



**Blue Dart Express Limited**  
**Investor Presentation**  
February 2014

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# Vision Statement

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 recognize our people who, through high quality and professional service, and use of sophisticated technology, will meet and exceed customer and stakeholder expectations profitably.

*– Passionately crafted by over 600 managers in 1993*



# Blue Dart: Delivering Leadership



## ✓ Pioneer and Innovator

- ✓ Market leading express service provider in India with 30+ years of operational excellence and numerous industry firsts

## ✓ Proprietary Aviation Network

- ✓ First and only scheduled cargo airline with dedicated fleet of freighters and infrastructure support, including airside facilities, maintenance, ground handling and security capabilities facilitating flight timings with late pickups and early morning deliveries

## ✓ Unparalleled Reach and Network

- ✓ Domestic network covering 33,000+ locations; 220+ countries and territories serviced worldwide through DHL providing superior reach and access to customers

## ✓ Market Leading Transit Times

- ✓ Fastest and reliable deliveries to major production & consumption nodes in India across B2B, B2C, C2B and C2C channels making Blue Dart the preferred choice of customers leading to high customer retention

## ✓ Best-in-Class Technology

- ✓ In-house developed, state-of-the-art customer centric technology adopted by customers contributing 91%+ of revenue

## ✓ Strong Brand Equity and Saliency

- ✓ Ranked as the #1 brand in the domestic express industry<sup>(1)</sup>

## ✓ Experienced Senior Management Team

- ✓ Senior leadership with several years of industry experience supported by skilled, committed and passionate employees enabling Blue Dart to maintain and grow its leadership

## ✓ Strong Financials and “Zero-Debt” Capital Structure

- ✓ Healthy financials with robust cash generation from operations leading to healthy return on capital (average RoCE of 30.46% over last four years) and “zero-debt” status for last five years



(1) Brand Equity 2011 Survey conducted by Ipsos

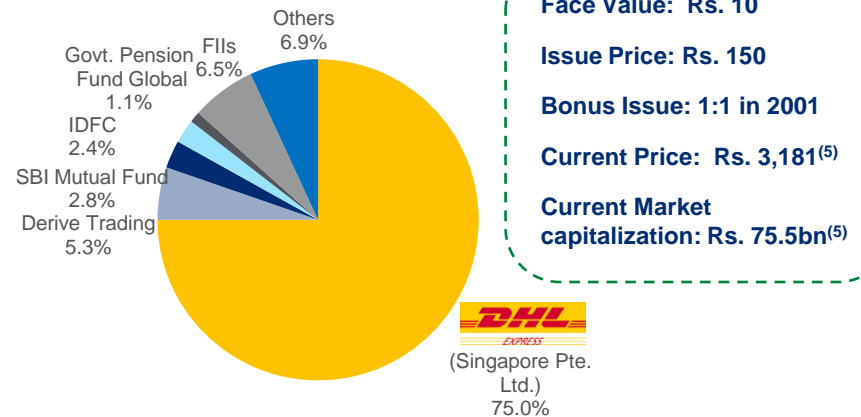
## Key Facts

Year of Commencement of Operations	1983
Domestic Locations Served	33,000+
Countries & Territories Served	220+
Air Support (B-737 / B-757s)	1 / 5
Air Network Stations	7
Express Support Vehicles	7,457 <sup>(1)</sup>
Jan 2012    March 2013 (15 months) Shipments (mn)	142
Jan 2012    March 2013 (15 months)	594
Workforce	8,258+
Retail Outlets	500 <sup>(1,2)</sup>

## Key Subsidiaries / Associates

Name	Stake Held
<b>Concorde Air Logistics Ltd.</b> (IATA <sup>(3)</sup> registered air cargo agent and licensed CHA <sup>(3)</sup> )	100%
<b>Blue Dart Aviation Ltd. (BDA)</b> (BDA is the only domestic scheduled cargo airline in India. It operates on an exclusive basis for providing air express cargo services to Blue Dart Express Ltd. through its network of night operations to support customer demand.)	49%

## Shareholding Pattern<sup>(4)</sup>



Source: Audited Company Financial Reports.

(1) As of March 31<sup>st</sup> March 2013.

(2) Including DHL Express retail outlets.

(3) IATA: International Air Transport Association; CHA: Customs House Agent

(4) As of December 31<sup>st</sup> 2013. Figures have been rounded off for calculation adjustments.

(5) As on February 13, 2014.

# Blue Dart: A Benchmark in Express Logistics and Distribution Industry

Blue Dart, with many industry-firsts and trend-setting innovations, has evolved as the undisputed market leader



## 4 Pillars of Success

### Leadership



- People
- Brand
- Innovation
- Infrastructure
- Transparency and Corporate Governance

### Technology



- In-house IT Expertise
- Proprietary ERP
- Real-Time Track & Trace
- Customer Centric Technology
- Automation

### Value



- Service Excellence
- Reliability
- Customer Orientation
- First Choice
- Net Promoter Score
- Consultative Approach

### Solutions



- Express Services Offerings
- Value-Added Services
- Air Freight Services

# Full Suite of Integrated Solutions

## Core Service Offerings

### Express Services Offerings

#### Domestic Priority

Domestic door-to-door delivery service for documents and small shipments under 32 kgs per piece

#### Dart Apex

Door-to-door day definite delivery solution for commercial shipments

#### Dart Surfaceline

Premium ground express service providing door-to-door ground distribution solutions

#### Dart Surfaceline Plus

Multimodal, door-to-door, distribution for less time-sensitive bulk shipments

#### Smart Box Air / Ground

Packaging unit sized 10 kgs and 25 kgs

#### Express Pallet Air/ Ground

Packaging unit sized 50 kgs, 75 kgs and 100 kgs

#### International Services

Door-to-door delivery of international documents and packages. Reach to 220 countries and territories worldwide through DHL

### Value-Added Services

#### GOGREEN Carbon Neutral Services

Environmentally responsible shipping option to neutralize carbon emissions

#### Time Definite Delivery (TDD) Services

Guaranteed door-to-door TDD of shipments by specified time with full money back guarantee

#### Cash on Delivery (COD)

Value of the shipment will be collected from the consignee at the time of delivery

