

# BUSINESS RESPONSIBILITY REPORT

## ABOUT BLUE DART

Blue Dart is South Asia's premier courier and integrated air express package distribution company covering over 35,000 locations in India. Blue Dart is a part of the DPDHL group - the premier global brand in logistics distribution services that covers over 220 countries and territories worldwide.

### Vision of Blue Dart :

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

### Mission/ Future goals of Blue Dart :

Blue Dart plans to leverage its established infrastructure to continue adding value and customised solutions to the changing and evolving demands of the customer. Blue Dart plans to carve for itself a leadership position in the industry through technology development, premium services, quality network and strategic alliances. Blue Dart aims to continue delivering value to its stakeholders through its Corporate Responsibility, People Philosophy and Corporate Governance based on distinctive customer service centricity, operational excellence, business ethics and profitability.

## BUSINESS RESPONSIBILITY AT BLUE DART

It is a privilege to present the Business Responsibility Report of Blue Dart Express Limited for the Financial Year (FY) 2017-18. In conformance to the requirements of the clause (f) of sub regulation (2) of regulation 34 of SEBI's Listing Regulations, this report is aligned with the nine principles of the National Voluntary Guidelines on Social, Environmental & Economic Responsibilities of Business (NVG-SEE) notified by the Ministry of Corporate Affairs, Government of India. Additionally, this report includes the Corporate Social Responsibility (CSR) section which is compliant to Schedule VII of Section 135 of the Companies Act, 2013. Blue Dart has adopted responsible business practices in its operations with the belief that social and environmental performances of a company are as vital as its financial and operational performance. The report involves disclosure of the following nine principles as per NVG-SEE framework:

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

## BUILDING A RESPONSIBLE BUSINESS – ETHICS AND CORPORATE GOVERNANCE

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

Since inception, Blue Dart has inculcated and maintained a strong culture of values, ethics and integrity. The basic philosophy of Corporate Governance at Blue Dart is to achieve business excellence and to create and enhance the value for its shareholders, customers, employees and business associates thereby making a significant contribution to the economy. Blue Dart's corporate governance framework is a reflection of its culture, policies, relationship with stakeholders and commitment to values. The Company endeavors to achieve the highest levels of transparency,

accountability, integrity and responsibility and continues to focus on good corporate governance, in line with local and global standards. As a responsible corporate citizen, the company complies with the applicable laws of the land in letter as well as in spirit.

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

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

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

The Company has posted the "Whistle Blower Policy" on its website and it can be accessed at <http://www.bluedart.com/WhistleBlowerPolicy>.

During FY 2017-18, two Whistleblower complaints were received which were investigated and acted upon. One complaint of previous year which was under investigation was also investigated and acted upon. Further, five Investors complaints were received and disposed off during the year ended March 31, 2018. During the last 5 years, no cases were filed against the company regarding unfair trade practices, irresponsible advertising and/or anti-competitive behaviour.

The Company's Code of Conduct upholds the principles of human rights and fair treatment. This policy covers the company and extends to its group, suppliers and contractors. The company has a grievance redressal mechanism through which it receives complaints on the human rights aspects and satisfactorily resolves it. The grievance cell covers human rights issues such as child labor, forced labor, sexual harassment and discriminatory employment, etc. During FY 2017-18, two employee complaints were received and have been satisfactorily resolved. One complaint of previous year which was under process of resolution was also resolved. Further, two complaints were received from Vendor out of which one complaint has been investigated and acted upon and one complaint is under investigation.

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

Blue Dart Aviation Limited (BDAL), a subsidiary of the Company, is the only domestic cargo airline in the country that has sustained its operations for the past 22 years. It is the sole domestic freighter operator with scheduled flights. Policies that have been framed by the Ministry of Civil Aviation and the regulator have heretofore catered primarily to the growing passenger segment with numerous airlines operating larger fleet of aircraft. It is therefore necessary for BDAL to chart out and steer policies for operations which are in many ways divergent from passenger operations. The submissions, both individually and jointly with trade bodies such as the CII, FICCI and EICI, made to the regulators (DGCA, AERA, BCAS), AAI and to the Ministry of Civil Aviation over the past 10 years were through a process of engagement, awareness building, collaborative approach, education and benchmarking proven and successful best practices.

