

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.



BLUE DART
EXPRESS LIMITED

Registered Office :

Blue Dart Centre, Sahar Airport Road,
Andheri (East), Mumbai - 400 099.

• Tel. : 839 6444 • Fax : 824 4131

www.bluedart.com

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BOARD OF DIRECTORS

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

EXECUTIVE MANAGEMENT

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

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CHAIRMAN'S STATEMENT

Dear Shareholders,

Your Company posted a notable performance and continued to forge ahead with its expansion and development plans last year, despite the exceptional circumstances of a demanding year.

The financial year 2001-02 was a challenging one for most of the economies globally. Despite the slowing domestic and global economy, and the unfortunate incident of September 11, 2001, your Company maintained a reasonable level of profits by redrawing its sales and cost-efficiency measures to mitigate, to a large extent, the adverse impacts of the external environment.

During the year under review, your Company registered a Rs. 25.27 crores profit before tax, for the year ended March 31, 2002, as compared with the corresponding figure of Rs. 25.83 crores in the previous year. The total sales have registered a 12% increase over the last fiscal year, compared to over 20% growth in the previous years. Amendments in the accounting standards in India, specifically related to deferred tax provisions, led to a provision of Rs. 3.32 crores to the profit and loss account of the Company.

Over last year, your Company completed the necessary formalities in respect of issue and allotment of bonus shares and, consequent to that, the equity share capital of the Company was enhanced to Rs. 23.73 crores.

Recognition for the Company's performance was conferred with a nomination in the "Emerging Company" category for the "Economic Times Awards for Corporate Excellence". HDFC Bank emerged the winner, but this was an honour accorded to your Company.

India's express industry continued to grow, with various segments including consumer durables, IT and financial instruments boosting sales. Product offerings can be broadly divided into two categories - documents and packages. Increasing penetration of the financial sector fuelled growth in the document segment, while the increasing use of IT-

related equipment drove transportation of packages. Your Company grew strongly in these segments, amongst others, and pressed ahead with consolidating its dominant domestic share.



Your Company continued to differentiate itself from all other players in the premium segment with its technology development and rollout of cutting-edge technology tools and customer software. Technology plays a major role in the industry globally, with real-time data flow for tracking systems and tools for enhancing customer convenience. Benchmarking against the best, your Company rolled out several technology tools that were a first in the Indian express industry. Pickup Online was one such facility launched on your Company's website, www.bluedart.com. This facility provides customers with the added flexibility to schedule pickup of their domestic and international shipments via the internet, at their convenience. During the year, your Company also introduced ShipDart™, a revolutionary, new software that provides customers an interface with Blue Dart's system, and enables users to manage their shipping processes from their desktop. Customers can upload all their data into the Blue Dart system, which flows through the system till billing, generating a one-point shop to eliminate errors. The key strategy is to provide customers with the convenience of functions at one location that they would otherwise perform over the phone or at various shipping points.

Your Company has been investing in infrastructure in a planned manner to support its operations and growth. Your Company has a wide domestic network of delivery and collection points spanning over 13,000 locations. It has a robust, integrated infrastructure which includes its dedicated, express airline, its fleet of over 2,600 vehicles, supported by one of the largest private computer networks in India, with

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over 1,600 computer terminals. Last year, your Company continued to expand its infrastructure with new offices at Kolkata, Bangalore, Hyderabad, Borivli in Mumbai, and Verna in Goa. It was a great honour for Kolkata to continue its tradition of having Sister Nirmala of the Missionaries of Charity inaugurate the office. In 1995, Mother Theresa had inaugurated Blue Dart's previous office there. Your Company pushed ahead with its thrust on the emerging markets, adding the towns on Jammu and Kota in the North, and Jamnagar, Jabalpur and Rajkot in the West, to its heavy-shipment distribution network. Your Company also forged strategic alliances in the South and in the North to expand its reach through leveraging of the network of these partners.

Your Company has the only integrated air and surface infrastructure compatible with the increasing demands of express distribution and supply-chain management in the region. We are optimistic about the express business in India, and management is also exploring opportunities in neighbouring countries. Your Company is looking at the SAARC (South Asian Association of Regional Co-operation) region, namely Bangladesh, Sri Lanka and the Maldives, to expand its operations.

Your Company is committed to good corporate governance practice, which is an important instrument for enhancement of shareholder value. Good corporate governance enables firms to compete internationally, and prosper over the long term. We continue to deliver value to our stakeholders through our people philosophy and corporate governance, based on distinctive customer service, business ethics, and accountability and profitability.

