

## OUR VISION

To be the Best and set the pace in the air express integrated transportation and distribution industry, growing from a National to a Regional leader 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.

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## BOARD OF DIRECTORS

<b>Tushar K. Jani</b>	- Chairman
<b>Clyde C. Cooper</b>	- Managing Director
<b>Khushroo M. Dubash</b>	- Director
<b>Suresh G. Sheth</b>	- Director
<b>Air Marshal S.S. Ramdas (Retd.)</b> PVSM, AVSM, VM, VSM	- Director
<b>Anil Thadani</b>	- Director
<b>Deepak Vaidya</b>	- Alternate Director to Mr. Anil Thadani

## EXECUTIVE MANAGEMENT

<b>Malcolm Monteiro</b>	Sr. Vice President - Sales & Systems
<b>Yogesh Dhingra</b>	Sr. Vice President - Finance & Chief Financial Officer
<b>Arun Kulkarni</b>	Sr. Vice President - Administration & Ground Operations
<b>Tulsi Mirchandaney</b>	Sr. Vice President - Marketing & Projects
<b>Ashoka Kumar Jain</b>	Sr. Vice President - North Region
<b>Anil Khanna</b>	Sr. Vice President - West 1 Region
<b>Gopi Menon</b>	Sr. Vice President - South 2 Region
<b>Balfour Manuel</b>	Vice President - West 1 Region
<b>Gopa Kumar</b>	Vice President - South 1 Region
<b>Amod Dasgupta</b>	Vice President - East Region
<b>T. A. Krishnan</b>	Vice President - North Region
<b>Tushar Gunderia</b>	Company Secretary

### AUDITORS

Arthur Andersen & Associates

### PRINCIPAL BANKERS

Canara Bank  
ICICI Bank Ltd.  
IDBI Bank Ltd.

### SOLICITORS

Mulla & Mulla & Craigie Blunt & Caroe  
DSK Legal

### REGISTERED OFFICE

Blue Dart Centre  
Sahar Airport Road, Andheri (E)  
Mumbai - 400 099.  
Tel : 8396444  
Fax : 8311184 / 8244132  
www.bluedart.com

## CORPORATE SECTION

Blue Dart takes great pride in its position as India's premiere player in the Express Industry. We have grown from strength to strength over the past 17 years. Our relentless pursuit of development and the bold initiatives we have taken have rewarded us well. During the past year, Blue Dart has taken several steps to add value to its service commitments - the acquisition of a third Boeing 737-200 freighter, the successful launch of our e-tools and comprehensive expansion to 11,940 locations in India, have all served to consolidate our place as a market leader.

The driving force behind all these innovations is our people - a team of professionals, all actively contributing to Blue Dart's vision. Blue Dart's core focus is its customers. Constantly evolving to provide tailor-made solutions and real-time information, Blue Dart meets customer demands consistently and proactively. Blue Dart's dedication to high service quality is endorsed by Lloyd's Register Quality Assurance.

**Empowering the customer and benchmarking with the best, Blue Dart's solutions for peace of mind are:**

### DOMESTIC PRIORITY

The fastest, most-reliable domestic door-to-door delivery service in India for documents and small shipments under 32 kgs per package. Domestic Priority offers the advantage of its widespread reach to 11,940 locations. Value additions to this service are pick-ups from customer locations, real-time tracking through the web site or customer service centres, and computerised proof of delivery on request, with an above 99.95% delivery reliability against commitment.

### DART APEX

Door-to-door, economical, reliable and flexible, the Domestic Air Package Express (APEX) is the ideal solution for shipments weighing 10kgs and above. Domestic commercial shipments that are time-bound and require regulatory clearances or special handling are provided for by this service. Supported by efficient web tools and customer service personnel, tracking shipments each step of the way proves effortless. An economical Airport-to-door option is also available from all the five on-line stations of Blue Dart, Chennai, Bangalore, Mumbai, Delhi and Kolkata, as well as a Door-to-airport service.

