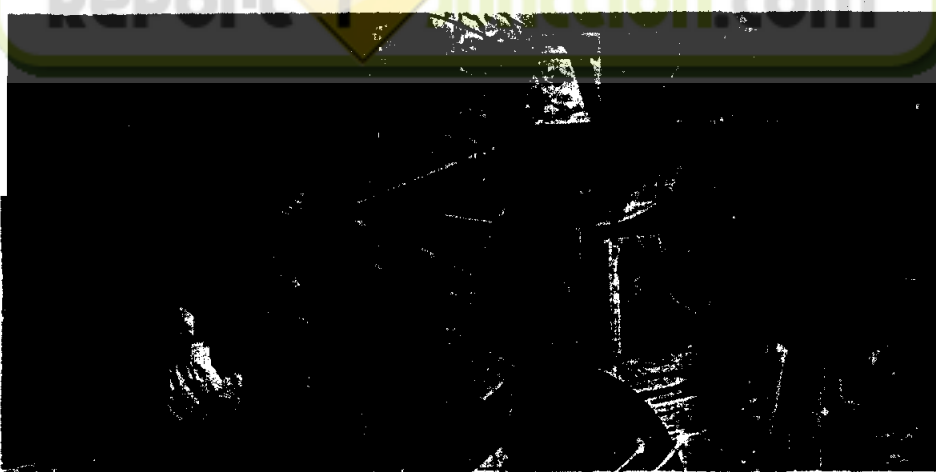




6th Annual Report 2000-2001



CERTIFIED TRUE COPY

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For BSNL Entertainment Limited

(Signature)

Company Secretary

YOUR TECHNOLOGY PARTNER FOR THE FUTURE

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Board of Directors

BOARD OF DIRECTORS

Mr. Kirit R. Kanakiya (*Managing Director*)
Mr. Paresh C. Joshi (*Director Operation*)
Mr. Babulal S. Jain
Mr. Srikrishna Bamidipatti
Mr. Jayant M. Thakur
Mr. Rajkumar Adukia
Mr. Hitesh D. Vora

COMPANY SECRETARY

Ms. N. H. Desai

REGISTERED OFFICE

B-201, 2nd Floor, International Infotech Park,
Vashi Railway Station Complex,
Vashi, Navi Mumbai 400 705.

CORPORATE OFFICE

Hilton Centre, 2nd Floor,
Plot No 66, Sector 11,
CBD Belapur,
Navi Mumbai 400 614

BANKERS

UTI Bank Limited
Punjab National Bank
Union Bank of India
Standard Chartered Bank
CITI Bank N. A.

AUDITORS

M/S Raju and Prasad
Chartered Accountants

REGISTRARS & SHARE TRANSFER AGENTS

Sharex (India) Pvt. Ltd.
Unit No. 1, Luthra Industrial Premises,
Andheri Kurla Road, Safed Pool,
Andheri (East), Mumbai- 400 072



Message from the Managing Director



Kirit R. Kanakiya

This year (2000-2001) BSEL has been through many passing an important phase of learning and transition. The major learning for us has been not to depend on others to bring in business and technology. We have also learnt to work within our own infrastructure and capabilities. We are also developing or acquiring the capabilities over what we have now. This means that as an organisation we have started to build many new relationships, which will help us in business generation, customer contact, new technology absorption, and will help expose our technologies, products and services to the market place. The basic transition that we have gone through is of moving from being a mere software service company to one of the diversified and comprehensive solution provider. In order to give impetus and carry on with focussed areas, an operations are strategically divided in

two division viz IT division and Hardware Division. While the IT division aims to move much closer to our partner so that alliances result in differentiation in our solutions and expansion in our client base, The Hardware Division thrives to cater to domestic market requirements of specialized hardware by way of building relationships with industry leaders. The purpose of both the division is to build the BSEL brand value and to ensure maximum returns to the shareholders. This year has also been a year of many achievements for BSEL. The most notable achievement being the growth of our domestic Systems Integration Business by a rate of growth, which is above the industry growth as a whole.

It would be naïve to say that the slowdown would not have an effect on us. We are in constant touch with our clients. Several of them face uncertain economic conditions. Having said that, we are confident of meeting the challenges. Our business model is resilient enough to tackle changing market conditions. To start with, we are widening our exposure in Europe and other parts of the world at the expense of the US. Besides attracting more clients, BSEL has changed the revenue pattern to favour onsite projects as against offshore ones; a move it feels would keep its head well above the water.

