ROLTA

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ROLTA

ROLTA INDIA LIMITED
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"Adding wings to caterpillars does not create butterflies - it creates awkward and dysfunctional caterpillars. Butterflies are created through transformation"

~ Dr. Stephanie Pace Marshall, Educator

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Vision

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 maximising value to its stakeholders.

Chairman's Statement

In any era, companies that can lead, companies that can successfully transform and master change and keep on leading, reap extraordinary rewards. Such companies remain resilient in the face of adversity and actually begin to champion change in the marketplace to become leaders. Recent events have once again clearly shown that change is a powerful business reality and that creating sustainable value is not easy – even companies with over 150 years of history have practically ceased to exist, overnight.

At Rolta, we believe that building sustainable value is a process of successful transformation that happens as we master change, while simultaneously leveraging our inherent strengths, in other words – retain the best and reinvent the rest.

We consciously build upon our existing strengths and transform each of our businesses – so that we continue to move up the value-chain and provide a better value proposition to our customers. We continuously take advantage of our strong Indian roots to hone and transform our offerings for world markets. We ingeniously blend the capabilities of our recently acquired technologies with our bank of exceptional IPRs, to launch innovative solutions, enabling us to address large markets across the globe.

In the geospatial segment, Rolta has been the market leader in India for over two decades and is a major services provider, worldwide, in sectors, like, infrastructure, telecom, electric, airports, urban development, town planning, economic development, elections management and environmental protection. With the launch of Geospatial Fusion™, high-end photogrammetry and comprehensive imaging technologies, Rolta has transformed its geospatial offerings, to now address much larger markets, worldwide. For developed markets like the US and Western Europe, Geospatial Fusion™ is a very powerful solution, which uniquely enables instantaneous fusion of various disparate geospatial & non-spatial databases and software applications for generating real-time reports and immediate decision-making, thereby increasing exponentially, a large organization's ability and speed to access, analyze, plan, allocate and monitor resources at all levels. In the developing world, for example in India, large investments in core infrastructure are expected to create and drive tremendous demand for photogrammetry and imaging technologies and geospatial data, as these will be required and play an important role for the nation's development. With our innovative solutions in these segments, we are very well positioned to address large opportunities in India and in other parts of the world.

Rolta has been the market leader over the past decade, in providing geospatial based 'operations' and 'intelligence' solutions to the Indian Armed Forces. Rolta and Thales, France, a world leader in mission-critical information systems for the Aerospace, Defense and Security markets have established a JV – Rolta Thales Limited (RTL), for developing state-of-the-art C4ISTAR solutions, with on-going transfer of technology. The availability of these world class military technologies, customized to Indian requirements has transformed our ability to address huge and key modernization programs of the Indian Armed Forces, such as, for – Battlefield Management Systems, Tactical Communication Systems and Digital Soldier Systems. RTL has recently signed an MoU with Thales for the "Offset" program governed by the Indian Ministry of Defense and the Company has also received Defense Industrial Licenses for manufacturing of Maritime, Aerospace, Electronic Warfare, Optronics and Communications equipment and systems. Combined together, these exceptional strengths are further transforming Rolta and enabling it to become a potent force in addressing the large defense requirements covering the complete sensor-to-shooter chain.

In the engineering and design domain, Rolta has been a market leader in India for Engineering Design Automation for over fifteen years and has been providing advanced services for basic and detail engineering to the oil, gas, refinery, petrochemical, conventional and nuclear power sectors. We have now transformed ourselves to address the concept-to-completion needs of these sectors by leveraging the strengths of our JV with The Shaw Group – Stone & Webster Rolta Limited (SWRL). The Shaw Group is a world leader in nuclear power, with a dominant share of the US market and is executing multiple projects to maintain and build nuclear power plants in China and the US. They also have a strategic stake in Westinghouse, a world leader in manufacturing nuclear reactors. It is expected that in India, over the next decade, both conventional power generation and refining capacities will double. It is also envisaged that almost 40,000 MW of power generation capacity will be added through nuclear energy in India, due to the NSG waiver and the Indo-US nuclear treaty that has been recently signed. Rolta is uniquely positioned to capitalize on these huge opportunities – by leveraging its well-established presence and the JV it has with The Shaw Group.

Perhaps, the most evident transformation that has happened is in our Enterprise Information and Communications Technology (E-ICT) business, because of acquisitions like TUSC and WHC, which have enabled us to gain unsurpassed expertise and reputation and also acquire advanced IPRs, such as for data mining, visualization, etc. Rolta has also, recently filed a patent for instant SOA, which is pending for grant in the US. We now address the enterprise-wide end-to-end needs of organizations, with our comprehensive range of solutions and services for, large-scale ERP applications, sophisticated database requirements and business intelligence. We have also launched mission-critical, integration and fusion solutions built around Rolta e-Fusion™. Rolta's complete transformation of its E-ICT business, its global footprint and strong off-shoring model position the Company uniquely, in this market segment.

The fundamental reason for our long-term success and recognition is our ability to constantly re-invent and transform ourselves and yet remain focused on our core competencies. This transformation hasn't gone unnoticed. Rolta was recently included in the S&P Global Challengers List™ of 2008 by Standard & Poor. This list identified 300 companies worldwide (with a total market capitalization between US $ 1 & 5 Billion) that have shown the highest growth characteristics, over a 3 year period. Rolta is one of the two companies from India that have made it to this list.

We believe that we will continue to grow significantly, thanks to our very strategic positioning in specialized markets i.e. Defense, Security, Government and Infrastructure that are expected to remain strong for decades. These markets represent some of the most stable clients in the world with strong cash flows and the ability to fund their own capital investments.

We have a well thought out approach to growth that embraces organic, joint venture and inorganic strategies. This approach has helped us in building a unique business model and adopting an acquisition policy, which is clearly focused on acquiring companies, business divisions and/or technologies that are at the cutting-edge, synergistic with our lines of businesses, have an established track record, give us access to new markets, are culturally compatible, enable Rolta to move up the value-chain and are accretive to shareholder value. In line with this philosophy, we have made various strategic acquisitions and cohesively combined the acquired IPRs and technologies with our existing IPRs, to launch innovative solutions, thereby, transforming Rolta from being largely a comprehensive services player to an integrated solutions provider, based on Rolta IPR.

Rolta's empowered and talented people, its innovation, drive, domain knowledge, established track record, exceptional IPRs, world-class infrastructure, enduring partnerships, competitiveness, healthy financials and purpose are all strengths that are absolutely essential to creating lasting value for our stakeholders. But such strengths by themselves are not enough. We need something that will considerably increase their effectiveness and dramatically improve competitive advantage. The catalysts I am referring to are, of course, change and transformation, which we constantly add to the mix, thereby enabling us to compete and excel consistently.

K. K. Singh
Chairman & Managing Director
October 20, 2008

Leadership

Rolta's transformation of its businesses and unique combination of offerings has resulted in its continued market leadership in India, over the last two decades, in the Engineering Design Automation, Geospatial and Defense business segments.

Rolta's ability to transform one business to create another is an unmistakable Rolta specialty. The Company has achieved leadership in its market segments, by providing innovative, high-tech knowledge based solutions and services that has translated into a formidable reputation and a respected brand.

In the Geospatial business, Rolta enjoys a market share of over 70% in India, for segments such as Infrastructure, Telecom, Electric, Airports, Urban Development, Town Planning and Environmental Protection. Rolta is also one of the major providers of Geospatial services in the world. With the launch of Geospatial Fusion™, high-end Photogrammetry and comprehensive Imaging technologies, Rolta has transformed its Geospatial offerings to now address large markets in the developed and developing worlds with its innovative solutions.

Rolta's Geospatial based 'Operations' and 'Intelligence' solutions have been adopted as the standard by Indian Armed Forces, resulting in a dominant market share. Rolta's joint venture with Thales, France, has significantly expanded the Company's capability to provide state-of-the-art C4ISTAR & Tactical Communication systems.

Combined with the award of Industrial Licenses for manufacturing defense equipments, Rolta is in the process of transforming its ability to address the complete sensor-to-shooter chain requirements of the Armed Forces.

In the Engineering Design Automation domain, Rolta enjoys a market share of over 85% in India and is one of the major services providers worldwide.

Rolta has continued to move up the value-chain and has launched unique engineering and design services, thereby strengthening the Company's position as a world-class services provider for Owner-Operators. With multi disciplinary project experience and domain expertise in the oil, gas, refinery, petrochemical, conventional and nuclear power sectors, Rolta provides the complete range of engineering design services, including the entire plant life-cycle designing, modeling, detailing, analysis, operations, maintenance and simulation.

The Company has now transformed itself to address the concept-to-completion needs of these sectors by leveraging the strengths of Stone & Webster Rolta Ltd. (SWRL) its strategic joint venture with The Shaw Group, a leader in these segments and a dominant player in the nuclear energy sector. SWRL is executing several large projects including an extremely prestigious project from ExxonMobil and is strongly placed to capture huge opportunities from the emerging domestic nuclear power sector.

Perhaps, the most evident transformation that has happened is in the Enterprise Information and Communications Technology (E-ICT) segment. Rolta now addresses the enterprise-wide end-to-end needs of companies, with its comprehensive range of solution and services.

These solutions cover a range of domains such as Data Security and Service Management, Database Foundation, Enterprise Applications and Business Intelligence. These services cover a wide variety of areas like security access control, identity/access management, network/application management, database tuning, high availability, disaster recovery, business analysis, dashboards, etc. Various critical aspects of the enterprise are ultimately integrated by the fusion solutions built around Rolta e-Fusion™ that enables instantaneous fusion of various disparate databases and software applications for generating real-time reports and immediate decision making.

Rolta's market leadership is much more than a mere statistic. It is an indicator of the quality of Rolta's constant ability to transform itself and its trusting relationship with customers, which is an effective guarantor of future business.

Growth

Rolta's phenomenal growth is due to the transformation of its businesses, through aggressive investments in people, technology and infrastructure, resulting in consistent profitability and greater returns to all its stakeholders.

Rolta has enjoyed a sustained growth since its inception due to its ability to transform and select key business areas. Beginning from a data center in 1982, to pioneering & leading India's CAD/CAM/GIS revolution, to being a major international GIS & Engineering services provider, Rolta is now strongly positioned to provide unique, state-of-the-art solutions in the Infrastructure, Government, Defense and Security markets.

There has been robust all round growth in the Company's Revenue and Profitability, year-on-year. Consolidated Revenue has grown by 50.7 % from Rs. 7.11 Billion to Rs. 10.72 Billion in 2008; Consolidated Profit Before Tax has grown by 38.2 % from Rs. 1.94 Billion to Rs. 2.68 Billion in 2008; while Consolidated Profit After Tax has grown 33.6 % from Rs. 1.72 Billion to Rs. 2.30 Billion in 2008. Rolta's cash in hand as on June 30, 2008 was over Rs. 5.00 Billion.

Rolta's long-term growth comes from the fact that its businesses are not me-too in character. The intelligent transformation of knowledge acquired in one business is extended by the Company for creation of new synergic businesses and its emergence as a leader in each of them.

Rolta has built, grown and today, owns world class infrastructure and facilities across the globe.

The vision of creating and owning real estate, to own land & buildings, as opposed to the short cut of leasing, has created a very strong asset base.

This approach has strengthened the Company's Balance Sheet and also resulted in improved profitability of millions of dollars, year-after year, because of savings resulting from not having to incur leasing/rental outflows.

Rolta will continue to invest and grow its facilities to remain ahead of the curve to meet its growing needs. To meet its aggressive growth plans, Rolta is expanding its Mumbai facilities, and establishing development and delivery centers in the Eastern, Northern and Southern parts of India, apart from growing its international delivery centers.

As customer requirements have evolved, the character of Rolta's business has also transformed from largely a comprehensive services provider to a provider of integrated solutions which encompass a customer's comprehensive enterprise wide needs, from concept-to-completion.

Today, Rolta has executed multi-million dollar projects, in more than 40 countries.

Rolta's widespread operations have firm roots in India and it draws its strengths from a dominating presence in the vast home market.

This empowers it to sharpen, enhance and transform its offerings for the international markets and also judiciously optimize resources across operations.

Rolta derives over 50% of its revenues from the domestic market. This enables Rolta to participate in India's growth story and mitigate currency risks.

More importantly, Rolta offers mission-critical solutions in the Conventional Power, Nuclear Power, Oil, Gas, Petrochemicals, Utilities, Transportation, Defense and Homeland Security sectors, which are not only insulated from slowdown, but are also poised for high capacity growth in the coming years.

Thirst for growth is not just a distinctive feature, but also a prevailing attitude at Rolta.

Rolta plans to continue on its journey of transformation by adopting a growth strategy that is both organic and inorganic.

Recognition

Over the years, Rolta has constantly re-invented and transformed itself and yet remained focused on its core competencies. This is the fundamental reason for its long-term success and recognition, worldwide.

This transformation hasn't gone unnoticed. Just recently, Rolta has been included in the S&P Global Challengers List™ by Standard & Poor (S&P). This list identifies 300 mid-sized companies worldwide that have a total market capitalization between US$ 1 to 5 Billion and have shown the highest growth characteristics along dimensions encompassing intrinsic and extrinsic growth.

Two metrics of extrinsic growth – share price appreciation and sales growth – are used in conjunction with two metrics of intrinsic growth – earnings growth and employee growth, to arrive at this list. The final list has been drawn from a universe of publicly-listed companies from around the world and the evaluation criteria is rules-based with consistent standards applied to multiple countries.

The S&P report states: "High growth mid-cap companies possess a strategic advantage relative to firms of smaller or larger sizes, having survived beyond their startup phases and offering stability as well as future growth opportunities. Having overcome the growing up pangs of small firms while possessing room for growth and expansion, mid-caps offer the best potential pool of companies, which could indeed be tomorrow's leaders."

The companies on the S&P Global Challengers List™ of 2008 are expected to emerge as challengers to the world's leading companies. Rolta is one of the two companies from India that have made it to this list.

Rolta was recently ranked overall 4th in the DQ-IDC IT Best Employer's Survey 2008, ahead of giants like Microsoft India, Intel India and TCS.

Numerous trade and industry recognitions have come Rolta's way, during the past few years, such as, Business World's '25 Fastest Growing Companies', Business Today's 'Most Valuable Companies', Economic Times' 'ET 500', Business India's '100 Best Companies', CFO Asia's 'Best Annual Reports', ranked in the Deloitte Technology Fast 500 Asia Pacific list, 'Geospatial Award of the Year' by Geospatial Today/India, 'Technology Leadership Award' in the Hydro carbon Industry by Chemtech Foundation, 'Geospatial Leadership in India' at Map World Forum, 'Amity Corporate Excellence' by Amity International Business School, ranked 11th amongst 'India's most investor friendly companies' by Business Today, ranked amongst the top-10 Wealth Creators in the Mid-cap segment in India by the Hindustan Times, 'The National Export Award' by Government of India, and many more.

Rolta has also been ranked amongst the 200 Best Companies in the world (Sales under US$ 1 Billion), four times in six years, by the Forbes Global magazine, a significant achievement considering that over 20,000 companies were measured against rigorous profitability, earnings and sales growth parameters.

Rolta has consistently set new standards of excellence by benchmarking its processes, people and service quality in line with the world's best. The Company's abilities come from its world-class international accreditations.

Rolta has been awarded prestigious certifications such as ISO 9001:2000, ISO/IEC 20000-1:2005, ISO 27001:2005 and SEI CMMi Level 5.

At Rolta, achievements have translated into global acclaim and recognition.

Rolta shall continue its transformation to leverage the full power of its excellent capabilities to ensure that continues to be recognized globally.

Technology

Rolta has transformed itself by combining cutting-edge technology and Intellectual Property Rights (IPRs) that it has recently acquired, with the bank of exceptional IPRs already developed and owned by Rolta, to launch innovative solutions for its market segments, worldwide.

Over the years, Rolta has absorbed technologies acquired from its diverse partners – world leaders in their respective fields, and developed 1,600+ IPRs grouped into over 300 registered IPRs. These highly valuable IPRs have enabled the Company to not only provide its services more cost effectively but also provided a competitive advantage while offering complete solutions.

In response to the market's ever changing needs and to fuel the Company's growth momentum, Rolta has consciously acquired companies with world-class IPRs, in addition to pure technologies, which have enabled Rolta to move up the value-chain by providing a better value proposition to its customers.

By combining IPRs and technologies that Rolta has developed and acquired, the Company has transformed itself from being largely a comprehensive services player to an integrated solutions provider.

For instance, in the Geospatial & GIS segment, apart from launching high-end Photogrammetry and Imaging technologies, Rolta has innovatively blended the capabilities of Rolta OnPoint™, Rolta Periscope™ , Rolta iPerspective™ and other business intelligence tools from its existing IPRs, to launch Geospatial Fusion™, a very unique solution that enables instantaneous fusion of various disparate Geospatial & non-spatial databases and software applications for generating real-time reports and immediate decision-making. Such solutions increase an organization's ability and speed exponentially, to access, analyze, plan, allocate and monitor resources at all levels. Similar solutions for Engineering – Engineering Fusion™ and E-ICT e-Fusion™ have also been launched.

These solutions are designed to exponentially increase enterprise-wide productivity and also protect technology investments already made by organizations in legacy applications by using a Service Oriented Architecture (SOA) and easily configurable Web applications, much beyond traditional applications. A patent for these applications (SOA) has been filed and is pending grant in the US.

Stone & Webster Rolta Ltd. (SWRL) has access to, and experience on, The Shaw Group's proprietary technologies, such as, for the development, consulting, engineering and construction of nuclear, fossil fueled and geothermal power generation plants and process plants for polymers, commodity chemicals, olefins and refining. This uniquely positions SWRL to address the huge emerging opportunities in Oil, Gas, Refinery, Petrochemical, Conventional and Nuclear Power sectors.

With ongoing Transfer of Technology from Thales, Rolta Thales Ltd., is rapidly being recognized as a strong player to provide C4ISTAR & Tactical Communication systems to the Defense Forces.

Combined with the Defense Industrial Licenses for manufacturing, Rolta is set to become a potent force to address the complete sensor-to-shooter chain requirements, including sophisticated Maritime, Aerospace, Electronic Warfare, Optronics and Communication equipments and systems.

To ensure that Rolta stays at the cutting-edge of technology, the Company has set up state-of-the-art 'Centres of Excellence' worldwide, equipped with infrastructure and facilities that match global norms. These Centres ensure that Rolta is able to develop unique market-oriented solutions.

Rolta will continue to transform its technology offerings, enhance its IPRs and constantly move up the value chain, for maximizing customer value.

Knowledge

Rolta has achieved its excellent reputation, in a competitive business space, by intelligently transforming its accumulated knowledge, so that the Company works better, faster and smarter.

Ever since its inception, Rolta has believed in being a pioneer in the markets it serves and has sustained its path-breaking position in an uncompromising business environment by prudently leveraging its unique domain knowledge. It has institutionalized transformation of knowledge into assets, which are, shared, exchanged and invested for continuous returns. It has evolved a highly successful and time-tested strategy for gathering and disseminating knowledge across its employees.

Rolta's competent knowledge management processes ensure that its businesses will continue to grow and strengthen the Company's position in a competitive market place. Knowledge management at Rolta is driven by a significant role for investments in Research & Development (R&D) enabling the company to develop IPRs that uniquely address the challenges of an ever-changing business environment.

At Rolta, there is a strong emphasis in the absorption of the technologies developed and acquired, a selective evaluation of emerging technologies, the prudent identification of gaps between market requirements and available technologies, resulting in the development of interlinked processes and enhancement of Rolta's knowledge pool.

In line with this philosophy, Rolta has set up an in-house Rolta Academy which provides training in a very formal and structured manner, using various sophisticated software packages and Rolta domain expertise.

Rolta Academy is a state-of-the-art facility, which has been setup with investments of millions of dollars, with cutting-edge technology, software tools and a large dedicated faculty to drive these programs. With over 1,000 graduates in the past year, Rolta Academy has emerged as a very strong knowledge building source for Rolta, serving it with the required strength for its future growth.

Rolta's engineers are continuously trained in domain specific technologies. Such training is based on IPRs that have been developed in-house, acquired from around the world and from its partners, thereby honing the skills of its engineers, leading to a constant build-up of expertise.

Rolta also ensures that its engineers undergo rigorous internal certifications and skill enhancements, which not only builds their proficiency but also credibility amongst its customers. At Rolta, knowledge is not locked in the minds of a few. It is liberated as soon as it is created. Knowledge is continuously passed on to employees along with specific technology and domain specific training, to renew their competencies and skills.

After the successful completion of each project, its best practices are pooled and translated into a comprehensive training program and are imparted to all its engineers. This makes every subsequent similar project better in quality and quicker in execution.

Rolta is probably the only company worldwide that has a unique combination of specialized domain knowledge across the segments that it addresses.

This knowledge makes Rolta stand apart uniquely from others.

Knowledge that's been developed through resident expertise, acquisitions and the strengths of its global technology partners. Knowledge that has been honed due to its own vast experience of meeting customer needs over two decades across the globe.

Rolta shall continue to transform its excellent knowledge management skills to make informed judgments, formulate appropriate decisions and do effective work.

Partnership

Rolta's leadership across various business segments is a result of its strong partnerships with world leaders and key acquisitions. This strategic approach has helped transform the company and enables it to deliver stronger customer value and strengthen its presence in a competitive marketplace.

Over the years, Rolta has established strong partnerships with industry leaders. These partnerships have helped Rolta develop a deep understanding of international geographies, constantly evolving technologies, capture the higher end of the value-chain and provide an unbeatable solution to customers.

Stone & Webster Rolta Ltd. (SWRL), Rolta's joint venture with The Shaw Group, USA, one of the world's leading Engineering, Procurement and Construction company, provides engineering, design, procurement and construction management services for large projects in the Oil, Gas, Refinery, Petrochemical, Conventional and Nuclear Power sectors. The JV builds upon Stone & Webster's 116+ years of technology innovation and prowess in these sectors and is also very well placed to capture the huge opportunities from the emerging nuclear power sector by leveraging the strengths of The Shaw Group – a world leader in nuclear power, who also has a strategic stake in Westinghouse – a world leader in manufacturing nuclear reactors.