#### Demand Draft on Delivery (DOD)

Collection of demand draft from consignee for shipper

#### Freight on Delivery (FOD)

Collection of freight charge from consignee

#### Freight On Value (FOV)

Facilitate transit insurance of consignment

#### Temperature Controlled Logistics

Movement in frozen, chilled and ambient conditions for temperature ranging from -20°C, 2-8°C and 15-25°C

#### Ground Point to Point

Ground express solutions wherein entire truck is contracted to a single customer from origin to destination

#### Customized Solutions

Customized offerings for students, festivals and Small Medium Enterprises (SMEs)

#### International Time Definite Express (TDX)

Guaranteed door-to-door International service for Time Definite Delivery with full money back guarantee

### Air Freight Services

#### Airport-to-Airport

Air freight service between Ahmedabad, Kolkata, Delhi, Mumbai, Bengaluru, Hyderabad and Chennai

#### Interline Services

Agreements with major international airlines for interline trans-shipment of cargo

#### Charter Services

Charter flights for distribution of large cargo volumes supported by ground-handling facilities

#### Co-Load

Domestic air network for leading International express operators

#### India Post

Support for Express Mail Service (EMS) service of India Post

### Recently introduced Value-Added Services

#### Critical Express

An express solution to move any critical items (like passport, tenders, original papers/ certificates, property documents etc.) in Blue Dart network in a more secure and safe manner.

# Unparalleled Integrated Air and Ground Network

Extensive pan-India air and ground network providing a significant competitive advantage

## Volume

- January 12 – March 13 (15 months) shipments of **142 mn**
- January 12 – March 13 (15 months) tonnage of over **594,000**

## Air Network Infrastructure

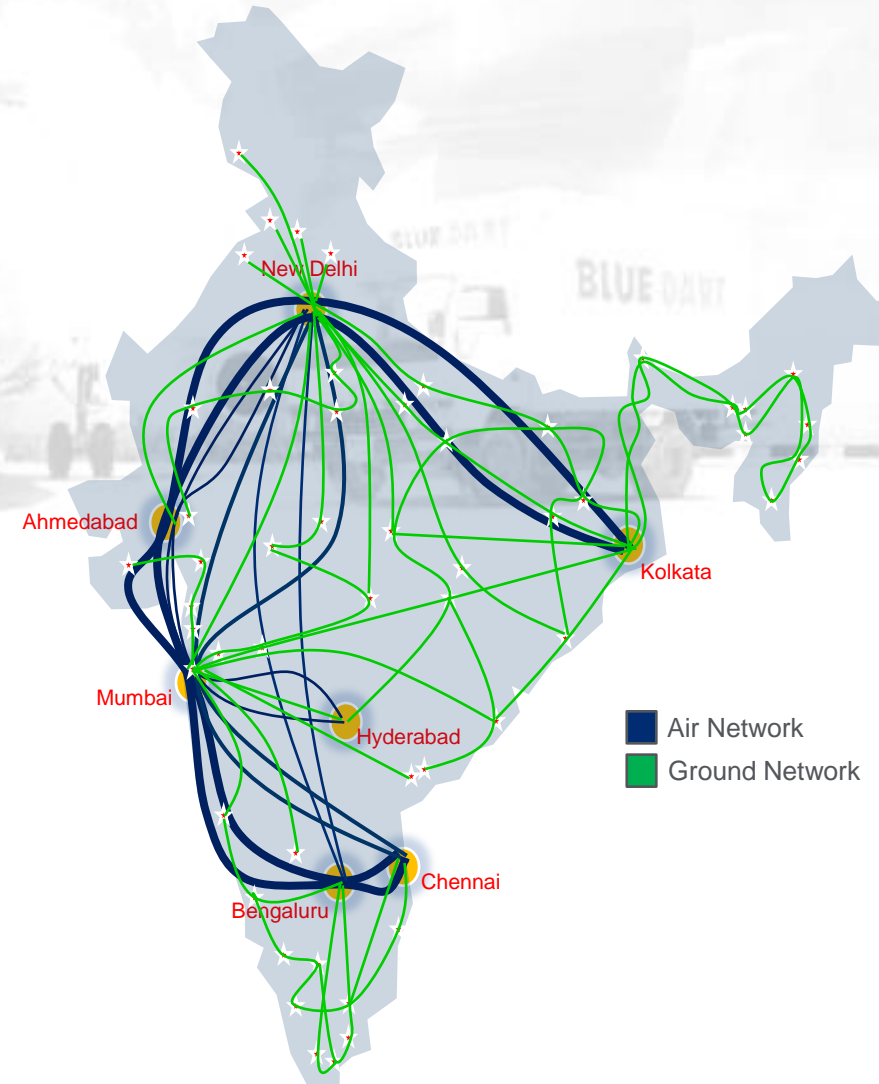
- **6 freighters (5 B-757s and 1 B-737)**
- **7 air network stations**
- **Maintenance, ground handling and security capability**
- **Space management** through in-house developed **SMART<sup>(1)</sup> technology**
- Daily dedicated capacity of **c.370 Tons<sup>(2)</sup>**

## Ground Network Infrastructure

- Combination of **hub and spoke** and **centipede model**
- **65 ground hubs**
- **166 network routes**
- Vehicles tracked through **GPS devices**
- **Proprietary network control centre** monitors every vehicle on a real-time basis

## Customer Value Proposition

- **Extensive reach**
- Optimized flight scheduling facilitating **late pick-ups and early deliveries**
- **Market leading transit times**
- Superior control over operations resulting in **higher service reliability**



(1) SMART: Space Management Allocation Reservation and Tracking  
(2) Daily average for the 15 month period from Jan 2012 to March 2013

# Superior Technology Advantage

Entrenched use of Blue Dart's technology amongst its customer base creating value and ease of shipping, track & trace and control; Customers contributing over 91% of revenue use Blue Dart's technology tools / interface