The Company continues to build on its strength. We recruit the best software engineers and give them a distinctive and extensive training in Software Engineering and new technologies - preparing them to take on any type of assignment in information technology. We engage in research in frontline areas like cognitive sciences and speech/script recognition, and invest in products to give us a differentiation and a competitive advantage. These strengths will help us to ensure bright future for the Company. The Company is considering taking up a number of new initiatives, to help secure its future based on the innovative ideas of BSEL is making conscious effort to enhance its market reach by making an entry into IT Enabled services i.e. Date Conversion and Medical Transcription and also an entry in to Education Service Business which would ensure the huge job opportunities. At BSEL we work towards a long-term relationship with all our customers, employees, suppliers, vendors and investors. BSEL is also actively pursuing strategic alliances and targeted acquisition.

The Company management's endeavor is to work towards creating value for its employees, customers and shareholders. I am sure that with your support, the initiatives that we have taken and with the inherent strengths that the Company has, we will achieve these objectives.

Our mission is to pump new ideas and innovative technologies into the IT arena

Message From Technical Desk

The global business community faces a never ending dilemma: technology continues to be more disruptive, complex and costly to deal with, yet organizations are increasingly more dependent on technology for survival, growth and competitive strategic advantage. Helping clients sort through this dilemma is BSEL's business.

BSEL is a world leader in helping clients use the information technologies to achieve business objectives. Our culture of listening to and working with our customers has been and always will be our hallmark. Throughout our history, we have identified emerging, turbulent shifts in technology and applied this knowledge to our clients' problems, helping them achieve the result they require. We have the scale and expertise to create a complete solution for your organization. From front-end consulting and planning, to integrating and even managing technology solutions, we have the expertise and experience to respond to your unique challenges and opportunities. The market for our services is highly dynamic and global.. Our rapid growth has led us to extend to many fronts, and we believe our ability to successfully address the multiple opportunities that the market presents and to better negotiate with the tough economic environment, is contingent upon adding further involvement and dedication to our management team.

In addition, a major key to our success with Net markets is our ability to forge strong partnerships and alliances with other e-business and industry leaders. Traditionally, our skill in partnering and assembling teams has been a strength on large, complex integration deals. BSEL follows system driven procedure rather than human driven which ensures full proof processing and execution. Today, it's a key ingredient for success in the new e-business world as well.

Specifically, as more global companies embrace e-business as integral to their operations and as Successful start-ups mature, the requirements for e-business success broaden. Issues such as Innovation, speed, global scale, industrial-strength performance, full life-cycle support and the need for tangible business results are critical. These are the precisely BSEL's strengths. Our strategies for e-business leverage these strengths. We are focusing primarily on the Business-to-business (B2B) segment, which offers the promise of a single platform where organizations can coordinate the entire chain of commerce, enabling their customers, suppliers and trading partners to quickly transact business. And these opportunities are not just limited to



Anish D. Vora

Message From Technical Desk

commercial organizations. BSEL is uniquely equipped to provide complete, end-to-end solutions that integrate strategy with implementation and ongoing management control.

Two other areas of e-business hold particular promise for BSEL: IT Solution and Conversion Services. As per NASSCOM McKinsey report, India can aspire to take its own share to USD 1990 billion. opportunities in this sector by 2008, While growth in IT services will continue to offer the biggest opportunities BSEL's strength in Data Management spans across the entire spectrum of services. Its professionals have the know-how not only in Data Conversions where they handle large volumes of jobs across a myriad of platforms and languages but also in Data Warehousing (storing of data in classified sections to allow for immediate access) and Data Mining. Another booming industry- Medical Transcription Services has very few professional providers in India. BSEL with its IT know-how and a strong infrastructure, is well poised to offer impeccable medical transcriptions services. Strengthening these endeavors is a rich pool of human resources with technical as well as functional expertise.

"In spite of the recent turbulence in the capital markets, and the apprehensions regarding the future of technology, I have a firm belief that the lines of business we are in, will provide us with opportunities to grow at a healthy rate. The investments we have made in technology and infrastructure to support the lines of business combined with our skill sets and domain knowledge in upcoming technologies will provide us a significant competitive advantage. Our revenues and margins have been improving in the past few years, with the strategic changes in the product mix. We have been able to deliver solutions and ensure customer satisfaction, which in turn gave us enormous confidence to take on the new and upcoming technologies of the future."

In order to meet the challenges of the coming millennium your Company has drawn up extensive plan of action for the coming year for deriving maximum benefits from its internal strengths of being proactive in seeking new business opportunities.

Hitesh D. Vora
(Director)

Corporate Overview



Welcome to BSEL Information Systems Limited, a vibrant, innovative, consulting and development company. BSEL Information Systems Limited provides strategic consulting and web development services to corporates, government bodies and mid size companies. BSEL Information Systems Limited is committed to building successful business online.

