed and that no material departures have been made from the same;
- ii. They have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent, so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the profit of the Company for that year;
- iii. They have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Act, for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- iv. They have prepared the annual accounts on a going concern basis;
- v. They have devised proper systems to ensure compliance with the provisions of all applicable laws were in place and were adequate and operating effectively.

### AUDITORS

The Statutory Auditors, M/s. Price Waterhouse, Chartered Accountants, (Firm Registration no. 301112E), retire at the ensuing Annual General Meeting and, being eligible, offer themselves for re-appointment. Your Company has received necessary certificate from them confirming

that, their re-appointment, if made, will be in accordance with the provisions of Section 139 of the Companies Act, 2013 and they satisfy the criteria provided under section 141 of the Companies Act, 2013.

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

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

### DEPOSIT

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

### EMPLOYEES

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

During the year under review, your Company did not have any employee falling under the provisions of Section 197 (12) of the Companies Act, 2013 read with Companies (Appointment & Remuneration of Managerial Personnel) Rules, 2014.

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

The information pursuant of Section 134(3)(m) of the Companies Act, 2013 is as under

<b>A Conservation of Energy</b>	<b>: Not applicable</b>
<b>B Technology absorption</b>	<b>: Not applicable</b>
<b>C Foreign Exchange Earnings &amp; Outgo</b>	
<b>Earnings</b>	<b>: Nil</b>
<b>Outgo</b>	<b>: Nil</b>
	<b>(previous Year : NIL)</b>

### ACKNOWLEDGEMENT

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

For and on behalf of the Board Directors

<b>Vaidhyanathan Iyer</b>	<b>Tushar Gunderia</b>	<b>Aneel Gambhir</b>
Director	Director	Director
DIN: 00090717	DIN: 00090321	DIN: 07321422

Mumbai,  
April 15, 2016

# ANNEXURES TO DIRECTORS' REPORT

## 'ANNEXURE A'

### EXTRACT OF ANNUAL RETURN

As on the financial year ended March 31, 2016

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

#### FORM NO. MGT – 9

#### I. REGISTRATION AND OTHER DETAILS

i. CIN	:	U60230MH2004PLC146141
ii. Registration Date	:	May 7, 2004
iii. Name of the Company	:	Concorde Air Logistics Limited
iv. Category / Sub-Category of the Company	:	Company having Share Capital
v. Address of the Registered office and contact details	:	17, Adarsh Industrial Estate, Sahar Road, Andheri East, Chakala, Mumbai - 400099.
vi. Whether listed company Yes / No	:	No
vii. Name, Address and Contact details of Registrar and Transfer Agent, if any	:	Not Applicable

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

Sr. No.	Name and Description of main products / services	NIC Code of the Product/ service	% to total turnover of the company
1	Custom House Agent. Clearing and forwarding Agent.	63090	100%

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

Sr. No.	Name and Address of the Company	CIN/GLN	Holding/ Subsidiary/ Associate	% of shares held	Applicable Section
1.	Blue Dart Express Limited	L61074MH1991PLC061074	Holding	100%	2(46)

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

Company is wholly owned subsidiary of Blue Dart Express Limited

##### i. Category-wise Share Holding

Category of Shareholders	No. of Shares held at the beginning of the year (as on April 1, 2015)				No. of Shares held at the end of the year (as on March 31, 2016)				% change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
A. Promoters									
(1) Indian	-	-	-	-	-	-	-	-	-
a) Individual/HUF	-	-	-	-	-	-	-	-	-
b) Central Govt	-	-	-	-	-	-	-	-	-
c) State Govt (s)	-	-	-	-	-	-	-	-	-

## ANNEXURES TO DIRECTORS' REPORT

d) Bodies Corp.	-	110000	110000	100%	-	110000	110000	100%	-
e) Banks / FI	-	-	-	-	-	-	-	-	-
f) Any Other	-	-	-	-	-	-	-	-	-
Sub-Total (A)(1)	-	110000	110000	100%	-	110000	110000	100%	-
(2) Foreign	-	-	-	-	-	-	-	-	-
a) NRIs - Individuals	-	-	-	-	-	-	-	-	-
b) Other - Individuals	-	-	-	-	-	-	-	-	-
c) Bodies Corporate									-
d) Banks / FI	-	-	-	-	-	-	-	-	-
e) Any Other	-	-	-	-	-	-	-	-	-
Sub-Total (A)(2)									-
Total Shareholding of Promoters (A) = (A)(1)+(A)(2)	-	110000	110000	100%	-	110000	110000	100%	-
B. Public Shareholding	-	-	-	-	-	-	-	-	-
1) Institutions	-	-	-	-	-	-	-	-	-
a) Mutual Funds / UTI	-	-	-	-	-	-	-	-	-
b) Banks / FI	-	-	-	-	-	-	-	-	-
c) Central Govt.	-	-	-	-	-	-	-	-	-
d) State Govt.(s)	-	-	-	-	-	-	-	-	-
e) Venture Capital Funds	-	-	-	-	-	-	-	-	-
f) Insurance Companies	-	-	-	-	-	-	-	-	-
g) FIs	-	-	-	-	-	-	-	-	-
h) Foreign Venture Capital Funds	-	-	-	-	-	-	-	-	-
i) Others (specify)	-	-	-	-	-	-	-	-	-
Sub-Total (B)(1)	-	-	-	-	-	-	-	-	-
(2) Non-Institutions	-	-	-	-	-	-	-	-	-
a) Bodies Corporate	-	-	-	-	-	-	-	-	-
i) Indian	-	-	-	-	-	-	-	-	-
ii) Overseas	-	-	-	-	-	-	-	-	-
b) Individuals	-	-	-	-	-	-	-	-	-
i. Individual Shareholders holding nominal share capital upto ₹ 1 lakh	-	-	-	-	-	-	-	-	-
ii. Individual Shareholders holding nominal share capital in excess of ₹ 1 lakh	-	-	-	-	-	-	-	-	-
c) Others (specify)	-	-	-	-	-	-	-	-	-
1. Clearing Member	-	-	-	-	-	-	-	-	-
2. NRI	-	-	-	-	-	-	-	-	-
3. Foreign Portfolio Investor (Corporate)	-	-	-	-	-	-	-	-	-

## ANNEXURES TO DIRECTORS' REPORT

4. OCB	-	-	-	-	-	-	-	-	-
<b>Sub-Total (B)(2)</b>	-	-	-	-	-	-	-	-	-
<b>Total Public Shareholding (B)=(B)(1)+(B)(2)</b>	-	-	-	-	-	-	-	-	-
<b>C. Shares held by Custodian for GDRs &amp; ADRs</b>	-	-	-	-	-	-	-	-	-
<b>Grand Total (A+B+C)</b>	-	110000	110000	100%	-	110000	110000	100%	-

