

# 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.

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- 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.

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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 Nowlakha 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.

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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.

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- 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.



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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:

- Formulation of criteria for determining qualifications, positive attributes and independence of a director and recommend to the Board a Policy, relating to the remuneration of the directors, key managerial personnel and other employees;
- Formulation of criteria for evaluation of Independent Directors and the Board;
- Devising a 'Policy on diversity' of the Board of Directors;
- 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.
- 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.
- 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

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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:

- The Company's contribution to Provident Fund, in accordance with the Rules and Regulations of the Company.
- 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.
- Gratuity payable at a rate not exceeding half a month's salary for each completed year of service.
- Encashment of an unavailed leave at the end of each year as per Company Policy.
- Telephone expenses.
- A chauffeur – driven vehicle or transport allowance as per Company Policy.
- Coverage under Company's Group Insurance Cover.
- 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.
- 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.

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(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:



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- (a) The remuneration of the Managing Director shall consist of the following:
- (i) Basic Salary
  - (ii) House Rent Allowance
  - (iii) Special Allowance
- (b) In addition to the above, the Managing Director shall be entitled to the following:
- (i) Company's contribution to the provident fund as per The Employees' Provident Funds and Miscellaneous Provisions Act, 1952.
  - (ii) Gratuity at a rate not exceeding half a month's salary for each completed year of service.
  - (iii) Superannuation contribution subject to a maximum ceiling of 15% of basic salary by way of contribution to a fund or an allowance in lieu thereof or a combination of both.
  - (iv) Encashment of an unavailed leave at the end of each year.
  - (v) Re-imbursement of telephone expenses at residence for official purpose.
  - (vi) A chauffeur – driven vehicle.
  - (vii) Coverage under Company's Group Insurance Cover.
  - (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.

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### 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.

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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

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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](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](mailto:bluedart@ethicshelpline.in) has been set up which is managed by an independent professional entity.

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

The web link of the Whistle Blower Policy is [https://www.nseprimeir.com/z\\_BlueDart/files/BlueDart\\_Whistle\\_Blower\\_Policy.pdf](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](http://www.bluedart.com).

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

### 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.

### 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



## 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**

<b>Financial Calendar</b> (tentative and subject to change)	<b>Schedule of Board Meetings</b>	<b>Date</b>
	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

<b>Stock Code/Symbol</b>	:	BSE	:	526612
<b>Equity Shares of ₹ 10/-each</b>		NSE	:	Symbol - BLUEDART Series – EQ
<b>ISIN</b>				INE233B01017
<b>Corporate Identification Number (CIN) :</b>				L61074MH1991PLC061074

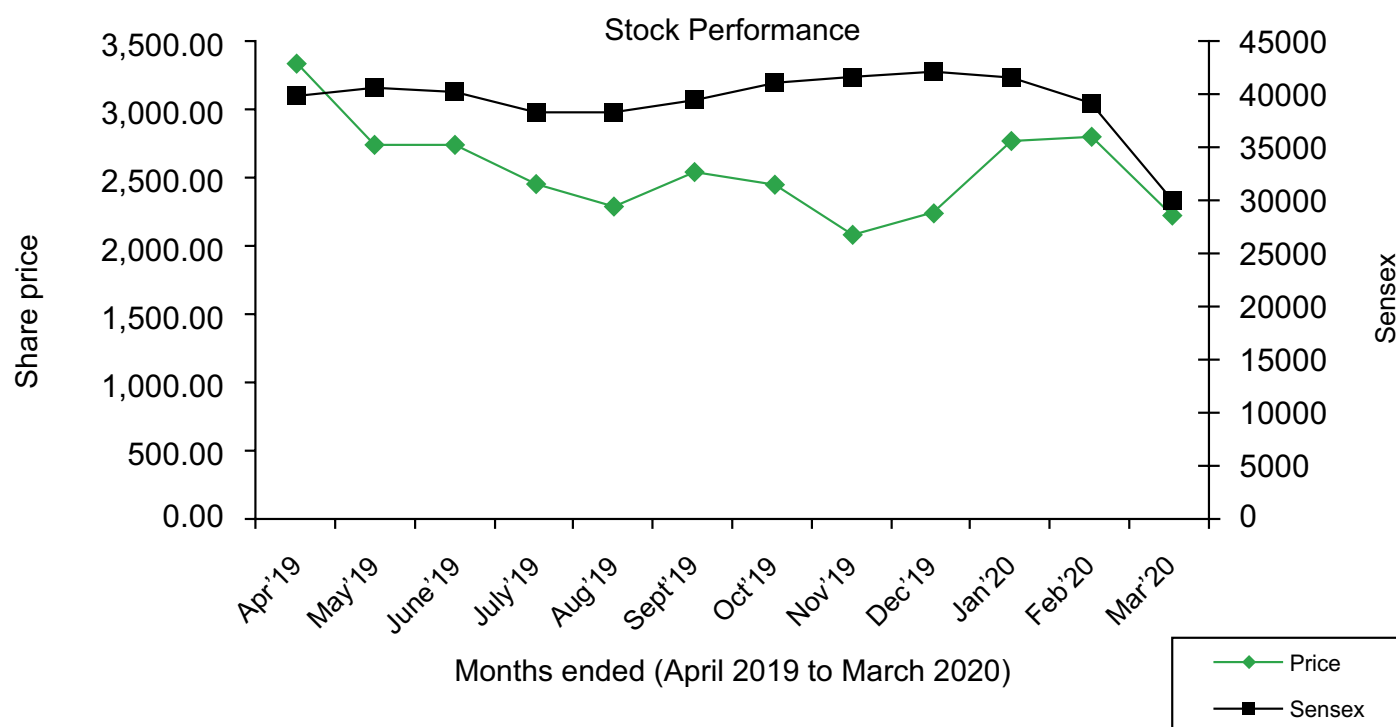
## REPORT ON CORPORATE GOVERNANCE

### 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](mailto: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
<b>Total</b>	<b>17,299</b>	<b>23,727,934</b>	<b>100.00</b>

\* 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.

<b>Plant Location</b>	:	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.
<b>Address for communication</b>	:	Investors should address their correspondence to the Registrar & Share Transfer Agents: M/s. Link Intime India Pvt. Ltd. at the address mentioned hereinabove.  Contact Officials:  Ms. Sharmila Amin, Assistant Vice President - Corporate Registry.  Ms. 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
<b>Analyst Contact</b>	:	Mr. Aneel Gambhir - CFO  Mr. Rajesh Joshi, General Manager – Finance & Treasury
<b>General Information Contact</b>	:	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 Gaggar  
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