Founded in 1995, BSEL Information Systems Limited is dedicated to pioneering online businesses that shape the new Net economy. The company pioneered building corporate Web sites in its early days, and has since evolved into a group of companies that aims to fulfill its vision of shaping the Net economy. BSEL is empowered by a team of software professionals with rich experience and cutting-edge technology skills in managing successful software deliveries. With strong backing of strategic alliances, an expanded market through marketing arrangements with Webell Communications Inc, 3EBiz.Com Inc., USA and 7 Star Management Inc., USA has made firm inroads in extending its services. The Company is planning to open its wholly owned subsidiary in Europe, Singapore, Japan and Middle East. Incidentally it has already setup its 100% subsidiary Websoft Technologies Solutions Inc, Nevada, USA to meet augmented requirements of clients and offer dedicated services to its existing clients.

To date, the group collectively completed numerous software projects covering various segments of business and work areas, and is incubating over exciting new ventures and Portals. Combining state-of-the-art software development, a graphic design and illustrations capability, BSEL offers e-commerce, software project promotion and marketing services.

BSEL is a highly tightly knit group of dedicated professionals, each an expert in his own field. From developers, to creative designers, to Business heads, each one is an individual with varied industry experience and exposure to back office and front office functions. Among the rolls are top software

Corporate Overview

professionals. The learning environment at BSEL provides its personnel an opportunity to upgrade their skills and keep abreast of technological advancements.

Our Approach

BSEL as an enterprise is completely Customer focused. We believe in providing stable, top quality services which are both competitive and cost effective. With BSEL's Technologies, Quality always comes first.

Our Setup

BSEL has an in-house infrastructure that combines the latest in hardware and software to meet any customer requirements. For hosting we provide Unix/Linux and NT/Windows 2000 based server with all the latest features that provide multiple, redundant OC-3 and DS-3 Connections (Fibre Optic Based) to independent major backbones, a 99.9% uptime guarantee and full Customer Support.

Our Clients

- BSEL provides its services across the globe executing offshore development projects in the United States of America, Canada, Europe, Asia and worldwide for Airlines, Hospitals, Publication, Project management Consultancy, Education, Research, Mining industry, Telecom, Travels, Dimond & Silver Merchants and many more.
- On the Domestic Front we have Government bodies, Educational Institutions and Research Centers, covering segments like Manufacturers, Publishers, Exporters, Software Companies, Art Galleries, Buying & Trading houses, Health Centers, Diamond & Silver Merchants, Cargo and Clearing Agents.



Areas of Specialisation

IT Enabled Services

BSEL empowers its clients with a competitive edge, by encompassing the entire range of software services, from undertaking offshore and onsite projects, to setting up exclusive offshore development facilities to professional services. BSEL has proven capabilities in IT Enabled services such as

- Data Conversion
- Medical Transcription
- GIS Services
- Management Consultancy

Employ an interactive and incremental process for faster feedback, quicker releases, and improved development quality, BSEL established development methodology focuses on capturing your requirements and understanding how users will interact with the applications.

IT Solutions

Today's e-businesses must support complex interactions between customers, suppliers, and employees. They must perform countless transactions everyday and streamline processes fluidly and accurately. Our e-business applications secure your time-to-market advantages without sacrificing long term planning efficiencies.

We specialize in:

- System Integration
- Software Development
- Product Development
- E Commerce
- Outsourcing

The established development methodology focuses on capturing your requirement and understanding how users will and should interact with the applications. BSEL object-oriented design coupled with proven architectures for functionality, flexibility and productivity are the hallmark of the development and implementation processes at BSEL.

We are committed to building our next generation e-business solutions that leverage technology to provide you with a leading edge.

IT Enabled Services

DATA CONVERSION

Conversion of Legacy documents from hard copy to SGML/XML/HTML is a challenging task for companies in today's world. At the same time it is an essential step, which ultimately enables companies to deliver faster legacy conversion to the market in various media formats. BSEL with its expertise in legacy conversion projects combines with its low cost operations offer a solution, which makes legacy conversion simple. The following data conversion processes are the key to our success in the area

PROCESS

ANALYSIS

Our data analyzing team analyses the data received, prepares the job specific processes and instructions.

CAPTURING DATA

BCAPS, window based applications developed by BSEL is only data entry package with full-text, real-time, word-level verification capabilities.

MARK UP

Using in-house customized software does mark-up manually.

QUALITY CHECKS

Spell check, Proof reading, Parsing etc.

FINAL CHECKS

After the above processes, samples of final files from each batch are thoroughly checked for capture and mark-up errors. If an error is detected during the final checks, the whole batch goes through the above-entire processes again.

EXPERTISE

BSEL Information Systems Limited provides the following services to create a robust and efficient data conversion solution for your organization.

Keying with accuracy level of 99.99%

DTD Development

Output conversion to SGML/XML/HTML formats

Data capture, Re-keying, OCR & Scanning, Conversion from different formats

BSEL gives the Guarantee for Timely delivery with the highest level of Accuracy