Thales, France is a world leader in mission-critical information systems for the Aerospace, Defense and Security markets. Rolta's joint venture with Thales provides state-of-the-art C4ISTAR & Tactical Communication systems for these markets worldwide. Leveraging Rolta's dominant position in the Indian market, its Defense Industrial Licenses and taking advantage of ToT from Thales, this JV is strongly positioned to address the significantly large markets in India and internationally.

Rolta's acquisition strategy is clear and focused. It will acquire companies, business divisions or technologies – that are at the cutting-edge, synergistic with its lines of businesses, have an established track record, give Rolta access to new markets, are culturally compatible, enable the Company to move up the value-chain and are accretive to shareholder value.

In line with this philosophy, Rolta has made various strategic acquisitions. For example, the Company acquired Orion Technology, Inc., a Canadian software and integration company specializing in enterprise web-GIS solutions. This enabled Rolta to distinctively position itself as a provider of spatial integration consulting, software, and implementation services for global markets; for users who have a growing need for innovative, web-based, platform-neutral Geospatial solutions to efficiently integrate their GIS resources to meet the information needs of their constituents.

By acquiring TUSC, a US based company having a global reputation as a source of unsurpassed expertise in high-end consulting for large-scale ERP applications, Fusion Middleware and core database technologies based on Oracle applications; Rolta gained significant expertise and acquired advanced Intellectual Property, such as for data mining, visualization, instant SOA, etc.

The recent acquisition of WhittmanHart Consulting (WHC), the consulting Division of WhittmanHart, Inc., has brought in considerable strengths, due to WHC's established track record in Oracle's Hyperion products and major focus on Enterprise Performance Management, thereby strategically positioning Rolta to address the Business Intelligence domain on the Oracle database and application layers.

Rolta will continue to grow by adopting an approach that promotes organic and inorganic growth and transform itself by constantly moving up the value-chain to provide more meaningful solutions to its customers.

Roltaites

Rolta has constantly transformed its workplace for inspiring, motivating and retaining its people and enriching its intellectual capital, leading to enhanced employee satisfaction and retention.

As Rolta has transformed, so have its people – the core strength of Rolta. Their exceptional level of commitment, high motivation levels, tremendous enthusiasm and willingness to go the extra mile, to meet the demands of the marketplace, have all resulted in an extremely positive atmosphere at Rolta.

This was validated recently by the DQ-IDC IT Best Employer's Survey 2008, where Rolta was ranked 4th overall, ahead of giants such as Microsoft India, Intel India and TCS.

In its final report, Dataquest has stated, "As the company has been serving the high-end of the value-chain and is getting into unique business areas through recent acquisitions, it is focusing on imparting knowledge on cutting edge technology and sharing its business acumen with the new entrants.

Keeping its growth plans in focus, it has invested in an ERP system to automate and integrate the HR processes across all geographies."

Rolta is managed by a committed team of professionals consisting of domain experts, engineers, finance, marketing and management professionals, most of whom have remained and grown with the company, for over a decade.

Rolta actively provides an attractive career path for employees to grow within the company and it has a philosophy of promoting from within the workforce, supplemented by specialists as needs arise.

More than 75% of the 5,000+ Company's professionals are equipped with relevant engineering, postgraduate or PhD degrees, necessary to deliver competent customer solutions, and over 25% of these professionals have more than 15 years of relevant experience. The Company possesses more than 10,000 person-years of management experience and more than 40,000 person-years of overall experience.

Rolta has significantly strengthened its managerial teams worldwide by inducting very high caliber professionals in management positions in various geographies and vertical segments.

A continuous training, cross-training and skill updation discipline has helped build skills / expertise in line with the evolving demands of the marketplace and create an environment of motivated professionalism among Roltaites, contributing to employee satisfaction and retention. In line with this philosophy, Rolta has set up the Rolta Academy, with an investment of millions of dollars, to provide training to Roltaites in a very formal and structured manner, using dedicated faculty and the latest state-of-the-art software tools. This Academy is an important facility in helping the Company ramp up its people strength to meet its growing requirements on a continuous basis.

Rolta has protected its rich intellectual capital with very low attrition, incentivized through a remuneration structure that is at par with industry standards and benchmarked to the requirements of a dynamic marketplace. The Company has instituted performance incentives for higher productivity, and also has in place an attractive Employees Stock Option Plan scheme.

The latest people evaluation study has valued Rolta's human resources at Rs. 106.71 Billion (details available elsewhere in this report).

Rolta's continuous transformation of its workplace will ensure that it remains the employer of choice and attracts the best talent available, so that the Company in turn, remains the solution provider of choice, for the market segments that it addresses.

Customers

Rolta's ability to combine and transform its domain knowledge, IPRs and deep understanding of customer needs into innovative solutions, enables it to meet the most demanding mission critical requirements of the segments it serves worldwide.

Rolta provides catalysts for raising productivity within its customers environments, thereby transforming their businesses. The Company goes much beyond providing contracted deliverables and works shoulder-to-shoulder with its customers on their live projects for timely execution, so that they derive full value out of their investments. Rolta's deep insight into its customers needs have enabled it to recommend solutions and services that represent attractive long-term value as opposed to temporary, quick fix alternatives.

As a result, Rolta enjoys long-term relationships with its customers, many have been with the Company for over two decades. Not only have these customers given repeat business year-after-year, they have also served as excellent reference sites for new business, by being extremely appreciative of products and services provided by Rolta.

Rolta has judiciously invested in people, technology & infrastructure to exploit & serve emerging opportunities. Rolta operates at the high-end of the value-chain by focusing its resources on its customers mission critical projects.

Since its inception, Rolta has earned an enviable reputation for providing path-breaking solutions to a wide cross-section of conglomerates across the globe, from Fiji in the east, to the US in the west. Rolta's remarkable successes in such projects, has resulted in a slew of new project wins across the global market and an envious dominating presence in the domestic market.

Rolta's solutions and rigorous quality control processes have ensured that projects are completed to exacting specifications - as per schedule. The result: Rolta provides tremendous value and enjoys long-term relationships with its customers. Today, Rolta has a huge base of satisfied customers spanning 40 countries.

Over the years, Rolta has earned an enviable reputation for path-breaking solutions it has provided to a host of global customers - a virtual "Who's Who" of leaders in their respective fields: 3M, ABB-Lyondell, ADNOC, Air Liquide, AAI, Alsthom Power, Aquatech, ATOS Origin, Babcock Borsing, Bahrain Telecom, BAPCO, BASF, Bateman, Bayer, Bechtel, Bell Canada, BHEL, Boston Scientific, British Telecom, BSNL, Canadian Hydrographic Office, CEGELEC, CWC, CESC, Chevron Phillips, CNRL, CSEB, DRDO, Deloitte and Touche, Doosan, Dow Chemicals, Dow Corning, Emerson Process, Enerco Gas, EIL, E-ON, Equate Petrochemicals, Essar, Estee Lauder, FEDO, Fiji Telecom, Florida Power& Light, Flour Daniel, Fujitsu, GE GASCO, Georgia Power, GT Oman, GPCB, Hoechst Celanese, HPCL, HSBC, Indian Air Force, Indian Army, IIRS, Indian Navy, IOCL, J A Freeman, Jacobs H&G, John Deere, John Hopkins, Jubail, KNPC, Kvaerner, L&T Group, Lanzou Petrochina, Linde, Litwin, Lurgi, MECON, Ministry of Defence India, Ministry of Interiors Saudi, Mitsui, Montana Dakota Utilities, MTNL, Mumbai Police, NanaClot, National Gird, NRSA, Northop Grumman, Nova Chemicals, NPCIL, NTPC, ONGC, Orlando Health, PDIL, Petrobras, Petrofac, Pfizer, QAPCO, Qatar Water, Q-Chem, R J Reynolds, Rajasthan Police, Reliance, Rolls Royce, Saipem, Samsung, Saudi ARAMCO, Saudi Electricity Company, Saudi Telecom, Shell, Siemens PG, SITA, SNC Lavalin, Southern Bell Corporation, Sprint EMBARQ, Statoil, Sumitomo Chemicals, SUNCOR, Survey of India, TCE, Technip, Tecnimont ICB, Telus, Thermax, Toronto Hydro, Torrent Power, Toshiba America Information Systems, Toyo Engineering, United Olefins, US WEST, Valdel, Verizon, Vodafone, Walmart, WESEE, Webasto, WGI, Woodward Governor, York International, Yunes Amre and many more companies worldwide.

Rolta is committed to transforming its diverse knowledge into innovative solutions that empower customers to address their business challenges, both, decisively and successfully.

Relevance

Rolta has remained relevant, due to its ability to transform by planning intelligently and migrating competencies in the shortest possible time, thereby enabling it to thrive in a business environment, where irrelevance is often a greater threat than obsolescence.

Rolta's ability to constantly transform and re-invent itself, to remain relevant in the face of relentlessly changing technologies & market needs and yet remain focused on its core competencies is the fundamental reason for the Company's long-term success.

Founded in 1982, Rolta has from the very beginning understood, accepted and implemented the basic tenet of transformation: "change is the only constant."

Through the intelligent extension of the expertise and knowledge acquired in one business, Rolta has successfully launched new businesses. This is a Rolta specialty.

To remain relevant, the Company has continuously transformed itself over the years - from being a data processing center in its infancy; to providing onsite software services in its early years; to pioneering & leading the CAD/CAM/GIS market in India; to being amongst the top players in providing Geospatial & Engineering services globally; to dominating the Indian GIS, EDA and Defense Geospatial markets; to acquiring specialized technologies and strategic companies/divisions; and to now becoming a strong player in the Infrastructure, Government, Defense & Security markets.

Rolta has prudently leveraged the advantages of being a first-mover in its selected business areas while pursuing proactive measures for continued growth through well-placed and focused investments.

Whether it was setting up a manufacturing facility to launch the CAD/CAM/GIS business, or the establishment of an ISP for entering the Enterprise ICT segment, to now making acquisitions that enable Rolta to launch new solutions based on Rolta IPRs, Rolta has consciously made decisions that have allowed it to grow and remain relevant in the constantly changing market place. The character of Rolta's business has also transformed from time to time .

Rolta has always looked beyond immediate opportunities of the moment to create businesses with long-term prospects and relevance.

Rolta has built a solid business that reflects its established track record, empowered people, domain knowledge, world-class infrastructure, enduring partnerships, exceptional IPRs and healthy financials.

Over the years, Rolta's capabilities have expanded significantly and as a result the Company today serves markets that are much larger than ever before.

Rolta has always ensured that it moves with the times and remains at the cutting edge of technology by investing heavily into Technology Research and Development infrastructure. These efforts have resulted in the creation of a rich pool of domain expertise and knowledge bank of technology, thus ensuring that the Company continues to remain relevant for its customers and is able to consistently exceed their expectations.

Rolta's success is based on a unique business model, total commitment to exceptional standards of performance and productivity, working together effectively, leveraging core competencies and a willingness to embrace new ideas and transform by learning continuously.

Rolta has managed to remain relevant by anticipating market needs, embracing change and ensuring that its businesses are not 'me-too' in character.

As a result, relevance, at Rolta means constantly transforming itself, while remaining focused on its core competencies, enabling it to emerge even stronger, in the face of relentlessly changing technologies & market needs.

Opportunities

Rolta's transformation has enabled it to look beyond just the immediate opportunities and build high-value businesses with long-term potential to sustain future growth.

Rolta's operations are spread across the world with firm roots in India. The company has a dominating presence in the vast home market, enabling it to hone its skills and gain remarkable success in executing large turnkey projects across the world.

To sustain India's strong GDP growth, investments in India's infrastructure are expected to exceed US $ 1 Trillion in the mid-term.

Geospatial technology and data will be required and play an important role for development, especially in sectors such as, airports, ports, highways, bridges, town planning, municipal, environmental, utility distribution, etc. With its leadership position in the Geospatial segment, Rolta is very well positioned to address this large opportunity.

Both, conventional power generation and refining capacities are expected to double in the next decade, in India.

Additionally, it is envisaged that almost 40,000 MW of power generation capacity will be added through nuclear energy in India. This is expected to result in investments of over US $ 60 Billion over the next decade. Rolta is uniquely positioned to capitalize on the huge opportunities in this sector, by leveraging its well-established presence and the JV it has with The Shaw Group. The Shaw Group is a world leader in nuclear power and is executing multiple projects to maintain and build nuclear power plants in US and China. They also have a strategic stake in Westinghouse – a world leader in manufacturing nuclear reactors.

The Indian Defense and Homeland Security sector has emerged amongst the top spenders worldwide and its expected CAPEX over the next 5 years is estimated at US $ 50 Billion. Rolta is now addressing huge opportunities arising from the key modernization programs of the Indian Armed Forces, such as; Battlefield Management Systems, Tactical Communication Systems and the Digital Soldier System programs.

Rolta's dominant position in the market combined with the strengths of its Joint Venture with Thales puts it in an extremely unique position to address these strategic programs.

A major focus of the Ministry of Defense is the identification of local industries for indigenized production, and with the award of Industrial Licenses to Rolta, for manufacturing defense equipments, necessary steps are being taken to move forward in addressing additional opportunities, especially for sophisticated equipments and systems in Maritime, Aerospace, Electronic Warfare, Optronics and Communications.

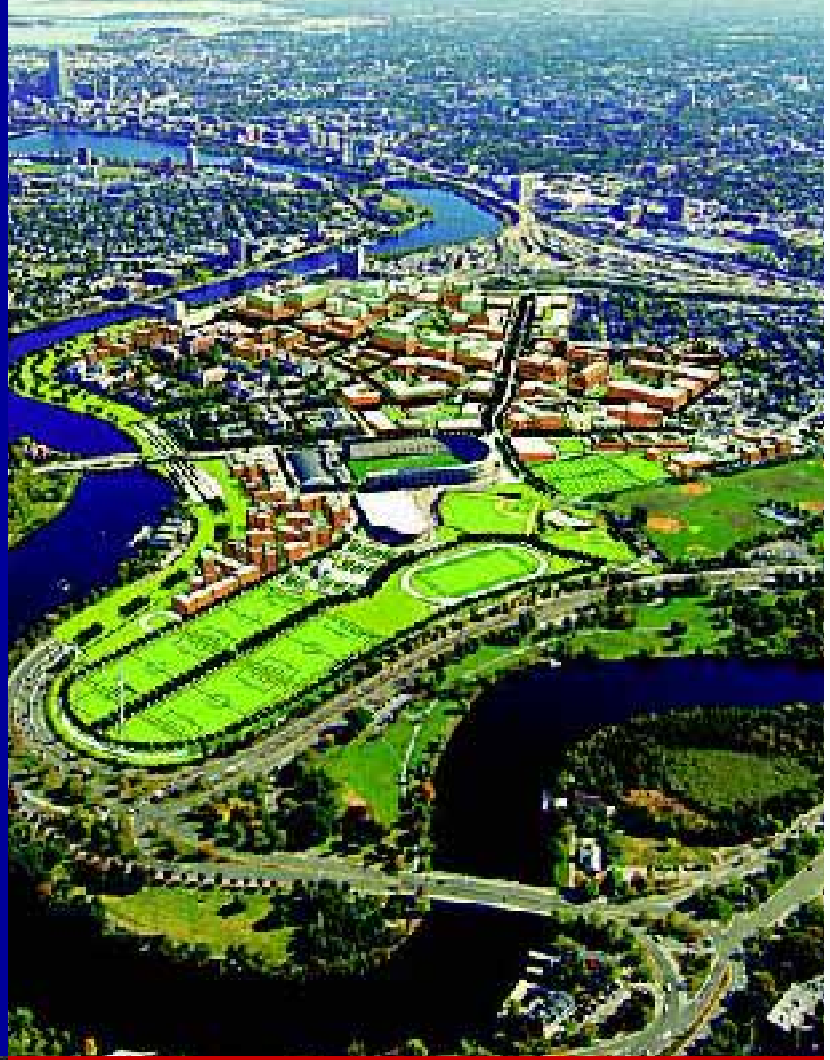
For the global markets, outsourcing of IT services from India is expected to cross US $ 100 Billion by 2011, while outsourcing of Engineering Services is expected to cross US $ 60 Billion by 2020.

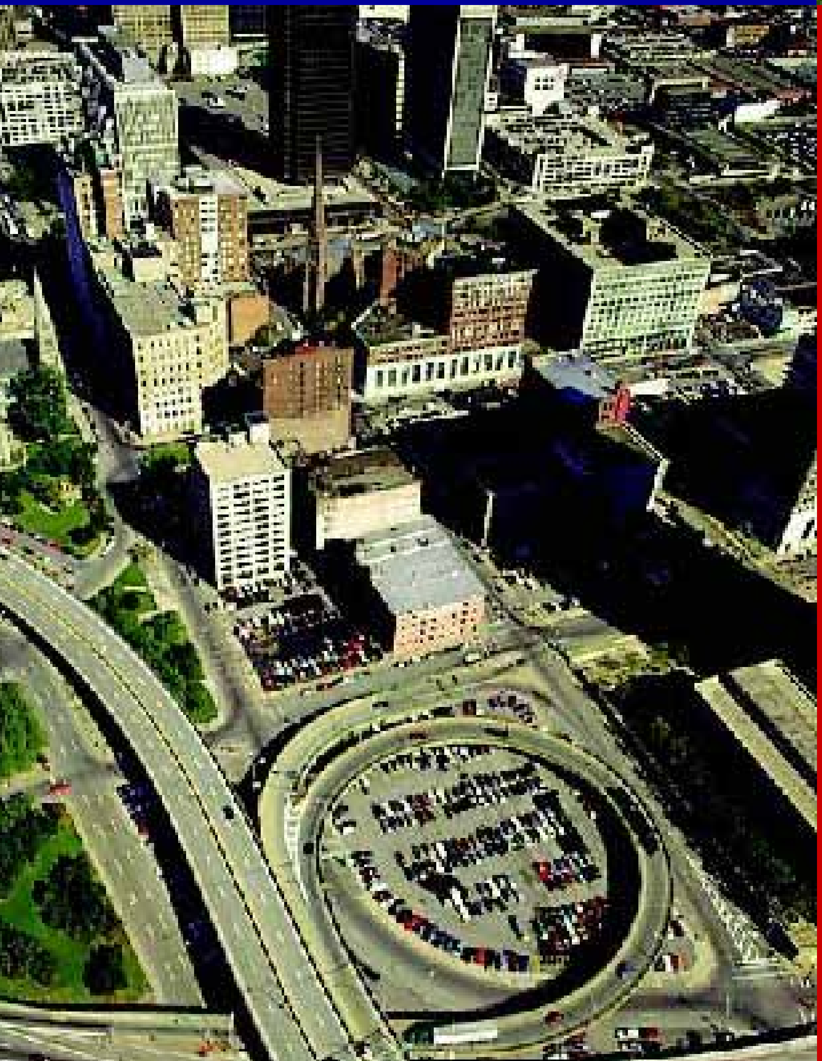
Rolta's global footprint and track record along with its capable off-shoring model gives it a unique positioning in this large market.

The Company is today very well positioned to capitalize on the vast opportunities available both in the Indian and international markets, due to its solid foundation in terms of an established track record, empowered people, domain knowledge, exceptional IPRs, world-class infrastructure, enduring partnerships and healthy financials.

Rolta's pipeline of opportunities is growing and its achievements have positioned the Company at the threshold of a new growth era.

Geospatial & GIS
Business Group





In the Geospatial & GIS segment, Rolta enjoys a market share of over 70% in India, and provides comprehensive solutions to verticals such as Infrastructure, Telecom, Electric, Airports, Urban Development, Town Planning and Environmental Protection. Rolta is also one of the major providers of Geospatial services worldwide. With the launch of Geospatial Fusion™, high-end Photogrammetry and Imaging technologies, Rolta has transformed its Geospatial offerings to now address large markets in the developed and developing worlds with comprehensive and innovative solutions.

Demand Drivers

Today's decision makers need Geospatial information, based on updated and readily available data and maps to make effective decisions for decisive action. Digital maps provide speedy access, analysis and management of spatially referenced information. Therefore, Geospatial and Geographic Information Systems (GIS) are no longer tools only for technology specialists, but are critical for decision making at all levels of management.

Internationally, there has been an increasing demand for utility mapping for sectors such as, telecommunications, gas, electric and water/sewer management. Modern day Earth sciences are also moving up from simple mapping, to include day-to-day activities that impact many spheres of life, including health, environment, transportation, communications and many others. Many countries are adopting three-dimensional GIS technology for mapping of ground assets for cities, townships and municipal planning.

With the liberalization of the economy and the implementation of the proposed Indian National Map Policy, it is foreseen that Geospatial/GIS technology will be increasingly used to address the specialized map-data needs of various commercial users, including Emergency Services, Environmental Management, Land Use, Infrastructure Design, Infrastructure Planning, Vehicle Navigation, etc.

Heterogenous business processes across various divisions of an enterprise are becoming increasingly interdependent. Users from various sections are demanding that information residing in disparate sources and platforms, be presented in a singular, meaningful fashion, consequently, enabling more effective decision-making. There is an increasing need for such information to be required to be Geospatially referenced as well, in order to facilitate assimilation of complex business intelligence data.

What is, therefore, needed is a fusion of Geospatial data with relevant non-Geespatial information, and then to present user-specific results over the enterprise-wide Intranet, or over the Internet. This approach is relevant to all types of enterprises, especially in Defense, Government, Infrastructure, Transportation and Utilities.

An Electric utility company, for example, may need its assets, that are distributed across its service territory, mapped and logically connected for enabling optimal decisions. Such decisions could pertain to network planning, operations and maintenance, or outage management. However, these, and other operational

decisions cannot be made unless the network map is seamlessly integrated with other enterprise systems like, for instance, finance & billing, customer relations, inventory & purchase, and many others, each of which is perhaps an island by itself.

Similarly, for Defense, while the digital map is the essential foundation, effective command and control systems require that the Geospatial information from the maps be integrated and fused with data streaming in from a multitude of sources and diverse formats, in real time. The marketplace is demanding solutions with an ever increasing level of integration across the enterprise, and not as isolated packages.