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

- Ground Handling Policy: Dispensation for domestic freighter operators.
- Cargo Working Group Report on Air Cargo Logistics in India published by the MoCA in 2012. Several inputs were provided by BDAL.

- National Civil Aviation Policy June 2016: Policy changes in air cargo including long lease tenure of airport facilities for air express freighter operators, International operations for cargo airlines with FDI
- Clarification on import duty for engines.
- CII Sub Committee on Sustainable Growth Strategies for Indian Aviation led by BDAL.
- MoCA Task Force on Skill Development for the Air Cargo Segment.

## **MANAGING STAKEHOLDER PRIORITIES – STAKEHOLDER ENGAGEMENT AT BLUE DART**

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

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

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

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

### **Engagement with NGOs**

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

### **Customer Value at Blue Dart**

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

Blue Dart has an established grievance mechanism to resolve customer complaints. The source of receiving grievance can be verbal, written, through mail or social media. All these complaints get logged into a module called CARESS-Complaint Appreciation Resolution & Evaluation to Satisfaction System. Blue Dart has carried over 1,958.66 Lakhs domestic shipments and over 9.15 Lakhs international shipments out of which 0.0001% complaints were registered and resolved.

### **Customer Satisfaction Survey**

A Customer Satisfaction Survey was carried out in 2016 for Blue Dart by Ipsos, a leading global market research company. The objective of this survey was to assess service quality level across customers and in turn measure customer satisfaction vis-à-vis competition and to evaluate

experience of end consumers with Blue Dart. The methodology involved two steps viz, 1. Exploratory Module i.e. face to face depth interviews for both customers and end consumers to map parameters to be used for the measurement phase and 2. Measurement Phase i.e. face to face CAPI to assess Blue Dart vis-à-vis competition on various parameters mapped in exploratory module. The key information areas obtained through this survey were customer loyalty and satisfaction measurement, their overall experience, value, likelihood to recommend, likelihood to continue, likelihood to increase, brand preference, satisfaction scores across touch points and their sub-parameters vis-à-vis competition

The survey covered 1,486 customers in 18 cities and 1,563 end consumers. The Customer Satisfaction Index for Blue Dart has increased to 64% in 2016 against 46% in previous study, a strong jump of 18%.

### **Net Promoter Score (NPS)**

Blue Dart has a strong First Choice Culture. The Company drives a quality program named First Choice that has a five step DMAIC (Define, Measure, Analyze, Improve and Control) methodology to long-term solutions. The brand also deploys the Net Promoter Approach that helps identify the Net Promoter Score and highlights the areas of improvement. The Approach relentlessly works on achieving “best-in-breed” Customer Satisfaction standards. Blue Dart’s equity, a measure of customer loyalty towards a brand, is the highest amongst its peers. The brand is associated with international standards, reliability, trustworthiness, hi-technology, strong corporate social responsibility and customer centricity.

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

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

#### **Employee diversity at Blue Dart**

As on March 31, 2018, Blue Dart comprised over 11,000 employees of which 539 are women. Blue Dart has also availed services through outsourced service provider. With a view to empower the specially-abled, Blue Dart has employed 23 specially-abled individuals as permanent employees. Blue Dart provides equal opportunity as an employer where no discrimination is made on the basis of gender, caste or creed. The company sees employee diversity as a guiding principle in its employment policy. This means promoting the diversity and heterogeneity of the individuals in the company in order to attain the highest possible productivity, creativity and efficiency. Skills, performance and ethical conduct are the only indicators for employee qualification at Blue Dart.

#### **Engagement with employees**

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

Blue Dart believes that its employees deserve to work in a safe and healthy environment. The company is therefore committed to a healthy and congenial work environment for its people. Blue Dart promotes health care as a key element of its sustained productivity and the quality of its services. Blue Dart provides safety and skill up-gradation trainings to its permanent employees. Apart from this, Blue Dart employs individuals from underprivileged backgrounds and those that are physically challenged to promote inclusive growth. Out of the total permanent employees, about 74% have received safety trainings in the reporting period. This count covered 73% of women Blue Darters and 44% of Blue Darters with disabilities. During FY 2017-18, about 26% of permanent employees received trainings on skill upgradation. The training involved participation of 64% women Blue Darters and 26% specially-abled Blue Darters.