I commit that we shall strive to maintain global standards of corporate transparency. We shall strive to increase shareholder confidence in our management ability. We shall strive to deliver value to our shareholders.

Your Company recognises the efforts and contributions of every Blue Darter in mitigating damage and supporting their Company in extremely tough times. Their commitment and service excellence has succeeded in making Blue Dart the leading express company in the region, with a strong and

reliable brand image. I am glad and proud to say that our belief in our 'People-Service-Profit' philosophy veered us away from the global and local panic reactions of pruning employee strength, salary cuts, VRS and other such tactics. I take this opportunity to thank every one of our people for rallying around the Company in a very challenging year.

On behalf of your Company, I express my gratitude to our bankers, financial institutions, government authorities, business associates and other constituents for their valuable support and unstinted co-operation.

I also take this opportunity to thank all of you for your kind support, and wish all our shareholders and stakeholders continued growth and prosperity in it's association with Blue Dart.

Mumbai
June 18, 2002

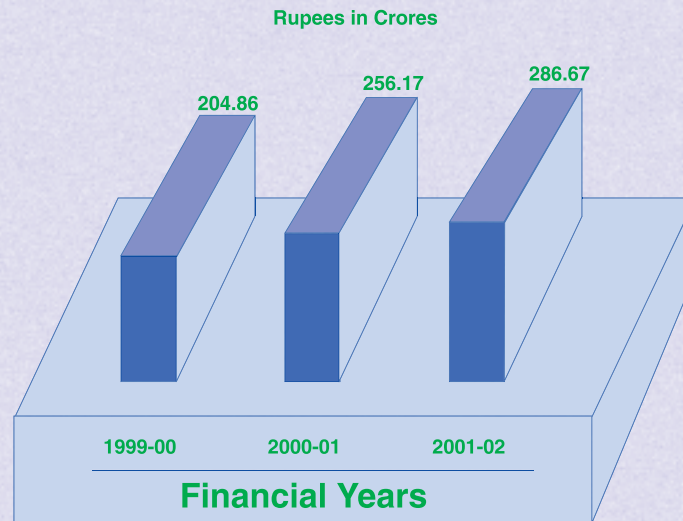
Tushar K. Jani
Chairman

FINANCIAL SUMMARY OF LAST 3 YEARS

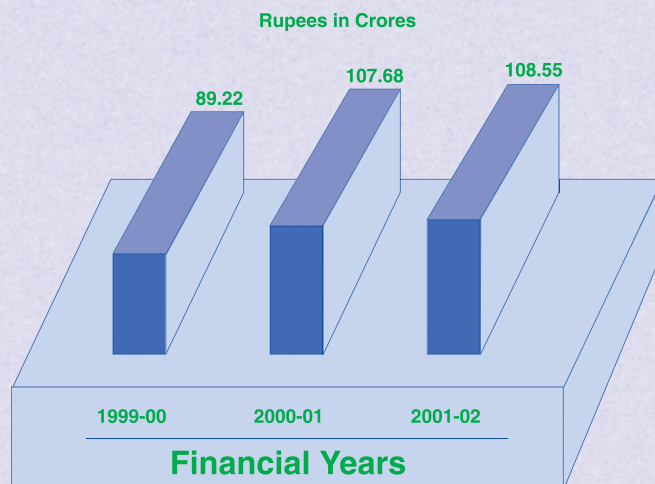
(Rs. in Crores)

| Year End March | FY 2001-02 | FY 2000-01 | FY 1999-00 |
|------------------------|------------|------------|------------|
| Income from Operations | 286.67 | 256.17 | 204.86 |
| Other Income | 0.59 | 0.54 | 0.32 |
| Total Income | 287.26 | 256.71 | 205.18 |
| Total Expenditure | 246.91 | 215.24 | 178.72 |
| Operating Profit | 40.35 | 41.47 | 26.46 |
| Interest (Net) | 8.87 | 10.04 | 8.66 |
| Gross Profit | 31.48 | 31.43 | 17.80 |
| Depreciation | 6.21 | 5.60 | 3.79 |
| Profit Before Tax | 25.27 | 25.83 | 14.01 |
| Taxation | 7.26 | 2.80 | 1.70 |
| Profit After Tax | 18.01 | 23.03 | 12.31 |
| Equity | 23.73 | 11.89 | 11.89 |
| Reserves | 84.79 | 95.79 | 77.33 |
| Gross Fixed Assets | 136.17 | 122.29 | 100.72 |
| Book Value (in Rs.) | 45.63 | 89.72 | 73.70 |