The breadth of Geospatial/GIS applications is continually expanding to encompass newer areas. Today, Geospatial/GIS solutions are being increasingly exploited for myriad uses. From modelling urban environment, transportation corridors, land-use analysis and tax management, to mapping flood plains, assessing geological hazards, crop monitoring and watershed management.

To address the rapidly growing demand for integrated solutions, Rolta has established a unique approach and

architecture for its Geospatial/GIS offering – Rolta Geospatial Fusion™. With this solution, Rolta is uniquely positioned to take advantage of the growth in the GIS market world-wide.

Portfolio

Rolta provides specialized services and solutions for implementing Geospatial/Geographic Information Systems. These services include technical consulting, GIS database design & development, map creation/updation & finishing, data migration/conversion & format translation, software development & customization and systems integration.

Rolta has built solution templates for various vertical segments based on Rolta Geospatial Fusion™. Geospatial Fusion™ incorporates cutting edge technologies from Rolta's IP portfolio, and provides platform-neutral interfaces to enable a customer to protect its investments in other industry-standard platforms, or exploit many third-party applications that the customer might prefer.

Rolta's portfolio includes comprehensive services to customize the solution template to meet the specific needs of the customer, starting from initial consulting, requirements definition, developing the solution architecture and integration strategy, and definition of data security policy, through on-site solution deployment, customer training and on-going technical support and managed services.

Rolta provides specialized services and solutions for data capture and integrity checks, especially for Photogrammetric mapping and LiDAR processing. These services include processing aerial images, remote-sensed multi-spectral and hyper-spectral data, and LiDAR inputs. Rolta has also developed tools and methodologies for data migration from a variety of sources to a platform of choice for cost-effective implementation of solutions. Other solutions include 3D Terrain modelling, true orthophoto creation, digital cartography, base map creation and updation, 3D GIS creation, analysis and visualization, etc. Rolta has strengthened its range of high-end services in large-scale mapping by using Photogrammetry (converting photographs into digital maps) and laser technologies. For example, Rolta successfully completed a turnkey mapping project for Dubai Municipality, where it undertook mapping of the entire city through aerial photography and digital Photogrammetry, for creating and updating an intelligent GIS database, for use in municipal planning.

For communications and utility companies, Rolta offers comprehensive solutions to manage and maintain distribution and transmission networks over large geographical rural and urban areas. These include solutions and services for creating and updating digital Geospatial databases with outside plant assets, both overhead and underground, with logical connectivity that represents the integrity of the networks.

Rolta also is able to undertake integration of diverse software platforms deployed by a client. For example, Rolta developed and implemented a solution for interfacing an Outside Plant Assets system with an Outage Management System for US-based Electric utility company. Besides project-based services for utility and telecom clients, Rolta is also engaged in longer-term data maintenance for these companies whereby Rolta's engineers keep the client's data up-to-date through posting of work-orders, remotely, from our Mumbai delivery centre.

Rolta provides solutions based on Remote Sensing, using hyperspectral data, for applications like Agricultural Crop Monitoring, Watershed Management, Forest Fire Mapping etc. Rolta also offers GIS solutions for Fleet Management, Disaster Management and specialized needs of Public Safety agencies like Police, Fire and Ambulance services.

Rolta also offers GIS based e-governance solutions to address MIS needs of Governments and Municipal Corporations. With the acquisition of Orion Technology Inc., a Canadian software and integration company specializing in enterprise Web-GIS solutions, Rolta also provides web-based, platform-neutral Geospatial solutions to efficiently integrate GIS resources. Rolta's Web-GIS solution allows users to publish their GIS data securely and quickly over the web. This "no programming" solution provides simple, yet feature-rich, enhanced web-GIS capability for querying, reporting and generating URL functions. It also allows users to connect to external databases throughout their organization, turning their web-GIS into a true enterprise solution.

This capability allows Rolta to uniquely tap into new market segments that have so far not exploited the power of GIS. One example of such a capability can be demonstrated in an Election Data Management solution.

Similarly, Rolta completed a project for a US client for assisting them with a broad-based information retrieval and presentation system for promoting regional economic development. With Rolta's Web-GIS solution, they are able to access data from disparate databases from a variety of sources and present it to their clients in a seamless manner with graphical representations and non-graphical reports.

Strengths

Rolta has acquired technology and established long-term strategic business partnerships with Geospatial/GIS industry leaders, for end-to-end digital mapping solutions – from initial conceptual design to final implementation. Rolta works with a variety of software platforms and systems.

The technologies obtained from these companies ensure that Rolta's skills and knowledge base constantly remains updated and relevant to its customer needs. Rolta's competence gives its alliance partners the confidence to refer their global customers to Rolta for quality services.

With new technologies, Rolta is now enabled to distinctively position itself as a provider of spatial integration consulting, software, and implementation services for global markets; these services are critical for customers who have a growing need for innovative, web-based, platform-neutral Geospatial solutions to efficiently integrate their GIS resources and meet the comprehensive information needs of their constituents.

Rolta is unique in developing a platform-neutral architecture that incorporates state-of-the-art GIS technologies, business intelligence tools, and Services Oriented Architecture (SOA) middleware for an enterprise level integrated solution – the Rolta Geospatial Fusion™ solution.

Rolta's GIS development centres in Toronto and Mumbai work closely together to continually add features and functionality to Rolta's suite of GIS products and toolkits.

Rolta's in-house Technology Laboratories enables the Company's development professionals and technology experts to always have access to state-of-the-art hardware and software tools and industry trends, so as to ensure that Rolta's products remain at the leading edge.

Rolta's delivery centre in Mumbai is one of the largest GIS facilities of its kind, with a highly skilled and dedicated team of over 2,000 technical professionals, equipped with state-of-the-art GIS workstations, software and Photogrammetric mapping suites.

Over the years, Rolta has exploited its extensive domain expertise to establish a library of over 1,600 software toolkits for automation and quality assurance of the work-flows. Rolta has acquired a wealth of experience and an impressive track record in implementing sophisticated systems for Telephone, Electric, Gas and Water utilities as well as Government, Municipal and Transportation agencies in India and globally.

Rolta is now among the top Photogrammetry and GIS software services companies in the world. Rolta also enjoys more than 70 percent share of the GIS and Photogrammetric mapping market in India.



Customers

Rolta's customer base for the Geospatial/GIS business group is spread over 20 countries, with multi-million dollar projects executed around the world.

Rolta's customer list includes Al Ain Municipality, Airports Authority of India, Bahrain Telecom, BES&T, British Telecom, Bord Gais, Bell Canada, BSNL, Canadian Hydrographic Office, Central Water Commission, CESC, City of Mainz, City of San Jose, City of Toronto, CSEB, Dubai Municipality, Danish Hydrographic Office, Dallas Aerial Survey, Dept of Civil Aviation (Abu Dhabi), Enerco Gas, E-ON, Fiji Telecom, Forest Survey of India, Geological Survey of India, Georgia Power, Greenville Utilities Commission, Gujarat Pollution Control Board, Government of Mizoram, GT Oman, Hong Kong Telecom, Indian Institute of Remote Sensing, Jammu & Kashmir Police, Louisville Gas & Electric, MTNL, Montana Dakota Utilities, Military Services Department of UAE, Mumbai Police, Natural Gas Corporation of New Zealand, National Grid, National Hydrographic Office, National Remote Sensing Agency, ONGC, Oranjewoud, Qatar Water, Piedmont Natural Gas, Public Garden Department (Abu Dhabi), Qatar Water, Rajasthan Police, Rochester Gas & Electric Service, Saudi Telecom Southern Bell Corporation, Survey of India, Torrent Power, Toronto Hydro, Telus, United Pan-European Communication, UK Ordnance Survey, US WEST, Verizon, among others.

Value Chain

Rolta has consistently strengthened the competencies of its professionals and quality of its intellectual property over the years, enabling Rolta to continually move up the value chain and address more challenging needs of customers.

Rolta has executed several large value GIS projects in several countries across the world, from the Fiji Islands in the east to Hawaii in the west. As a result, today Rolta has acquired a wealth of domain knowledge and experience in Geospatial/GIS and is able to successfully execute even the most challenging of projects.

Rolta today offers high-end consulting services to enable customers to realize the most out of not only their investments in GIS systems per se, but also through their integration with other enterprise systems.

Rolta provides solutions and services encompassing a wide range of high-end Photogrammetry and Imaging including capture, creation, modeling, analysis and visualization. Apart from this, Rolta is also present at the high-end of value-chain, being able to provide specialized consulting services, extensive customization and managed services for various domains. This is especially true for the developing markets where large scale GIS technologies are just beginning to be deployed and here, Rolta's comprehensive Photogrammetric mapping and Imaging suites are of great significance as these enable the customer to acquire a total solution from a single source.

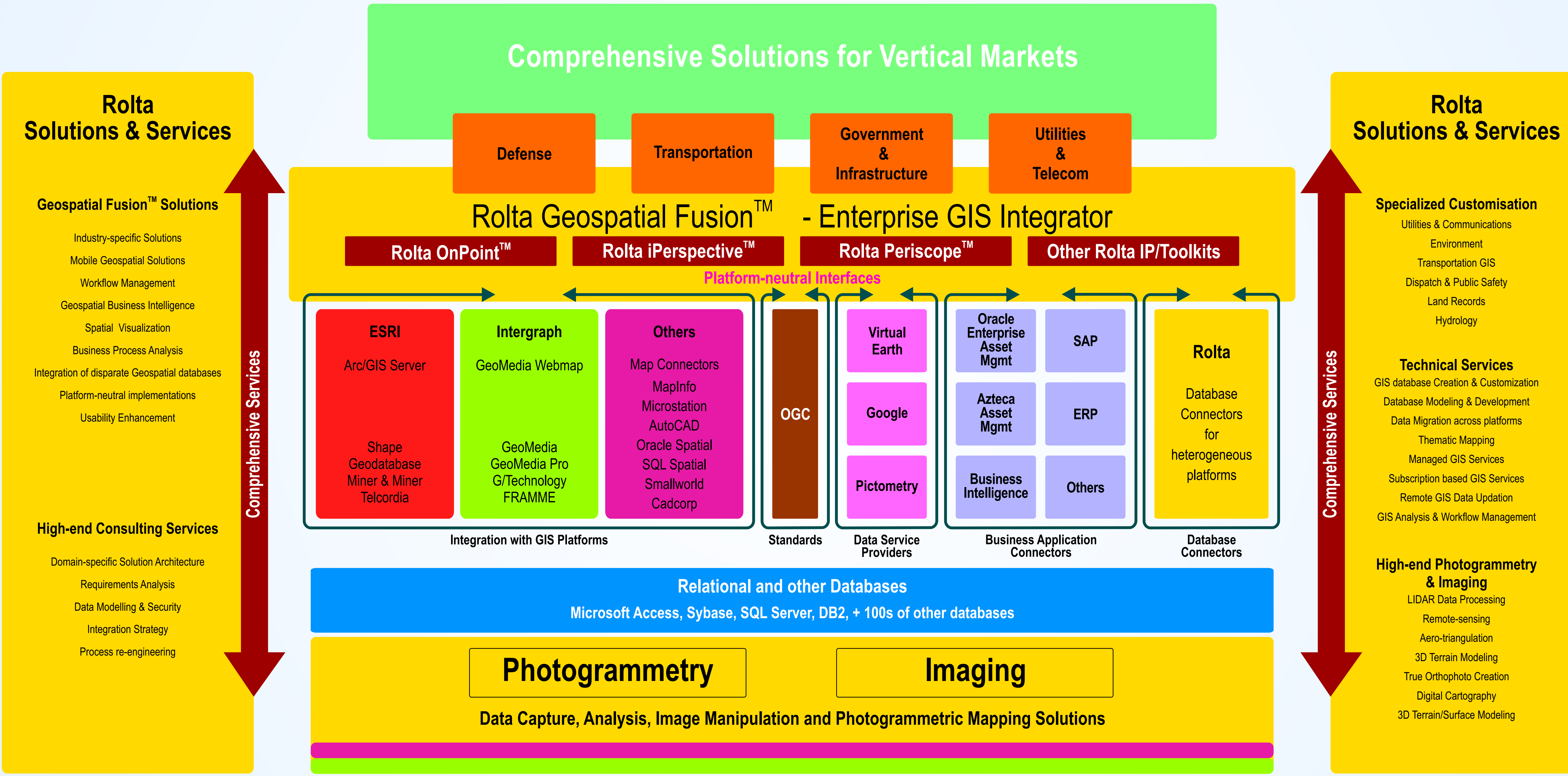
Rolta has innovatively blended the capabilities of its own technologies and other business intelligence tools from its existing IPRs, to launch Geospatial Fusion™. These are relevant for developed markets, where Geospatial Fusion™ enables a user to readily work with a variety of GIS platforms, and integrate non-GIS databases for an enterprise-wide solution. With this approach, now Rolta can offer a complete stack of services that can be addressed not only to the GIS manager, but also to the "C" level executives in customer organizations.

Today, with over several thousand man-years of Geospatial technology experience, Rolta is strongly positioned to provide high-value specialized Geospatial/GIS services enabling it to make an unbeatable value proposition to its customers around the world.

Portfolio of Geospatial/GIS Services

High-Value Solutions based on Rolta Geospatial Fusion™	• Industry-specific Solutions for Transportation, Government & Infrastructure, Utilities & Telecom • Mobile Geospatial Solutions • Workflow Management • Geospatial Business Intelligence • Spatial Visualization • Business Process Analysis including Integrated systems for disparate Geospatial databases, Desktop based and web-enabled implementations and Specific software platforms or platform-neutral approaches • Usability Enhancement
High-end Consulting Services	• Domain-specific Solution Architecture • Requirements Analysis • Data Modelling & Security • Integration Strategy • Process re-engineering
Geospatial/GIS Consulting and Customization	• Utilities and Communications: Data modeling for Outside Plant assets, Outage Management, Network Planning • Environment: Interpretation and Improvement, Disaster Mapping and Analysis • Transportation GIS: Rail, Road and Fleet Management; Hydrographic Charting • Dispatch and Public Safety: Emergency and non-Emergency response • Land Records: Cadastral, Parcel Mapping, Planimetric Mapping • Hydrology: Irrigation and Flood Zone Analysis, Water Shed Management
High-end Technical Services	• GIS database Creation, Configuration & Implementation • Database Modelling and Development including Rules Definition • Data Migration across software applications / platforms • GIS Data Maintenance: Managing Outsourced Data, Remote Updation • Managed & Subscription based GIS Services • GIS Analysis & Document Management • Utilities and Communications GIS Data creation / conversion and maintenance • Thematic Mapping-Subsoil, Forest Cover, Land use, Zoning, etc. • Electronic Navigational Charts (ENC) • Training & Tech Support
High-end Photogrammetry & Imaging	• Aerial Photography and Film Scanning • LiDar Data Processing and classification • Remote sensing – Multi-spectral, Hyper-spectral • Aero-triangulation and block adjustment • 3D Terrain Modelling, True Orthophoto Creation • Base Map Creation and updation - Satellite or Aerial • 3D Terrain/Surface Modelling • 3D GIS Creation, Analysis and Visualization • True Orthophoto creation • Digital Cartography

Rolta's Unique Positioning in the Geospatial/GIS Landscape



Defense & Homeland Security
Business Group

Rolta has been the dominant market leader in providing Geospatial based 'Operations' and 'Intelligence' solutions for the Indian Armed Forces and has established a JV with Thales – Rolta Thales Ltd., for developing state-of-the-art C4ISTAR solutions, with on-going ToT. Recently, Rolta has been awarded manufacturing licenses for defense equipments & systems. Combined together, these exceptional strengths are transforming Rolta and enabling it to become a potent force in addressing requirements of the complete sensor-to-shooter chain.

Demand Drivers

India's fast growing economy has lead to an increased spending in Defense and Homeland Security segments, year-on-year. A quantum jump is expected in Defense CAPEX spending, which is likely to touch US$50 Billion over the next five years.

The need for rapid modernization of the Army, Navy and Air Force has resulted in the Government allocating a large budget for Defense expenditure and procurement. The Government of India has raised its Defense budget for the year 2008-09 to Rs. 105,600 Cr, from Rs. 96,000 Cr during the year 2007-08, clearly indicating the trend towards modernizing the Defense sector.

Militaries across the globe have realized that it is not numbers and massing of forces which will ensure victory, but it will be the side which can better harness technology and force multipliers that will emerge the winner. The era of Network Centric Warfare is here with its precision sensors, battlefield management systems and effectors.

Modernization of Indian Defense Forces is still in its initial stages and this provides a golden opportunity for Rolta to capture maximum share of business to be generated out of this modernization. The joint venture with Thales, France, one of the world leaders in Command, Control, Communications, Computers, Intelligence Surveillance, Target Acquisition and Reconnaissance (C4ISTAR) information systems, creates tremendous potential for future growth of both the partners.

The Indian Armed Forces are on the threshold of acquiring state-of-the-art communication systems as the essential infrastructure in the Network Centric era. Thales, being an established leader in the field of military communications, places Rolta's joint venture in a very advantageous position to offer these communication systems for the Indian Defense market.

The Defense Forces, in particular the Army, regard maps as indispensable. They provide the vital picture of the terrain or the ground, on which various operations are undertaken, during peace or war. Thus maps printed on paper and sometimes on fabric, have always been an essential part of the army inventory.

With the advent of Digital Mapping / Geographic Information System (GIS), the techniques employed in mapping have undergone a sea change. Whereas earlier, maps were entirely based on traditional land surveying techniques, today the technologies of aerial imaging and satellite Remote Sensing have completely revolutionized the techniques of mapping therefore generating fresh demands.

Military Commanders, working in the "digital" battlefield environment of today, are utilizing Geospatial

information, based on "intelligent" digital maps and Geospatial data, enabling them to make effective command and control decisions in the field. Thus, existing Geospatial data & technology at the defense forces, provides the very foundation on which the future C4ISTAR solutions would be built.

Low intensity conflicts between terrorist/anti-national elements are growing all over the world and India is one of the worst affected countries. The increasing instances of terror attacks in the metropolitan cities and rapid transportation systems that have been experienced in the past require measures of more profound nature. They require solutions comprehensive in nature that would be able to detect intrusions through electronic sensors, receive and analyze all inputs received through diverse means in real time, extract the relevant information and produce it in the desired formats, alert the security forces and permit communications that are secure.

The Armed Forces therefore have to often work in close unison with local intelligence, police/security forces. In order to effectively address these situations, the modern police forces - particularly in major metros, are equipping themselves with state-of-the-art emergency response systems. Rolta has a variety of solutions for such Homeland Security requirements including for Border Surveillance and solutions for securing sensitive

installations like Airports, Refineries, Dockyards, Metros, Para Military Forces, Out posts, etc.

The Ministry of Defense's policy regarding "offsets" makes it mandatory for foreign organizations supplying defense equipment above certain threshold values to undertake obligations to obtain equipment/services from Indian companies up to a percentage of the contract value. This provision will further drive up the demand for defense related solutions and services provided by Rolta.

Portfolio

As digital technologies have permeated every aspect of society, all nations are currently on the road to digitization, transforming their armed forces into a coherent and synchronized organization enhancing the speed of sensing, decision making and proactive action, beating the enemy's 'Observe Orient Decide and Act' OODA (Cycle). C4ISTAR makes it possible to control increase in operational tempo, shared situational awareness, achieve wider terrain control and lethality, synchronize, discriminate and verify effects, while denying the enemy similar advantages.

Rolta is uniquely positioned to offer products and solutions covering the entire range of Command, Control, Communications, Surveillance, Target Acquisition and Reconnaissance (C4ISTAR) systems to meet the most stringent requirements of Defense Forces. Rolta's years of experience in Geospatial solutions for Operations and Intelligence, coupled with the strategic joint venture with Thales, results in a comprehensive portfolio of top of the line solutions for the Defense Forces. The Transfer of Technology agreement with Thales also ensures that Rolta is able to offer customized solutions for meeting the stringent and unique requirements of the Defense.

Rolta's portfolio offers the full range of solutions including Command & Control solutions like Commander Battle for Battlefield Management System (BMS), Engineering GIS for the Corps of Engineers, Military GIS for all mapping (including Cartography, Imaging and Photogrammetry), Operation Room Briefing for Command/Corps/Brigade HQs, Missile Trajectory Planning, Terrain Planning for Military Operations, Network Integration & Exploitation and Asset Management & Visualization, amongst others. In the areas of Intelligence, Surveillance & Reconnaissance (ISR), the solutions cover Battlefield Surveillance, Advanced Image Exploitation, Image Analysis, Photogrammetry solutions, Visualization, and Simulation, based on customized Geospatial applications, Integrated Change Monitoring, UAV Video Data Mapping, etc.

Rolta will soon commence manufacturing of sophisticated equipments and systems in the areas of Maritime, Communication, Aerospace, Electronic Warfare and Sensors and Optronic Systems. Relevant Industrial licenses have already been awarded by the Government.

Land systems also include solutions for the Digital Soldier of the future, from Head-mounted Night Vision devices to Mobile Radios. Vehicle systems can be fitted with state-of-the-art Optronics & Sensors including Weapon Sights, Target Locators, Mobility and Defensive Aids.

Solutions for Tactical and Strategic communication requirements of the Army, Navy, Air Force, Para Military and State Police Forces are provided using Thales systems duly customized and adapted to suit Indian needs. Products and solutions catering to strategic and tactical communications include Terrestrial Trunking Radio (TETRA) systems, Wired, Line of Sight (LOS) Radio Relay, Wireless (WiMAX, WiFi), Combat Net Radios, Software Defined Radios, Interoperability Devices, Satellite based communications, Network Management Systems, Intelligence, Surveillance and Physical Security of important installations, are part of the portfolio.

In the area of Homeland Security, Rolta is able to provide systems to cater to lawful interception of communication be it IP traffic, Cellular traffic, Satellite Communication or Radio Communication. Local Area Control & Security (LACS) and Optronics combined with TETRA can provide an effective solution to control operations for addressing security needs. The portfolio also includes systems that can undertake Data and Text mining in real time.

Rolta also offers Advanced Emergency Response solutions for the police forces in the country. This enables the police forces to deploy a digital control room for effective incident management. Solutions provided by Rolta enable the police to undertake critical analysis of the information logged in the system; for example, the location and periodicity of terrorist strikes in a city, or pattern of incidents during festivals.