#### **Addressing employee grievances**

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

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

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

## ENVIRONMENT & ENERGY

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

### Environmental risks at Blue Dart

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

### Addressing environmental concerns

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

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

Under the Living Responsibility credo of GoGreen, Blue Dart has undertaken certain initiatives to protect the environment. The initiatives include:

1. Plantation of saplings.
2. Energy conservation techniques such as usage of LED lamps in offices, power saver, GoGreen lights off initiative.
3. Celebration of Earth Hour every month, Earth Day, World Environment Day.
4. Installation of sensors in water taps at Headquarter with an aim to save water.
5. Route optimisation techniques.

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

#### A. Smart Truck

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

#### B. Carbon Neutral Service (CNS)

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

The service allows customers to neutralize their carbon footprint by paying an offset charge over and above their shipping rates. The carbon emissions resulting from the transportation of customer's shipments are offset by re-investing in environmental protection projects verified by SGS (Societe Generale de Surveillance), a United Nations independent auditor. A certificate verified by SGS is issued to CNS customers annually that mentions the total amount of CO<sub>2</sub> offset against the emissions resulting from the transportation of their shipments.

The GoGreen Carbon Neutral Service provides benefits like evaluation of emissions, offsetting of carbon emissions in high quality Gold Standard projects through CO<sub>2</sub> emission reports, robust accounting systems to measure CO<sub>2</sub> inventory, annual certificate and availability on all products range – domestic and International. Other benefits include effective carbon management, ensuring a balance between economic benefit and assuming responsibility for communities, positive impact on climate change and support corporate sustainability mandates.

Since the launch of the environment protection program in 2008, Blue Dart has seen a lot of interest evinced by customers who pursue sustainability as a part of their agenda. This service has been subscribed to by over 211 environmentally responsible customers. CNS not only enables customers to contribute to a greener future, but also helps build healthier and productive communities.

DPDHL has set a target of 30% efficiency improvement over the base of 2008 by 2020 for all its group companies. Blue Dart has achieved an efficiency improvement of 24.5% in 2017 and is poised to achieve the target.

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

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

### C. Packaging options

#### - Smart Box (Domestic)

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

#### - Express Pallet (Domestic)

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

### D. Recycling Canvas and Plastic Bags

The use and disposal of conventional plastic bags and canvas bags has a severe impact on the environment that leads to global warming. In order to reduce its carbon impact and minimize waste generation, Blue Dart recycles plastic and canvas bags. Canvas bag is reused as small polybags are put together into a single canvas bag for delivery of shipments. Plastic bags are reused 3-4 times whereas canvas bags are used 6-7 times before safe disposal.

### E. Kill Bill Concept

Blue Dart has introduced the Kill Bill concept in its delivery facilities. The Company has minimized the use of Air Waybills (AWB). Alternatively, Blue Dart uses bar code or thermal stickers in transportation of goods. About 75% of Blue Dart's shipments are done without the use of Air Waybills.

### Sustainable Sourcing at Blue Dart

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

## Improving capacities and capabilities of Local vendors

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

- **Regional Service Participants (RSP):**

Blue Dart appoints its RSP to perform sales, deliveries and services including Domestic Priority, International Shipments, Dart Apex and Surface. This also involves sub products which are communicated by Blue Dart from time to time. Blue Dart and RSP are independently owned separate legal entities. Services are rendered by RSP to Blue Dart with respect to sales, pick up and deliveries of Blue Dart consignments. This is done as per the terms of the agreement signed by both the parties and any additional services which may be agreed in writing from time to time and called upon by Blue Dart. Blue Dart supports the RSP with C2PC platform and OTMs.