## Network Tools for Customers

### TrackDart

Track and Trace Shipments

### MailDart

Track Shipments by E-mail

### MobileDart

Shipment Status on Mobile Phone

### InternetDart

Memory Bank for Business

### PackTrack

Streamlined Shipping Process

### ShopTrack

Allows Customers to Track Orders

### ImageDart

Delivery Invoicing Online

### ShipDart

Control of Shipment from Customers' Desktop

## Network Tools for Internal Applications

### COSMAT-

Blue Dart Operations ERP

### SMART

Space Management Allocation Reservation and Tracking

### CARESS

Complaints / Appreciation System / Key Accounts Management System

### SHIELD

Security Investigation System

### ACTUATE

Business Intelligence System

### mPower

Financial Accounting, Invoicing

### PRIDE

HRMS and Payroll

Sales Force Automation System

# Key Technological Advances

Industry-leading adoption of new technology to enhance productivity, drive efficiencies, and ensure speedy and accurate information access to customers

## Weight Dimension Labeling (WDL)

✓ Accurate billing



- Captures shipment dimensions & weight
- Improves billing accuracy
- Automates the process
- Enables speedy operations
- Integrates with operations ERP

## Hand Held Device (OTM)

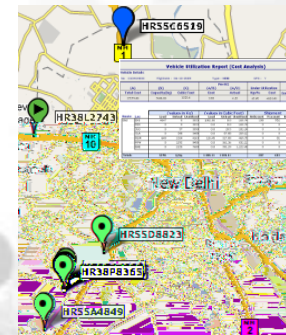
✓ Speedy delivery information



- Captures real-time field delivery information
- Supports adherence to customer SOP
- Enhances security via in-built imaging and data solutions
- Enables dynamic routing

## GPS: Ground Technical Support

✓ Real-time shipment visibility



- Supports vehicle tracking
- Provides 24X7 visibility
- Enables dynamic routing
- Enhances security

## Projects in Progress

### Smart Truck

✓

*-up and Delivery*




- Increases visibility of operations
- Simplifies inbound process and makes it less error-prone
- Reduces emissions and transport costs due to dynamic tour planning
- Customizable planning engine helps set conditions for number of stops for designated route

### RFID

✓ Speed, Safety and Accuracy



AWB	*1234567891*	
		
*1234567891*020056		
DES	PNP	Date
ORG	WZR	25/03/2010
BOX	20/56	<b>BLUE DART</b>

- Multiple piece-level tracking with RFID tags to support speed and accuracy
- Enhances security and inventory management at transit hubs
- Avoids mis-routing and pilferage of shipments

# Blue Dart and DHL: Collaborating for Single-Window Customer Solutions

Partnering seamlessly to leverage each other's infrastructure and operational best practices to enhance customer experience



## Associated Branding

Strong Blue Dart and DHL brands leveraged across critical customer touch points to enhance relationship and customer benefits

## One Retail

Individual Blue Dart and DHL retail stores unified through common branding, products and services and experience to create the largest retail presence in India

## Unduplicated Sales Channel

Robust sales mechanism jointly developed by Blue Dart and DHL to ensure that both organizations grow business without cannibalization

## Joint Airside Facilities

Blue Dart and DHL share a state-of-the-art airside facility at the Bengaluru International Airport, bringing greater efficiencies and synergies

## Dedicated Air Infrastructure

DHL leverages Blue Dart's dedicated air infrastructure in the country for international co-load

## Upcountry Pick-up and Delivery

DHL leverages Blue Dart's robust reach across the country and superior service standards to reach at locations where it is not present directly

## Sharing Global Best Practices

Blue Dart and DHL share global best practices like First Choice, Net Promoter Score, RFID tagging, use of Smart Trucks, etc. which is aligned with the Group's objective of being Provider of Choice, Employer of Choice, and Investor of Choice

## Sustainability

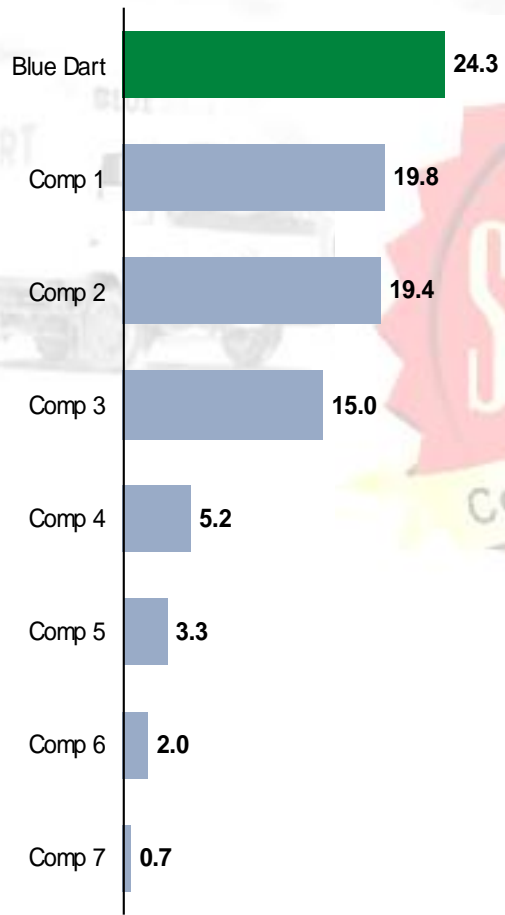
Both Blue Dart and DHL have a strong sustainability programme under the three pillars of GOGREEN, GOHELP and GOTEACH (under Living Responsibility)



# Blue Dart: A Superbrand

Blue Dart's Attitudinal Equity, a measure of the extent to which people want to use the brand, is the highest amongst its peers.

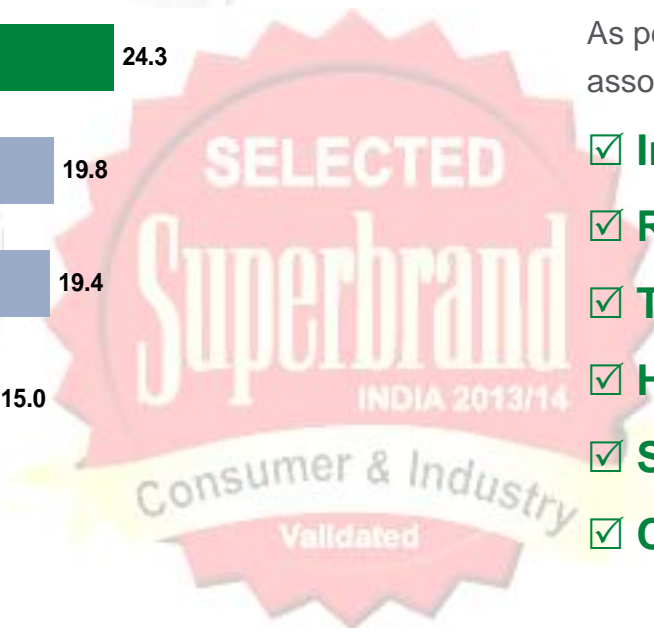
## Attitudinal Equity (AE)