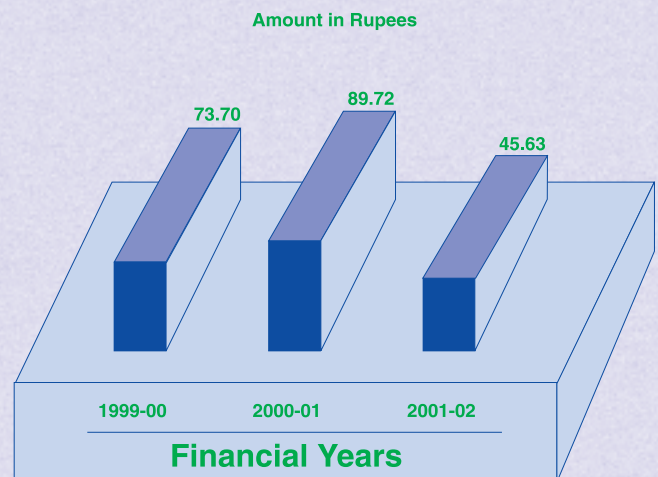
INCOME FROM OPERATIONS



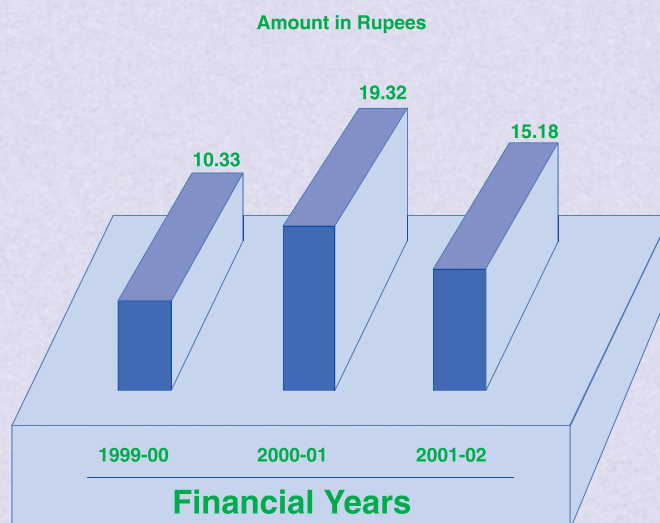
NETWORTH



BOOK VALUE PER SHARE



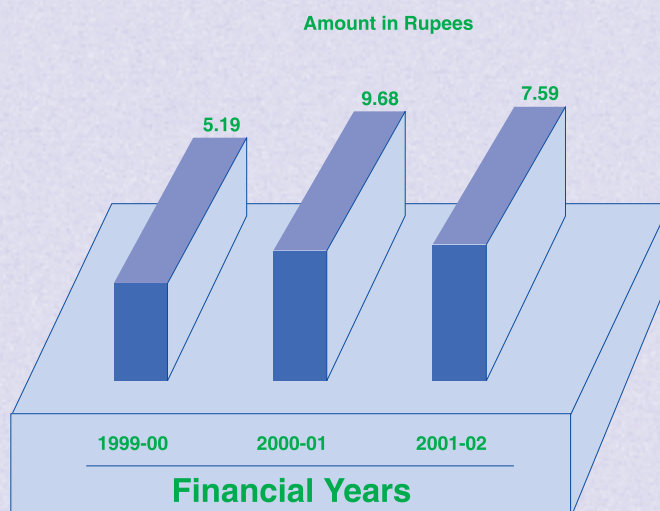
EARNING PER SHARE



During the Financial year 2001-02, the Company had issued Bonus Shares in the ratio of 1:1.

The EPS for the year under review is calculated on the Pre Bonus Equity Share Capital of the Company.

ADJUSTED EARNING PER SHARE



The Earning per share of all the financial years are adjusted to reflect the issue of Bonus Shares in the ratio 1:1 and forfeiture of Equity Shares.



L to R : **Suresh G. Sheth** - Director, **Khushroo M. Dubash** - Director, **Tushar K. Jani** - Chairman,
Clyde C. Cooper - Managing Director, **Air Marshal S. S. Ramdas** (Retd.) - Director,
Deepak Vaidya - Alternate Director to Mr. Anil Thadani