The RSP operates in a geographical area with specified pin code locations within which the Regional Service Participant has been appointed by Blue Dart to operate in order to ensure timely pick-up and deliveries. Within the prescribed territory the Regional Services Participant is authorized by Blue Dart to effect sales of Blue Dart products at the mutually agreed rates (specified in Rate Annexure) by using Blue Dart waybill. The RSP has its own independent office(s) in the territory through which it independently conducts its day-to-day operations. The RSP takes efforts to effectively and actively enhance the business, revenue and reputation of Blue Dart within the territory, and maintains good relations with customers and potential customers.

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

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

- **FCC – Franchisee**

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

- **Express Sales Associates (ESA)**

In order to broad base its services by reaching the retail segment more effectively and efficiently, Blue Dart appoints Express Sales Associates who can pick up the shipments on behalf of Blue Dart from his allocated territory. ESA have the expertise to carry out business of pick-up of shipments and should possess his own vehicle which will be branded as per Blue Dart's standard for picking up of the shipments. ESA represents and further warrants that they have the requisite permissions and has registration with the relevant regulatory authorities including Central Excise/Service Tax Authorities, for the purpose of operating as an ESA of Blue Dart. ESA reports and coordinates all his activities with the operation-in-charge of the nominated office of Blue Dart. ESA picks up shipment in the allocated territory from the customers and hands over the same at the transfer point on the same day together with the consolidated report (challan) of all the shipments, within the cut-off timings.

## CORPORATE SOCIAL RESPONSIBILITY

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

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

### CSR Committee

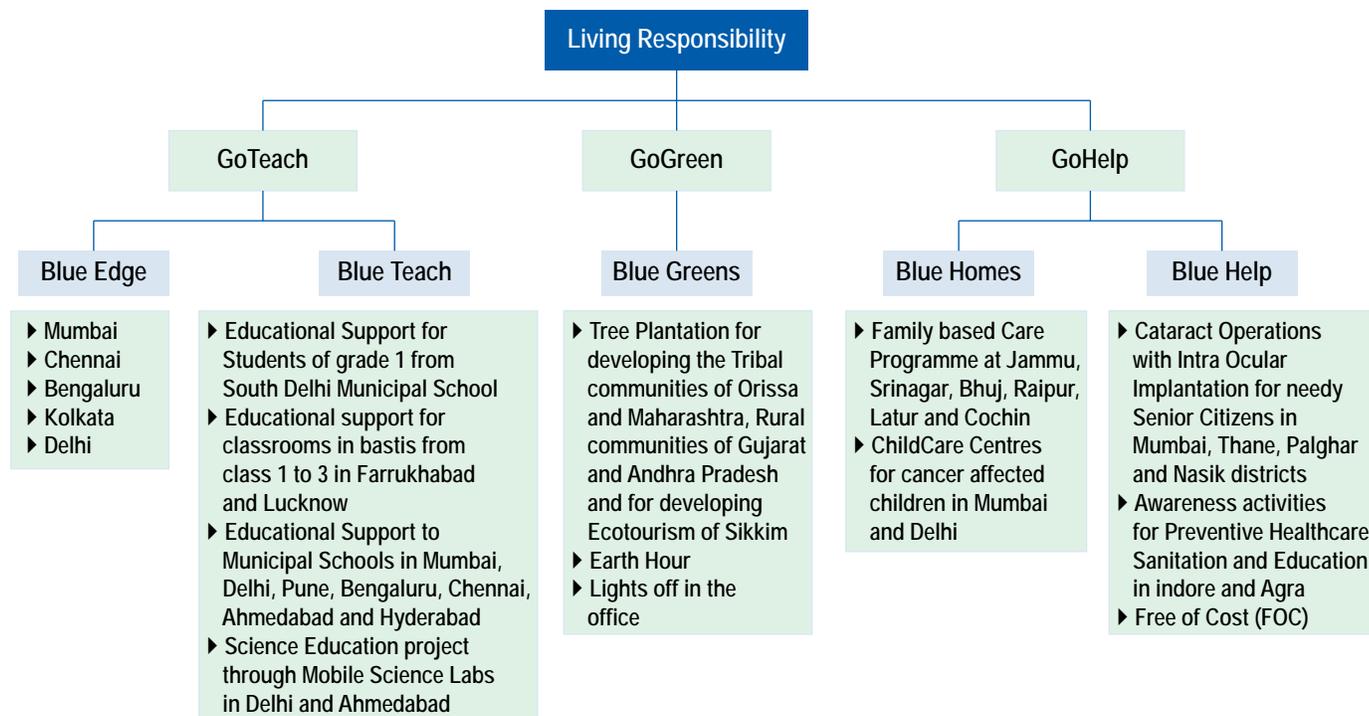
Blue Dart Express Limited has constituted a CSR Committee in the Meeting of Board of Directors of the Company held on February 5, 2014 as contemplated under the provisions of the Companies Act, 2013. The CSR Committee of the Board comprises of Mr. Sharad Upasani as Chairman of the Committee and Mr. Anil Khanna and Mr. Malcolm Monteiro as members of the Committee. The responsibilities of this committee include formulation and updating of CSR Policy, which is approved by the Board, recommending CSR expenditure to the Board for approval and monitoring CSR activities. The company has also constituted CSR Implementation/ Management Committee comprising of Chief Financial Officer (CFO), Head- Marketing, Corporate Communications & Sustainability, Head - B2B and Head - Corporate Accounting for implementation and execution of CSR initiatives adopted by the company in accordance with the provisions of the Companies Act, 2013.