Over the past two decades, the Indian Defense establishment has been actively engaged in collecting both MIS and Geospatial data. Unfortunately these data reside in disparate databases and they are large, hierarchically organized and highly departmentalized into various directorates, branches, formations and units and they depend heavily on huge amounts of spatial data and non-spatial data. The integration of such databases poses a severe challenge and Defense Planners in India realize the enormity of the task and heavy investment required. Rolta has the necessary skills and experience to provide integrated enterprise-wide solutions to the Indian Defense, in the form of Geospatial Fusion™. Rolta has also adopted a Service Oriented Architecture (SOA) that makes it feasible for multiple clients to use integrated GIS + MIS databases. SOA allows group of services to communicate with each other.

Strengths

Rolta is India's leading provider and developer of state-of-the-art and field proven Geospatial solutions for Defense, and has been working with the Indian Defense forces for more than two decades. Rolta has an in-depth understanding of the varied requirements of the armed forces and has been the preferred partner for designing and developing sophisticated Geospatial solutions for the Defense forces. Rolta's strengths have grown over the years and the company is undergoing a transformation – from being a provider of customized Geospatial solutions, to one that can offer comprehensive C4ISTAR integrated solutions.

Rolta has worked closely with the army in warlike situations and provided support under extremely demanding conditions. Rolta's strength lies in its level of commitment, as was demonstrated by its participation in the Army's "Operation VIJAY", "Operation PARAKRAM", and in several other major exercises.

Rolta has acquired technology for end-to-end digital Photogrammetry and Imaging solutions. The Transfer of Technology agreement with Thales enables it to stay abreast of the evolving technologies in the world.

With a network of over 85 support sites, Rolta's skilled engineers stay in close proximity to provide critical support for all its defense solutions. This ensures an extremely productive state while pre-empting downtime. This highly reliable support has resulted in significant repeat business and Rolta's ability to be relied upon under adverse conditions. The key to being able to provide such support lies in developing and maintaining a qualified team of engineers across all Rolta offices around the country.

The Thales Group, as one of the pioneers of the communications and information revolution, are at the forefront of the military transformation process. Rolta's joint venture has begun to leverage this expertise in serving the Indian Defense markets through a technology transfer at source code level, enabling the company to provide uniquely customized solutions. The JV, Rolta Thales Ltd., is, owned 51% by Rolta and hence complies with various defense procurement regulations, being an Indian entity.

A state-of-the-art Battle Lab has been set up in Mumbai to simulate the actual workflow and scenario at various levels of Command in an Operational C4ISTAR environment. This effectively showcases all its products and solutions in an integrated manner to decision makers. The Battle Lab is being continuously upgraded to integrate and accommodate additional solutions and features. A similar Battle Lab is also being established at Delhi. These Battle Labs are being expanded to include comprehensive communication demo capabilities. Apart from demonstrating C4ISTAR, this Battle lab also will incorporate capabilities in designing and fielding of Tactical Communication System (TCS) type of network for the Indian Army, the Battle lab will also be useful in demonstrating the individual communication systems like the High capacity Line of Sight Radio Relay, Secure Wi-Fi, Combat Net Radios, Interoperability Device, etc. This will place us in an advantageous position in the big ticket projects like the Tactical Communication System, Battlefield Management and the Future Digital Soldier Programs.

Customers

The large installed base of solutions delivered by Rolta encompasses the Military Mapping Agencies, Defense

Operations and Intelligence Branches, Commands, Corps, Brigades, Combat Units, Command Information and Decision Support Organizations, Field Engineering, Naval HQ, Naval Commands, Naval bases/ports and some very prestigious Defense Training Institutions.

Rolta's customers include All Corps and Divisions, Advanced Digital Mapping Centre, Army HQ, All Operational Commands, Border Security force, CAMS, CAIR, DRDO-ISSA, DRDO-DTRL, DRDL-PJ-10, Naval Operations, DIGIT, Director General of Information Systems, 501 Field Survey, Infantry School, MO-10, Military Intelligence, Military Intelligence School, Military Survey, Naval Intelligence, Naval Commands, National Hydrographic Office, PMO CIDSS, Training Institutions, Western Air Command, Army War College and many more.

Value Chain

Rolta has consistently moved up the value-chain. From supplying mapping solutions to customized Geospatial applications to now being able to provide complete C4ISTAR solutions. This has been a result of its strategy of ensuring that it continues to remain relevant or its customers by meeting and exceeding their expectations. Rolta's joint venture with Thales will continue to leverage Rolta's dominant position in the Indian defense market and serve the growing requirements with cutting edge solutions. Rolta's teams consist of highly experienced domain experts which enables the company to remain on the cutting-edge of technology in all the segments being addressed, an example is the development of the advanced missile planning system for Indian Defense, recently handed over by the DRDO, to the Army.

These experts are further trained by Thales and solutions further customized on account of the source-code level Transfer of Technology agreement with Thales. Dedicated software development teams are in place for customizing Thales solutions to address the highly demanding and stringent requirements of the Indian Defense.

As part of its strategy to keep moving up the value-chain, Rolta will soon commence manufacturing of sophisticated equipment and systems in the areas of Maritime, Communication, Aerospace, Electronic Warfare and Sensors and Optronic Systems. The company has already been awarded the relevant industrial licenses.

ROLTA DEFENSE

- 95% of the Defense Geospatial market
- Provided technology for Digital map data, which is the foundation for C4ISTAR solutions
- Industrial Licenses received for manufacturing defense equipment
- Countrywide presence, large, skilled teams, on-site support
- Strong credentials and customer appreciation

ROLTA THALES LTD.

- JV with Thales, one of the world leaders in Defense, Aerospace & Security, with 68,000 employees, Revenue >US$ 19 billion ('07)
- Transfer of Technology at source code level, enables extensive customization
- Access to Military Off The Shelf (MOTS) solutions
- World-class, Best practices, Tools and methodologies

UNIQUE POSITIONING

- Entire Sensor-to-Shooter chain of C4ISTAR solutions
- Addressing multi-billion dollar programs like Battlefield Management Systems, Tactical Communication Systems, Future Digital Soldier System
- Key player in Maritime, Communication, Aerospace, Electronic Warfare, Sensors and Optronic Systems

The Portfolio of Defense Solutions

Command & Control	• Battlefield Management System (BMS) for tactical, operational and strategic mission planning • Engineering GIS Combat Engineering Solution for the Corps of Engineers • Military GIS • Operations Room Briefing • Missile Trajectory Planning • Operation Terrain Planning, including 3D Battlefield Terrain Modeling & Target Visualization • Network Integration & Exploitation • Asset Management & Visualization, including Mobile Resource Management • Advanced digital map updation / capture systems, including GeoSpatial data creation, Map Publishing and Hydrographic charting • Customised Desktop and Web Based 2D / 3D Geodata
Intelligence, Surveillance & Reconnaissance	• Battlefield Surveillance Systems including Multi-sensor Image Handling, Multi-sensor Data Fusion and Sensors Integration Solutions • Integrated Change Monitoring of trans-border areas • UAV Video Data Mapper • Photogrammetry solutions for mapping trans-border areas from Satellite / Aerial Data • Mobile Integrated Image Exploitation Solutions for Intelligence • Exploitation of oblique aerial data • Advanced solutions for handling Cartosat Stereo satellite data
Defense Communications	• Tactical Communications including Wired, Line of Sight Radio Relay, etc. • Wireless Communications including WiMAX, WiFi • Network Management Systems • Mobile Radios including Combat Net Radios, Software Defined Radios, Interoperability Devices, etc.
Soldier Systems for the Digital Soldier	• Night Vision Devices • Handheld Thermal Imagers including 3rd Generation Thermal Imaging Devices • Night Weapon Sights for all personal weapons • Portable and easy to operate Radios • Navigational Module facilitating updated Situational Awareness in the battlefield • Mobility and Defensive Aids for personnel
Vehicle Systems for the Modern Battlefield	• High resolution observation and surveillance devices • Vehicle platform systems integration enabling multiple electronic subsystems to operate without mutual interference • Drivers/Commanders Night Viewing Enhancer Systems • Night Weapon Sights for all personal weapons • Identification Friend or Foe Systems • Target Locators and laser designators • Mobility and Defensive Aids for vehicles
Homeland Security & Communications	• Local Area Control & Security (LACS) • Terrestrial Trunking Radios (TETRA) • Border Surveillance systems including Optronics • Intelligence systems including Communication Monitoring • Radars, Sensors including data fusion • Automatic Vehicle Location systems
Geospatial Fusion™	• Fusion of various disparate geospatial & non-spatial databases and software applications • Enterprise-wide Service Oriented Architecture (SOA) for protecting legacy technology investments to increase productivity

Rolta's Unique C4ISTAR Solutions for The Digital Battlefield

Engineering & Design
Business Group

In the Engineering Design Automation domain, Rolta enjoys a market share of over 85%, in India and is one of the major service providers, worldwide. By leveraging the strengths of its strategic joint venture with The Shaw Group, Rolta has now transformed itself to address the concept-to-completion needs of the Oil & Gas, Petrochemical & Refining, Conventional & Nuclear Power sectors and now provides complete Engineering, Procurement and Construction Management (EPCm) services. Rolta has moved up the value chain and has launched a unique engineering enterprise solution – Engineering Fusion™ thereby strengthening the company's position as a world-class service provider, for Owner-Operators.

Demand Drivers

The consumption of petroleum products in India is expected to exceed 5 million barrels per day by 2025, roughly double the current demand. Internationally, demand for these products is expected to exceed 106 million barrels per day during the same period, a 22% increase over current demand. This will result in the need for significantly increased upstream production and downstream refining capacities in selected countries around the world.

The worldwide increase in hydrocarbon consumption and the resulting increase in crude oil prices over the last 2-3 years have created tremendous opportunities for optimization and debottlenecking of existing facilities, as well as the need for new "Greenfield" facilities. Among these opportunities, the world's largest single train refinery and the world's largest chemical complex are in the front-end design stages.

These and other mega-projects around the globe have highlighted the global shortage of experienced engineering and design resources. The manhour budgets of such mega-projects are running into millions of hours. Increased environmental regulations such as compliance with the Kyoto Protocol and the need to reduce greenhouse gases and carbon emissions are also increasing the demand for qualified engineering and design services.

In the power sector, India currently has an electric capacity shortfall of about 15% at peak conditions. To meet this shortfall there is a need to add 20,000 megawatts to meet existing demand alone. In order to facilitate the growth rate of India's GDP, 30,000 additional megawatts will be required over the next 5 years.
The passage of the 123 Indo-American Nuclear Agreement and the admission of India into the Nuclear Suppliers Group will facilitate the Indian Government's plan to add up 40,000 megawatts of new nuclear generating capacity, as well as the required nuclear fuel processing infrastructure by 2020. While it is expected that Nuclear Power Corporation of India Ltd. (NPCIL) will take on the major portion of this domestic nuclear expansion, there will be a need for subcontracted engineering and design services to support this projected growth expected to start in FY2009.

Rolta's joint venture relationship with The Shaw Group, coupled with the signing of the Indo-American Nuclear Agreement has opened up the opportunity to use Indian resources to assist with the global expansion of nuclear power. Within the United States alone there are plans by various utilities to add 12 Westinghouse AP-1000 Reactors. South Africa plans to add up to 18 of the AP-1000 units and China has announced a plan to install up

to 30 AP-1000 units by 2030. The Shaw Group, a parent company of the JV, Stone & Webster Rolta Ltd. (SWRL), holds a strategic stake in Toshiba-Westinghouse, a leading manufacturer of nuclear reactors.

Planned investments in India's infrastructure expected to be in the range of US$350 billion over the medium term are expected to create the need for equipment and services sourced from India and the rest of the globe. The rapid growth of international engineering projects coupled with the current global engineering and design resource constraints are expected to increase the emphasis on outsourcing of engineering and design services. Rolta is uniquely positioned to capitalize on these opportunities.

Engineering, Procurement and Construction (EPC) companies are finding their workloads perhaps at the highest levels ever experienced. India has emerged as a destination of choice for engineering outsourcing, and as a consequence, design work for numerous projects across the globe are now being executed in India.

Owner-Operators (O/O) of plants have started to realize the benefits of using modern information technology tools for operations and maintenance of the plants as a result of maturing of the tools, as well as the changing






economics. Owner-Operators are, therefore, seeking services to not only obtain digital models of their plants, but also to have their engineering design systems integrated with other enterprise-level systems. The benefits of integrating such enterprise wide systems across disparate databases and heterogeneous platforms are pushing up the demand for a comprehensive and integrated solution to address this need.

Rolta, with its years of domain experience and armed with the right kind of specialized knowledge tools and technology is uniquely positioned to address these requirements.

Portfolio

Rolta's extensive portfolio of products, solutions and services, covers the critical elements of the Engineering cycle and includes major aspects of Conceptual Engineering & Design, Detailed Engineering & Design, Project Management & Procurement, Construction Management, Operations & Maintenance, Technology Services Consulting and Specialized Services for As-Built.

Rolta provides premiere Engineering, Procurement and Construction Management (EPCm) Services as well as Design Automation Consulting Services through 2 modes of delivery; Rolta's joint venture company with Shaw Stone & Webster, Stone & Webster Rolta Ltd. (SWRL) and Rolta's dedicated Engineering and Design Services Team.

The range of services covers the entire gamut of including planning, scheduling, prime and subcontract management, technical information management, office health and safety management, project QA/QC, supplier qualification & purchasing, source inspection, supply QA/QC, expediting and traffic/logistics, etc.

SWRL provides a full range of engineering services from Front End Engineering and Design (FEED) through Detailed Design, Project Management, Procurement, Construction Management, Start-up and Commissioning. They selectively undertake refinery, petrochemical and power projects within India and provide project execution resources for global projects executed from within India and at other Shaw Stone &Webster locations around the globe. The SWRL Mumbai office served as the global project execution center for the world's largest ethylene plant in Singapore.

SWRL brings the legacy of The Shaw Group's 116+ years of engineering expertise and process technology to bear on global as well as Indian domestic projects for concept-to-completion solutions. The Shaw Group is a Fortune 500 company with over 27,000 employees and an order backlog in excess of US$ 16.4 Billion. It has also recently received an order for building six nuclear reactors in the US. SWRL also offers very cost effective solutions for revamp, modernization and debottlenecking of existing facilities.

The Engineering and Design Services Team has expanded it's capability to include full EPCm services within India, in addition to the existing international engineering and design tool automation consulting services which it has provided for many years. Relying on the depth of SWRL's experience and capability when necessary, the Engineering and Design Services Team brings a complete design automation toolset, world class procedures and work processes, and depth of experience to bear on domestic EPCm and international EP Projects.

Rolta's dedicated in-house Technology Services Group continues to provide design tool automation and integration to clients around the globe desiring to improve the productivity of their existing design tools and implement new state-of-the-art tools.

Rolta has taken a leadership position in maximizing the integration of engineering and design tools to facilitate project lifecycle data management to the benefit of both the engineering contractor and the owner operator.

Strengths

Rolta has acquired technology and gained experience from long term strategic business relationships to offer a broad range of Engineering, Design and Technology Services. Backed by years of experience and in depth domain knowledge, Rolta is now able to offer services such as process simulation, heat and material balance, preparation of process flow diagrams & equipment data sheets, heat exchanger design, vessel & mechanical equipment design, piping stress analysis, P&ID development, equipment layout, 3D design & modeling of all discipline commodities, complete civil/structural engineering including structural analysis, complete electrical engineering and design and complete instrumentation & control systems engineering and design.

In addition to the above capabilities, Rolta also provides full service procurement including supplier qualification, purchasing, source inspection, supply QA/QC, expediting, logistics and field warehousing.

The scope of full service project controls are also provided which include planning, scheduling and accounting, a world class design toolset on multiple platforms, a state of the art technical information management system for data and document control, a complete material management system for tagged and bulk materials- rounded out with construction management expertise which includes site management, sub-contractor management, site health and safety management, commissioning and startup – and Rolta provides a full service EPCm offering for the sectors it addresses.

Rolta's involvement in detail engineering for ship design has helped provide high-value services to major shipyards in both, Europe and India.

In addition, SWRL has access to world class patented technology in the refining and petrochemical sectors, including Fluidised Catalytic Cracking, Deep Catalytic Cracking, Hydrotreating, Spent Caustic Treatment Systems, Refinery Off Gas (ROG) Treatment, Process and Energy Integration Schemes in the Refining sector and Ethylene, Ethyl Benzene, Styrene, Cumene, Ethylene Dichloride, Vinyl Chloride in Commodity Chemicals.

Customers

Over the years, Rolta has earned a dominant market share by providing path-breaking solutions to hundreds of customers - a virtual "Who's Who" of leaders across diverse industries.

The large customer base includes 3M, ABB-Lyondell, ADNOC, Air Liquide, Aker Yards, Alsthom Power, Aquatech, ARANCO, Babcock Borsig, BAPCO, BASF, Bateman, Bayer, Bechtel, BHEL, Boeing Rocketdyne, Boston Scientific, Burns & McDonnell, CEGELEC, Chevron Phillips, CNRL, Delta Marin, Design Technology, Doosan, Dow Chemicals, DSP, EBM, Endurance, Engineers India Ltd, Entegee, Equate Petrochemicals, Essar, Ever Technologies, FEDO, Florida Power & Light, Flour Daniel, FMC-TI, Gardner Bender, GE GASCO, Glynwed Pipe Systems, Hoechst Celanese, HPCL, IOCL, J A Freeman, Jacobs H&G, John Deere, Jubail, Kashima Oil, KNPC, Kvaerner, L&T Group, Lanzou Petrochina Linde, Litwin, Lurgi, Master Work Holding, Mazagaon Docks, MECON, Mitsui, NanaClot, Nova Chemicals, NPCIL, NTPC, ONGC, PDIL, Petrobras, Petrofac, Pfizer, QAPCO, Q-Chem, Reliance, Rexroth, Rockwell Automation, Rolls Royce, Saipem, Samsung, Saudi ARAMCO, Shell, Siemens PG, Silicon Meadows, SNC Lavalin, SNC/AMO, Statoil, Sumitomo Chemicals, SUNCOR, Tata Chemicals, TCE, Technip, Tecnimont ICB, Thermax, Toyo Engineering, Triune, United Olefins, Valdel, Webasto, WGI, Woodward Governor, York International, Yunes Amre, etc.

Value Chain

Rolta provides full service EPCm solutions to Owner Operators and other EPC contractors throughout the entire value-chain, from concept-to-completion. Rolta's industry leading use of design automation technology maximizes the availability of data throughout the project lifecycle and provides Owner Operators with maximum return on their investments.



The Company's information and data security policies and procedures are ISO certified as are the Company's full suite of world-class operating procedures. This provides clients with peace-of-mind that proprietary information is secure.

Rolta is able to exploit the in-house information and communication technology backbone and network management skills manifested in the Company's other business lines, to make collaborative, distributed engineering teams a successful reality.

Rolta's experience over the years at working with many offshore clients and overcoming cultural and language differences has resulted in web-based collaboration tools and procedures that make project execution easier for geographically distributed project teams.

Our expertise in exploiting design automation and optimization tools allows us to put together a state-of-the-art package tailored to suit the specific needs of individual customers, but in a very cost-effective manner.

Rolta has the capabilities, infrastructure, resources, domain knowledge and financial capability to execute such projects from concept to commissioning and thereafter.

Rolta's EPCm project reporting tools and the use of Oracle as the in-house ERP system provide clients with the assurance that time and costs are properly tracked and accounted for.

The Rolta engineering progress and performance measuring system provides clients with timely progress reporting to facilitate informed decision making by project management teams whether local or offshore.

These capabilities and offerings enable Rolta to provide comprehensive services from concept-to-completion placing Rolta at the upper end of the engineering and design value-chain.

ROLTA ENGINEERING

- Dominant player in the Engineering Design Automation market
- Large & experienced skilled engineering teams, successful service delivery model, extensive tools for Operations and Maintenance
- Strong credentials and customer appreciation
- Engineering & Design projects executed worldwide

STONE & WEBSTER ROLTA LTD.

- JV with The Shaw Group, a Fortune 500 company, +27,000 employees & an order backlog of >US$ 16.4 Billion
- Leverages The Shaw Group's115+ years of technology experience & leadership position in the Nuclear Power Plant, Petrochemical & Refining markets
- Technology for Process & Power , e.g. for Ethylene, FCC, RFCC, DCC, etc.

UNIQUE POSITIONING

- Concept-to-Completion services for Oil, Gas, Petrochemical, Refining, Conventional & Nuclear Power markets
- With NSG waiver & signing of Indo-US nuclear treaty, very well placed to execute Nuclear Power Projects in India
- Combined team of +1500 skilled professionals, provides the scale & edge to undertake large projects

Portfolio of Engineering & Design Services

Conceptual Engineering & Design Services

- Feasibility Studies
- Basic Engineering
- Front End Engineering & Design (FEED)
- Process Simulation
- Process Flow Diagram & Equipment Data Sheet Preparation
- Pre-Bid Engineering Support

Detailed Engineering & Design Services

- Process
- Mechanical
- Civil / Structural
- Plant Design & Piping
- Electrical
- Instrumentation & Controls
- Naval Architecture & Ship Design

Project Management & Procurement Services

- Planning & Scheduling
- Prime Contract & Sub Contract Management
- Technical Information Management
- Office Health & Safety Management
- Project QA / QC
- Supplier Qualification & Purchasing
- Source Inspection / Supply QA / QC
- Expediting & Traffic / Logistics

Construction Management Services

- Site Management
- Sub Contractor Coordination
- Site Health & Safety Management
- Commissioning & Startup

Operations & Maintenance Services

- Shutdown Planning
- Plant Operations Management
- Plant Safety & Reliability
- Plant Revamp & Decommissioning

Technology Services Consulting

- Software System Deployment
- Software Customization
- Onsite Assistance
- Customized Training
- Data Migration
- Data QA / QC
- Custom Software Automation / Programming
- Reference Data Management

Rolta Specialized Services for As-Built

- Laserscan & Plant Walkdown Capture
- Operator Training on 3D Plant
- Plant 3D Visualization
- Integration with Plant Operations & Maintenance Programs

Rolta's Unique Positioning in the Engineering & Design Services Landscape

Oil & Gas | Petrochemical & Refining | Conventional Power | Nuclear Power

...Concept..to Completion...