### ii) Shareholding of Promoters

Shareholder's Name	Shareholding at the beginning of the year			Shareholding at the end of the year			% change in share holding during the year
	No. of Shares	% of total Shares of the company	% of Shares Pledged / encumbered to total shares	No. of Shares	% of total Shares of the company	% of Shares Pledged / encumbered to total shares	
Blue Dart Express Ltd.	110000	100%	Nil	110000	100%	Nil	Nil

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

Sr. No.		No. of Shares held at the beginning of the year i.e. on the basis of Share Holding Pattern of March 31, 2015)		Cumulative Shareholding during the year	
		No. of Shares	% of total Shares of the company	No. of Shares	% of total Shares of the company
1.	At the beginning of the year	110000	100%	110000	100%
2.	Date wise Increase/Decrease in Promoters Shareholding during the year specifying the reasons for increase/decrease (e.g. allotment / transfer / bonus/ sweat equity etc):	No change during the year			
3.	At the End of the year	110000	100%	110000	100%

Note – There is no change in the total shareholding between 01.04.2015 and 31.03.2016

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

Sr. No.	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.	-	-	-	-	-	-	-
3.	-	-	-	-	-	-	-

## ANNEXURES TO DIRECTORS' REPORT

4.	-	-	-	-	-	-	-
5.	-	-	-	-	-	-	-
6.	-	-	-	-	-	-	-
7.	-	-	-	-	-	-	-
8.	-	-	-	-	-	-	-
9.	-	-	-	-	-	-	-
10.	-	-	-	-	-	-	-

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

Company is wholly owned subsidiary of Blue Dart Express Limited and Mr. V.N.Iyer, Mr. Tushar Gunderia and Mr. Aneel Gambhir holds 1 share each of the Company as nominee of Blue Dart Express Ltd.

Sr. No.	For Each of the Directors and KMP	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of Shares	% of total Shares of the company	No. of Shares	% of total Shares of the company
1.	Mr. V.N.Iyer (as nominee of Blue Dart Express Ltd.)				
	At the beginning of the year	1	0.01%	1	0.01%
	Date wise Increase / Decrease in Promoters Share holding during the year specifying the reasons for increase / decrease	-	-	-	-
	At the End of the year	1	0.01%	1	0.01%
2.	Mr. Tushar Gunderia (as nominee of Blue Dart Express Ltd.)				
	At the beginning of the year	1	0.01%	1	0.01%
	Date wise Increase / Decrease in Promoters Share holding during the year specifying the reasons for increase / decrease	-	-	-	-
	At the End of the year	1	0.01%	1	0.01%
3.	Mr. Aneel Gambhir (as nominee of Blue Dart Express Ltd.)				
	At the beginning of the year	1	0.01%	1	0.01%
	Date wise Increase / Decrease in Promoters Share holding during the year specifying the reasons for increase / decrease	-	-	-	-
	At the End of the year	1	0.01%	1	0.01%

## ANNEXURES TO DIRECTORS' REPORT

### (v) INDEBTEDNESS

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

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

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

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

Sr. No.	Particulars of Remuneration	Name of MD/WTD/ Manager
		NA
1.	<b>Gross salary</b> a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961 b) Value of perquisites u/s 17(2) Income-tax Act, 1961 c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961	-
2.	Stock Option	-
3.	Sweat Equity	-
4.	Commission - as % of profit - others, specify	-
5.	Others, please specify	-
	<b>Total (A)</b>	-
	Ceiling as per the Act	-

## ANNEXURES TO DIRECTORS' REPORT

### B. Remuneration to other Directors: N.A.

Sr. No.	Particulars of Remuneration	Name of Directors			Total Amount
(1)	Independent Directors				
	- Fee for attending board / committee meetings	-	-	-	-
	- Commission	-	-	-	-
	- Others, please specify	-	-	-	-
	Total (1)	-	-	-	-
(2)	Non – Executive Directors & Non-Independent Directors				
	- Fee for attending board / committee meetings	-	-	-	-
	- Commission	-	-	-	-
	- Others, please specify	-	-	-	-
	Total (2)	-	-	-	-
	Total (1) + (2)	-	-	-	-

### C. REMUNERATION TO KEY MANAGERIAL PERSONNEL OTHER THAN MD/MANAGER/WTD - N.A.

Sr. No.	Particulars of Remuneration	Key Managerial Personnel		Total Amount
1.	Gross salary	-	-	-
	a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961			
	b) Value of perquisites u/s 17(2) Income-tax Act, 1961			
	c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961			
	d) Company contribution towards PF			
2.	Stock Option	-	-	-
3.	Sweat Equity	-	-	-
4.	Commission - as % of profit - others, specify	-	-	-
5.	Others, please specify	-	-	-
	Total	-	-	-

## ANNEXURES TO DIRECTORS' REPORT

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

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

# INDEPENDENT AUDITORS' REPORT

## TO THE MEMBERS OF CONCORDE AIR LOGISTICS LIMITED

### REPORT ON THE FINANCIAL STATEMENTS

1. We have audited the accompanying financial statements of Concorde Air Logistics Limited ("the Company"), which comprise the Balance Sheet as at March 31, 2016, the Statement of Profit and Loss, the Cash Flow Statement for the year then ended, and a summary of the significant accounting policies and other explanatory information.

### MANAGEMENT'S RESPONSIBILITY FOR THE FINANCIAL STATEMENTS

2. The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these financial statements to give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies(Accounts) Rules, 2014. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

### AUDITOR'S RESPONSIBILITY

3. Our responsibility is to express an opinion on these financial statements based on our audit.
4. We have taken into account the provisions of the Act and the Rules made thereunder including the accounting standards and matters which are required to be included in the audit report.
5. We conducted our audit in accordance with the Standards on Auditing specified under Section 143(10) of the Act and other applicable authoritative pronouncements issued by the Institute of Chartered Accountants of India. Those Standards and pronouncements require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.
6. An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the financial statements. The procedures selected depend on the auditors' judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation of the financial statements that give a true and fair view, in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Company's Directors, as well as evaluating the overall presentation of the financial statements.
7. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the financial statements.

### OPINION

8. In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2016, and its profit and its cash flows for the year ended on that date.

### REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS

9. As required by 'the Companies (Auditor's Report) Order, 2016', issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act (hereinafter referred to as the "Order"), and on the basis of such checks of the books and records of the Company as we considered appropriate and according to the information and explanations given to us, we give in the Annexure B a statement on the matters specified in paragraphs 3 and 4 of the Order.

# INDEPENDENT AUDITORS' REPORT

## TO THE MEMBERS OF CONCORDE AIR LOGISTICS LIMITED

10. As required by Section 143 (3) of the Act, we report that:

- (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
- (b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
- (c) The Balance Sheet, the Statement of Profit and Loss, and the Cash Flow Statement dealt with by this Report are in agreement with the books of account.
- (d) In our opinion, the aforesaid financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
- (e) On the basis of the written representations received from the directors as on March 31, 2016 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2016 from being appointed as a director in terms of Section 164 (2) of the Act.
- (f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in Annexure A.
- (g) With respect to the other matters to be included in the Auditors' Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our knowledge and belief and according to the information and explanations given to us:
  - (i) The Company does not have any pending litigations as at March 31, 2016 which would impact its financial position.
  - (ii) The Company has long-term contracts as at March 31, 2016, for which there were no material foreseeable losses. The Company did not have any derivative contract as at March 31, 2016.
  - (iii) There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company during the year ended March 31, 2016.