### Social Responsibility at Blue Dart

With the rapidly changing environment, Blue Dart has adopted CSR as strategic tool for sustainable growth. For Blue Dart, CSR primarily means integration of business processes with social processes and not merely an investment of funds for social activity. Blue Dart is one of the forerunners in Corporate Social Responsibility. As an Indian company with a global outlook, Blue Dart endeavors to maintain a delicate balance between economic, environmental and social interests. Being a leader in the logistics space for the last 34 years, Blue Dart has reached all corners of India thereby touching many lives.

Under the motto of "Living Responsibility", Blue Dart (along with DPDHL) focuses its corporate responsibility on three pillars namely GoTeach (Education), GoGreen (Protecting the environment) and GoHelp (Disaster management response). Blue Dart has partnered with NGOs of high repute to run programs under these three pillars.

Following diagram is a presentation of the three pillars of CSR.



## GoTeach

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

- A. Blue Dart started an initiative called '**Blue Edge: Empowering Lives**', aimed at enriching the lives of young adults from difficult environments, who have not been able to complete their education. This program is run in association with Oasis India, Hope Foundation and Noida Deaf Society (NDS). The program ensures that the underprivileged section of the society is not deprived of education as a building block to their ability to earn and support their future and families and contribute positively to the community. Blue Dart started its first Blue Edge Centre at Mumbai in 2008, followed by Chennai in 2011, Bengaluru in 2014, Delhi in 2016 (special intervention for hearing impaired) and Kolkata in 2016. This program has helped transform the lives of young adults from underprivileged sections of society. It educates them about possible employment opportunities while equipping them with relevant skill sets, enabling them to make informed choices and bring stability into their lives.

Since inception, more than 2,001 students have successfully completed this program and have been felicitated at Graduation Ceremonies held in Blue Dart offices in Mumbai, Chennai, Bengaluru, Delhi and Kolkata. Many of the students who have graduated from this program have been placed successfully in reputed organizations in sunrise verticals like Telecom, Retail, FMCG, Aviation etc. and have effectively kick-started their potentially stable careers and lives.