Conceptual Engineering & Design

- Feasibility Studies
- Basic Engineering
- Front End Engineering and Design (FEED)
- Process Simulation
- Process Flow Diagram and Equipment Data Sheet preparation
- Pre-Bid Engineering support

Detailed Engineering & Design

- Process
- Mechanical
- Civil / Structural
- Plant Design and Piping
- Electrical
- Instrumentation Controls
- Naval Architecture and Ship Design

Procurement, Construction & Project Management

- Technical Information Management
- Project QA/QC
- Expediting & Logistics
- Site Management
- Site Health & Safety Management
- Commissioning & Plant Start-Up

Technology Consulting

- Software System Deployment
- Software Customization
- Software Integration
- Specialized Training
- Reference Data Management
- Rolta Engineering Fusion ™

Operations & Maintenance

- Plant Operations Management
- Laserscan & Plant Walkdown Capture
- Plant 3D Visualization
- Shutdown Planning
- Plant Safety & Reliability
- Plant Revamp & Decommissioning

...State of the Art..Rolta Solutions & Services...

Enterprise Information & Communications Technology

Business Group

The Enterprise Information and Communications Technology (E-ICT) business group has undergone a complete transformation. Rolta now provides comprehensive solutions and services covering high-end enterprise requirements of Data Security & Security Management, Database Foundation, Enterprise Application and Business Intelligence. Rolta has launched mission-critical, integration and fusion solutions built around Rolta e-Fusion™ that enables instantaneous fusion of various disparate databases and software applications for generating real-time reports and immediate decision making.

Demand Drivers

Across the world, enterprises today, are cutting across industry segments and extending their reach to become globally competitive. Such enterprises need to not only make their products and services accessible, but also extend beyond their own corporate boundaries. Organizations have to increasingly grapple with a myriad of industry as well as country-specific compliance standards to provide secure access to information scattered across a wide range of internal and external systems.

In recent years, IT infrastructure and network security have gained worldwide prominence due to mounting threats. This calls for implementation of a well-planned and robust IT security and management processes tightly integrated with all the myriad layers of the IT infrastructure stack.

At the heart of the organization's IT infrastructure lie a multitude of databases which have organized a wealth of information for a variety of applications essential for its smooth operations. Over the years, these databases often end up becoming information silos accessible only to the original application. This poses several major challenges, including performance management and optimization of disparate databases, disparate security systems, ability to extract information for Business Intelligence and Analytics, planning for scalability and high availability, upgrade and patch management, to name just a few.

Business processes are unique to each organization within every industry. For any solution provider, this necessitates a thorough understanding of the customer's business blueprint and mapping the industry best practices through extensive customization for any kind of successful ERP deployment.

All layers of IT implementation in any organization must be geared to provide information that enables management to make optimal decisions. This implies accessing the data from disparate databases on heterogeneous platforms, and to present relevant information through flexible Business Intelligence tools.

In such a competitive global market, it is essential for every business enterprise to relentlessly innovate and enhance operational efficiency to keep pace with market dynamics. For businesses to achieve this, they need state-of-the-art technology in the form of enterprise applications as well as integration to meet specific needs and also a partner who understands technology not in isolation, but as a key component of business strategy.

Portfolio

Rolta's rich domain expertise, industry experience together with a range of products and tools enables to craft solutions which can slice and dice this information

across these IT layers and silos while consolidating management systems. Additionally, Rolta provides ongoing managed services for optimal performance with high availability.

Rolta solutions and services cover Business Intelligence, Enterprise Applications, Core Databases as well as IT Security and Infrastructure for a host of industry verticals. The combination of deep domain knowledge, rich IT industry experience and a variety of Rolta products such as Rolta iPerspective™, Rolta Periscope™, Rolta C3™, etc., enable us to devise and implement unique solutions, dovetailing customer's IT assets across these layers and thereby maximizing their return on investments, regardless of the industry vertical.

The introduction of managed services ensures that Rolta's engagement does not finish with the deployment of the solution but evolves into an enduring partnership ensuring the IT assets continue to run optimally and securely throughout their lifecycle.

Rolta had laid a strong foundation for providing turnkey solutions and services based on products from leading technology partners. During the year, the Company's portfolio of solutions and services has undergone a paradigm shift to address the evolving needs in the marketplace.






Through this evolution Rolta has now successfully filled out its solutions and services offering to address all the major IT layers within enterprises. We have acquired the capabilities to address Business Intelligence, Enterprise Applications, Core Database Foundation as well as Data Security and Service management using best of breed technologies, both from the Company's own IP repository that of its partners.

Rolta's own products and middleware tools permit integration across these layers of information and data, thereby eliminating the challenges associated with standalone data silos that have emerged within enterprises. Additionally, our engagement with customers can go beyond the successful deployment of the solution into a wide range of managed services for ongoing optimal performance.

Rolta products include, Database virtualization to create a single view across disparate databases from different vendors, rapid SOA enablement to share information seamlessly across heterogeneous systems as well as data cleansing & conversion, to create data warehouses. These products enable us to craft out a unique Rolta e-Fusion™ solution cutting across multiple and varied data sources providing an enterprise view to gain invaluable business insight.

In the Business Intelligence (BI) layer, our experienced consultants with domain-expertise in specific industries assist, design, and deliver BI solutions; identifying and improving the essential performance measurement and decision processes in organizations and pragmatically adopting a phased approach to investment and functional delivery. These solutions are customized to unique business requirements and provide proper requirements collection, planning, and analysis to determine size, scope, value, return, and readiness.

Data analysis, acquisition, and transformation bring together disparate fragmented data into a single enterprise view - addressing the need to get data into the data warehouse. Data from this warehouse can be viewed in the form of BI reporting, portals, dashboards, and KPIs. Ongoing managed services include hosting, application performance management as well as database performance management. Rolta offers the full lifecycle implementation and support services for core Oracle eBusiness suite application modules, including Financial, SCM, Distribution, HR, CRM etc. as well as migrations and upgrades from older systems. Rolta's step-by-step approach covers the gamut of activities: definition of functional and technical requirements; gap analysis; module configuration; conference room pilots; technical development for interfaces, conversions, extensions, and reports; expert "Applications" DBA support; test script development; and thorough system testing and production deployment. Our ongoing managed services provide post-production support, remote database administration, backup management as well as upgrades and patch management.

The Database foundation layer is critical for any enterprise to structure and store information in relational databases. Rolta offers a wide variety of approaches to help customers improve, maintain, and optimize database infrastructure to fulfill their high-availability, disaster recovery needs, storage requirements or performance tuning. Rolta's technical resources offer comprehensive services covering architecture and design for new requirements and tying together the information silos, strategic infrastructure planning, cost effective code and data migrations / upgrades as well as database health checks for optimal performance.

As part of Rolta's ongoing managed remote DBA services the company conducts remote monitoring of the OS, database, Oracle Application Server, and Oracle Applications to collect and provide automated analysis of all database statistics. Real-time alerts about current or potential problems are reviewed by our managed services team and proactively addressed.

At the IT infrastructure layer, Rolta provides comprehensive consulting services covering data security and service management, security, identity & access management, project and portfolio management, enterprise network & IT asset management, IT infrastructure and operations management, application performance management as well as IT governance & compliance management. With the ongoing network security threats faced by enterprises the Company offers managed services for identity and access management.

Strengths

The complete transformation of the E-ICT business group has come about because of various initiatives and steps taken by the company. Built upon a strong foundation, with well entrenched quality practices for product development, IT security and services together with a judicious combination of acquisitions, has permitted Rolta to complete this ambitious transformation.

The E-ICT Business Group now has a track record of executing thousands of successful projects in over 40 countries and hundreds of customers availing of ongoing managed services. The strategic transformation of this Business Group has seen tremendous growth and opportunities over the past year. Rolta's trusting and long-standing relationships with technology partners has resulted in opportunities to acquire and assimilate technology on an on-going basis, which further results in an unbeatable value proposition for customers.

Rolta has acquired technology and established alliances with global technology leaders like Oracle, CA, Microsoft, and IBM, amongst others. These partnerships have enabled Rolta engineers to have an on-going access to formal training and certification, thereby ensuring that the Company's customers are assured of world class solutions. Further to this, Rolta's recent acquisitions of TUSC and WhittmanHart Consulting have significantly enhanced the technology strengths of the Company.

Rolta has a unique globally integrated onsite-offshore delivery model with a rich knowledge management framework. In a fast-changing technology landscape, it is nearly impossible for any one individual to have expertise across technologies and the heterogeneous mix of IT infrastructure deployed by enterprises. Rolta's onsite consultants leverage the global expertise of its offsite IT experts. This collective experience ensures the optimal use of technology, from architecture and design through development, implementation and ongoing support.

Rolta has made proactive investments in Virtual Enterprise Centres at all of the Company's delivery sites. This enables Rolta to emulate complex customer environments and participate in alpha and beta product testing. The Company thus gains insights into product roadmaps and develops custom features to meet, and sometimes even exceed, exacting customer requirements.

In every project, Rolta makes it a priority to focus on quality, knowledge transfer and process simplification as the Company helps its clients meet their objectives. Whether to improve or safeguard existing business processes, reduce the overall cost of operations, or establish a competitive advantage, Rolta has the experience and project management expertise necessary to ensure a successful IT implementation

Rolta's mature product lines include web GIS, multi-platform database virtualization, rapid SOA enablement as well as data cleaning and conversion which enables the company to craft out unique Fusion solutions cutting across data silos within the customer's IT environment. A well planned product development roadmaps for each of these products ensures Rolta's ability to provide effective solutions in the rapidly evolving technology arena.

Rolta has been certified at the highest levels for its processes and quality framework, including SEI CMMi Level 5, ISO/IEC 27001:2005, ISO/IEC 20000-1:2005 and ISO 9001:2000. Rolta is amongst the first 5 Indian companies to be awarded the BS ISO/IEC 27001:2005 accreditations, the ultimate benchmark for information security.

The British Standards Institution (BSI) has also awarded Rolta, the ISO 20000 certification which is specifically aimed at IT Service Management. The Company's experience in IT operations and IT Infrastructure Library (ITIL) practices ensures effective resource management and service support.

Rolta's E-ICT Business Group has thus been transformed completely and it has been made possible due to the company's rock-solid foundation, a resource base of hundreds of technical experts, deeply ingrained Quality practices and procedures, deep-rooted IT security and services and a strategic combination of acquisitions.



Customers

Rolta customer base is spread over 40 countries with over 1,000 projects executed worldwide.

Rolta has worked for a variety of customers that includes American Express, ATOS Origin, Birla Sun Life, Central Water Commission, Centurion Bank, Deloitte and Touche, Department of Defence, Devon Energy, Exim Bank, Dow Corning, Daimler Chrysler, Eurobank, Emerson Process, Erste Bank, Estee Lauder Inc, Federal Reserve Bank, Fujitsu, Greater Bay Bancorp, Gujarat Pollution Control Board, HDFC Bank, HPCL, HSBC, IDBI Bank, Jacksonville Electric Authority, John Hopkins, Logitech, Larsen & Toubro, Ministry of Interiors Saudi, Municipal Corporation of Greater Mumbai, Northrop Grumman, Omni Tech, Orlando Health, Purdue University, Reserve Bank of India, RJ Reynolds, Saudi Electricity Company, Schneider Technology Services, SITA, Sprint-EMBARQ, State Bank of India, State of Alabama (DHR), SunTrust, Tata Consultancy Services, Tata Interactive Services, TD Bank, TNT, Toshiba America Information Systems, Travelex, Turner Broadcasting, Vodafone, Wal-Mart, Weapons & Electronic Systems Engineering Establishment among others.

Value Chain

Rolta continuously makes significant investments in research and development and its efforts are recognized by the Government of India's department of Scientific and Industrial Research. Strategic acquisitions have also resulted in Rolta owning Intellectual Property in GIS, Photogrammetry, Imaging, SOA enablement, Remote Database management, Data cleansing and conversion arenas.

Rolta's product development team continues to add new features and functionality to these products to enhance their capability. The company continues to develop in-house proprietary technology solutions that effectively address the ever-changing e-Business, e-Fusion, Geospatial Fusion and e-Security environments.

Over the years, Rolta has adopted a highly successful and time-tested strategy, which involves a strong emphasis on the absorption and thorough understanding acquired through partners, selective and careful evaluation of emerging technologies, identification of the gaps between indigenous requirements and the technology available from partners, and then developing innovative bridging solutions to meet customer requirements.

This strategy enables the company to develop and introduce unique solutions that create the best long-term value for customers. Such efforts result in the creation of specialized software toolkits and products, development of state-of-the-art techniques and processes, thereby enabling Rolta to continuously move up the value-chain and meet specific customer requirements.

The rapid evolution of the E-ICT Group enables customers to engage Rolta for their end-to-end requirements encompassing their entire IT technology stack from a single source.

Rolta can now provide Business Intelligence, tailored deployment of Enterprise applications, Fusion of disparate legacy systems and databases with the aid of unique Rolta products, Database architecture and management as well as IT security and network management, together with ongoing managed services for optimal performance.

Rolta offers its customers an unchallenged value proposition based on:

- Unique, globally integrated, onsite-offshore model
- Strong functional, domain and technical expertise
- Integrated knowledge management framework
- Project management and quality best practises governed by leading International standards
- Mature Fusion products
- Ongoing managed services for optimal performance

Portfolio of E-ICT Solutions

Rolta e-Fusion™	• Rolta Periscope™ – Multiplatform Database Virtualisation • Rolta iPerspective™ – Rapid Service Oriented Architecture enablement • Rolta C3™ – Data cleansing, conversion and clarification toolkit for Data Warehousing • Rolta DBA management toolkit for RDBA managed services
Business Intelligence	• Business Analysis, BI reporting, portals, dashboards, and KPIs • Executive Information Systems, Data Management Practices • Multidimensional Analysis, Data analysis, acquisition, and transformation • Data Marts / Warehouse Creation, Master Data Management
Enterprise Applications - ERP	• Business process re-engineering covering Financials, Projects, HRMS, CRM, Corporate Performance Management, Distribution • Functional / technical requirements, Gap analysis, Module configuration • Technical development for interfaces, conversions, extensions & reports • Expert "Applications" DBA support • Production deployment & system testing • Post-production managed services and support
Database Services	• Development Services – Oracle & Open Systems • Remote DBA, Database & OS Support • Cross-Platform Data and Code Migration • Custom Application Development using Rapid Application Development Tools • Disaster Management, Backup recovery
Data Security & Service Management	• Security-Access Control, Identity and Access Management • Business Services Management (Service Support & Delivery Management) • Enterprise Network & Systems Management, Application Performance Management, Project, Portfolio & Financial Management • IT Compliance and Governance • Database Performance Management, Upgrade & Patch Management
Consulting Services	• Optimization Integration • Analysis Design & Solution Architecture • Database Development, Compliance Assessment Monitoring • ITIL Configuration Implementation Migrations

Rolta's Unique Positioning in the E-ICT Landscape

Healthcare & Finance	Oil, Gas & Petrochemicals	Defense & Government	Communication & Utilities

Enterprise level, state of the art solutions & services from Rolta

Rolta's e-Fusion™

Integration and Fusion Tools

Business Intelligence

Oracle Hyperion, Oracle OBIEE, Business Objects, Cognos Business Analysis, Dash Boards, KPIs, Data Mining, etc.

Enterprise Applications

Oracle Enterprise Resource Planning Financials, HR, CRM, Projects, etc.

Database Management & Administration

Oracle, DB2, SQL Performance Management, Remote Administration, etc.

Data Security & Security Management

IAM-SSO, Service Desk, Spectrum, e-Health, Wily, Clarity Access Control, Service / Network / Application Management, etc.

Enterprise level, state of the art solutions & services from Rolta

Shareholder Information

Registered Office and Corporate Headquarters:
Rolta Tower 'A", Rolta Technology Park, MIDC-Marol, Andheri (East), Mumbai 400093. Telephone: +91(22) 29266666 / 30876543 Fax: + 91(22) 28365992

Contact Persons

- Financial Matters
  Mr. Hiranya Ashar
  Director-Finance & Chief Financial Officer
- Company Secretary
  Mr. Harjinder Singh Executive Vice President
- Transfer Agent and Registrar (SEBI Cat. II R & T)
  Mr. Saghan Srivastava,
  Vice President & Dy. Company Secretary
  Mr. Venkat G R Manager (Investor Services)

Website:
The website of the Company carries relevant information in regard to the results of the Company, dividend declared by the Company, price sensitive information if any and launch of new products & services by the Company. The Company's website address is www.rolta.com.

Annual General Meeting:
24 November 2008 at Shri Bhaidas Maganlal Sabhagriha, U-1, Juhu Development Scheme, Vile Parle (W), Mumbai 400 056 at 11.30 a.m.

Dividend for the Year Under Review:
Rs.3.00 per share (proposed)

Date of Book Closure:
17 November 2008 to 24 November 2008 (both days inclusive).

Financial Calendar for the Year 2008-2009 (tentative)

Un-audited Financial Results

First Quarter	September 2008	During October, 2008
Second Quarter	December 2008	During January, 2009
Third Quarter	March 2009	During April, 2009

Audited Financial Result
For the Quarter and Financial year ended June 30, 2009 on or before September 30, 2009

Listing Details:

Equity Shares

1. Bombay Stock Exchange Limited , Mumbai, (BSE)
   Phiroze Jeejeebhoy Towers, Dalal Street,
   Mumbai 400001.
2. National Stock Exchange of India Limited, (NSE)
   Exchange Plaza, Bandra-Kurla Complex,
   Bandra (East), Mumbai 400051.
3. Depositories:
   National Securities Depository Ltd. (NSDL)
   Central Depository Services (India) Ltd. (CDSL)
   ISIN No. INE293A01013

Annual Listing fees for the year 2008-2009 (as applicable) have been paid to the Stock Exchanges.

International Listing

London Stock Exchange
10 Paternoster Square, London, EC4M 7LS
The Company's Global Depositary Receipts (GDR) Programme has been listed on the Main Board of the London Stock Exchange plc (LSE).

The GDRs are traded on the London Stock Exchange under the Ticker Symbol RTI. Each GDR represents one equity share.The GDRs began trading on the LSE on April 18, 2006, when they were issued by the Deutsche Bank Trust Company (the Depositary), pursuant to the Deposit Agreement. The Rule 144A GDRs have been designated as eligible for trading in the Portal Market of The NASDAQ Stock Market, Inc. (PORTAL) As on June 30, 2008, there were 6,58,394 GDRs (equivalent to 6,58,394 equity shares) outstanding.

Singapore Securities Exchange Trading Ltd.
2, Shenton Way, #19-00, SGX Central 1, Singapore 06880
The Company's Zero Coupon Foreign Currency Convertible Bonds (FCCBs) are listed in the bonds market of Singapore Securities Exchange Trading Ltd. Under SGX-St ISIS X50305967498.

Other details
The ISIN Number for the Company's Ordinary Shares is INE293A01013. The Stock codes of the Company's Ordinary Shares at BSE are '500366' (rolling settlement) and at NSE is 'ROLTA'. The following are the relevant details of the GDRs listed on the London Stock Exchange

Type	Ticker Symbol	Description	DR ISN - Reg S	DR ISN - 144A S
GDR	RTI	Equity Shares	US7757902074	US7757901084

Two-way Fungibility of Depository Receipts
The Company offers foreign investors the facility for conversion of Ordinary Shares into Depository Receipts within the limits permissible for Two-way Fungibility, as announced by the Reserve Bank of India vide its circular dated February 13, 2002.

Registrars and Transfer Agents:
Since the IPO, the in-house Investor Service Centre, set up by the company provides share registration and other related services. The Company is registered with SEBI as Category II Share Transfer Agent. The Investor Service Centre is located at the Registered Office of the Company.

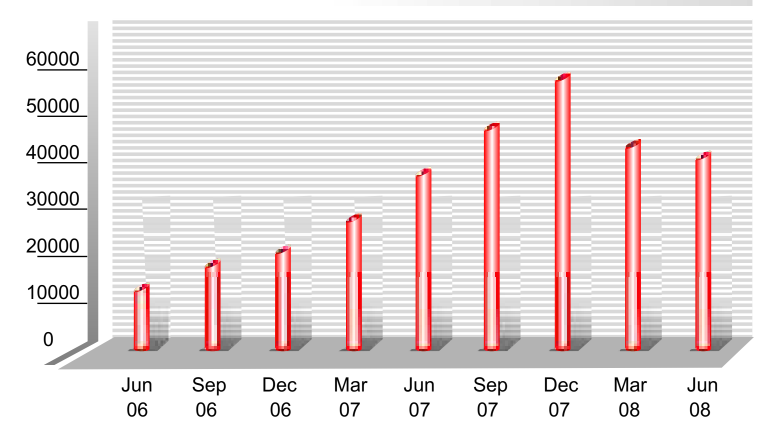
Name and Address of the Depository Bank for the Purpose of GDRs

In the US	In India
Deutsche Bank Trust Company Americas Trust & Securities Services 60 Wall Street, 27th Floor, MS # NYC60-2727 New York, NY10005, USA	Deutsche Bank A.G. Trust & Securities Services Hazarimal Somani Marg, Fort, Mumbai - 400 001 India

Name and address of the Custodian in India for the purpose of GDRs
ICICI Bank Limited
Securities Markets Services,Empire Complex, F7/E7 1st Floor, 414 Senapati Bapat Marg, Lower Parel, Mumbai - 400 013.

Trustee for the purpose of FCCBs
Deutsche Trustee Company Limited
Winchester House, 1 Great Winchester Street,
London, EC2N2DB, United Kingdom.

MARKET CAPITALISATION Rs. in million



Principal Agent and Transfer Agent for purpose of FCCBs
Deutsche Bank AG, London Branch
Winchester House, 1 Great Winchester Street,
London, EC2N2DB, United Kingdom.

Registrar for the purpose of FCCBs
Deutsche Bank Luxembourg S.A.
2, Boulevard Konrad, Adenauer , L-1115, Luxembourg.

