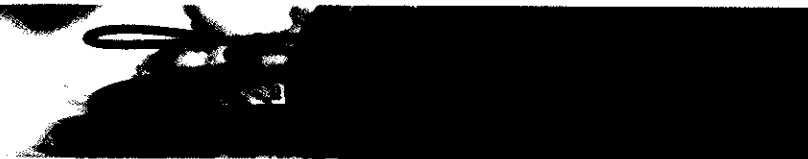
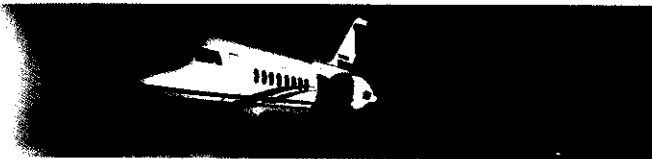


2000



World-class
IT solutions and services in
engineering and eBusiness environments.

ROLTA INDIA LIMITED
ANNUAL REPORT 2000

SEEING THINGS DIFFERENTLY. SEEING DIFFERENT THINGS

managing the bottomline

MANAGING PEOPLE

managing allainces

managing leadership

MANAGING

expectations

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managing margins

managing the brand

MANAGING GROWTH

IS OUR

managing quality



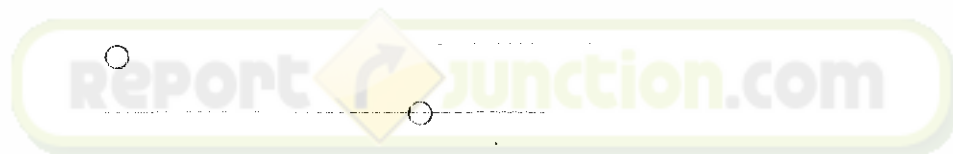
MANAGING SHAREHOLDERS

managing customers

managing projects

our mission

ROLTA WILL BE THE PREFERRED CHOICE FOR PROVIDING KNOWLEDGE-BASED IT SOLUTIONS, THROUGH PIONEERING EFFORTS TO MEET MARKET DEMANDS AND EXCEED CUSTOMER EXPECTATIONS, ACHIEVED BY AN EMPOWERED TEAM OF ROLTAITES, FOR MAXIMIZING VALUE TO ITS STAKE HOLDERS.



CHAIRMAN'S STATEMENT

Our main philosophy has been and continues to be quite simple. We believe that we are in the business of Managing the Expectations of our Stakeholders - our Customers, our Shareholders, Roltaites and Business Partners. Our aim is to consistently meet or exceed these expectations by actively pursuing goals aimed at achieving excellence in all our operations.

The ability to constantly predict, monitor and ultimately deliver to the expectations of our stakeholders is the cornerstone of the Rolta way of doing business. Rolta's effective management of expectations has helped it continuously expand and emerge as the fourteenth fastest growing company in India as ranked by Business World (April 2001 edition).

Our dedicated efforts over the past 15 years in pioneering and developing CAD/CAM/GIS solutions/services has provided us with a strong first mover advantage - we have been India's # 1 CAD/CAM/GIS solutions provider over the past decade. It is gratifying to note that we are now also recognized amongst the top AM/FM software conversion services vendors, worldwide.

In the last few years we have consciously focused on leveraging our domain knowledge and have moved up the value chain as a world-class provider of IT solutions and services, across major applications of engineering. Our comprehensive offerings include solutions and services in the segments of Geospatial technology for AM/FM & GIS, Plant Design Automation, Mechanical Design Automation and Collaborative Product Commerce.

A global revolution is changing today's businesses and the world. The structure of the economy is changing; the nature of work is changing; the definition of success is changing. The Internet is the main catalyst for this change. Organizations, that productively combining and managing both old and new economy assets are thriving and will continue to grow.

We have been able to competently manage this change - RoltaNet, our Internet infrastructure services division has been ranked as Mumbai's number one ISP, by independent agencies. A new division offering state-of-the-art eBusiness solutions and services for eCommerce, eSecurity and network management has been established. This operation has taken shape based on real life projects and strategic partnerships with global giants like IBM, Computer Associates, Microsoft and NAI, etc.