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

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

- B. **Blue Teach** aims to reach out to beneficiaries touching their lives right from their childhood. Blue Teach elevates the lives of children from different strata of society, making them independent and sustainable in their lives.
- Blue Dart works with Magic Bus (till FY 2017-18) for the Blue Dart Sports Excellence Program in Football and Kabaddi which aims to develop sporting talent by giving special coaching in Football and Kabaddi to students from underprivileged households. The program deploys the power of sports as a developmental tool to bring about lasting and positive personal and social development of children and youth from marginalised communities, which empowers them to make informed choices about their livelihood options. Under the initiative of Blue Teach, Blue Dart supports Magic Bus for:
    - Blue Dart Magic Bus Sports Excellence Kabaddi Program in Bhiwandi (3 girls teams and 3 boys teams)
    - Blue Dart Magic Bus Sports Excellence Program in Kolkata (1 girls team and 3 boys teams)
  - Blue Dart along with its other business units – DHL Express, DHL Global Forwarding and DHL Supply Chain support Teach For India (TFI), a non-profit organization that is a part of the Teach For All network. College graduates and working professionals are recruited to serve as full-time teachers in low-income schools for two years. The goal is to end the problem of educational inequity in India and provide an excellent education to all children. TFI operates in 353 schools across seven cities of India - Mumbai, Pune, New Delhi, Chennai, Ahmedabad, Bengaluru and Hyderabad reaching approximately 40,000 students.
  - Blue Dart works with Education & Health Foundation (E&H) to support the Gyan Shala model in Lucknow, Kanpur and Farrukhabad. The program has impacted 875 children studying in Grade 1 to 3. E&H Foundation provides free quality education and healthcare to children in Uttar Pradesh and works through two models, in collaboration with Bharti Foundation (Rural Areas) & Education Support Organization (ESO) for the Gyan Shala model (Urban Areas). Classes are held in poor bastis (slums) providing focus on quality education to the neediest underprivileged children of the society.
  - Blue Dart supports one Grade of Kindergarten of the Peepul-SDMC (South Delhi Municipal Corporation) school (formerly Ark) in Lajpat Nagar, Delhi consisting of 90 students from 3 sections. Peepul is registered in India with a track record of working effectively with government agencies and other non-profit partners to deliver high impact education programs throughout the country.

- Blue Dart runs Mobile Science Lab vans in Delhi and Ahmedabad in association with Agastya International Foundation. The Mobile Science Lab vans travel to 20 government schools in Ahmedabad and 18 in New Delhi to reach out to children to teach them new ways of learning in the classroom and spark their innate creativity. The Mobile Science Lab vans reach out to over 6,222 students through 28,000 exposures in the two cities every academic year.

## GoHelp

Under the Living Responsibility credo of GoHelp, Blue Dart has aligned its initiatives under two key pillars of Blue Homes and Blue Help.

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

- Blue Dart has associated with SOS Children's Villages India, an independent, non-governmental, social development organization that provides family-based care for parentless or abandoned children in India. Blue Dart supports six homes consisting of 66 children, in Jammu, Srinagar, Bhuj, Raipur, Latur and Cochin. The organization advocates the concerns, rights and needs of children in need of care and protection. SOS Children's Villages helps orphaned children in need, to help them shape their own future. Primary target beneficiaries are children without parental care (orphaned and abandoned children) and disadvantaged children in vulnerable families at the risk of losing adequate parental care.
- In 2016 Blue Dart began the Blue Dart Centre consisting of 12 units that provides shelter and nutrition to cancer affected children. The program runs in association with St. Jude India Child Care Centres, an NGO working towards filling a vital need of care giving, nutrition and providing shelter to children suffering from cancer and under treatment at Tata Memorial hospital, Mumbai. This centre stands in the 3 buildings donated by Mumbai Port Trust at Cotton Green in Mumbai, to St. Jude India. Needy children under treatment for cancer in a city away from their hometown need a clean, safe, hygienic place to stay, nutritional support, transportation to hospital for treatment, as well as recreation, education and counseling. The Blue Dart Centre provides all of this and even more to the children and their parents.

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

Blue Dart was once again recognised for its efforts in Living Responsibility for Blue Homes at the DPDHL CEO Awards 2018 for the second consecutive year.

B. In association with HelpAge India and UHRC, **Blue Help** carries out the following activities:

- Blue Dart has partnered with HelpAge India to conduct Cataract surgeries with Intra Ocular Lens (IOL) implantation to the needy elders. 2,667 surgeries have been done till date in and around Mumbai, Thane and Palghar districts.
- Blue Dart has partnered with Urban Health Resource Center (UHRC), for various activities to spread awareness about hygiene, cleanliness, education, consumption of clean drinking water, etc. through awareness activities like street plays, rally, etc. in Indore and Agra. Under this program, Blue Dart also runs the Blue Dart Reading Room, a mobile library for underprivileged slum children based in Indore and Agra.