## Key Highlights

As per IPSOS, Brand Blue Dart is associated as being:

- ✓ International Company
- ✓ Reliable
- ✓ Trustworthy
- ✓ Hi-Tech
- ✓ Strong CSR
- ✓ Customer Caring



# Blue Dart: Most Recognized Air and Ground Express Brand

Blue Dart has outperformed its competitors across multiple brand recognition parameters

Parameter	Air Express				Ground Express			Best in Class
	BLUE DART Air	Comp 1	Comp 2	Comp 3	BLUE DART Road	Comp 1	Comp 2	
Overall Satisfaction	3.94	3.74	3.58	3.65	3.90	3.54	3.54	BLUE DART
Value or Worth	3.89	3.69	3.62	3.76	3.87	3.51	3.54	BLUE DART
Likelihood of Recommending	4.09	3.83	3.66	3.76	4.03	3.73	3.77	BLUE DART
Likelihood to Continue Using	4.11	3.91	3.88	3.97	4.02	3.54	4.00	BLUE DART
Likelihood to Increase Share of Business	4.04	3.73	3.77	3.79	3.93	3.67	3.58	BLUE DART
Technology	4.08	3.66	3.56	3.55	4.05	3.49	3.69	BLUE DART
Infrastructure	4.01	3.62	3.56	3.59	4.03	3.72	4.00	BLUE DART
Account Opening and Pre Sales	4.03	3.71	3.71	3.71	4.01	3.59	3.77	BLUE DART
Delivery of Consignments	3.81	3.76	3.65	3.73	3.71	3.54	3.69	BLUE DART
Pickup & Delivery personnel	3.87	3.69	3.65	3.61	3.88	3.54	3.54	BLUE DART

# Blue Dart: Awards and Recognitions

## Blue Dart Express

- ▶ Entprising CEO of the year Award – Anil Khanna – Brand Leadership Awards.
- ▶ Asia's best CFO Award – Yogesh Dhingra – 4<sup>th</sup> CMO Asia Awards for Branding and Marketing.
- ▶ Leadership Awards in Logistics – Anil Khanna – The Greatest Corporate Leaders of India 2013.
- ▶ CFO 100 Roll of Honour – Yogesh Dhingra – 3<sup>rd</sup> Annual CFO 100 2013.
- ▶ Best CFO of an MNC (Mid Sized companies) – Yogesh Dhingra- 4<sup>th</sup> Business Today – YES Bank Awards 2013
- ▶ Ranked as one of the Best Companies to Work, India 2012 – Great Place to Work Institute, ET, 2010-2012
- ▶ Adjudged Superbrand in the Logistics Sector by Superbrands India, 2005-2012
- ▶ Reader's Digest Most Trusted Brand – Gold Award, 2006-2012
- ▶ Ranked amongst India's Top 500 Companies by Dun and Bradstreet, 2012
- ▶ Brand Builder of the Year – 11th Indira Awards for Marketing Excellence, 2012
- ▶ Customer and Brand Loyalty Award in the Logistics Sector (Domestic Express) – 5th Loyalty Awards, 2010
- ▶ Quality Excellence Award for Customer Loyalty Programme (Blue Points) – National Quality Excellence Awards, 2012
- ▶ Quality Excellence Award in Product Development ("GOGREEN" Carbon Neutral Service) – National Quality Excellence Awards, 2012
- ▶ Express Logistics Supply Chain Conclave, 2012
  - CEO of the Year
  - Best Domestic Air Express Company
  - CSR Award
- ▶ Conferred the '22nd CFBP Jamnalal Bajaj Fair Business Practices Award - 2010' in the category of Service Enterprises (Medium)
- ▶ Ranked among the Top 25 Companies adopting Good Corporate Governance Practices by The Institute of Company Secretaries of India, 2007-2009
- ▶ Recognized by 'The Institute of Chartered Accountants of India' for Excellence in Financial Reporting, 2005
- ▶ Green Leadership Award for GoGreen Carbon Neutral service by Asia Responsible Entrepreneurship Award, South Asia



## Blue Dart Aviation

- ▶ Air Cargo Carrier of the Year Award – Indian Supply Chain and Logistics Summit and Excellence Awards, 2012
- ▶ ELSC – Air Cargo Operator of the Year, 2012
- ▶ Cargo Operator of the Year (Cargo Airline) Merit Award by the CAPA - 2006



# Internal Processes and Certifications

Robust internal processes and adherence to international quality standards

## GOGREEN Certification

- ▶ Awarded the **GOGREEN Certification** by SGS (Société Générale de Surveillance) in December 2011
  - ▶ Blue Dart & DHL offer **-to-end GOGREEN Carbon Neutral Service** across international and domestic markets.
  - ▶ Extension of DPDHL's **global environment protection program** launched in 2008
  - ▶ Provides customers an **environmentally responsible shipping option to neutralize their carbon footprint** by paying a marginal offset charge over and above shipping rates
  - ▶ Carbon emissions from customer shipments are offset by **reinvesting in environmental protection projects** verified by SGS



## First Choice and Net Promoter Score

- ▶ DP DHL First Choice Asia Pacific Excellence Award for 2011
  - ▶ Implementation of First Choice and Net Promoter Score programs to **improve service quality**
  - ▶ Goal of becoming the "First Choice" for customers worldwide, bringing **long-lasting customer benefits** and **strengthening the brand experience**
  - ▶



# Board of Directors and Key Management Personnel

Committed Board and senior management team with significant years of experience with the Company



**Sharad Upasani**

Chairman

Previously affiliated with IMF, Government of India and Government of Maharashtra



**Anil Khanna**

Managing Director

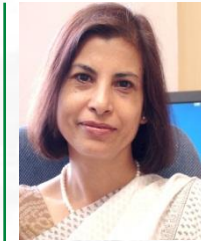
33 years of experience overall; 21+ years with Blue Dart Express