Rolta's foray into the area of Collaborative Product Commerce is another example of how we have successfully combining the conventional and new technologies. Our domain expertise in the areas of Mechanical Design Automation and Internet has enabled us to smoothly enter this area in partnership with PTC - the world leader in this field. We are one of their very few global Enterprise Consulting Partners for implementing Windchill and have over the past year undertaken complex projects across the world.

The result of this approach are already apparent. These synergetic lines of business have expanded our operations significantly, enabling us to offer a higher value proposition to our customers' - there has been good reason for them to place their trust in us and there is even greater conviction, now.

Rolta's performance across various parameters has improved rapidly year after year, as is evident from the improvement of EVA and the valuation of our Brand and Human Resources.

Rolta is a special IT company. Ten reasons that make our organization unique have been presented in enclosed report, along with some of the constituents that go towards managing various expectations in our business.

We intend to remain at the forefront of our businesses by leveraging our inherent strengths and by aggressively pursuing the immense opportunities before us. Our current position provides us with a unique opportunity to provide an enhanced value proposition to the markets we serve and thereby meet the expectations of all our stakeholders.



K.K. Singh - Chairman & Managing Director

MANAGING

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51%

increase in profit after tax

ROLTA'S ATTRACTIVE INCREASE IN PROFITS HAS COME FROM THE RESPONSIBLE SELECTION AND MANAGEMENT OF ITS VARIOUS BUSINESSES.

Rolta is a pioneer in CAD/CAM/GIS, providing end-to-end IT solutions and services. These address a customer's total requirement of engineering and its e-enablement. Rolta's comprehensive solutions and services enable it to seamlessly weave its engineering and eBusiness offerings into customer environments by providing a wide range of services that include interfacing, customisation and development.

Rolta enjoys an attractive early-mover's advantage: it was amongst the earliest entrants into the CAD/CAM/GIS area in India, at a time when this business was still an unmapped territory for Indian companies.

Rolta's long-term profitability comes from the fact that its businesses are not me-too in character. They possess high entry barriers. The businesses address critical applications that are increasingly relevant in modern-day working. The company's income comes from a judicious mix of projects within India and from around the world.

Rolta's business model is built around the philosophy of being highly customer centric which ensures long-term benefits on customer investments in Rolta's solutions and services. These offerings are not just tools but catalysts for raising the overall productivity within a customer's environment. This involves handholding, training and reverse engineering throughout the requirement fulfilment and the utilisation phase.

Rolta's customer value is also strengthened through meaningful alliances with global leaders. Rolta's business model focuses on the delivery of products at the high-end of the value-chain. Rolta enjoys long-term relationships with its customers: many have been with the company for more than a decade.

MANAGING

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47%

EBDT margin

NEARLY A THIRD OF THE AVERAGE CAPITAL EMPLOYED BY ROLTA IN ITS BUSINESS IN 2000 WAS EARNED BACK BY WAY OF CASH FLOW, A 41 PERCENT INCREASE OVER THE PREVIOUS YEAR.

Interest as a percentage of Rolta's turnover dropped from 6.62 percent in 1999 to 6.56 percent in 2000. 'Other expenses' reduced from 17.50 percent of turnover to 7.92 percent. Inventories dropped 26 percent in terms of days of sale. Revenue came in with 14 per cent improved velocity. Cash and bank balance improved 94 per cent in absolute terms. Major offsite projects executed during the year added to the bottom line.

Rolta understands that each customer is unique and there is no one technology or solution that meets all requirements. Rolta uses its domain knowledge to address the specific needs and requirements of customers by providing them with sound, single-point comprehensive solutions.

Rolta's engineers possess a unique combination of domain expertise, software and IT skills in vertical markets. This reduces outsourcing and costs. The nature of Rolta's business enables it to enjoy enduring relationships with its alliance partners and customers. There is a clear focus in being on top of the value chain. This helps the company direct resources on its customer's mission-critical projects, as well as implement and execute them from its offshore facilities in Mumbai. These high-value projects de-risk the company and build a progressively healthy bottom line.

Rolta has reached a critical mass of intellectual capital in the engineering, mapping / GIS and Internet spaces, which competitors find daunting to replicate.

MANAGING