Stock Code:

BSE - 500366	SGX-ST ISIN	X50305967498	
NSE - ROLTA	BLOOMBERG	- RLTA@IN	
LSE - RTI	REUTERS	- ROLTA BO	

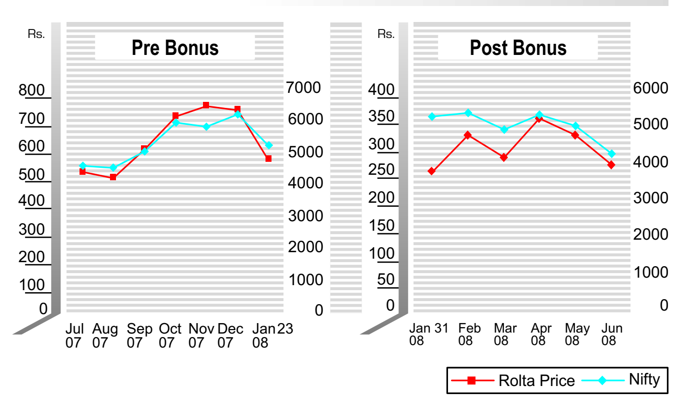
The shares form part of the following indexes on BSE and NSE.

BSE	NSE
BSE Midcap	Nifty Midcap 50
BSE 200	CNX IT
BSE 500	S&P CNX 500
BSE Teck	

The shares are also traded under the "Equity Options" and "Equity Futures" in the F&O segments of NSE and BSE.

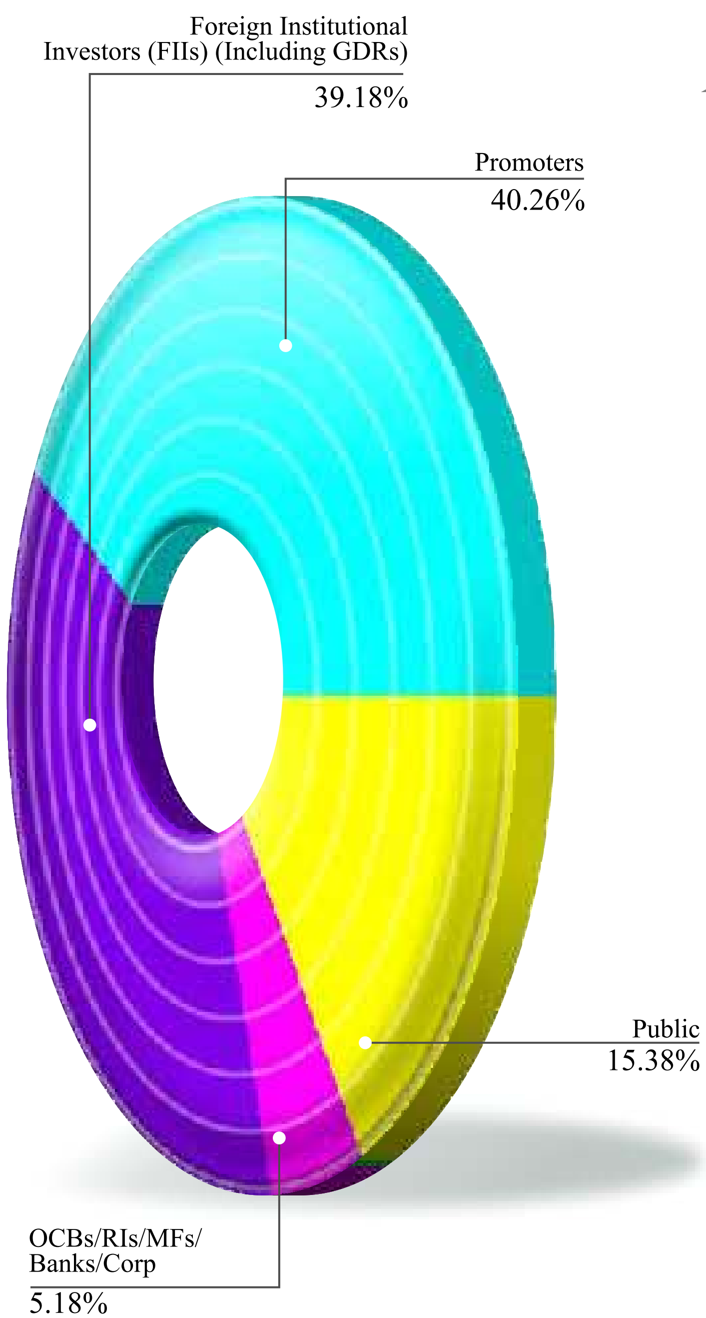
Volume as percentage of Equity
The Company's scrip continues to enjoy high trading volumes in relevant stock exchanges offering high liquidity. Over 73% of the trading volume is on the NSE. The total number of shares traded on National Stock Exchange and Bombay Stock Exchange Limited between July 1, 2007 and June 30, 2008 was 231,334,504 which represents 143.78 % of the Share Capital of the Company as on 30th June 2008.

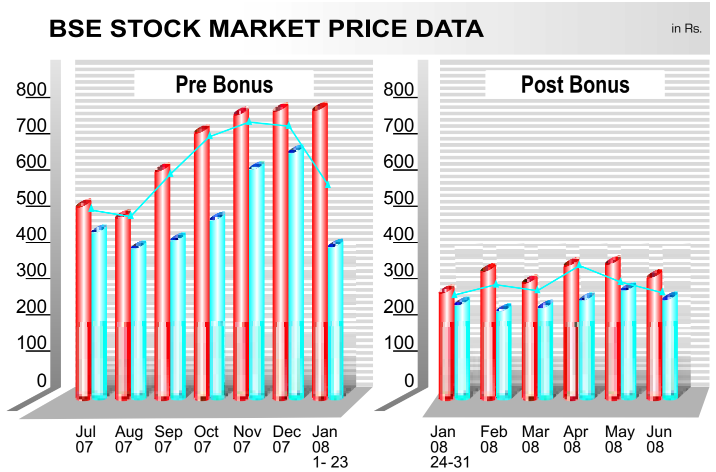
PERFORMANCE OF ROLTA IN COMPARISON OF NIFTY



Shareholder Information

Shareholding Pattern as on June 30, 2008





Rolta Monthly Price (BSE) July 07 to June 08

Date	High (Rs.)	Low (Rs.)	Close (Rs.)	Avg. Close (Rs.)	Daily Avg. Volume
PRE BONUS					
Jul 07	505.00	449.05	495.35	470.69	215077
Aug 07	491.10	404.50	469.90	449.48	161522
Sep 07	607.20	432.00	572.90	504.70	401949
Oct 07	726.75	487.00	695.10	619.65	360555
Nov 07	775.00	617.85	729.65	692.89	135274
Dec 07	780.00	660.00	714.70	715.93	109464
Jan 08	780.00	400.00	540.95	573.65	222791
POST BONUS (1:1)					
Jan 08	253.90	221.50	233.35	236.25	111894
Feb 08	336.25	238.50	303.10	293.92	492675
Mar 08	308.00	241.25	262.20	275.87	183898
Apr 08	347.00	256.50	339.10	303.31	294239
May 08	347.90	288.35	303.25	310.59	211013
Jun 08	315.00	242.10	246.25	291.68	226828

Note : Company issued bonus shares in the ratio of 1:1 and ex-bonus date was Jan 24, 2008 on NSE / BSE.

Shareholding Pattern as on 30th June 2008

Category (No. of Shares)		No. of Shareholders		No. of Shares held (Rs.10)		% to Total No. of Shares	
From	To	Physical	Demat	Physical	Demat	Physical	Demat
1	250	8833	64776	12683630	55054780	0.79	3.42
251	500	3252	11149	11692210	41271070	0.73	2.57
501	1,000	868	5140	6070860	38373330	0.38	2.38
1001	2,000	165	1731	2505930	26181310	0.16	1.63
2001	3,000	43	470	1120640	12051840	0.07	0.75
3001	4,000	14	241	515500	8720550	0.03	0.54
4001	5,000	6	100	286000	4666060	0.02	0.29
5001	10000	6	194	377000	14025730	0.02	0.87
10001 &	Above	3	260	524000	1372855070	0.03	85.32
	TOTAL	13190	84061	35775770	1573199740	2.22	97.78
	Grand Total	97251		1608975510		100.00	

Payment of Dividend - Electronic Clearing Service (ECS)

Since last few years, the Company is arranging for payment of dividend for equity shares held in electronic form, through Electronic Clearing Service in order to ensure faster and safer distribution of dividend. The dividend will be remitted through ECS, wherever banks provide such services, on the basis of beneficial ownership as per the details furnished by NSDL and CDSL for this purpose. Members holding shares in electronic form are requested to update their bank details, including the 9 digit MICR number appearing on the cheque, with their respective Depository Participant (DP), to facilitate the distribution of dividends. Members are requested to furnish complete details of their bank accounts including MICR code of their banks to their DPs. In respect of shares held in physical form, members desirous of receiving dividends by way of direct credit to their bank accounts through ECS may authorize the company with their ECS mandate. For details, kindly write to the Company Secretary at the Registered Office of the Company.

Bank Details:

In order to provide protection against fraudulent encashment of dividend warrants, members are requested to provide, if they have not already done, their bank account number, bank account type and name and address of bank branch, quoting folio number to the Company Secretary at the Registered Office of the Company (in case of physical shareholding) to enable the Company to incorporate the same on the dividend warrants.

In case of dematerialized holding the bank account details should be intimated to the shareholders' DP.

Shareholder Initiatives :

Shareholders strengthening initiatives include :

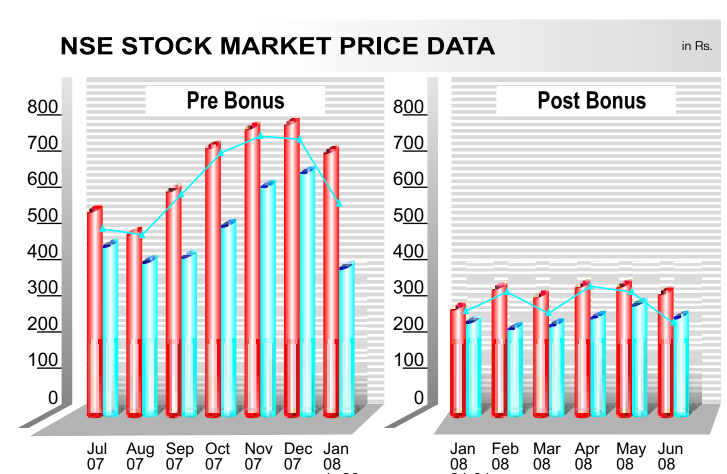
The company has an in-house share transfer department, which enables a quicker turn around in the share transfer process for the benefit of the shareholders. The company has paid a one-time custody fee to National securities Depository Limited to pass on the benefit of reduced custody charges to its shareholders. Shareholders queries and grievances are replied promptly. Dividend warrants are normally mailed within a week from the date of declaration at the AGM. Members are sent at least 3 reminders regarding unclaimed dividend before the same is transferred to investor Education & Protection Fund.

Company has also taken certain Investor Friendly initiatives to provide transparency & valuable information such as :

1) The company hosts post result Earnings calls for Institutional investors & Analysts to talk to the management on results & outlook.

2) Company has also put up information useful to investors on its website as under:
   - a. Annual Report
   - b. Quarter Results
     - i. Financials
     - ii. Press Release
     - iii. Transcript of Earnings Call
   - c. Events & Presentation
     - i. Financial Calendar
     - ii. Investor Presentation
     - iii. Corporate Audio Visual
   - d. Key Financial Data
   - e. Share Holding Pattern
   - f. Research Report on Company by various analysts

The company continues to improve the quality of information dissemination to investors by making information available on the web as well as by making the Annual Report more transparent and investor friendly.



Rolta Monthly Price (NSE) July 07 to June 08

Date	High (Rs.)	Low (Rs.)	Close (Rs.)	Avg. Close (Rs.)	Daily Avg. Volume
PRE BONUS					
July 07	525.00	448.00	495.10	471.20	579744
Aug 07	490.50	405.15	470.45	449.90	441836
Sep 07	607.00	431.10	575.60	504.92	1204596
Oct 07	728.00	506.45	695.05	619.48	856574
Nov 07	773.00	616.00	733.85	692.89	377844
Dec 07	791.25	660.05	715.35	715.85	406240
Jan 08	769.90	400.00	539.40	680.70	383437
POST BONUS (1:1)					
Jan 08	299.85	220.10	232.15	263.71	907761
Feb 08	335.90	235.00	303.80	293.99	1279597
Mar 08	308.00	242.00	261.35	275.80	614387
Apr 08	346.85	256.00	339.35	303.44	716078
May 08	346.50	287.70	303.85	310.91	701368
Jun 08	315.30	256.50	246.00	280.17	503415

Note : Company issued bonus shares in the ratio of 1:1 and ex-bonus date was Jan 24, 2008 on NSE / BSE

Economic Value Added

EVA represents the value added to the stakeholders by generating operating profits in excess of the cost of capital employed in the business. The Company's business model focusing on value-added products and services empowered Rolta to generate returns commensurate with its investments. Result: the Company reported a positive EVA year after year, endorsing its ability to meet shareholder expectations.

Rs. 669 million

Brand Valuation

The Rolta brand is more than just a name - it is a trust mark that the customers have come to rely upon. It effectively communicates Rolta's ability to offer pioneering solutions to meet market demands and the values associated with its products and services. Rolta's robust brand strength also indicates that the Company's financial growth will continue to be stable and lasting.

Rs. 20,693 million

Human Resource Valuation

Human capital is one of the several strengths that drive growth. At Rolta, this rich and intangible intellectual capital renews its income, drives innovation and enhances profitability leading to a sustainable increase in shareholder value.

Rs. 106,710 million

Economic Value Added

The Company engaged Grant Thornton, leading International Accountants, for the valuation of Rolta's Brand and Human Resources as on June 30, 2005 and EVA for 2004-05. Using the same principles, methodology and assumptions, corresponding values for the year ended June 30, 2008 have been computed by the company's Auditors. Relevant details and figures are reproduced below. A balance sheet discloses the financial position of a Company.

The financial position of an enterprise is influenced by the economic resources it controls, its financial structure, liquidity and solvency and its capacity to adapt to changes in the environment. However, it is becoming increasingly clear that intangible assets have a significant role in defining the growth of a hi-tech Company. So quite often the search for the added value invariably lead us back to understanding, evaluating and enhancing the intangible assets of the business.

ECONOMIC VALUE ADDITION (EVA)

Economic Value Added (EVA) is the financial performance measure that aims to capture the true economic profit of an enterprise. EVA is developed to be a measure more directly linked to the creation of shareholder wealth over time. Hence, it focuses on maximizing the shareholders wealth and helps company management to create value for shareholders. EVA refers to the net operating profits of the Company less a charge for all capital invested in the Company which is the opportunity cost.

EVA = Net Operating Profit After Taxes (NOPAT) - {Capital* Cost of Capital}

ROLTA EVA

The EVA of Rolta for 2007-08 has been estimated as shown in the table below.

(Rs. In Million)

Particulars	2007-08	2006-07	2005-06
Net Profit after Tax	2,629	1,823	1,394
Adjustment for extraordinary exceptional item	0	0	0
Add: Interest (net of taxes)	0	0	93
Net Operating Profit after Tax (NOPAT)	2,629	1,823	1,487
Average Capital Employed	18,902	10897	8,340
Cost of Capital Employed	1,960	1,419	1,150
EVA = (NOPAT - Cost of Capital Employed)	669	404	337

ASSUMPTIONS

WACC

The Company has estimated the Weighted Average Cost of Capital (WACC) based on the weighted average cost of equity and debt. To arrive at cost of equity, the Capital Asset Pricing Model (CAPM) has been used the formula being

Ke = rf + b (rm - rf)
where ke= Cost of Equity
rf = Risk free Return
rm= Market Rate of Return and hence
rm - rf = Risk Premium and
b (beta)= Measure of Market Risk

Risk free return has been estimated based on 10 year benchmark Government of India Security as on the date of valuation, risk premium based on long term stock market returns and beta based on Rolta stock price movements compared to index movement. Based on these, the Company has worked out the discount factor for Rolta as 10.37%.

Brand Valuation

VALUING THE BRAND

Brands are more than just a name, a trademark for a product, or a service mark for a service. A brand is a complex concept that creates organizational value and performs a number of important functions for every enterprise. Brands and their combined Brand Equity constitute a major economic force within the entire global economy, delivering marketplace value, shareholder wealth, livelihood, prosperity, and culture. Successful brands are recognized as rare and valuable assets that must be exploited carefully, with wise and knowledgeable management that retains their financial value, their economic power, and their social significance. A brand is a very special asset and in many businesses it is the most important asset. This is due to the far reaching economic impact that brands have on enterprise. Brands influence the choice of customers, employees, investors and government authorities. In a world of abundant choices such influence is crucial for commercial success and creation of shareholder value. Brands have also demonstrated a unique durability and sustained competitive advantage unmatched by any other corporate asset.

In the case of Rolta or other service-focussed companies, especially knowledge based services companies, the "Brand" is more often the name of the Company which becomes the sole differentiator from any other generic service provider. Hence, in this case, "Rolta" is the brand, which has been valued.

Brand is an intangible asset and there are several methodologies suggested and prevalent for valuing brands. Some of these methods are cost, market value, economic use and royalty relief.

Based on the information available, practicality and appropriateness, The Company has used the "Economic Use" Model. This model is one of the standard methodologies in brand valuation by companies in the software industry.

ECONOMIC USE METHOD

This method uses a combination of market factors and financial parameters to arrive at the value of the brand. It uses a Brand Strength Model which arrives at a brand strength score based on various market parameters. This score is multiplied by the net brand earnings to estimate the brand value.

The Brand Strength Model is used to determine the value of a brand based on the assumption that a strong brand is more reliable for future earnings with lesser risk.

ROLTA BRAND VALUATION

A brand multiple of 14.07 has been arrived at for Rolta by assigning scores for various market parameters. The profit before interest and taxes of the Company is adjusted for non-brand items and a charge on capital employed is deducted from the adjusted brand profits. Thus, the profit after tax attributable to brand and other intangible items is arrived at. This is multiplied by the brand multiple to arrive at the brand value as shown in the table below.

(Rs. in Million)

Particulars	2007-08	2006-07	2005-06
Profit before Interest and Taxes	3,059	2,037	1,679
Less: Non Brand Income	105	85	71
Adjusted PBIT	2,954	1,952	1,608
Profit for the brand and associated intangibles	2,954	1,952	1,608
Average Capital Employed	14,496	8,387	6,804
Remuneration of Capital %	5%	5%	5%
Remuneration of Capital	725	419	340
Profit after tax attributable to Brand and associated intangibles	2,229	1,533	1,268
Income Tax	758	516	427
Profit after tax attributable to Brand and associated intangibles	1,471	1,017	841
Brand Multiple Applied	14.07	15.15	15.15
Brand Value	20,693	15,405	12,742

Assumptions

The key assumptions used are

- Total revenue excluding other income after adjusting for cost of earning such income is brand revenue, since this is an exercise to determine the brand value as a company and not for specific products or services.
- Tax rate is at 33.99% (Base rate of 30%, surcharge of 10% on base rate and cess of 3%)
- The earnings multiple is based on a brand strength model where Rolta is ranked on various parameters such as leadership, stability, market, geographic spread, trend, support and protection.

HR Valuation

Human Resources (or Human Capital) valuation refers to identifying and measuring the value of human resources of a company. Employees are the most valuable resources of companies in the services sectors and more so in the knowledge-based sectors. Like all other resources, employees possess value because they provide future services resulting in future earnings.

Broadly, there are two key approaches to value HR. These are cost based and economic approaches. Cost based approach can further be classified into three:

- **Historical cost method:** The human resource costs are current sacrifices for obtaining future benefits and therefore to be treated as assets. The method suggests to capitalize the firm's expenditure on recruitment, selection, training and development of employees and treat them as assets for the purpose of human resource accounting. However, capitalization of costs, may not reflect value.
- **Replacement cost method:** This method involves assessment of replacement cost of individuals, and rebuilding cost of the organization to reflect HR asset value of both the individuals and the organization. However, the replacement cost may not reflect either the actual costs or the contribution associated with HR.
- **Opportunity cost method:** This model envisages computation of monetary value and allocation of people to the most promising activity and thereby to assess the opportunity cost of key employees through competitive bidding among investment centers. It may be practically difficult to implement and measure.

The economic approach focuses on future and future earnings. There are several models developed based on this approach.

ECONOMIC APPROACH MODEL

This model estimates the future earnings during the remaining life (in the organization) of the employee and then arriving at the present value by discounting the estimated earnings at the Company's cost of capital. In this model, each employee's cost to Company (CTC) should be forecasted and discounted back separately. The growth rate of earnings of each employee till retirement should be determined for projecting the CTCs after looking into the Company's compounded annual growth, CTCs for different employee classes, global industry trends for the future, and sustainable growth rates for the next 25-30 years. The attrition rates for the Company / industry should not be considered as a deduction factor, as the employees who leave the Company will be replaced by others, to maintain the level of operations and thereby the employee strength remains unchanged. The future earnings thus arrived at has to be discounted at the Company's cost of capital.

HR Valuation

Based on the above model, the value of Human Resources of Rolta has been arrived at Rs. 106,710 Million. This is summarized in the table below.