Mumbai  
April 15, 2016

For Price Waterhouse  
Firm Registration Number: 301112E  
Chartered Accountants

Sumit Seth  
Partner  
Membership Number: 105869

## ANNEXURE A TO INDEPENDENT AUDITORS' REPORT

Referred to in paragraph 10(f) of the Independent Auditors' Report of even date to the members of Concorde Air Logistics Limited on the financial statements for the year ended March 31, 2016

### Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Act

1. We have audited the internal financial controls over financial reporting of Concorde Air Logistics Limited ("the Company") as of March 31, 2016 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

### Management's Responsibility for Internal Financial Controls

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

### Auditors' Responsibility

3. Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") and the Standards on Auditing deemed to be prescribed under section 143(10) of the Act to the extent applicable to an audit of internal financial controls, both applicable to an audit of internal financial controls and both issued by the ICAI. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.
4. Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.
5. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls system over financial reporting.

### Meaning of Internal Financial Controls Over Financial Reporting

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

### Inherent Limitations of Internal Financial Controls Over Financial Reporting

7. Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

## ANNEXURE A TO INDEPENDENT AUDITORS' REPORT

Referred to in paragraph 10(f) of the Independent Auditors' Report of even date to the members of Concorde Air Logistics Limited on the financial statements for the year ended March 31, 2016

### Opinion

8. In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2016, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

For Price Waterhouse  
Firm Registration Number: 301112E  
Chartered Accountants

Mumbai  
April 15, 2016

Sumit Seth  
Partner  
Membership Number: 105869

## ANNEXURE B TO INDEPENDENT AUDITORS' REPORT

Referred to in paragraph 9 of the Independent Auditors' Report of even date to the members of Concorde Air Logistics Limited on the financial statements as of and for the year ended March 31, 2016

- i. (a) The Company is maintaining proper records showing full particulars, including quantitative details and situation, of fixed assets.
- (b) The fixed assets of the Company have been physically verified by the Management during the year and no material discrepancies have been noticed on such verification. In our opinion, the frequency of verification is reasonable.
- (c) The title deeds of immovable properties, as disclosed in Note 9 on fixed assets to the financial statements, are held in the name of the Company.
- ii. The Company is in the business of rendering services, and consequently, does not hold any inventory. Therefore, the provisions of Clause 3(ii) of the said Order are not applicable to the Company.
- iii. The Company has not granted any loans, secured or unsecured, to companies, firms, Limited Liability Partnerships or other parties covered in the register maintained under Section 189 of the Act. Therefore, the provisions of Clause 3(iii), (iii)(a), (iii)(b) and (iii)(c) of the said Order are not applicable to the Company.
- iv. The Company has not granted any loans or made any investments, or provided any guarantees or security to the parties covered under Section 185 and 186. Therefore, the provisions of Clause 3(iv) of the said Order are not applicable to the Company.
- v. The Company has not accepted any deposits from the public within the meaning of Sections 73, 74, 75 and 76 of the Act and the Rules framed there under to the extent notified.
- vi. The Central Government of India has not specified the maintenance of cost records under sub-section (1) of Section 148 of the Act for any of the products of the Company.
- vii. (a) According to the information and explanations given to us and the records of the Company examined by us, in our opinion, the Company is generally regular in depositing undisputed statutory dues in respect of service tax, though there has been a slight delay in a few cases, and is regular in depositing undisputed statutory dues, including provident fund, employees' state insurance, income tax, cess and other material statutory dues, as applicable, with the appropriate authorities. As informed to us sales tax, duty of customs, duty of excise and value added tax are not applicable to the Company for the current year.
- (b) According to the information and explanations given to us and the records of the Company examined by us, there are no dues of income-tax and service-tax which have not been deposited on account of any dispute. As informed to us sales tax, duty of customs, duty of excise and value added tax are not applicable to the Company for the current year.
- viii. As the Company does not have any loans or borrowings from any financial institution or bank or Government, nor has it issued any debentures as at the balance sheet date, the provisions of Clause 3(viii) of the Order are not applicable to the Company.
- ix. The Company has not raised any moneys by way of initial public offer, further public offer (including debt instruments) and term loans. Accordingly, the provisions of Clause 3(ix) of the Order are not applicable to the Company.
- x. During the course of our examination of the books and records of the Company, carried out in accordance with the generally accepted auditing practices in India, and according to the information and explanations given to us, we have neither come across any instance of material fraud by the Company or on the Company by its officers or employees, noticed or reported during the year, nor have we been informed of any such case by the Management.
- xi. The provisions of Section 197 read with Schedule V to the Act are applicable to the Company. There was no remuneration paid/ payable during the year to any directors, including managing director and whole-time director, and manager of the Company. Accordingly, the provisions of Clause 3(xi) of the Order are not applicable to the Company.
- xii. As the Company is not a Nidhi Company and the Nidhi Rules, 2014 are not applicable to it, the provisions of Clause 3(xii) of the Order are not applicable to the Company.
- xiii. The Company has entered into transactions with related parties in compliance with the provisions of Sections 177 and 188 of the Act. The details of such related party transactions have been disclosed in the financial statements as required under Accounting Standard (AS) 18, Related Party Disclosures specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
- xiv. The Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year under review. Accordingly, the provisions of Clause 3(xiv) of the Order are not applicable to the Company.
- xv. The Company has not entered into any non cash transactions with its directors or persons connected with him. Accordingly, the provisions of Clause 3(xv) of the Order are not applicable to the Company.
- xvi. The Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934. Accordingly, the provisions of Clause 3(xvi) of the Order are not applicable to the Company.

For Price Waterhouse  
Firm Registration Number: 301112E  
Chartered Accountants

Sumit Seth  
Partner  
Membership Number: 105869

Mumbai  
April 15, 2016

**CONCORDE AIR LOGISTICS LIMITED**  
**BALANCE SHEET AS AT MARCH 31, 2016**

	Note	As at March 31, 2016 in ₹ ('000)	As at March 31, 2015 in ₹ ('000)
<b>EQUITY AND LIABILITIES</b>			
<b>SHAREHOLDERS' FUNDS</b>			
Share Capital	3	1,100	1,100
Reserves and Surplus	4	41,131	33,538
		42,231	34,638
<b>NON-CURRENT LIABILITIES</b>			
Long-term Provisions	5	4,192	3,403
<b>CURRENT LIABILITIES</b>			
Trade Payables	6		
Total outstanding dues of micro enterprises and small enterprises		-	-
Total outstanding dues of creditors other than micro enterprises and small enterprises		43,678	32,192
Other Current Liabilities	7	22,415	7,214
Short-term Provisions	8	291	341
		66,384	39,747
<b>TOTAL</b>		<b>112,807</b>	<b>77,788</b>
<b>ASSETS</b>			
<b>NON-CURRENT ASSETS</b>			
<b>Fixed Assets</b>			
Tangible Assets	9	3,347	2,468
Intangible Assets	9	241	46
		3,588	2,514
Non-Current Investments	10	-	50
Deferred Tax Assets (Net)	11	1,456	1,105
Long-term Loans and Advances	12	91,619	66,261
Other Non-current Assets	13	460	449
		97,123	70,379
<b>CURRENT ASSETS</b>			
Current Investment	14	50	-
Trade Receivables	15	100	748
Cash and Bank Balances	16	9,145	6,194
Short-term Loans and Advances	17	6,362	467
Other Current Assets	18	27	-
		15,684	7,409
<b>TOTAL</b>		<b>112,807</b>	<b>77,788</b>

The accompanying notes are an integral part of these financial statements

As per our report of even date.