### DART SURFACELINE

The perfect option for less time-sensitive shipments weighing 10 kgs and above, Dart Surfaceline offers a cost-effective door-to-door ground distribution service. Supported by a fleet of containerised, weatherproof LCVs (Light Commercial Vehicles) as well as our own warehouses, and expertly managed on a hub and spoke system, this service ensures security and no transit loss. A tracking and proof of delivery system, both over the net, the mobile phone and through customer service cells, are other features of this service.

### SMART BOX

A convenient packaging unit, priced to include a door-to-door delivery service within India, Smart Box units come in two sizes, 10kgs and 25kgs, and are designed to accommodate a variety of products. Enjoying the same product support of the Dart Apex services, Smart Box is economical and comes equipped with an easy tracking, proof of delivery system available on the Blue Dart website, the mobile phone and through Customer Service.

### FEDEX INTERNATIONAL PRIORITY

Through its partnership with Federal Express, the global leader in Express distribution Services, Blue Dart offers a one-stop shipping process for reliable, time-definite delivery of international documents and shipments with access to 211 countries worldwide.

Our other business solutions are:

### AIRPORT TO AIRPORT

An airfreight service available on the flights operated by Blue Dart Aviation between the airports of Kolkata, Delhi, Mumbai, Bangalore and Chennai. Shipments are accepted at our airside warehouses equipped with our own x-ray machines. This enables early morning deliveries and late cut-offs without the requisite cooling period mandatory on passenger airlines.

### INTERLINE

Pioneering the concept of an all jet air express network in India, Blue Dart's three Boeing 737-200 freighter aircraft offer capacities and dimensions unmatched by any other

domestic airline. By virtue of its ground-handling and maintenance capabilities, its airside bonded warehouses, India's only computerised cargo reservations system, SMART, quick airport bonded transfer services and express driven efficiencies, Blue Dart enhances interliners' marketing possibilities within India. Blue Dart has interline cargo agreements with 18 international airlines - Air Canada, Air France, Air India, Air Mauritius, Alitalia, Asiana, British Airways, Cargolux, Cathay Pacific, China Airlines, Das Air, El Al Israel Airlines, Emirates, KLM Royal Dutch Airlines, Kuwait Airways, Saudi Arabian Airlines, Singapore Airlines and Swissair.

## CHARTERS

Blue Dart introduced domestic charter flights to meet the growing demand for cargo space. It operates charters on an ad-hoc basis. Charters are operated where urgent delivery of time-sensitive equipment or large loads are required. Blue Dart has operated charters carrying relief material into earthquake-torn areas, emergency equipment, perishable aquaculture, computer peripherals, electronics, high-value TV and broadcasting equipment for cricket matches and large inventory for JIT plants.

## BUSINESS LOGISTICS SOLUTIONS

Blue Dart provides customised Supply-chain management and logistics solutions to meet dynamic business requirements. Blue Dart works with various organisations to improve process efficiency, reduce costs, increase competitiveness and support their shipping management processes.

## E-INITIATIVES

Recognising the scope of the internet in 1996, Blue Dart has since continued to explore its different facets to develop web-based solutions for its customers. By making its comprehensive range of services available and integrating them into its core products, Blue Dart has consolidated its position as the most technologically-advanced player in the domestic business of supply chain management.

## STAND ALONE TOOLS

### POWER DART 2000+™

A shipping tool available to all customers that have an account with Blue Dart and who do not have access to the internet, Power Dart 2000+ provides the customer with all shipping related information such as regulatory

requirements and location services and transit times. It also enables the customer to receive status of shipments, print shipping reports and receive delivery details.

### FAX DART™

This tool proves effective for small or medium sized business houses that are not connected to the internet, operate out of a major city and have a fax machine. Fax Dart allows the customer to receive the status of shipments at pre-determined frequencies. This service is both cost-effective and convenient for the customer.

### COSMAT II™

Constructed to cover all the complex processes of the entire organisation, COSMAT II enables tracking of shipments from pick-up to every transit point, till delivery. Using barcode and scanner technology this tool ensures that customer receives real-time, complete and accurate information about his shipments.