(Rs. in Million)

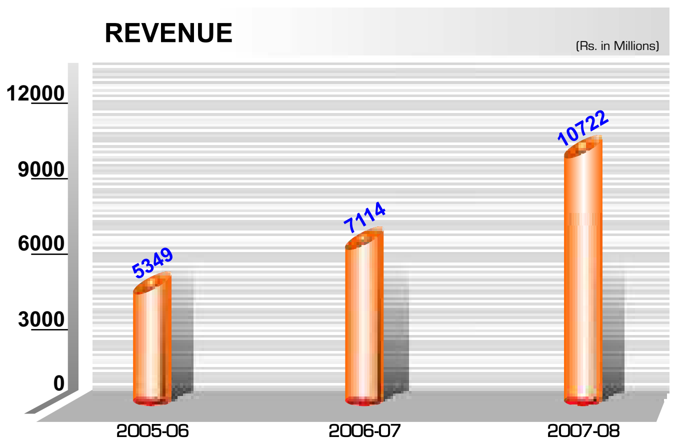
Particulars	2007-08	2006-07	2005-06
Total value of Human Resources	106,710	62,821	44,275
Revenues per employee	2.32	2.04	2.01
Net Profit per employee	0.49	0.49	0.47
Value of Human Resources per employee	22.70	17.80	16.40
Total Revenue / Total Value of Human Resources (Ratio)	0.10	0.11	0.12

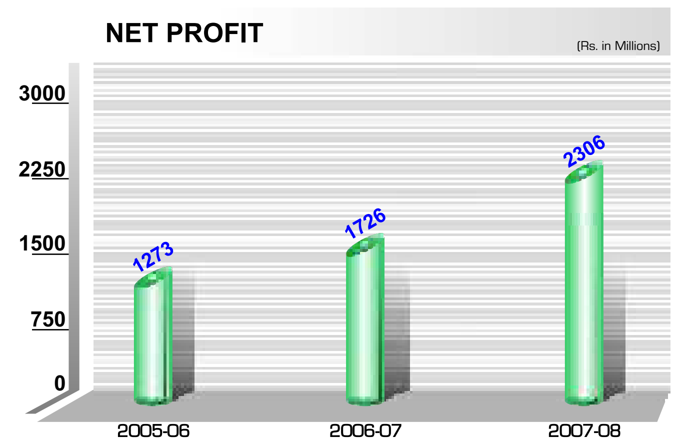
Assumptions

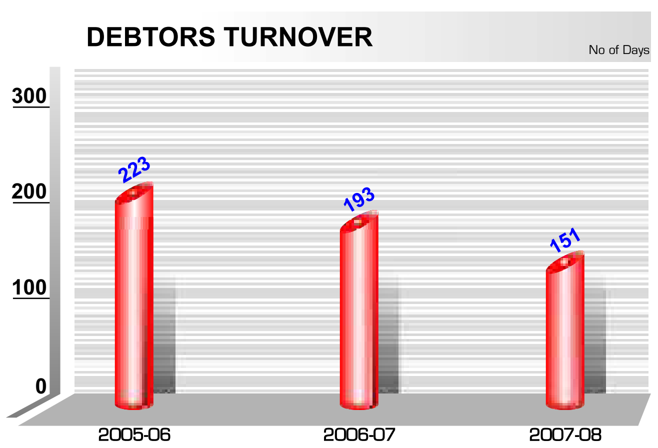
The key assumptions used are:

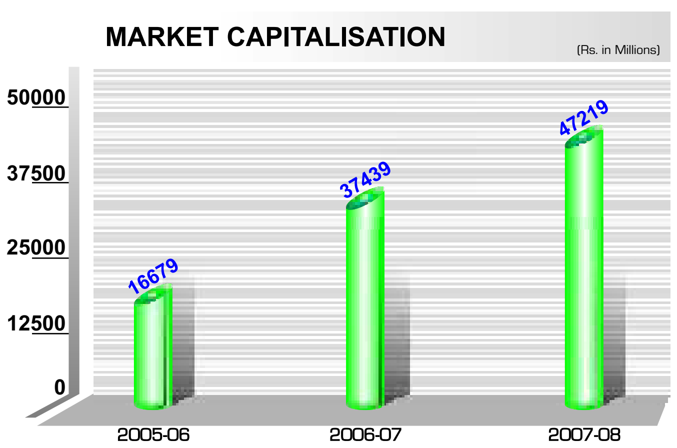
- Employee compensation includes all direct and indirect benefits, earnings both in India and abroad.
- The average annual increment is based on the increment paid during the last 3 years.
- Retirement age is as per Company policy.

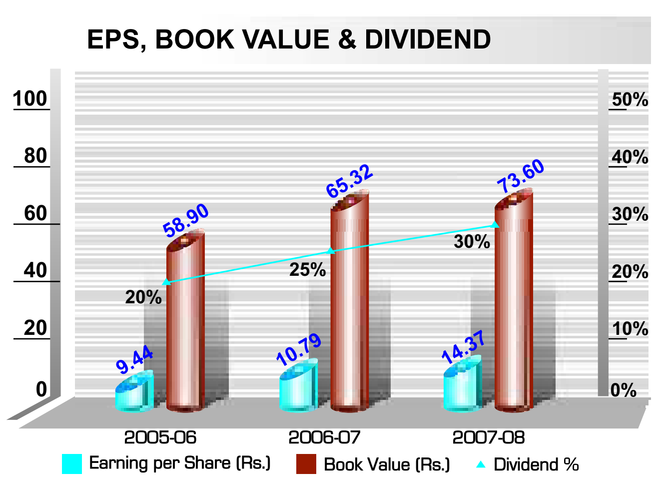
Ratio & Ratio Analysis



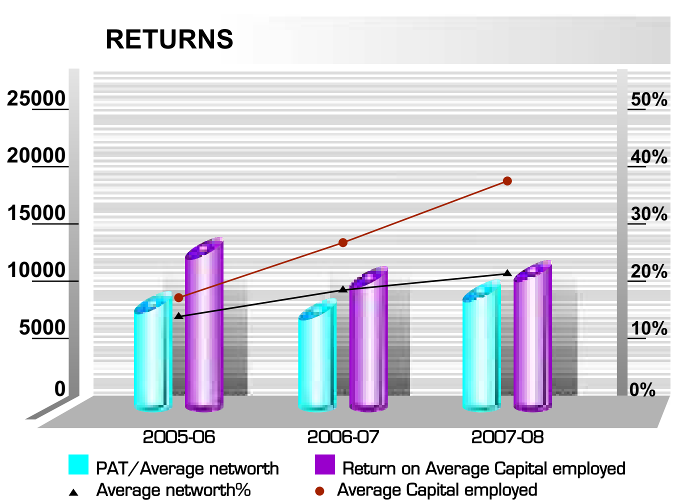




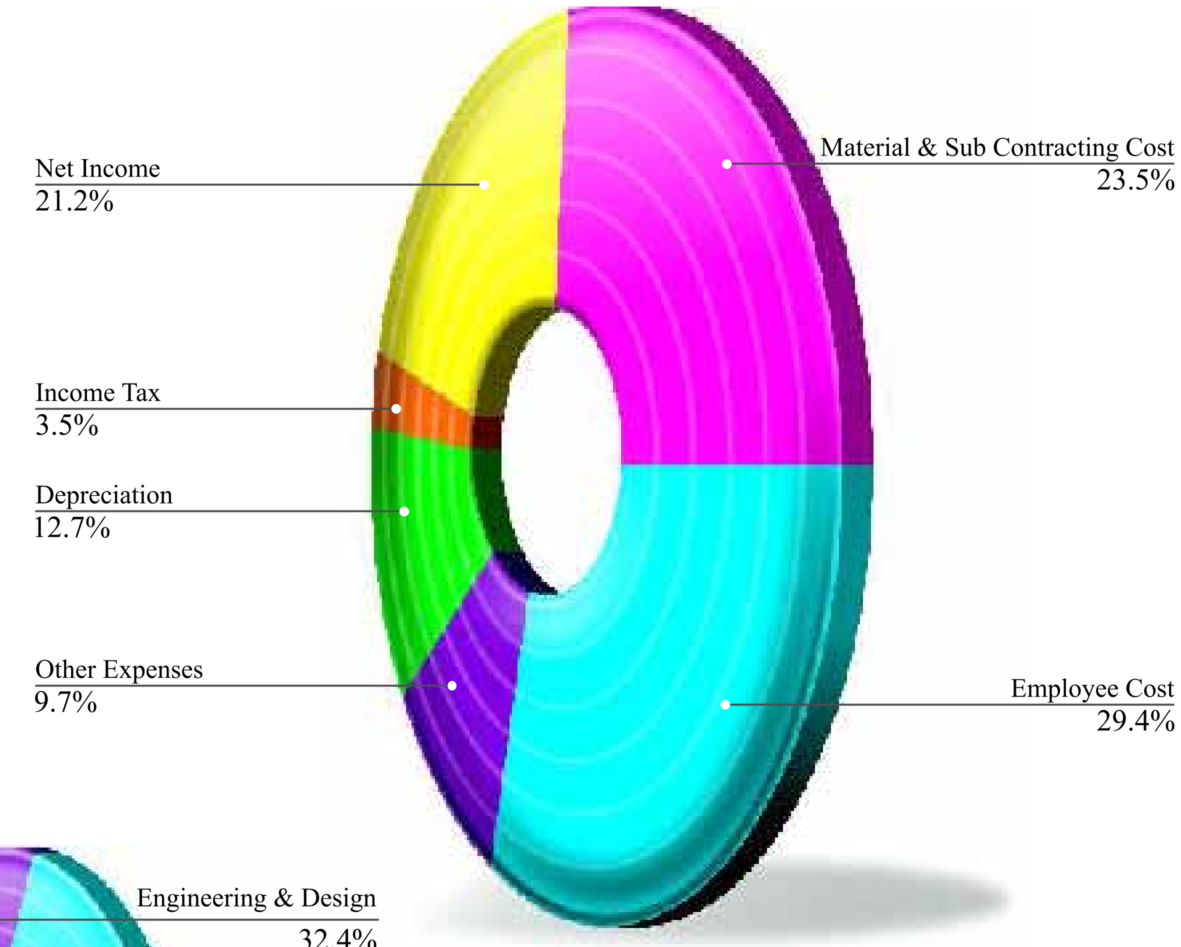


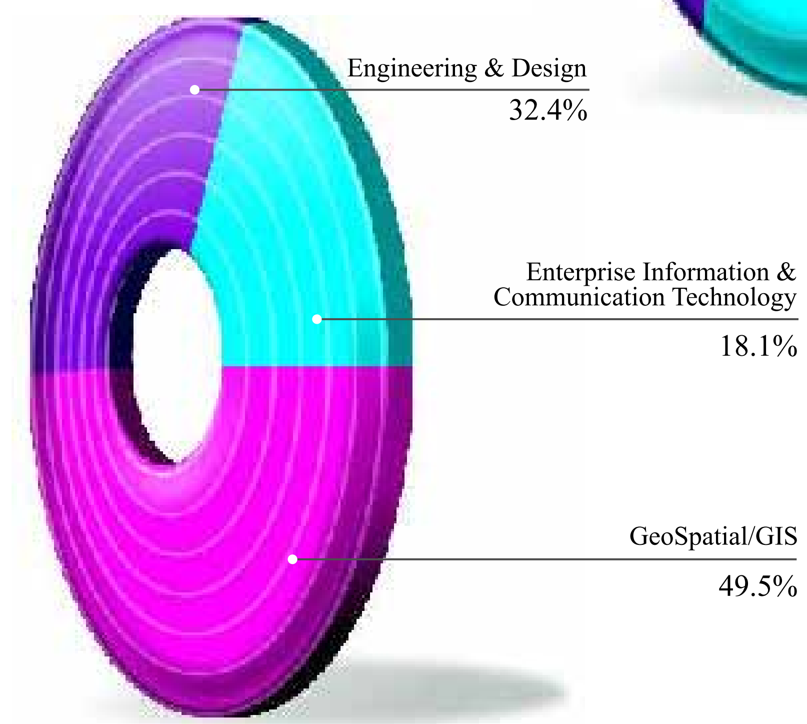


Note : Figures For 2005-06 and 2006-07 adjusted for the 1:1 issue of Bonus Shares in January 2008

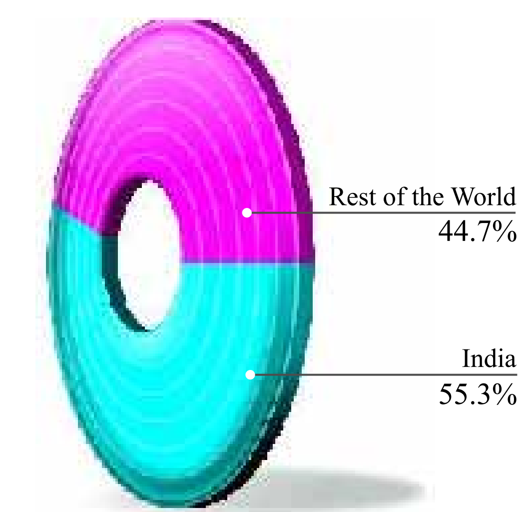


Distribution of Revenue 2007-08





Revenue Mix SBGs



Revenue Mix Geography

Directors' Report

Dear Members,

Your Directors are pleased to present their report on the business and operations of your Company together with the Audited Statement of Accounts and the Auditors' Report for the financial year ended June 30, 2008. The Financial highlights for the year under review are given below:

CORPORATE RESULTS

(Rs. in millions)

	Consolidated	
	Financial Year ended June 30, 2008	Financial Year ended June 30, 2007
REVENUE AND OTHER INCOME	10891.9	7216.6
Profit before depreciation & tax	4076.3	2961.4
Less:		
Depreciation	1382.5	1018.3
Profit before tax	2693.7	1943.1
Provision for tax	387.8	216.6
Profit after tax	2305.9	1726.4
Add:		
Balance of profit of earlier years	4756.9	3688.8
Balance available for appropriation	7062.8	5415.2
APPROPRIATIONS		
General Reserve	270.5	188.4
Dividend	497.8	400.6
Tax on Dividend	86.3	69.3
Balance carried to Balance Sheet	6208.2	4756.9

FINANCIAL PERFORMANCE

A combination of domain knowledge, strategic business initiatives and a robust business model enabled your Company during the Financial Year 2007-08 to deliver a buoyant performance. While growth was maintained at a sustained level in the domestic market, the momentum has been accelerated in various overseas markets. The financial performance for 2007-08 once again demonstrates your Company's ability to pursue multiple growth drivers and identify and nurture opportunities, providing a strong platform for future growth. Your Company's constant efforts in expanding its market in new and unique business areas combined with sustained investments in technology continue to be the growth engines of your Company.

Your Company's total consolidated revenue for the year 2007-08 was Rs. 10,891.9 million representing a growth of 50.9% (Rs. 7,216.6 million for the previous year ended June 30, 2007). The Net Profit after provision for taxation for the year ended June 30, 2008 was Rs. 2,305.9 million as against Rs. 1,726.4 million in the previous year signifying a healthy growth of 33.6%. The basic earning per share for the year was Rs. 14.37, computed considering the weighted average number of shares outstanding during the year as per the provisions of 'Accounting Standard -AS-20' issued by the Institute of Chartered Accountants of India.

Your Company's net worth increased to Rs. 11,841.4 million as on June 30, 2008 from Rs. 10,466.0 million in June 2007, reflecting the inherent strength of the Company. The book value per share is Rs. 73.60 signifying substantial enhancement in shareholders value.

Your Directors are pleased to inform you that your Company's standalone profits registered excellent growth and was Rs. 2,629.4 million as against Rs. 1,822.5 million in the previous accounting year reflecting a growth of 44.3%.

(Rs. in millions)

	Standalone	
	Financial Year ended June 30, 2008	Financial Year ended June 30, 2007
Profit before depreciation & tax	4412.9	3042.5
Less:		
Depreciation	1353.9	1005.1
Profit before tax	3059.0	2037.4
Provision for tax	429.6	214.9
Profit after tax	2629.4	1822.5
Add:		
Balance of profit of earlier years	5695.0	4523.4
Balance available for appropriation	8324.4	6345.9
APPROPRIATIONS		
General Reserve	262.9	182.2
Dividend	482.8	400.6
Tax on Dividend	82.0	68.1
Balance carried to Balance Sheet	7496.6	5695.0

Consolidated Financial Results under International Financial Reporting Standards (IFRS).

In continuation of its pursuit to provide transparent and additional information and in compliance with the regulation of the London Stock Exchange wherein your Company's GDRs have been listed, your Company also prepared its consolidated Accounts for the year ended June 30, 2008 drawn under the International Financial Reporting Standards (IFRS), duly audited in accordance with International Standards on Auditing by M/s Grant Thornton, a leading International Accounting firm.

As per the consolidated accounts drawn under IFRS, your Company recorded revenues and other income of Rs. 10891.9 million for the financial year ended June 30, 2008, whilst the net profit after tax for the year was Rs. 1759.2 million.

The difference in the net profit as arrived under the Generally Accepted Accounting Practices in India and net profit under IFRS was Rs. 546.7 million mainly on account of variation in the method of accounting for depreciation was Rs. 64.2 million, share based payments to employees was Rs.96.7 million, accounting for FCCBs was Rs.484.3 million and deferred taxation was Rs.25.1 million.

Dividend

After considering the Company's profitability, cash flow and future expansion needs your Directors are pleased to recommend a higher dividend of Rs.3.00 per share (post Bonus issue in the ratio of 1:1) of Rs.10/- each as against

Rs.2.50 per share (after adjusting 1:1 bonus) paid in the previous year. The total quantum of dividend, if approved by members, will be Rs.482.8 million as against Rs.400.6 million in the previous year, while Rs.82.0 million will be paid by the Company towards dividend tax and surcharge on the same as against Rs.68.1 million in the previous year. Dividend in the hands of the shareholders will be tax-free.

The Register of Members and share transfer books will remain closed from November 17, 2008 to November 24, 2008 both days inclusive. The dividend will be paid to those shareholders whose names appear on the Register of Members of the Company on November 24, 2008.

Financial Statements

Company believes that the Consolidated Financial Statements present a more comprehensive picture rather than the stand alone financial statement of Rolta India Limited and each of its subsidiaries. The Company has attached full text of Consolidated Financial Statements along with those of its subsidiaries and joint venture Company prepared as per Accounting Standards AS-21 and AS-27 of the Institute of Chartered Accountants of India and abridged accounts of parent company Rolta India Limited under section 219 of The Companies Act, 1956.

Section 212 of the Companies Act, 1956, requires that we attach the Directors' Report, Balance Sheet and Profit and Loss Account of our subsidiary companies. Since Consolidated Financial Statement are presented in the annual report which includes results of all subsidiaries, we applied to the Ministry of Corporate Affairs, Government of India and sought exemption from the requirement to present detailed financial statements of each subsidiary. Ministry of Corporate Affairs vide their letter dated 16th June 2008 granted their approval for exemption from attaching the annual accounts of our Subsidiaries. However the summarised financial information of the subsidiaries is published elsewhere in this Annual Report 2007-08, for information of members of the Company. The detailed financial statements and Audit Reports of Rolta India Limited and its subsidiaries are available for inspection at the Registered Office of the Company and upon written request from a shareholder, we will arrange to deliver copies of the detailed financial statements.

Business Operations Overview and Outlook

As per NASSCOM strategic Review-2008, the Indian IT sector's demonstrated ability to overcome challenges and continue on its strong growth trajectory reinforces the conviction in its fundamentally strong and sustainable value proposition. India continues to be the 'nerve-centre' for global sourcing with over 2/3rd of the Fortune 500 and a majority of the Global 2000 firms leveraging global service delivery -now sourcing from India. Market indicators and a strong track record strongly support the optimism of the industry in achieving its aspired target of US$ 60 billion in software and services exports and US$ 73-75 billion in overall software and services revenues, by 2010.

In the engineering services sector, the NASSCOM/Booz Allen study "Globalisation of Engineering Services", was the first to take a systematic and comprehensive view of the role of emerging markets in engineering services and assessing the evolution of the engineering market from 2005 to 2020. The study examined product and component design, plant design, process engineering and plant maintenance operations, for industries including automotive, aerospace, high tech, utilities, construction and industrial machinery. Current global spending on engineering services is US$ 750 billion projected to increase to US$ 1.1 trillion by 2020. The potential of offshoring engineering market in India is US$ 2 billion and is projected to increase to US$ 60 billion by 2020.

Business Outlook

During the year, your Company achieved consolidated revenues of Rs.10.72 Billion representing a growth of 50.7% and consolidated net profit of Rs.2.68 Billion signifying a growth of 38.2%. Your Company's three defined business segments aided by the engine of innovative application of technology enable it to deliver superior value to its customers. The innovative nature of solutions and services offered by your Company across the globe has enabled it to be unique and dynamic, and to take a path not trodden by many.

Rolta continues to retain its leadership position in GeoSpatial/GIS markets. Your Company is India's leading provider and developer of Information Technology based GeoSpatial Information Systems and one of the major providers of such services worldwide for segments such as defence, environmental protection, utilities, emergency services and town planning. With the launch of GeoSpatial FusionTM, high-end Photogrammetry and comprehensive Imaging technologies, Rolta has transformed its GeoSpatial offerings to now address large markets in the developed and developing worlds with its innovative solutions.

Your Company has strengthened its position in the Engineering & Design business segment and has won several large contracts from both owner-operators and EPC companies world wide. Your Company has continued to move up the value chain and has launched a unique engineering enterprise solution-Engineering FusionTM thereby strengthening your Company's position as a world-class services provider, for Owner-Operators. With multi disciplinary project experience and domain expertise in the oil, gas, refinery, petrochemical, conventional and nuclear power sectors, your Company provides a complete range of advanced engineering design services encompassing plant life cycle e.g. designing, modeling, detailing, analysis, operations, maintenance and simulation.

Your Company has accelerated its growth momentum in the E-ICT business group executing several large projects, worldwide. Your Company now addresses the enterprise-wide needs of companies, with its comprehensive range of solution and services for large scale ERP applications, sophisticated database requirements and business intelligence. Rolta has also launched mission-critical integration and fusion solutions built around Rolta e-FusionTM that enable instantaneous fusion of various disparate databases and software applications for generating real-time reports and immediate decision making.

Your Company's joint venture company Stone & Webster Rolta Limited (SWRL) has executed projects for petrochemical companies and large refineries apart from providing engineering design services for global projects of the Shaw Group. The JV is a vertically integrated organization providing complete EPCM services including Engineering Design, Procurement Services and Construction Management activities. The JV builds upon Stone & Webster's 115+ years of technology innovation and prowess and is very well placed to capture the huge opportunities from the emerging nuclear power sector by leveraging the strengths of the Shaw Group, a world leader in Nuclear Power, who also has a strategic stake in Westinghouse, a world leader in manufacturing nuclear reactors.