**For Price Waterhouse**

Firm Registration Number: 301112E  
Chartered Accountants

**Sumit Seth**

Partner  
Membership No. 105869

Place : Mumbai  
Date : April 15, 2016

For and on behalf of the Board of Directors

**V. N. Iyer**

Director  
DIN : 00090717

**Aneel Gambhir**

Director  
DIN : 07321422

Place : Mumbai  
Date : April 15, 2016

**Tushar Gunderia**

Director  
DIN : 00090321



**CONCORDE AIR LOGISTICS LIMITED**  
**CASH FLOW STATEMENT FOR THE YEAR ENDED MARCH 31, 2016**

	Year ended March 31, 2016 in ₹ ('000)	Year ended March 31, 2015 in ₹ ('000)
<b>A. Cash flows from Operating activities:</b>		
Profit before Tax	11,162	5,053
<b>Adjustments for:</b>		
Depreciation and Amortisation Expense	513	615
Interest Income	(38)	(47)
Dividend Income	(103)	(179)
(Profit)/loss on sale of fixed assets	-	(30)
Provision for Gratuity	559	598
Provision for Compensated Absences	180	316
<b>Operating profit before working capital changes</b>	<b>12,273</b>	<b>6,326</b>
<b>Adjustments for changes in working capital :</b>		
Decrease in Trade Receivable	648	8,884
Decrease / (Increase) in Loans and Advances / Other Assets	(5,896)	333
Increase in Trade and Other Payables / Other Liabilities	26,688	13,873
<b>Cash generated from Operations</b>	<b>33,713</b>	<b>29,416</b>
Taxes paid (Net of refunds)	(29,278)	(28,343)
<b>Net cash generated from Operating activities (A)</b>	<b>4,435</b>	<b>1,073</b>
<b>B. Cash flows (used in) Investing activities:</b>		
Purchase of Fixed Assets	(1,592)	(228)
Proceeds from sale of Fixed assets	5	37
Interest Received	82	7
Dividend Received	103	179
Investments in Mutual funds	(90,000)	(21,000)
Redemptions from mutual funds	90,000	21,000
Investments in Bank Fixed Deposits (Margin Money)	(82)	-
<b>Net cash (used in) / generated from Investing activities (B)</b>	<b>(1,484)</b>	<b>(5)</b>
<b>Net Increase / (Decrease) in Cash and Cash Equivalents (A+B)</b>	<b>2,951</b>	<b>1,068</b>
<b>Cash and cash equivalents at the beginning of the year</b>	<b>6,194</b>	<b>5,126</b>
<b>Cash and cash equivalents at the end of the year</b>	<b>9,145</b>	<b>6,194</b>
	<b>As at March 31, 2016 in ₹ ('000)</b>	<b>As at March 31, 2015 in ₹ ('000)</b>
<b>Cash and cash equivalents comprise of:</b>		
Cash on hand	21	83
Balance with Scheduled Banks on Current Accounts	9,124	6,111
	<b>9,145</b>	<b>6,194</b>

**Notes :**

- The above Cash Flow Statement has been prepared under the indirect method set out in Accounting Standard on Cash Flow Statements (AS-3) as notified under the Companies Act, 1956 (the "Act") read with Section 133 of the Companies Act, 2013 and Rule 7 of the Companies Act, (Accounts) Rules 2014.
- Previous year's figures have been regrouped/reclassified wherever necessary to conform to the current year's classification (Refer note 30).

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

**For Price Waterhouse**

Firm Registration Number: 301112E  
Chartered Accountants

**Sumit Seth**

Partner  
Membership No. 105869

Place : Mumbai  
Date: April 15, 2016

For and on behalf of the Board of Directors

**V. N. Iyer**

Director  
DIN : 00090717

**Tushar Gunderia**

Director  
DIN : 00090321

**Aneel Gambhir**

Director  
DIN : 07321422

Place : Mumbai  
Date: April 15, 2016

# SCHEDULES

## Notes forming part of Financial Statements as of and for the year ended March 31, 2016

### 1 General Information

The Company is an International Air Cargo Agent with International Air Transport Association ('IATA') and engaged inter alia in the business of clearing and forwarding of time sensitive air cargo packages.

### 2 Significant Accounting Policies

#### a. Basis of preparation of Financial Statements

These financial statements have been prepared in accordance with the generally accepted accounting principles in India under the historical cost convention on accrual basis. Pursuant to section 133 of the Companies Act, 2013 read with Rule 7 of the Companies (Accounts) Rules, 2014, till the standards of accounting or any addendum thereto are prescribed by Central Government in consultation and recommendation of the National Financial Reporting Authority, the existing Accounting Standards notified under the Companies Act, 1956 shall continue to apply. Consequently, these financial statements have been prepared to comply in all material aspects with the accounting standards notified under Section 211(3C) [Companies (Accounting Standards) Rules, 2006, as amended] of the Companies Act, 1956 and the other relevant provisions of the Companies Act, 2013. The Ministry of Corporate Affairs (MCA) has notified the Companies (Accounting Standards) Amendment Rules, 2016 vide its notification dated March 30, 2016. The said notification read with Rule 3(2) of the Companies (Accounting Standards) Rules, 2006 is applicable to accounting period commencing on or after the date of notification i.e. April 1, 2016.

All assets and liabilities have been classified as current or non-current as per the Company's normal operating cycle and other criteria set out in the Schedule III to the Companies Act, 2013. Based on the nature of services and the time between the rendering of services and their realisation in cash and cash equivalents, the Company has ascertained its operating cycle as 12 months for the purpose of current-non current classification of assets and liabilities.

#### b. Fixed Assets and Depreciation/Amortisation

##### Tangible Assets :

Tangible assets are stated at acquisition cost, net of accumulated depreciation.

Subsequent expenditure related to an item of fixed assets are added to its book value if it increases the future economic benefits from the existing asset beyond its previously assessed standard of performance.

##### Intangible Assets :

Intangible assets are stated at acquisition cost, net of accumulated amortisation. The Company capitalises all costs relating to development of internally generated software,

which are stated net of accumulated amortization.