**Yogesh Dhingra**

Finance Director and Chief Operating Officer

29 years of experience overall; 21+ years with Blue Dart Express



**Tulsi Mirchandaney**

Managing Director, Blue Dart Aviation (Associate Company)

39 years of experience overall; 18+ years with Blue Dart Group



**Malcolm Monteiro**

Director

Senior VP and Area Director, South Asia, DHLE; previously MD, Blue Dart Express



**Clyde Cooper**

Director

One of the founding members of Blue Dart Express



**Suresh Sheth**

Director

Chartered Accountant, M/s. Sheth & Company



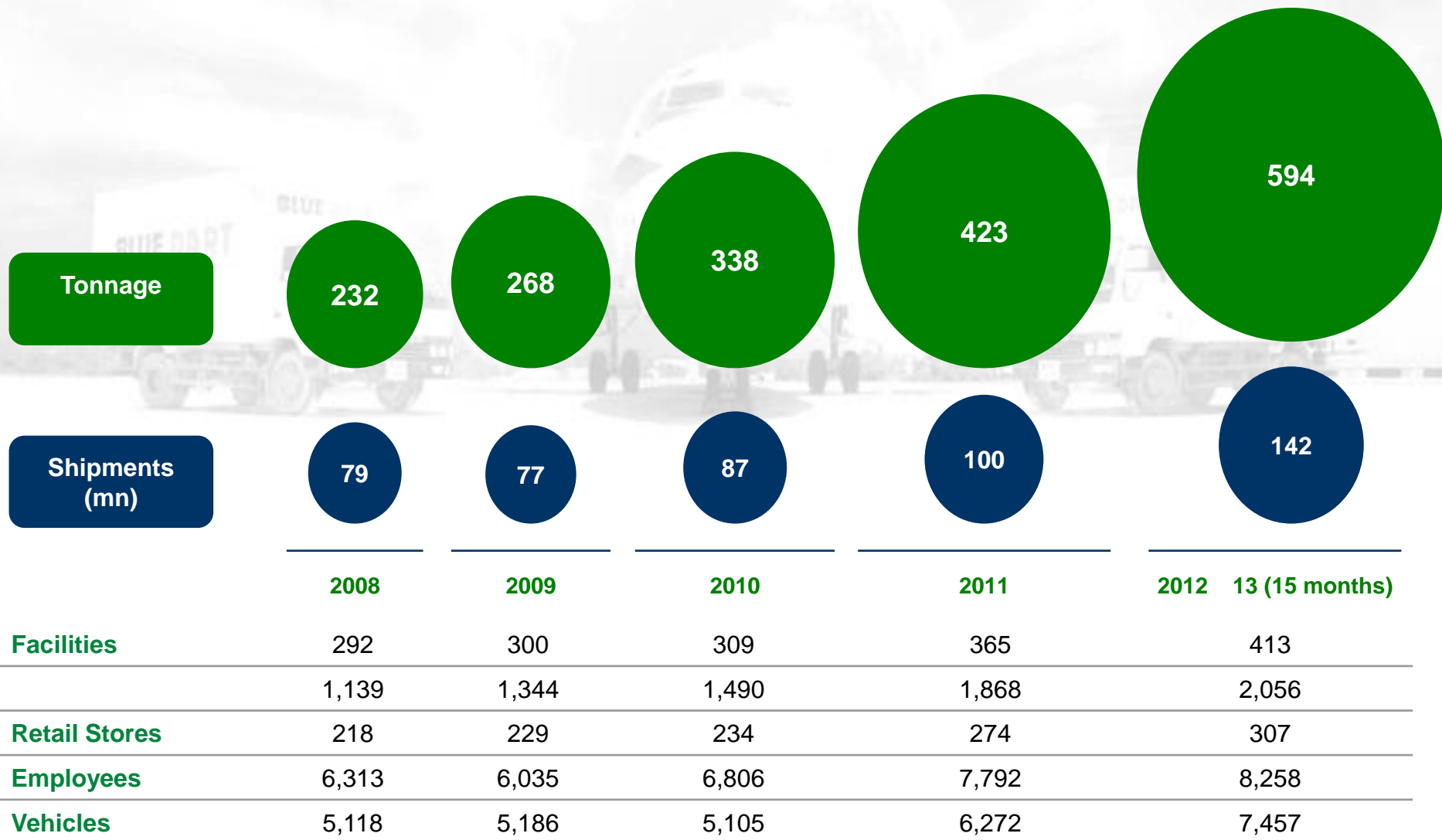
**Jerry Hsu**

Director

CEO, DHL Express Asia Pacific and Member, DHL Express Management Board

# Consistent Volume Growth

## Operational Evolution



Source: Audited Company Financial Reports.

Note: Operational figures as of year end and do not include DHL Express figures.

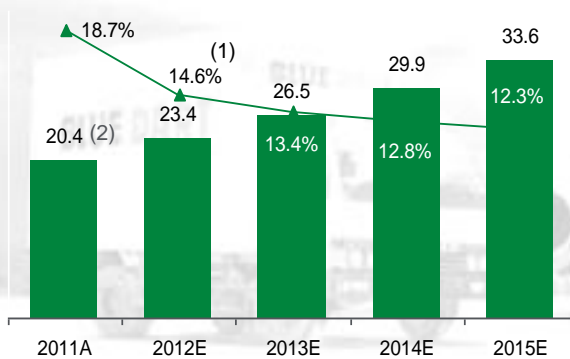
# Significant Industry Opportunity

Blue Dart is set to capitalize on the rapidly growing air and road express markets in India

## Robust Industry Growth Rate

## Key Growth Drivers

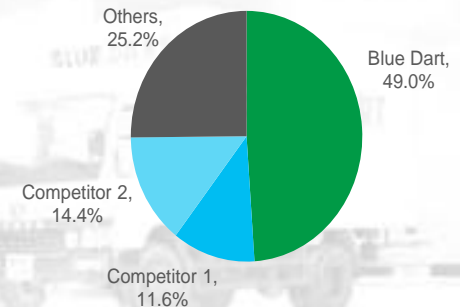
Organized Air Express Sector Size (INR bn) and YoY Growth Rate (%)