### SMART™

Indigenously developed, this technology solution allows real-time space and revenue management on the Blue Dart Aviation Network. A confirmation of space availability is obtainable over the telephone. All shipments booked on SMART™ are picked, moved on the network and tracked until delivery.

## WEB-BASED TOOLS

### TRACKDART™

Customers can use this ingenious tool to track the status of multiple shipments within India or to Nepal, Bangladesh or Bhutan through the internet, and receive real-time information. International shipments can also be tracked using TrackDart™. The TrackDart™ box is plainly visible on every page of the Blue Dart website.

### MAIL DART™

The status of a shipment can be tracked using e-mail. MailDart™ processes all e-mails sent to track@bluedart.com and provides the status of the shipment automatically by return mail. Both single and multiple shipments may be tracked.

### LOCATION FINDER

Available on every page of the Blue Dart website, this

convenient tool allows the customer to identify the Blue Dart service location, counter or franchisee office that is closest to him. Any of Blue Dart's 11,940 domestic locations and 211 international destinations can be ascertained by city, street name or pincode.

### **TRANSIT TIME FINDER**

Also available on every page, the Transit Time Finder enables the customer to check the transit times for domestic and international shipments.

### **PRICE FINDER**

Shipping costs for both, domestic and international shipments can be calculated using the Price Finder which appears on every page of the Blue Dart website. The Price Finder also comes with a Volume-weight Calculator to ease determining the chargeable weight of shipments.

### **E-BUSINESS SOLUTIONS**

#### **INTERNETDART™**

Most effective for medium to large business houses, this allows on-line tracking of shipments sent over the last 45 days. Cleverly designed, InternetDart™ can track by a range of dates, origin, destination, delivered or undelivered shipments, or services used. This potent tool also gives customers the benefit of generating reports and downloading tracking and status data. This tool integrates easily with the user's back end systems.

#### **SHOPTRACK™**

An Application Program Interface designed specifically to support and enhance the services provided by a portal or any e-business, ShopTrack™ provides an effortless, plug-

and-play customised solution. Customers no longer have to leave the portal site to track their purchases. They just need to enter their order numbers, and the shipping and delivery details are displayed on the same page. A time and cost-saving tool, this application gives Blue Dart's customers a competitive edge.

#### **PACKTRACK™**

Another Applications Program Interface, designed for any customer involved in logistics, distribution and inventory control. PackTrack™ can be integrated into the customer's system, enabling him to keep track of the entire distribution status of his clients. This effective tool provides the customer with a seamless service and brings the entire chain within his domain.

#### **MOBILEDART™**

Empowered with MobileDart™, the customer need not have access to a computer. MobileDart-WAP works on any mobile phone or device that supports Wireless Application Protocol. The current status of a shipment can be tracked. An automated delivery message is also available by e-mail or SMS as soon as a shipment is delivered. In addition, access is provided to the Location Finder for convenient information on areas serviced, and data on product offerings and the company is available on the WAP site ([wap.bluedart.com](http://wap.bluedart.com)).

MobileDart - SMS works on any mobile phone or device that supports sending of e-mail over Short Messaging Service. Customers can now send a message to receive current details of shipments or receive intimation as soon as a shipment is delivered. MobileDart™ enables customers to make shipping decisions on the run.

## CHAIRMAN'S STATEMENT

Dear Shareholders,

Let me begin by extending to all of you a cordial and warm welcome to this 10th Annual General Meeting of your Company. You will be delighted to learn that during the first financial year of the millennium, your Company reported a record operational and financial performance. For the year, your Company posted its highest ever net profit of Rs.23.03 crores since its inception. The Board of Directors of your Company have recommended a higher dividend of 35% and also proposed a bonus issue of shares in the ratio of one equity share for every equity share held by you.

Your Company has continued to expand its presence in the Domestic Market and I am proud to inform you that, as on date, your Company has a capacity to render domestic services to more than 11,940 destinations in India. Your Company is India's leading Express Company with over 38% share in the domestic markets.

Your Company has, yet again, successfully leveraged its partnership with Federal Express, the world's largest air express transportation company, to grow its international segment in double digit sales in the last year. The complementary international and Domestic strengths of Federal Express and Blue Dart provide a wide geographical access to 211 countries worldwide and the largest domestic reach in India, together with benchmarked service standards and cutting-edge technology, ideally suited to Supply Chain Management and distribution.