Goodwill represents the excess of the value of the erstwhile partnership business as a whole over its net asset value as at the date of incorporation as a Company.

##### Depreciation

Depreciation on tangible assets is calculated on a straight-line basis as per the rates as prescribed under Schedule II of the Companies Act 2013, except in respect of the following assets where the estimated useful lives of the assets based on the technical evaluation, have not undergone a change on account of transition to the Companies Act 2013.

Description of Assets	Useful Life (in years)
Computers	6

Depreciation for assets purchased/sold during a year is proportionately charged. Individual assets costing upto ₹ 5,000 are depreciated over a period of one year from the date its put to use.

Computer software is amortised under straight line method over 6 years.

Goodwill is amortised over a period of 10 years using the straight-line method.

#### c. Impairment of Assets

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

#### d. Investments

Investments, which are readily realisable and intended to be held for not more than one year from the date on which such investment are made, are classified as current investments. All other investments are classified as non-current investments.

Current investments are carried at cost or fair value whichever is lower. Non-Current investments are stated at cost. Provision for diminution in value is made, if necessary, to recognise a decline other than temporary in the value of non-current investments.

## SCHEDULES

### Notes forming part of the Financial Statements as of and for the year ended March 31, 2016

#### e. Revenue Recognition

##### Service Charges:

Service charges for clearing and forwarding of shipments are recognised as income when shipments are manifested and represent amounts invoiced, net of service tax and all discounts and allowances.

##### Commission Income:

Commission is accrued when cargo is delivered to the custody of the airline and the master airway bill is issued.

##### Interest Income:

Interest income is recognised on a time proportion basis taking into account the amount outstanding and the applicable interest rate.

##### Dividend Income:

Dividend Income is recognised when the right to receive dividend is established.

#### f. Employee Benefits

##### Defined Contribution Plans

Contribution towards Provident Fund is made to the Regulatory Authorities. Such benefits are classified as Defined Contribution Schemes as the Company does not carry any further obligations, apart from the contributions made on a monthly basis.

The Company also contributes to State plans, namely Employee's State Insurance Fund and Employee's Pension Scheme 1995, and has no further obligation beyond making its contribution.

Company's contributions to the above funds are charged to the Statement of Profit and Loss for the year for which the contributions are due for payment.

##### Defined Benefit Plans

##### Gratuity :

The Company provides for gratuity, a defined benefit plan (the "Gratuity Plan") covering eligible employees in accordance with the Payment of Gratuity Act, 1972. The Gratuity Plan provides a lump sum payment to vested employees at retirement, death, incapacitation or termination of employment, of an amount based on the respective employee's salary and the tenure of employment. The Company's liability is actuarially determined (using the Projected Unit Credit Method) at the end of each year. Actuarial losses/ gains are recognised in the Statement of Profit and Loss in the year in which they arise.

##### Compensated absences :

Accumulated compensated absences, which are expected to be availed or encashed within 12 months from the end of the Balance sheet date are treated as short term employee benefits. The liability in respect of compensated absences of short term nature is not actuarially valued and is provided on an estimated basis.

#### g. Leases

Leases in which a significant portion of the risks and rewards of ownership are retained by the lessor are classified as operating leases. Operating lease rental payments are recognized as an expense in the Statement of Profit and Loss.

#### h. Current and Deferred Tax

Tax expense for the year, comprising current tax and deferred tax, are included in the determination of the net profit or loss for the year. Current tax is measured at the amount expected to be paid to the tax authorities in accordance with the taxation laws during the relevant assessment year.

Deferred tax is recognised for all timing differences, subject to consideration of prudence, in respect of deferred tax assets. Deferred tax assets are recognised and carried forward only to the extent that there is a reasonable certainty (virtual certainty in respect of any carried forward losses) that sufficient future taxable income will be available against which such deferred tax assets can be realised. Deferred tax assets and liabilities are measured using the tax rates and tax laws that have been enacted or substantively enacted by the Balance Sheet date. At each Balance Sheet date, the Company reassesses unrecognised deferred tax assets, if any.

Current tax assets and current tax liabilities are offset when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle the asset and the liability on a net basis. Deferred tax assets and deferred tax liabilities are offset when there is a legally enforceable right to set off assets against liabilities representing current tax and where the deferred tax assets and the deferred tax liabilities relate to taxes on income levied by the same governing taxation laws.

#### i. Provisions

Provisions are recognised when there is a present obligation as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and there is a reliable estimate of the amount of the obligation. Provisions are measured at the best estimate of the expenditure required to settle the present obligation at the Balance sheet date and are not discounted to its present value.

## SCHEDULES

### Notes forming part of the Financial Statements as of and for the year ended March 31, 2016

#### **j. Contingent Liabilities**

Contingent liabilities are disclosed when there is a possible obligation arising from past events, the existence of which will be confirmed only by the occurrence or non occurrence of one or more uncertain future events not wholly within the controls of the Company or a present obligation that arises from past events where it is either not probable that an outflow of resources will be required to settle or a reliable estimate of the amount cannot be made. Where there is a possible obligation or a present obligation and the likelihood of outflow of resources is remote, no provision or disclosure is made.

#### **k. Cash and Cash Equivalents**

In the cash flow statement, cash and cash equivalents include cash in hand, cheques in hand, demand deposits with

banks, other short-term highly liquid investments with original maturities of three months or less.

#### **l. Use of Estimates**

The preparation of Financial Statements in accordance with the generally accepted accounting principles requires the Management to make estimates and assumptions that affect the reported amounts of assets and liabilities as of the date of Financial Statements and the reported amount of expenses of the year. Actual results could differ from these estimates. Any revision to such accounting estimates is recognised in the accounting period in which such revision takes place.

## SCHEDULES

Notes forming part of the Financial Statements as of and for the year ended March 31, 2016

	As at March 31, 2016 in ₹ ('000)	As at March 31, 2015 in ₹ ('000)
<b>3. Share Capital</b>		
Authorised		
200,000 (Previous year : 200,000) equity shares of ₹ 10 each	2,000	2,000
Issued, Subscribed and Paid up		
110,000 (Previous year : 110,000) equity shares of ₹ 10 each fully paid-up	1,100	1,100
<b>Total</b>	<b>1,100</b>	<b>1,100</b>

**a. Reconciliation of the number of shares**

	As at March 31, 2016		As at March 31, 2015	
	Number of shares	Amount in ₹ ('000)	Number of shares	Amount in ₹ ('000)
Balance as at the beginning of the year	110,000	1,100	110,000	1,100
Additions/Deletions during the year	-	-	-	-
Balance as at the end of the year	<b>110,000</b>	<b>1,100</b>	<b>110,000</b>	<b>1,100</b>

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

The Company has only one class of equity shares having a par value of ₹ 10 per share. Each shareholder of equity shares is entitled to one vote per share.

The Company declares and pays dividend in Indian Rupees. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting, except in case of interim dividend.

In the event of liquidation, the equity share holders are eligible to receive the remaining assets of the Company after distribution of all preferential amounts, in proportion to their share holding.