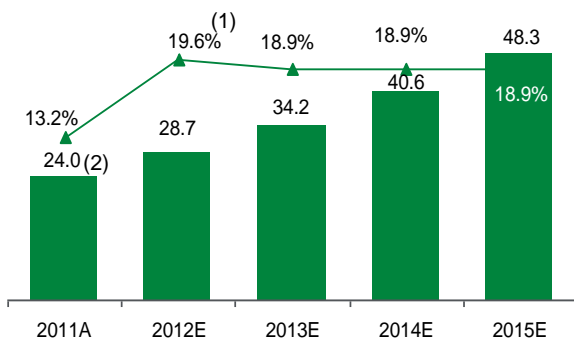
## Air Express Industry

- Growth driven by strong outlook for industries like **Banking, Financial Services and Insurance (BFSI), E-Commerce, Computers & Peripherals, Pharmaceuticals, Consumer Durables, and Automotive**
- Continue to be provider of choice for products characterized by **high value and low weight**, like high-end consumer electronics, jewellery etc.
- Products with specific requirement of a **controlled environment** like pharmaceuticals, will continue to use Air Express mode due to lack of an alternate reliable time definite mode of delivery

Organized Air Express Market Share (%) (2012) <sup>(3)</sup>



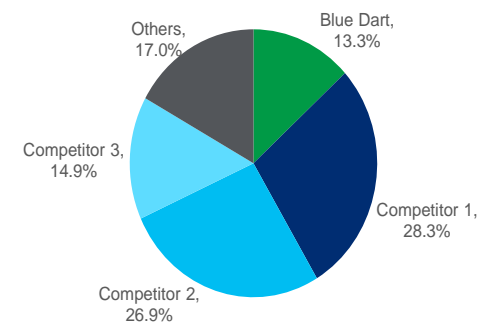
Organized Ground Express Sector Size (INR bn) and YoY Growth Rate (%)



## Ground Express Industry

- Blue Dart's market share before reformation of Dart Surfceline was **5.9% in 2006**
- Strong **industrial and services growth** will have a direct effect on Road Express growth
- Growth driven by strong outlook for industries like **Motor Vehicles and Parts, Electrical Appliances, and Health Services**
- **Outsourcing of operations by Retail companies** to express providers is expected to provide a strong pipeline
- **Improvement in road infrastructure, setting up of logistic parks, and implementation of GST** expected to cut down transit times, reduce in-transit inventory, increase other efficiencies, and thus encourage demand for Road Express

Organized Ground Express Market Share (%) (2012) <sup>(3)</sup>



Source: (1) Growth Rates – 2012 onwards : AT Kearney TMS 2010

(2) Internal Estimates

(3) Internal Estimates; to be validated by TMS

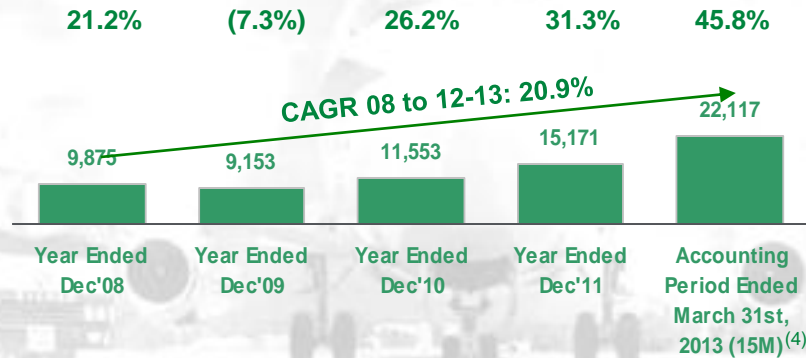
# Niche Industry Requirements: Focused Solutions by Blue Dart

Blue Dart has developed focused solutions for key customer sectors, ensuring sustainable long-run growth

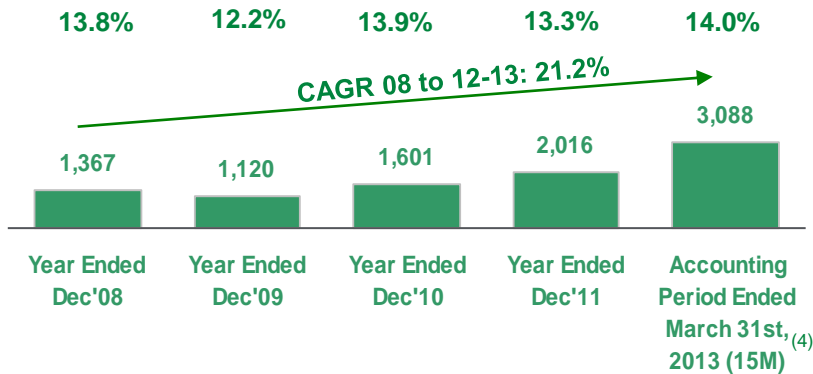
Industry	Requirement	Service Offering
Banking & Financial Services	Secure Time- Bound Delivery	The <b>Time Definite Delivery</b> (10:00am and 12:00 noon) service is reliable and hugely adopted by the sector Guarantees time-bound delivery further enhanced by a full Money Back Guarantee (MBG)
Pharmaceuticals / Healthcare / Clinical Research Organization	Safe and Temperature Controlled Transport	<b>Temperature Controlled Logistics Solution</b> to ensure safe and compliant transport in frozen, chilled and ambient conditions. Delivers temperature for the range - 20°C, 2 - 8°C and 15 - 25°C for varying distribution times
Garments / Consumer Durables / IT	Cost Effective Logistics	<b>Dart Surfaceline Plus</b> is an economical, multimodal, door-to-door distribution service within India Cost-effective logistics option for less time-sensitive bulk shipments.
Precious Secured Cargo	Insurance Against Losses	Arrangements to <b>insure customer goods</b> through an insurance company In case of shipment being damaged or lost in Blue Dart's custody, it assists the customer in the claim process and ensure speedy claim settlement
Confidential Express Logistics	Speedy & Secured Delivery	<b>Domestic charter flights</b> to meet growing demand for speedy and secure distribution of large cargo volumes and offer volumes and dimensions not available with other domestic airlines Supported by efficient ground-handling facilities, India's only computerized cargo reservation system and express driven efficiencies.
E-Commerce	Successful & Reliable Service	India's most successful and reliable <b>Cash On Delivery</b> service. Value of the shipment is collected from the consignee at the time of delivery