Your Company offers a comprehensive range of services and products for both domestic and international shippers. Your Company's continuous commitment towards understanding the needs and concerns of the customer has enabled it to provide unmatched standards of service quality of above 99.95% reliability levels in the express industry.

The benefits of consolidated operations were obtained with the moving of the main operations into the 35,000 sq.ft. Super-hub located near Sahar Airport during the last financial year.

Your Company has warehouses at 14 locations across the country as well as bonded warehouses at the five metro locations of Mumbai, Delhi, Chennai, Kolkata and Bangalore. During the year, your Company acquired a 23,000 sq.ft. high-tech airside warehouse with bonded facilities at Bangalore Airport. The bonded warehouses, with customs personnel, facilitate efficient transhipment of

cargo within India. This facility has enabled distribution of imports within the country and has provided exports access to and from gateways of international airlines. This provides international airlines with a cost-effective option to restrict their on-line stations within India, and enhance their marketing possibilities at off-line locations by utilizing the distribution capabilities of Blue Dart.

Your Company has interline agreements with 18 international airlines for carriage of interline shipments. During the year under review, your Company signed interline agreements with four other prominent Airlines viz; Cathay Pacific, Air Mauritius, El Al Israel Airlines Ltd and China Airlines.

A lack of adequate infrastructure creates a bottleneck in the economic growth and development of the country. In order to provide an impetus to growth, the Government is planning to corporatise and allow private participation in the operation and management of the airports in India. As a first step towards privatization of airports, the Government is likely to lease out the airport handling services, which are presently being handled by Government agencies.

Over the years, your Company has developed its expertise in Airport Handling Services for Cargo Operations and is ideally poised to optimize the business offerings presented by this proposed privatization of Cargo Operations.

During the year, your Company, also pioneered India's first E-services website in support of Trade and Commerce towards e-fulfillment in Transportation, Distribution, Logistics and Supply Chain Management. The site gives customers complete and valuable information on the Company's operations, products and services, and provides contact and communication capabilities for all its 11,940 locations serviced, besides other interactive and web based tools and applications. Your Company strongly believes that real value can be added only by actually partnering with its customers to develop customized solutions, and this website is focused in the same direction.

Your Company has initiated steps to provide B2B and B2C services. The Company has tied up with a number of internet portals, a few amongst them being Rediff, Fabmart, ICICI Webtrade, IndiaInfoline and Indiatimes.

The Company's 100% wholly owned subsidiary, Blue Dart Aviation Ltd. acquired its third aircraft, a Boeing 737, as part of its fleet expansion plan. The Boeing 737 underwent conversion from a passenger to a freighter



aircraft at Stambaugh Aviation, a DGCA and FAA approved facility in the U.S.A., and was launched on the 17th January, 2001. I take great pride in informing you that your Company is the only Company in the express industry with its own fleet of three freighter aircraft. With the acquisition of the third aircraft, your Company has reduced its dependence on domestic airlines and has also enhanced capacity for cross border operations to facilitate service into the neighboring countries like Bangladesh, Sri Lanka, Singapore, Maldives to name a few.

As you are aware, in today's competitive age, the Company with superior and advanced technology will always have an edge over its peers. Ours is a highly technology-driven business and your Company has always accorded great importance to developing various technological tools for providing quality services to its customers, and for ultimate customer satisfaction.

Today's customers require a different set of technology solutions. Your Company has developed various technology tools to manage data and other delivery information. As customer automation is projected to be the prime need for industry, your Company will place technology at the customer's end, enabling the customer to be a part of our internal networks.

You would be extremely glad to note that your Company recently announced the launch of "MobileDart", the first wireless initiative developed and launched by an express company in India. It encompasses delivery of value through SMS "Short Messaging Services" as well as WAP, "Wireless Application Protocol". MobileDart - WAP works on any mobile phone or device which supports wireless application protocol. The customer can check the status of his shipment online by entering the waybill number using "MobileDart -WAP", amongst many other features.