**c. Shares held by holding company**

Out of the above equity shares issued by the Company, shares held by the holding company:

	As at March 31, 2016 in ₹ ('000)	As at March 31, 2015 in ₹ ('000)
Blue Dart Express Limited, the Holding Company and its nominees		
110,000 (Previous Year: 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, 2016		As at March 31, 2015	
	No. of shares	% held as at	No. of shares	% held as at
Blue Dart Express Limited	110,000	100	110,000	100

## SCHEDULES

Notes forming part of the Financial Statements as of and for the year ended March 31, 2016

	As at March 31, 2016 in ₹ ('000)	As at March 31, 2015 in ₹ ('000)
<b>4 Reserves and Surplus</b>		
<b>Securities Premium Reserve</b>		
Balance as at the beginning of the year	13,500	13,500
Addition/utilisation during the year	-	-
<b>Balance as at the end of the year</b>	<b>13,500</b>	<b>13,500</b>
<b>General Reserve</b>		
Balance as at the beginning of the year	4,500	4,500
Add : Transferred from Surplus in Statement of Profit and Loss during the year	-	-
<b>Balance as at the end of the year</b>	<b>4,500</b>	<b>4,500</b>
<b>Surplus from the Statement of Profit and Loss</b>		
Balance as at the beginning of the year	15,538	12,064
Add: Net Profit for the year	7,593	3,474
<b>Balance as at the end of the year</b>	<b>23,131</b>	<b>15,538</b>
<b>Total</b>	<b>41,131</b>	<b>33,538</b>
<b>5 Long term provision</b>		
Provision for Employee benefits:		
- Provision for Gratuity [Refer notes 2(f) and 22]	3,270	2,665
- Provision for Compensated Absences [Refer notes 2(f) and 22]	922	738
<b>Total</b>	<b>4,192</b>	<b>3,403</b>
<b>6 Trade Payables</b>		
Trade Payables (Refer note 28 for details of dues to micro and small enterprises)		
Total outstanding dues of micro enterprises and small enterprises and	-	-
Total outstanding dues of creditors other than micro enterprises and small enterprises	43,678	32,192
<b>Total</b>	<b>43,678</b>	<b>32,192</b>
<b>7 Other current liabilities</b>		
Employee benefits payable	2,546	280
Statutory Dues (including Provident Fund, Employee State Insurance, Professional tax, Service Tax and Tax deducted at Source)	3,890	2,019
Payable to Blue Dart Express Limited	15,979	4,915
<b>Total</b>	<b>22,415</b>	<b>7,214</b>
<b>8 Short Term Provisions</b>		
Provision for Employee benefits:		
Provision for Gratuity [Refer notes 2(f) and 22]	52	98
Provision for Compensated Absences [Refer notes 2(f) and 22]	239	243
<b>Total</b>	<b>291</b>	<b>341</b>

## SCHEDULES

Notes forming part of the Financial Statements as of and for the year ended March 31, 2016

### 9 Fixed Assets [Refer Notes 2(b), 2(c) and 23]

in ₹ ('000)

Description of Assets	GROSS BLOCK (At Cost)				DEPRECIATION				NET BLOCK
	Opening Balance as at April 1, 2015	Additions	Deductions/ Adjustments	Closing Balance as at March 31, 2016	Opening Balance as at April 1, 2015	For the Year	Deductions/ Adjustments	Closing Balance as at March 31, 2016	Closing Balance as at March 31, 2016
<b>Tangible Assets:</b>									
Buildings	2,022	-	-	2,022	2,018	-	-	2,018	4
Office Equipment	225	14	15	224	141	60	10	191	33
Electrical Equipment	827	-	-	827	237	86	-	323	504
Computers	834	8	-	842	526	70	-	596	246
Furniture and Fixtures	1,655	-	-	1,655	300	186	-	486	1,169
Vehicles	1,879	1,347	900	2,326	1,752	83	900	935	1,391
<b>Total Tangible Assets</b>	<b>7,442</b>	<b>1,369</b>	<b>915</b>	<b>7,896</b>	<b>4,974</b>	<b>485</b>	<b>910</b>	<b>4,549</b>	<b>3,347</b>

Description of Assets	GROSS BLOCK (At Cost)				AMORTISATION				NET BLOCK
	Opening Balance as at April 1, 2015	Additions	Deductions/ Adjustments	Closing Balance as at March 31, 2016	Opening Balance as at April 1, 2015	For the Year	Deductions/ Adjustments	Closing Balance as at March 31, 2016	Closing Balance as at March 31, 2016
<b>Intangible Assets:</b>									
Goodwill	14,900	-	-	14,900	14,900	-	-	14,900	-
Computer Software	96	223	-	319	50	28	-	78	241
<b>Total Intangible Assets</b>	<b>14,996</b>	<b>223</b>	<b>-</b>	<b>15,219</b>	<b>14,950</b>	<b>28</b>	<b>-</b>	<b>14,978</b>	<b>241</b>

## SCHEDULES

Notes forming part of the Financial Statements as of and for the year ended March 31, 2016

### 9 Fixed Assets [Refer Notes 2(b), 2(c) and 23]

in ₹ ('000)

Description of Assets	GROSS BLOCK (At Cost)				DEPRECIATION				NET BLOCK
	Opening Balance as at April 1, 2014	Additions	Deductions/ Adjustments	Closing Balance as at March 31, 2015	Opening Balance as at April 1, 2014	For the Year	Deductions/ Adjustments	Closing Balance as at March 31, 2015	Closing Balance as at March 31, 2015
<b>Tangible Assets:</b>									
Buildings	2,022	-	-	2,022	2,018	-	-	2,018	4
Office Equipment	195	30	-	225	114	27	-	141	84
Electrical Equipment	764	63	-	827	176	61	-	237	590
Computers	826	135	127	834	573	79	126	526	308
Furniture and Fixtures	1,655	-	-	1,655	189	111	-	300	1,355
Vehicles	2,016	-	137	1,879	1,676	207	131	1,752	127
<b>Total Tangible Assets</b>	<b>7,478</b>	<b>228</b>	<b>264</b>	<b>7,442</b>	<b>4,746</b>	<b>485</b>	<b>257</b>	<b>4,974</b>	<b>2,468</b>

Description of Assets	GROSS BLOCK (At Cost)				AMORTISATION				NET BLOCK
	Opening Balance as at April 1, 2014	Additions	Deductions/ Adjustments	Closing Balance as at March 31, 2015	Opening Balance as at April 1, 2014	For the Year	Deductions/ Adjustments	Closing Balance as at March 31, 2015	Closing Balance as at March 31, 2015
<b>Intangible Assets:</b>									
Goodwill	14,900	-	-	14,900	14,781	119	-	14,900	-
Computer Software	96	-	-	96	39	11	-	50	46
<b>Total Intangible Assets</b>	<b>14,996</b>	<b>-</b>	<b>-</b>	<b>14,996</b>	<b>14,820</b>	<b>130</b>	<b>-</b>	<b>14,950</b>	<b>46</b>

During the year, the management reassessed the remaining useful life of assets as prescribed in Schedule II of the Companies Act, 2013, and has taken additional depreciation charge of ₹ 94 ('000) for the twelve months period ended March 31, 2015.