Blue Dart has demonstrated a consistent and stable financial growth profile

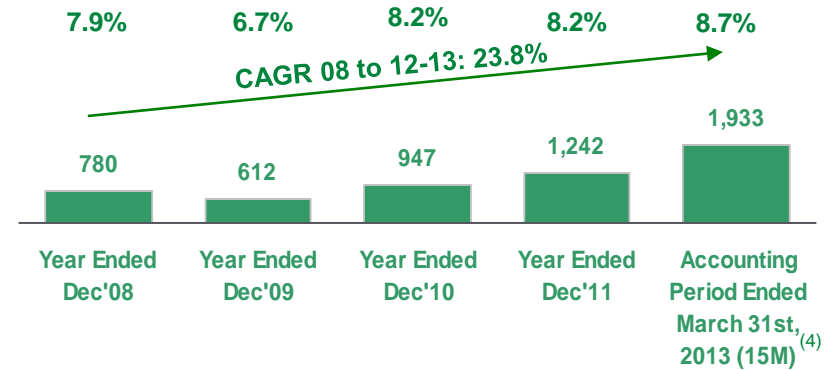
### Income<sup>(2)</sup> (Rs. mn) and Growth (%)



### PBITD<sup>(3)</sup> (Rs. mn) and Margin (%)



### Net Profit (Rs. mn) and Margin (%)



Source: Audited Company Financial Reports.

(1) All financials are on a Consolidated basis for financial year ended December 31.

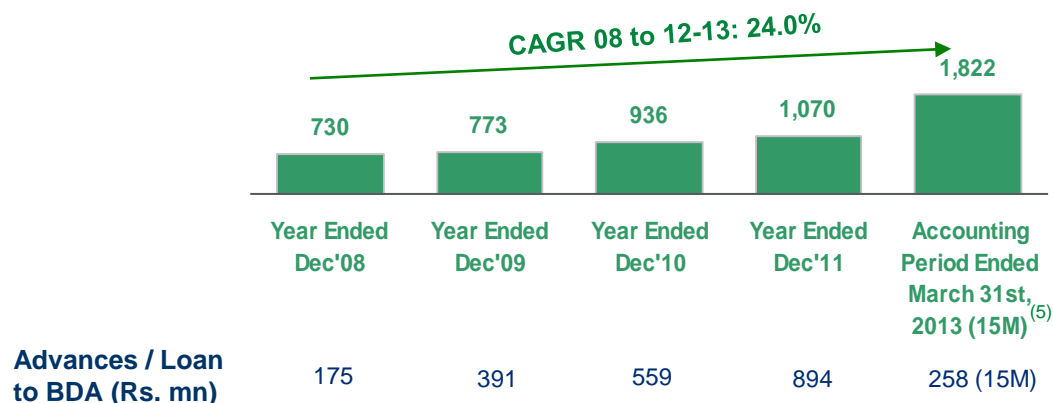
(2) Total Income comprising Service Charges, Commission and Other Income.

(3) Profit Before Interest, Depreciation and Taxation

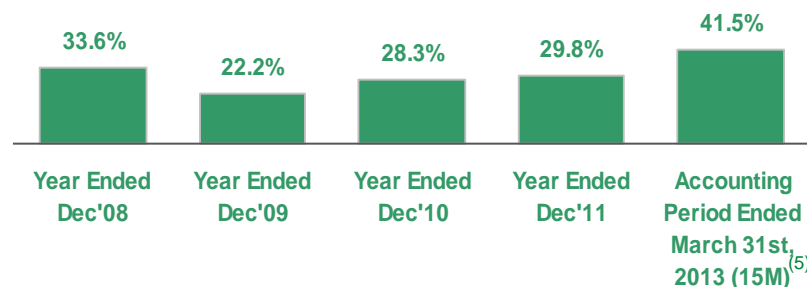
(4) Consequent to the change of Accounting year from 31st December to 31st March, the figures of 2012-13 are not comparable to those of the previous year as the figures of 2012-13 are for fifteen months from January 1, 2012 to March 31, 2013.

**Blue Dart has consistently generated high cash flows and delivered superior returns to shareholders**

### Cash from Operating Activities<sup>(1,2)</sup> (Rs. mn)



### Return on Capital Employed (RoCE)<sup>(3,4)</sup> (%)



Source: Audited Company Financial Reports.

(1) Cash from Operating Activities on a Consolidated basis for financial year ended December 31.

(2) Excludes Advances / Loan to Blue Dart Aviation.

(3) RoCE on a standalone basis.

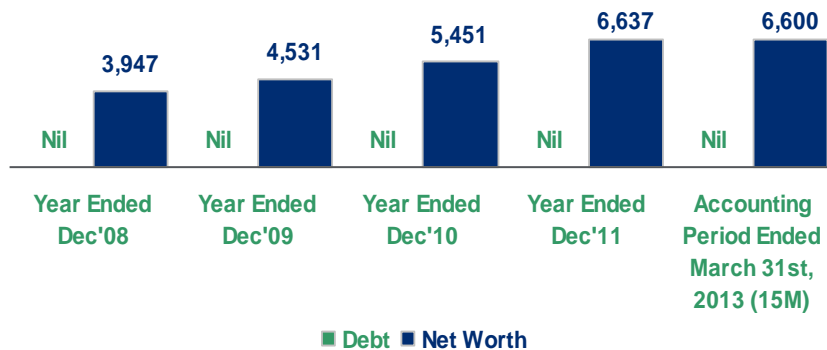
(4) RoCE calculated as EBIT / Average Capital Employed.

(5) Consequent to the change of Accounting year from 31st December to 31st March, the figures of 2012-13 are not comparable to those of the previous year as the figures of 2012-13 are for fifteen months period from January 1, 2012 to March 31, 2013.