## GoGreen

Under the Living Responsibility credo of GoGreen, Blue Dart runs programs that are aligned under the pillar of **Blue Greens**-

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

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

Blue Dart planted 111,000 trees in 2017 contributing to over 10% of the DPDHL Group's global target of planting 1 million trees a year.

- **Power Saver- Lights Off:** Blue Dart practices Lights Off for an hour between 1:00 pm – 2:00 pm on the last Saturday of every month across all its offices in India. Employees are encouraged to switch off the lights at their residence between 8:30 pm to 9:30 pm on the same day.
- **Earth Hour:** Blue Dart celebrated Earth Hour on March 24, 2018 by encouraging all Blue Darters to pledge to switch off all the lights for an hour in office and for one hour at home. The activity was also promoted on Blue Dart's social media platforms by posting illustrative messages related to the environment.
- **World Environment Day:** Blue Dart HQC celebrates World Environment Day by circulating mailers on Environment awareness & its Dos & Don'ts. Relevant posts also uploaded on Blue Dart's official Facebook and Twitter Page creating awareness amongst its fans and followers.

CSR Expenditure for FY 2017-18 – Under the umbrella of the 3 pillars of Living Responsibility – GoTeach, GoHelp and GoGreen, a total amount of INR 4,68,03,531 has been spent by Blue Dart. For more details on CSR Expenditure, please refer to the Directors' Report.

## ANNEXURE - SEBI FORMAT

### a. Section A: General Information about the Company

QUESTION	INFORMATION/REFERENCE SECTION
1. Corporate Identity Number (CIN) of the Company	L61074MH1991PLC061074
2. Name of the Company	Blue Dart Express Limited
3. Registered address	Blue Dart Centre, Sahar Airport Road, Andheri (East), Mumbai - 400099
4. Website	www.bluedart.com
5. E-mail id	<a href="mailto:communications@bluedart.com">communications@bluedart.com</a>
6. Financial Year reported	1st April, 2017 to 31st March, 2018
7. Sector(s) that the Company is engaged in (industrial activity code-wise)	Courier and Express services (NIC : 5320)
8. List three key products/services that the Company manufactures/ provides (as in balance sheet)	Courier and Express services
9. Total number of locations where business activity is undertaken by the Company	Blue Dart is South Asia's premier courier, and integrated express package Distribution Company. We have the most extensive domestic network covering over 35,000 locations, and service more than 220 countries and territories worldwide through our group company DHL, the premier global brand name in express distribution services.
i. Number of International Locations (Provide details of major 5)	
ii. Number of National Locations	
10. Markets served by the Company – Local/State/National/International	India

### b. Section B: Financial Details of the Company

QUESTION	INFORMATION/REFERENCE SECTION
1. Paid up Capital (INR)	2376 Lakhs
2. Total Turnover (INR)	279,085 Lakhs
3. Total profit after taxes (INR)	14,210 Lakhs
4. Total Spending on Corporate Social Responsibility (CSR) as percentage of profit after tax (%)	2%
5. List of activities in which expenditure in 4 above has been incurred:-	Refer 'Empowering Local Communities - Corporate Social Responsibility at Blue Dart' section of Business Responsibility Report

c. Section C: Other Details

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

d. Section D: BR Information

QUESTION	INFORMATION
1. Details of Director/Directors responsible for BR	
a) Details of the Director/Directors responsible for implementation of the BR policy/policies	<ul style="list-style-type: none"> <li>• DIN Number – 01739334</li> <li>• Name - Mr. Sharad Upasani</li> <li>• Designation – Chairman</li>   <li>• DIN Number – 01334483</li> <li>• Name - Mr. Anil Khanna</li> <li>• Designation – Managing Director</li>   <li>• DIN Number – 00089757</li> <li>• Name - Mr. Malcolm Monteiro</li> <li>• Designation – Director</li> </ul>
b) Details of the BR head	<ul style="list-style-type: none"> <li>• DIN Number (if applicable) –</li> <li>• Name – Mr. Aneel Gambhir</li> <li>• Designation – CFO</li> <li>• Telephone number - 28396444</li> <li>• E-mail ID - Aneelg@bluedart.com</li> </ul>

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

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

e. Section E: Principle - wise performance

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

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

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

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

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

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

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

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

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