### 10 Non current Investments

[Refer note 2(d)]

In Government Securities - Unquoted National Saving Certificates  
(6 year NSCs - VIII issue)

[Given as security to the Custom Authorities]

	As at March 31, 2016 in ₹ ('000)	As at March 31, 2015 in ₹ ('000)
	-	50
<b>Total</b>	<b>-</b>	<b>50</b>

### 11 Deferred Tax Assets (Net)

[Refer note 2(h)]

#### Deferred Tax Assets

Provision for Compensated Absences

Provision for Gratuity

Provision for Bonus

#### Deferred Tax Liability

Depreciation/Amortisation

	384	303
	1,098	854
	105	46
	<b>1,587</b>	<b>1,203</b>
	131	98
<b>Total</b>	<b>1,456</b>	<b>1,105</b>

## SCHEDULES

Notes forming part of the Financial Statements as of and for the year ended March 31, 2016

	As at March 31, 2016 in ₹ ('000)	As at March 31, 2015 in ₹ ('000)
<b>12 Long term loans and advances</b>		
(Unsecured, considered good)		
Deposits	25	25
Rental deposits	240	240
Advance income taxes [Net of provision for taxation ₹ 26,756 ('000)] [Previous Year ₹ 22,836 ('000)]	91,354	65,996
<b>Total</b>	<b>91,619</b>	<b>66,261</b>
<b>13 Other Non-Current Assets</b>		
Current bank balances held as Margin money deposit against Guarantees	438	356
Interest accrued but not due	22	93
<b>Total</b>	<b>460</b>	<b>449</b>
<b>14 Current Investments</b>		
[Refer note 2(d)]		
In Government Securities - Unquoted National Saving Certificates (6 year NSCs - VIII issue) [Given as security to the Custom Authorities]	50	-
<b>Total</b>	<b>50</b>	<b>-</b>
<b>15 Trade Receivables</b>		
(Unsecured, considered good)		
Outstanding for a period exceeding six months	-	-
Other Receivables	100	748
<b>Total</b>	<b>100</b>	<b>748</b>
<b>16 Cash and Bank balances</b>		
<b>Cash and cash equivalents</b>		
Cash on Hand	21	83
Balance with banks : In current accounts	9,124	6,111
<b>Total</b>	<b>9,145</b>	<b>6,194</b>
<b>17 Short term loans and advances</b>		
(Unsecured, considered good)		
Prepaid Expenses	353	321
Rental Deposits	-	100
Advance recoverable in cash or kind : Advance to vendor	5,988	-
Balance with Government Authorities	-	30
Other advances	21	16
<b>Total</b>	<b>6,362</b>	<b>467</b>
<b>18 Other Current Asset</b>		
(Unsecured, considered good)		
Interest accrued but not due on NSC	27	-
<b>Total</b>	<b>27</b>	<b>-</b>
<b>19 Revenue from Operations</b>		
Income from Service Charges [Refer note 2(e)]	18,063	30,720
Income from Commission [Refer note 2(e)]	35,587	5,792
<b>Total</b>	<b>53,650</b>	<b>36,512</b>

## SCHEDULES

Notes forming part of the Financial Statements as of and for the year ended March 31, 2016

	Year ended March 31, 2016 in ₹ ('000)	Year ended March 31, 2015 in ₹ ('000)
<b>20 Other Income</b>		
<b>[Refer note 2(e)]</b>		
Interest on		
- Fixed deposits	38	47
Dividend income	103	179
Profit on Sale of fixed assets	-	30
Liabilities no longer required written back	-	1,269
Miscellaneous Income	1	5
<b>Total</b>	<b>142</b>	<b>1,530</b>
<b>21 Freight, Handling and Servicing Costs</b>		
Handling and clearing charges	7,496	5,010
Domestic network operating costs	2,085	2,230
Printing, stationery and consumables	261	209
<b>Total</b>	<b>9,842</b>	<b>7,449</b>
<b>22 Employee Benefits Expense</b>		
Salaries, Wages, Bonus and Leave Encashment*	24,339	19,640
Contribution to Provident and other funds	1,685	1,577
Staff welfare expenses	259	191
<b>Total</b>	<b>26,283</b>	<b>21,408</b>

\* Including prior period item of Rs 1,585,000

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

### I. Defined Contribution Plans

- a. Provident Fund
- b. State Defined Contribution Plans
  - i. Employers' Contribution to Employee's State Insurance
  - ii. Employers' Contribution to Employee's Pension Scheme 1995.

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

	Year ended March 31, 2016 in ₹ ('000)	Year ended March 31, 2015 in ₹ ('000)
- Employers' Contribution to Provident Fund	389	391
- Employers' Contribution to Employee's State Insurance	168	107
- Employers' Contribution to Employee's Pension Scheme 1995	424	317

### II. Defined Benefit Plan

#### GRATUITY

Valuations in respect of gratuity have been carried out by an independent actuary, as at the Balance Sheet Date, based on the following assumptions.

	As at March 31, 2016	As at March 31, 2015
Discount Rate (per annum)	7.96%	8.03%
Rate of increase in Compensation levels (Refer note below)	6.75%	6.75%
Rate of Return on Plan Assets	Nil	Nil

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

## SCHEDULES

Notes forming part of the Financial Statements as of and for the year ended March 31, 2016

	As at March 31, 2016 in ₹ ('000)	As at March 31, 2015 in ₹ ('000)			
<b>A) Changes in the Present Value of Obligation</b>					
Present Value of Obligation at the beginning of the year	2,763	2,165			
Interest Cost	222	202			
Past Service Cost	Nil	Nil			
Current Service Cost	228	171			
Curtailment Cost / (Credit)	Nil	Nil			
Settlement Cost / (Credit)	Nil	Nil			
Benefits Paid	(88)	(103)			
Actuarial loss / (gain) on obligations	197	328			
<b>Present Value of Obligation as at Year end</b>	<b>3,322</b>	<b>2,763</b>			
<b>B) Amount recognised in the Balance Sheet</b>					
Present Value of Obligation at the end of the year	(3,322)	(2,763)			
Fair Value of Plan Assets as at the end of the year	Nil	Nil			
<b>Unfunded net Liability recognised in the Balance Sheet</b>	<b>(3,322)</b>	<b>(2,763)</b>			
<b>Recognised under:</b>					
Long term provisions (Refer note 5)	3,270	2,665			
Short term provisions (Refer note 8)	52	98			
<b>C) Expenses recognised in the Statement of Profit and Loss</b>					
Current Service Cost	227	171			
Past Service Cost	Nil	Nil			
Interest Cost	222	202			
Expected Return on Plan Assets	Nil	Nil			
Curtailment Cost / (Credit)	Nil	Nil			
Settlement Cost / (Credit)	Nil	Nil			
Net actuarial (gain) / loss recognised in the year	197	328			
<b>Total Expenses recognised in the Statement of Profit and Loss</b>	<b>646</b>	<b>701</b>			
<b>(D) Net Asset/ (Liability) recognised in the Balance Sheet</b>					
	Year ended March 31, 2016 in ₹ ('000)	Year ended March 31, 2015 in ₹ ('000)	Year ended March 31, 2014 in ₹ ('000)	15 months Period ended March 31, 2013 in ₹ ('000)	Year ended December 31, 2011 in ₹ ('000)
Present Value of Obligation at the end of the year	3,322	2,763	2,165	1,979	1,691
Fair value of Plan Assets at the end of the year	Nil	Nil	Nil	Nil	Nil
Asset / (Liability) recognised in the Balance Sheet	(3,322)	(2,763)	(2,165)	(1,979)	(1,691)
<b>Experience Adjustments:</b>					
On Plan Liabilities (gain)/ loss	197	328	(148)	237	(43)
On Plan Assets gain/ (loss)	Nil	Nil	Nil	Nil	Nil