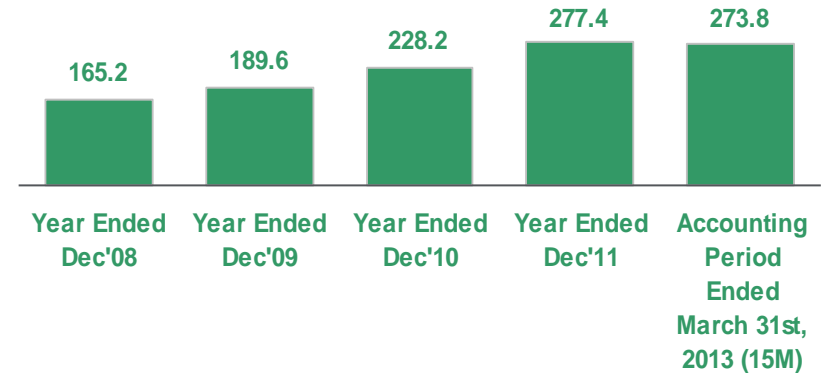
# -Debt Capital Structure<sup>(1)</sup>

Blue Dart, a zero-debt company, continues to enjoy the highest credit rating

## Debt and Net Worth (Rs. mn)



## Book Value Per Share (Rs.)



## Credit Ratings

- ▶ “[ICRA] A1+” (ICRA A one plus) assigned by ICRA Ltd. (a Moody’s Investors Service associate) for Blue Dart’s commercial paper / short-term debt programme of Rs. 250 million (outstanding – nil)
- ▶ ICRA has also assigned [ICRA] AA (ICRA double A) (long-term rating) and [ICRA] A1+ (ICRA A one plus) (short-term rating) to the company’s bank limits (working capital) of Rs. 361.5 million (including fund-based and non-fund-based limits)
- ▶ “IND A1+” (Ind A one plus) assigned by India Ratings and Research Pvt. Ltd. (erstwhile known as Fitch Ratings India Pvt. Ltd. for Blue Dart’s commercial paper/ short-term debt programme of Rs. 300 million (outstanding – nil)

Source: Audited Company Financial Reports.

(1) Debt and Net Worth on a Consolidated basis and Book Value Per Share on a Standalone basis for calendar year ended December 31.

# Corporate Business Strategy

## Maintain and Grow Market Leadership

### Medium Term Initiatives

- ✓ Increase quarterly / annual market shares in both Air and Ground delivery segments
- ✓ Enhance and strengthen presence in sectors like e-commerce, pharmaceuticals, auto, consumer, BFSI and IT
  - Continuously improve performance with every product & solution we offer
- ✓ Increase coverage and footprint in tier II and III towns
  - Delivering a clearly defined and consistent product & solution portfolio
- ✓ Focus on small and medium enterprises
  - Be recognized as a trusted partner, truly understanding the customer's current and future needs
- ✓ Increase automation levels across processes
  - Increase the adaptability of our product & solution portfolio
  - Simplify and standardize processes to deliver excellence
- ✓ Enhance skill development
  - Develop comprehensive people empowerment and engagement module critical for growth
- ✓ Continue to drive process efficiencies and implement quality measures like OCPM<sup>(1)</sup>, OCPK<sup>(2)</sup> & DSO<sup>(3)</sup> to improve profitability (EBIT margins)
- ✓ Reduce CO<sub>2</sub> emission, engage in education, humanitarian and disaster response

### Long Term Strategies

- ✓ Achieve and maintain leadership status and pole position in both Air and Ground express segments
- ✓ Continuously improve quality of operations for enhancing customer satisfaction
- ✓ Pursue product and service innovation
- ✓ Create state-of-the-art infrastructure
- ✓ Stay ahead of the curve by continuously investing in, and adopting, next generation technologies
- ✓ Aggressively invest in human capital development
- ✓ Maintain debt-free status and deliver profitable growth
- ✓ Continue to remain the industry leader in delivering the triple bottom line viz; People, Profit and Planet. Increase CO<sub>2</sub> efficiency by 30% in 2020

# Key Challenges and Mitigants

## Dependence on Macroeconomic and Business Environment

- ☑ Develop alternate and innovative customer-centric solutions to counter any dampening in the economic sentiment

## Exposure to Crude Oil Fluctuations

- ☑ Fuel Surcharge based pricing mechanism to counter rise in crude prices

## Entry of New Organized Players as Industry Matures

- ☑ Significant barriers to entry due to infrastructure bottlenecks like limitations of airside space, time slots, licensing and others

## Availability of Skilled Front-Line Manpower

- ☑ Tie-up with multiple manpower recruitment agencies

## Changes in Regulatory Environment: Postal Bill, Carriage by Road Act, 2007 and Karnataka Stamp Duty Act

- ☑ Closely monitor the developments and adapt as necessary

# Blue Dart Express Limited Standalone Financial Results

Amounts in Rs. Mn, unless stated otherwise

## Key Income Statement Items

Particulars	-	-	-	2012-13 (15M) <sup>(3)</sup>
	-14	-14 <sup>(4)</sup>	2013-14 <sup>(5)</sup>	
<b>Income<sup>(1)</sup></b>	4,532	4,710	5,054	22,060
<b>PBIDT<sup>(2)</sup></b>	668.1	503.5	412.5	3,057
<b>PBIDT Margin (%)</b>	14.7%	10.7%	8.2%	13.9%
<b>Net Profit</b>	407	301	230	1,887
<b>Net Profit Margin (%)</b>	9.0%	6.4%	4.6%	8.6%

## Key Balance Sheet Items as at

Particulars		
<b>Net Worth</b>	7,204	6,497
<b>Total Liabilities</b>	2,328	3,905
<b>Fixed Assets</b>	2,321	2,325
<b>Total Assets</b>	9,532	10,402

Source: Company Financial Reports

Note: Revenue, EBITDA and PAT are inclusive of Other Income.

(1) Total Income comprising Service Charges, Commission and Other Income.

(2) Profit Before Interest, Depreciation and Taxation.

(3) Consequent to the change of Accounting year from 31st December to 31st March, the figures of 2012-13 are not comparable to those of the previous year as the figures of 2012-13 are for fifteen months from January 1, 2012 to March 31, 2013.

(4) The Board of Directors at the Board Meeting held on 22nd October, 2013 announced issuance of Unsecured, Redeemable, Non-convertible fully paid Debentures of Rs.10/- each, by way of Bonus subject to necessary statutory approvals.

(5) The Board of Directors at the Board Meeting of the Company held on 5th February, 2014 declared an interim dividend of Rs.35/- per equity share.



Thank You