



Dear Stakeholders,

I am pleased to present our Annual Report for the year ended March 31, 2018.

This year, your Company has done reasonably well notwithstanding a challenging business environment and varied consumer demands. What has not changed however is the unique ability of Blue Darters to continue to be agile and adapt to an environment that remains volatile and challenging, and respond in a manner that reflects our qualities and experience.

Your Company is one of India's most innovative and awarded Express Logistics brand. The value and service experience created for customers still leads the industry. The Company's market leading services and expertise is highly regarded, and is a global benchmark. A high Net Promoter Score of 84% in 2017 is a proof of that – perhaps the best in the world.

Your Company posted ₹ 14,210 Lakhs profit after tax for the year ended March 31, 2018. Income from operations for the year ended March 31, 2018 was ₹ 279,085 Lakhs. Your Company carried over 1,958.66 Lakhs domestic shipments and over 9.15 Lakhs international shipments weighing more than 696,961 tonnes during the same period.

The Board of Directors of your Company has recommended a Dividend of ₹12.50 (Rupees Twelve and fifty paise only) per equity share for the year ended March 31, 2018, subject to necessary approval by the members in the ensuing Annual General Meeting.

Your Company has been established based on strong brand equity built on the fundamentals and values that are representation of great workplaces. Rated as one of India's Super brands and Readers Digest Trusted Brand, your Company is associated with international standards, reliability, trustworthiness, hi-technology, strong Corporate Social responsibility and customer centricity.

India's macroeconomic environment is expected to be stable for the long-term with minor interim hindrances. With about 7%+ real GDP growth, it is one of the fastest growing major economies.

As per the DHL Global Trade barometer, the Indian trade growth is expected to remain on record high levels. The March 2018 Index had predicted the March 2018 to May 2018 trade development at 84 and above countries such as China, USA, Germany, UK etc. The global average is 66.

The future is more complex than ever before. The express business in India is experiencing change led by heightened competitive environment; new entrants and captive business models of some major customers.

This year too, we have initiated a thorough review of our business. We took on the challenges that affect our industry and business in an even stronger and more decisive manner.

In line with the goal to deliver exceptional services, your Company has embarked on several initiatives that will bring long term benefits to customers. A transformation process has been initiated to win in every market – metros, tier I, II, III & IV by providing superior consumer convenience, introducing unique products, delivering the best-in-class services and maintaining the reach advantage. Technology and Automation will be the pivots of this strategy. We have already enhanced our reach to over 15,000 pin codes as on date. The investments being made on various initiatives may have some short term challenges, however, it would create value for business, stakeholders in the long term.

Digital transformation is on a steady path of consolidation in Blue Dart. As one of the fore-runners in creating technology delights, your Company has revolutionized the digital payment options with 15 mobile wallets / UPI / credit and debit card options; and investments in the new contemporary website, business intelligence, AI and data analytical tools, smart dashboards, auto-route applications, deployment of parcel lockers, pilots of electrical vehicles etc are just some of the reflection of your Company's future vision for its customers, partners and planet earth.

Your Company continues to tap into the social media space through its official Facebook, Twitter, Google+ and YouTube pages to reach an extensive audience base and rapidly growing followers.

The future growth will come from industries (manufacturing and services) and private consumption. The landmark goods and

services tax (GST) will substantially simplify trade. The e-waybill implementation has been mixed and slowly stabilizing now. Blue Dart has championed the leader's role in the implementation of these two landmark changes.

In year gone by, 99.2% of Blue Darters participated in the Annual Employee Satisfaction Survey (ESS). Pride for working at Blue Dart clearly emerges as the highest score at 97.4%. Blue Dart has been recognized as the No.2 Best Multinational Workplaces in Asia 2018 by Great Place to Work Institute (GPTW) Asia, amongst the Top 50 of India's Best Companies to Work For – 2017 by Great Place to Work Institute (GPTW) India for the 7th time, awarded a Business Superbrand for the 10th consecutive time and a Reader's Digest Most Trusted Brand for the 11th consecutive time this year.

Your Company is aligned to the group's Mission 2050: Zero Emissions goals. Your Company has won the Deutsche Post DHL CEO Award for Living Responsibility for two years in a row. This is a wonderful global recognition for our Corporate Social Responsibility programs.

Blue Dart places a premium on and remains committed to good Corporate Governance, aligned to the best corporate practices. Strong Corporate Governance has always been an integral part of the Company's business philosophy. Building community trust through responsible and sustainable management of its business is an indispensable part of Blue Dart. The Company is

committed to its Living Responsibility motto. Living Responsibility or in common parlance, 'Corporate Responsibility' is a core element of Blue Dart's corporate strategy. Your Company (along with DPDHL group) focuses its corporate responsibility on environmental protection (GoGreen), disaster management (GoHelp) and championing education (GoTeach).

The team on ground is focused to deliver on all parameters for all its stakeholders – customers, investors, government and employees. To support the aspirations of growth, business plans are being set-up, deployed and investment support is being articulated to strengthen the logistics delivery system and to further strengthen market leadership position and make Blue Dart's governance stronger.

I thank you, the shareholders, for your support and I thank the Board and all Blue Darters for their hard work and commitment to this great Company.

Warm regards,

Mumbai
June 20, 2018

Sharad Upasani
Chairman