### III. COMPENSATED ABSENCES

The liabilities for Compensated Absences as at the year end were ₹ 1,161 ('000) [Previous Year ₹ 981 ('000)]. (Refer notes 5 and 8)

## SCHEDULES

Notes forming part of the Financial Statements as of and for the year ended March 31, 2016

	Year ended March 31, 2016 in ₹ ('000)	Year ended March 31, 2015 in ₹ ('000)
<b>23 Depreciation and Amortisation expense</b>		
Depreciation on Tangible assets	485	485
Amortisation on Intangible assets	28	130
<b>Total</b>	<b>513</b>	<b>615</b>
<b>24 Other Expenses</b>		
Legal & Professional charges	707	539
Payment to Auditors :		
- Statutory Audit fees	300	300
- Tax Audit fees	100	100
- Reimbursement of Expenses	18	9
Office expenses	303	277
Rent [Refer note 2(g)]	60	15
Electricity	263	254
Communication expenses	315	319
Rates and taxes*	2,133	50
Repairs and maintenance - others	132	138
Travelling and conveyance	1,265	1,186
Insurance	396	330
<b>Total</b>	<b>5,992</b>	<b>3,517</b>

\* includes ₹ 2,099 ('000) for service tax paid in respect of earlier years.

<b>25 Earnings Per Share (EPS)</b>	Year ended March 31, 2016	Year ended March 31, 2015
Profit for the year (in ₹ '000)	7,593	3,474
Weighted Average number of Equity shares (Nos.)	110,000	110,000
Basic and Diluted Earnings per share (in ₹)	69.02	31.58
Face value per Equity share (in ₹)	10	10

**26** The Company is primarily engaged in a single segment business, within the same geography of clearing and forwarding of time sensitive shipments within India and is governed by a similar set of risks and returns for all its services. Thus the segment revenue, segment result, total carrying amount of segment assets, total carrying amount of segment liabilities, total cost incurred to acquire segments assets, the total amount of charge for depreciation and amortisation during the year are all as reflected in the financial statements for the year ended March 31, 2016 and as on that date.

### 27 Related Party Disclosures

#### (a) Enterprises where control exists

- |                                |                          |
|--------------------------------|--------------------------|
| (i) Blue Dart Express Limited  | Holding Company          |
| (ii) Deutsche Post AG, Germany | Ultimate Holding Company |

#### (b) Related party relationships where transactions have taken place during the Year

- |                                 |  |
|---------------------------------|--|
| (i) Blue Dart Express Limited   | Holding Company  |
| (ii) Blue Dart Aviation Limited | Enterprise over which Blue Dart Express Limited is able to exercise significant influence till June 21, 2015.<br>Fellow Subsidiary (w.e.f June 22, 2015) |

## SCHEDULES

Notes forming part of the Financial Statements as of and for the year ended March 31, 2016

	Year ended March 31, 2016 in ₹ ('000)	Year ended March 31, 2015 ₹ ('000)
<b>(c) Transactions with related parties during the year :</b>		
(i) <u>With Holding Company</u>		
<b>Blue Dart Express Limited</b>		
Recoveries towards air freight, etc	(1,087,414)	(743,689)
(ii) <u>With Enterprises over which Blue Dart Express Limited is able to exercise significant influence.</u>		
<b>Blue Dart Aviation Limited</b>		
Reimbursement of expenses	(9,736)	(17,532)
Service Charges	(1,232)	(1,947)
<b>(d) Related party balances at the year:</b>		
(Payable) / Receivable from Holding Company		
<b>Blue Dart Express Limited</b>	(15,979)	(4,915)
<b>Blue Dart Aviation Limited</b>	100	740

### 28 DUES TO MICRO AND SMALL ENTERPRISES

There are no Micro and Small Enterprises, to whom the Company owes dues, which are outstanding for more than 45 days at the Balance Sheet date. The Micro and Small Enterprises have been identified on the basis of the information available with the Company and has been relied upon by the Auditors.

### 29 LEASE DISCLOSURE

- a. The Company has entered into various non-cancellable operating lease agreements for official / residential premises for a period of two to five years. Future minimum rentals payable under non-cancellable operating leases are as follows:

	As at March 31, 2016 in ₹ ('000)	As at March 31, 2015 ₹ ('000)
Not later than one year	-	525
Later than one year and not later than five years	-	-
Later than five years	-	-
Charge for the year	-	-

- b. Company has entered into various cancellable leasing arrangements for motor cars and official/residential premises. The lease rentals for motor cars of ₹ 863('000) [Previous year ₹ 851('000)] has been included under the head "Employee Benefits Expense - Salaries, Bonus and Leave Encashment" under Note 22 forming part of the Statement of Profit and Loss. The lease rentals for residential premises ₹ 480('000) [Previous year ₹ 329('000)] has been included under the head "Employee Benefits Expense - Salaries, Bonus and Leave Encashment" under Note 22 forming part of the Statement of Profit and Loss. Lease rentals for official premises of ₹ 60 ('000) [ Previous year ₹ 15 ('000) ] has been included under the head "Other Expenses - Rent" under Note 24 forming part of the Statement of Profit and Loss.

## SCHEDULES

Notes forming part of the Financial Statements as of and for the year ended March 31, 2016

### 30 PRESENTATION AND DISCLOSURE OF FINANCIAL STATEMENTS

Previous year's figures have been regrouped/ reclassified, wherever necessary to conform to the current year's classification.

Signatures to Notes 1 to 30 form an integral part of the financial statements.

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As per our report of even date

**For Price Waterhouse**

Firm Registration Number: 301112E

Chartered Accountants

**Sumit Seth**

Partner

Membership No. 105869

Place : Mumbai

Date: April 15, 2016

For and on behalf of the Board of Directors

**V. N. Iyer**

Director

DIN : 00090717

**Tushar Gunderia**

Director

DIN : 00090321

**Aneel Gambhir**

Director

DIN : 07321422

Place : Mumbai

Date: April 15, 2016