The future throws up great opportunities and holds a promise to dramatically change the fortunes of Companies that are able to envision this growth and position themselves strategically in the emerging environment.

Supply Chain management has emerged as a major growth opportunity for your Company. Manufacturing companies are increasingly outsourcing their logistics requirements to third party logistics providers. Your Company's belief in logistics is not in warehousing but in speeding up the customer supplier chain. In Business to Business, we move goods swiftly to the end customer so that there are reductions in inventory and holding costs,

and a rise in his bottomline. Customers are looking at third party suppliers to provide them with a whole range of supply chain management services, covering anything and everything starting from keeping production lines supplied on a just-in-time basis through delivery to the end user.

I promise you that your Company will always strive to make this growth sustainable and enhance the quality of its earnings as well as the value to its stakeholders.

Your Company recognizes the value of "Human Capital" as a cornerstone of its growth. Our employees are committed to and capable of delivering exceptional standards of performance, as already reflected by the results of the Company over a period of time. The Company provides them with an enabling environment, reinforced with continuous learning and training to keep them abreast with changing technologies and customer oriented services.

We are committed to remaining a good corporate citizen and have initiated steps to ensure the highest level of Corporate Governance norms and transparency. This shall not be limited to mere compliance of the basic principles, rules and regulations, law and practices of good corporate governance, but it shall be corporate manifestation of the present beliefs and values of its executives, which configure the organizational values and culture and influence the thoughts, beliefs and actions of its employees, leading to sustained quality services for its customers, the public and society at large.

In conclusion, I express my gratitude on behalf of the Company and on my own behalf to banks, government authorities, business associates and other constituents for their valuable support and unstinted co-operation.

I also take this opportunity to thank all my dear shareholders for their valuable support in all our endeavours.

I also wish to place on record our sense of appreciation for the dedicated services of our employees which enabled the Company to make significant achievements during the year.

Mumbai  
June 12, 2001

**Tushar K. Jani**  
Chairman



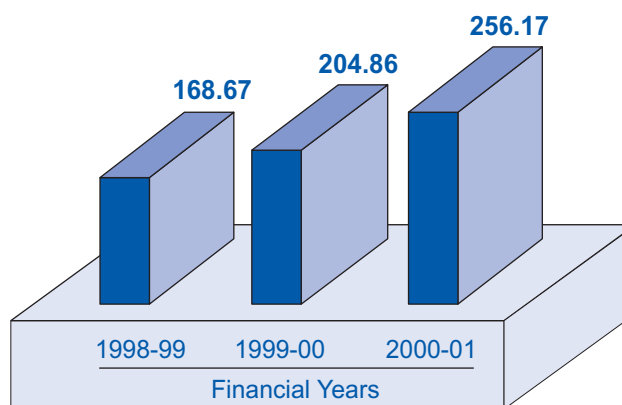
## FINANCIAL SUMMARY OF LAST 3 YEARS

(Rs.in crores)

Year End March	FY 2000-01	FY 99-00	FY 98-99
Income from Operations	<b>256.17</b>	204.86	168.67
Other Income	<b>0.54</b>	0.32	7.35
Total Income	<b>256.71</b>	205.18	176.02
Total Expenditure	<b>215.24</b>	178.72	156.90
Operating Profit	<b>41.47</b>	26.46	19.12
Interest (Net)	<b>10.04</b>	8.66	7.15
Gross Profit	<b>31.43</b>	17.80	11.97
Depreciation	<b>5.60</b>	3.79	4.96
Profit Before Tax	<b>25.83</b>	14.01	7.01
Taxation	<b>2.80</b>	1.70	1.01
Profit After Tax	<b>23.03</b>	12.31	6.00
Equity	<b>11.89</b>	11.89	11.88
Reserves	<b>95.79</b>	77.33	67.55
Gross Fixed Assets	<b>122.29</b>	100.72	36.31
Book Value (in Rs.)	<b>89.72</b>	73.70	64.00

## INCOME FROM OPERATIONS

Rupees in Crores



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## NET PROFIT

Rupees in Crores