Your Company's joint venture with Thales, France, has been incorporated. Owned 51% by Rolta and 49% by Thales, the JV provides state-of-the-art C4ISTAR information and communication systems for Defence, Aerospace and Security markets. Leveraging your Company's strong position in the Indian Defence GeoSpatial market, the Industrial Licenses awarded to your Company for Defence equipment/systems and taking advantage of transfer of technology from Thales, this JV is strongly positioned to address the significantly large markets in India and internationally. The Ministry of Defense's policy regarding 'offsets' makes it mandatory for foreign organizations supplying defence equipment above certain threshold values to undertake obligations to obtain equipment/services from Indian companies up to a percentage of the contract value. This provision will further drive up the demand for defence related solutions and services provided by your Company.

Your Company has a clear and focused acquisition strategy. It will acquire companies, business divisions or technologies, that enable the Company to grow and which have attributes, like, cutting-edge IPRs, synergy with the Company's lines of businesses, an established track record, give your Company access to new markets, are culturally compatible, enable your Company to move up the value chain and are accretive to shareholder value.

In line with this philosophy, your Company has made various acquisitions. Your Company's US Subsidiary, Rolta International Inc., had acquired Orion Technology Inc., a Canadian software and integration company specializing in enterprise web-GIS solutions, in July 2007. This acquisition enabled Rolta to distinctively position itself as a provider of spatial integration consulting, software, and implementation services for global markets; for customers who have a growing need for innovative, web-based, platform-neutral geospatial solutions to efficiently integrate their GIS resources to meet the information needs of their constituents.

Through the acquisition of Broech Corporation (TUSC) in January 2008, a US based company having a global reputation as a source of unsurpassed expertise in high-end consulting for large-scale ERP applications, Fusion Middleware and core Database Technology based on Oracle Applications; your Company not only gained significant expertise, but also acquired advanced Intellectual Property, such as for data mining, visualization, instant SOA, etc. Your company continues to acquire advanced technologies and has also recently taken over WhitmanHart Consulting (WHC), thereby strategically positioning the Company in the high-end Business Intelligence domain.

Your company's International Operations contributed about 45% of the consolidated revenues during 2007-08 with an accelerated growth momentum. Various strategic decisions implemented in overseas subsidiaries have resulted in improved results and this trend is expected to be maintained. Your Company achieved this by streamlining costs across all overseas operations, adding new lines of business and improved focus on productivity. All the three regions, North America, Europe and Middle East, have reported better results. They have won several orders from prestigious clients in all the three segments of operation. Your Directors expect that with the efforts put in by the local management and by your Company, the operations of all the overseas subsidiaries will turn profitable in the near future.

Your Company's strategic partnerships have helped your Company to move up the value-chain and to maintain a technical edge over competition.

Your Company has addressed the needs of clients in the core sectors of Infrastructure, Defence, and Security during the past 25 years. These sectors are poised to grow rapidly, not only in India, but also world wide. Your Company, therefore, enjoys a vantage position to exploit emerging opportunities and thereby enter its next phase of growth with great confidence.

CORPORATE GOVERNANCE

Your Company continues to be committed to good corporate governance aligned with the best-of-breed corporate practices. It has complied with various standards set out by SEBI and various Stock Exchanges where it is listed.

A separate Report on Corporate Governance along with Auditors' Certificate on compliance with the conditions of Corporate Governance as per Clause 49 of the Listing Agreement with the Stock Exchanges is provided as a part of this Annual Report, besides the Management Discussion and Analysis, Risk Management and Shareholders Information.

Trading in your Company's equity shares was made compulsory in the dematerialized form for all shareholders with effect from November 29, 1999 in terms of the notification issued by SEBI. Your Company has achieved near total dematerialization with 97.77 % of its equity shares held in the electronic mode with NSDL and CDSL.

Your Company set up, after its initial public offer an in-house Investor Service Cell that is recognized by SEBI. Your Company has established connectivity with the NSDL and CDSL depositories in India to provide prompt transfer and demat services. Your Company accords high priority to the dissemination of information to investors by posting its Annual Report, Quarterly Results, and Press Releases on its website. Your Company has initiated various investor friendly measures as elaborated elsewhere in this Annual Report.

HUMAN RESOURCES

Rolta's favorable work environment that encourages innovation and meritocracy besides having a vibrant work atmosphere has made your Company an employer of choice across geographies. Your Company's HRD initiative revolves around the creation of a market driven organization. In response to this your Company has instituted scalable recruitment and human resource management.

Your Company's Human Resources policies are oriented towards its efforts to effectively drive an expanding business. Your Company encourages employees to build new skills and competencies and has created an environment for knowledge sharing and team building that fosters continuous learning and innovation which remains a cornerstone of your Company's HR strategy. As a result, your Company's HR initiatives revolve around a market-focused, customer-centric culture. The resultant intellectual capital of your Company is supported by strong HR policies. Your Company's remuneration structure is benchmarked to the dynamics of the market place. Various performance incentives including stock options ensure higher productivity and commitment from ROLTAites at all levels.

Your Company established Rolta Academy for high-end career oriented Technical Education and Training in various specialised domains, to engineers and IT Professionals, in specific domains such as Geospatial, Engineering Design, and Enterprise Information & Communication Technologies. This initiative has been immensely successful to create a work-force specifically trained on the Company's technologies and methodologies. This has not only enabled the Company to effectively meet requirements of rapid growth, but has also helped to improve motivation and reduce attrition levels.

Your Company formulated and implemented Employee Stock Option Plan in accordance with the guidelines issued by SEBI. The details of the options granted and outstanding up to June 30, 2008, as required by clause 12 of the SEBI (Employees Stock Option Scheme and Employees Stock Purchase Scheme) Guidelines, 1999, are set out in the Annexure to this Report. The Company has received a certificate from the auditors of the Company that the scheme is approved by Members in the General Meeting have been implemented in accordance with SEBI guidelines and the resolutions of the Company passed at the Annual General Meeting.

SOCIAL PROGRAMS

Your Company believes that contributing to the well-being and development of society is an extension of everything we do. Reaffirming our role as a contributing member of social and economic environment, your Company aligns its business operations with social values and has undertaken various programs for the upliftment of the underprivileged by reaching out through its Rolta Foundation for the benefit of society.

PARTICULARS OF EMPLOYEES

Our Company is presenting the abridged accounts under Section 219 of the Companies Act, 1956. Pursuant to the Rules and Forms read with Section 219 of the Companies Act, 1956, the particulars of employees as required by Section 217 (2A) of the Companies Act, 1956, read with the Companies (Particulars of Employee) Rules, 1975) have not been provided. However, the particulars of employees as required by Section 217 (2A) of the Companies Act, 1956, read with the Companies (Particulars of Employee) Rules, 1975, are available for inspection at the Registered Office of the Company and upon written request from a shareholder, we will arrange to deliver these details.

DIRECTORS' RESPONSIBILITY STATEMENT

As required by Section 217 (2AA) of the Companies Act, 1956, your Directors confirm that;

In the preparation of the annual accounts, the applicable accounting standards have been followed along with proper explanations regarding material departures, if any.

The Directors had selected such accounting policies and applied them consistently, and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year 2007-08 and of the profit of the Company for that financial year.

The Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act, for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities.

The Directors had prepared the Annual Accounts on a 'going concern basis'.

FIXED DEPOSITS

Your Company has not accepted any deposits and, as such, no amount of principal or interest was outstanding on the date of the Balance Sheet.

TRANSFER OF UNCLAIMED AMOUNTS TO IEPF

Pursuant to the provisions of Section 205A(5) of the Companies Act, 1956, the dividends declared by the Company on equity shares, which have remained unclaimed for a period of seven years, have been transferred by the Company to the Investor Education and Protection Fund (IEPF) established by the Central Government pursuant to Section 205C of the said Act. The last such unclaimed dividend amount of Rs.97,73,857/- for the financial year 2000, was transferred on July 14, 2008.

DIRECTORS

The Board of your Company is broad based and comprises of individuals drawn from various fields. In accordance with the provisions of the Companies Act, 1956 and the Company's Articles of Association, Mr. R. R. Kumar, Lt. Gen. J. S. Dhillon (Retd.) and Mr. V. K. Agarwala retire by rotation in the forthcoming Annual General Meeting. Being eligible, they offer themselves for re-appointment.

Ms. Preetha Pulusani was appointed as Joint Managing Director w.e.f. March 1, 2008 for a period of 5 years. She has resigned from this full time position for family reasons as she has to return to the US. She will continue as an independent Director on the Board. The Board has been strengthened by the appointment of Additional Director viz. Mr. V. K. Chopra, whose appointment requires the approval of the members at the ensuing Annual General Meeting.

AUDITORS

The Auditors of your Company, M/s Khandelwal Jain & Co. Chartered Accountants, retire at the ensuing Annual General Meeting and have confirmed their eligibility and willingness to accept office, if re-appointed.

ACKNOWLEDGMENTS

Your Directors thank all the shareholders, customers, business partners, Joint Venture partners M/s Stone & Webster Inc, USA and M/s Thales group, France, vendors, banks and financial institutions for the support extended by them. We also thank the Central Government, the concerned State Governments, and other Government authorities for their support.

Your Directors also wish to place on record their appreciation of the contribution made by ROLTAites at all levels but for whose hard work, solidarity and support your Company's consistent growth would not have been possible.

For and on behalf of the Board of Directors,

Mumbai
October 20, 2008

Kamal K Singh
Chairman & Managing Director

Annexure to Directors' Report

Annexure I to Directors' Report

A. CONSERVATION OF ENERGY

The operations of your Company are not energy intensive. Your Company takes various measures to reduce energy consumption by using energy-efficient computer systems and procuring energy efficient equipments. As an on-going process your Company continuously evaluates new technologies and techniques to make infrastructure more energy efficient.

B. RESEARCH AND DEVELOPMENT (R&D)

Your Company's R&D efforts are recognized by the Government of India's Department of Scientific and Industrial Research. These R&D efforts are typically conducted by the Company's SBGs and deployed within the organisation by continuously developing new methodologies and processes that help your Company in delivering solutions and services to its customers. Over the years, these R&D efforts have resulted in the creation of intellectual property, such as software modules, toolkits and utilities which are regularly adopted in the Company's operations.

Your Company has been accepted as a Principal Member of The Open Geospatial Consortium (OGC), an international body comprising of government agencies, research organizations, universities and leading international GIS companies participating in a consensus process to develop publicly available open GIS specifications.

Your Company has set up state-of-the-art 'competency centres' comprising skilled personnel and facilities in each of its SBGs to ensure that the Company remains at the cutting edge of technology. These competency centers collaborate regularly to develop strategies and products to meet customer needs. They maintain an up-to-date knowledge base on frequently used technology application relevant to the Company's operations and work together with competency centers of other SBGs to deliver value added solutions. The Company ensures that the knowledge developed by each competency centre is continually disseminated within its SBGs and the Company as a whole through training, cross training and skill updating, enabling it to stay ahead in a business environment where technologies change rapidly.

Over the years, through investments in people, technology R&D and infrastructure, your Company has built a critical mass of intellectual property in GeoEngineering / GIS, Engineering Design Automation and eSolutions businesses. This intellectual property is the result of a unique combination of IT, mapping, engineering, software and eBusiness skills and has been developed through resident expertise combined with the strengths of its global technology partners.

Your Company has registered around 334 intellectual property rights developed in it in its GeoEngineering / GIS, EDS and eSolutions businesses, under the Indian Copyright Act, 1957 with the copyright authorities in India. Your Company has also developed applications using Service Oriented Architecture (SOA). A patent for these applications (SOA) has been filed and is pending grant in the US.

C. FOREIGN EXCHANGE EARNINGS & OUTGO:

The information on foreign exchange earning and outgo is contained in the notes to the accounts.

Annexure II to Directors' Report

Statement as at June 30, 2008, pursuant to Clause 12 (Disclosure in the Directors' Report) of the Securities Exchange Board of India (Employee Stock Option Scheme) Guidelines, 1999.

	Description	ESOP Grant-FY 2002-03	ESOP Grant FY-2005-06	ESOP Grant-FY 2006-07	ESOP Grant FY 2007-08
a)	Options granted	911,500 options granted by the Company on December 30, 2003 at the exercise price of Rs 111.35 per share. (Rs 55.68 Ex Bonus)	852,500 options granted by the Company on April 24,2006 at the exercise price of Rs 252.30 per share.(Rs 126.15 Ex Bonus)	1,427,500 options granted by the Company on April 24,2007 at the exercise price of Rs 419.70 per share (Rs 209.85 Ex Bonus)	a)1,25,000 options at Rs 481.45 (Rs 240.73 ex-bonus) per share on July 23, 2007, b)1,25,000 options at Rs 232.15 per share on January 31,2008, c) 3,00,000 options at Rs 339.35 on April 30,2008 and d)14,55,500 options at Rs 261.75 per share on June 27,2008 granted by the Company.
b)	Pricing formula	Options have been granted at the closing market price of the Equity shares of the Company on the Stock Exchange, Mumbai, on the date of grant of options.	Options have been granted at the closing market price of the Equity shares of the Company on the Stock Exchange, Mumbai, on the date of grant of options.	Options have been granted at the closing market price of the Equity shares of the Company on the Stock Exchange, Mumbai, on the date of grant of options.	Options have been granted at the closing market price of the Equity shares of the Company on the Stock Exchange, Mumbai in the case of a) above and National Stock Exchange in the case of b), c) and d) above on the respective dates of grant of options.

Annexure to Directors' Report

	Description	ESOP Grant-FY 2002-03	ESOP Grant FY-2005-06	ESOP Grant-FY 2006-07	ESOP Grant FY 2007-08
c)	Options vested	509,750 options have vested with effect from December 30, 2005)	345,250 options have vested with effect from April 24,2008)	Nil as the period of two years will be completed on April 23,2009	Nil as the period of two years will be completed only from July 23,2009 onwards.
d)	Options exercised	418,102	189,112	NIL	NIL
e)	Total number of Ordinary shares arising out of the Options	936,204 (incl bonus shares)	378,225 (Ex Bonus)	NIL	NIL
f)	Options lapsed	330,586 options have lapsed consequent upon the cessation of employment by the allottees and non exercise of vested options.	154,500 options have lapsed consequent upon the cessation of employment by the allottees.	62,500 options have lapsed consequent upon the cessation of employment by the allottees.	NIL
g)	Variations of terms of Options	Not Applicable	In April 2007 terms of options were changed as follows 1) 50% of options were made exercisable at the end of 2 years instead of 25% 2) Exercise period increased from 1 year to 3 years from the date of vesting 3) In the case of death of a grantee , all options granted shall vest immediately on such death to be exercised by his legal heirs. 4) In case of permanent incapacitation of grantee, all options granted shall vest immediately on such incapacitation. 5) In the event of any change of control of the Company, a provision has been made for accelerating the vesting/ exercise period in certain cases under the Scheme.	Not Applicable	Not Applicable
h)	Money realized by exercise of the Options	Rs 46,555,657.70	Rs. 47,713,083.75	NIL	NIL
i)	Total number of Options in force	162,812	508,888	13,65,000	20,05,500
j)	i) Details of Options granted to senior managerial personnel during the Financial Year	-	-	-	Details in Appendix
	ii) Any other employee who receives in any one year of grant of option amounting to 5% or more of options granted during that year	NIL	NIL	NIL	NIL
	iii) Identified employees, who were granted options, during any one year, equal to or exceeding 1% of the issued capital (excluding outstanding warrants and conversions) of the Company at the time of the grant.	NIL	NIL	NIL	NIL
k)	Diluted Earning Per Share(EPS) calculated in accordance with Accounting Standard 20 issued by ICAI for the year ended June 30,2008.		Rs 16.19		

Annexure to Directors' Report

	Description	
l)	i) Method of calculation of employee compensation cost	The Company has calculated the employee cost using the intrinsic value method of accounting to account for Employee Options granted in ,2003,2006, 2007 and 2008. The stock based compensation cost as per the intrinsic value method for the year ended June 30,2008 is Nil.
	ii) Difference between the employee compensation cost so computed at (i) above and the employee compensation cost that shall have been recognised if fair value of options had been used	Rs. In Lacs 1270.14
	iii) The impact of the difference on profits and EPS of the Company for the Year ended June 30,2008 had fair value of options had been used for accounting Employee Options	Profit After Tax As reported 26293.86 Less: Fair Value compensation cost 1270.14 Adjusted Profit After Tax 25023.72 Earning per Share (in Rs) Basic As reported 16.39 As adjusted 15.60 Diluted As reported 16.19 As adjusted 15.40

			Weighted average exercise price	Weighted Average Fair value of Option
m)	Weighted average exercise price and weighted average fair values of options granted during the year whose exercise price equals market price of stock on the grant date (There are no options granted whose exercise price either exceeds or less than the market price of the stock on the date of grant.)	ESOP Grant July 2007	Rs. 481.45 (240.73 Ex Bonus)	Rs. 217.55
		ESOP Grant Jan 2008	Rs. 232.15	Rs. 97.67
		ESOP Grant Apr 2008	Rs. 339.35	Rs. 147.17
		ESOP Grant June 2008	Rs. 261.75	Rs. 109.71

n) A description of method and significant assumptions used during the year to estimate the fair value of options granted during the year. The fair value of options has been calculated by using Black Scholes' Method. The assumptions used in the above are

		ESOP July 2007	ESOP Jan 2008	ESOP Apr 2008	ESOP June 2008
1	Risk free interest rate	8%	8%	8%	8%
2	Expected Average Life of Options	4.25 years	4.25 years	4.25 years	4.25 years
3	Expected Volatility based on daily closing market price	50.07%	44.89%	44.67%	43.75%
4	Expected Dividend Yield	1.25%	1.29%	0.88%	1.15%
5	The price of underlying share in the market at the time of grant	481.45	232.15	339.35	261.75

Appendix to Annexure II-

List of Senior management personnel to whom stock options were granted during the year.

Sr. No.	Name	Current Designation	No. of ESOPs Granted during FY 2007-08
1	A D Tayal	Joint Managing Director	75000
2	A P Singh	Joint Managing Director	50000
3	Preetha Pulusani	Joint Managing Director	100000
4	Benedict A. Eazzetta	President International Operation	200000
5	Hiranya Ashar	Director- Finance & Chief Financial Officer	50000
6	Mark Edwards	President-European Operation	10000
7	John Sassar	President Middle East Operation	25000
8	Richard Niemiec,	President, Rolta TUSC Inc	50000
9	Dinesh De Silva	President Asia Pacific	25000
10	Safik Jiwani	COO Rolta Canada Limited	25000
11	Joseph Trezzo	Chief Operating Officer, Rolta TUSC Inc	50000
12	Bradley Brown	Chief technology Officer, Rolta TUSC Inc	50000
13	Karl Seil	Director - Operations	50000
14	S K Shirguppi	Director - Operations	25000
15	Dr S R Bhot	Director - Operations	20000
16	Aloke Chakrabarti	Director - Operations	10000
17	P.P.S.Bhandari	Director - Operations	20000
18	Vinay K Sawarkar	Director - Operations	25000
19	Robert Britton	Director - Operations	20000
20	L V Gaopande	Director - Operations	20000

Corporate Social Responsibility

On Corporate Social Responsibility (CSR), Peter Drucker, the father of modern management stated, "One is responsible for one's impact, whether they are intended or not. This is the first rule."

At Rolta, this is the basic tenet and founding principle for all our CSR activities. The Company understands that just as every individual impacts society, so does every corporate entity - and more so, because of its size and extent.

Social responsibilities are of two types. They may emerge out of social impacts of the corporate or they may arise out of the problems of the society itself. The first deals with what a company does to society and the second is concerned with what a company can do for society.

Since every company can exist only within a social environment, it is indeed an organ of society and as such social problems will affect a company.

At Rolta, this philosophy is understood very well and the company has made the Rolta Foundation a conduit for all its CSR activities.

Of the many challenges that our society faces, the Rolta Foundation has identified a few prime ones and has taken major steps to address these. The Rolta Foundation focuses on Health, Education and Social Upliftment across the economically challenged sections of the society.

The Rolta Foundation is involved directly and indirectly (through other charitable trusts) in these activities. It has ensured that the activities undertaken and the consequent donations made are put to good use and follows up on the end result of the initiative. Significant amounts have been donated to various charitable organizations in the matter of providing educational facilities, medical facilities and improving the well-being and general care of orphans, physically challenged and economically challenged children.

Major initiatives have already been undertaken across the country and a few examples of the work done are given below:

1. The Rolta Foundation has donated critical funds required by the SV Institute of Medical Sciences (SVIMS) a medical wing of the Tirumala Tirupati Devasthanam (TTD), who have recently started the "Rolta Oncology Block" for the latest treatment of Cancer patients. This is an immediate need in southern part of the country to mitigate suffering of Cancer patients. Another donation has been made to the "BIRRD" medical wing, for infrastructural facilities for providing medical assistance to thousands of patients on daily basis.
2. The Rolta Foundation has helped the Andrew's Vision Centre at Wilson College, Mumbai with special IT equipment to set up a centre for the visually challenged.
3. The Rolta Foundation has provided a fully equipped Digital Library to the Sri Siddhivinayak Temple Trust, Mumbai where thousands of students are taking advantage of study material placed in the Library. The Foundation donated computers and other IT networking systems for the library setup. Rolta is pleased that this Digital Library has been credited and acknowledged by being named as the "ROLTA Library."
4. A mobile workshop and ambulance bus has been provided to the Sri. Bhagwan Mahaveer Viklang Sahayata Samiti, Jaipur. This bus is fully equipped with machinery and necessary apparatus required for manufacturing artificial limbs and travels right up to the borders of the country and especially Jammu and Kashmir areas, where our Jawans and other Civilians are provided on the spot attendance in the making of artificial limbs and fitting the same. This service eliminates the need for travel to Jaipur and gives confidence and new lease of life to physically challenged persons.
5. Financial assistance has been provided to the National Society for Prevention of Blindness towards General Welfare of People of Madhya Pradesh, for performing free operations for the patients suffering from eye problems.
6. The United Physically Handicapped School, Coimbatore has been provided donations for furniture and fixture items of the school which is being done for the benefit of the physically challenged children, who get shelter, food, education and good care for their future career prospects.
7. Donations have also been made to The Cancer Patient Aid Association, Mumbai, which is actively involved in elevating the sufferings of the Cancer patients through various treatments to all sections of society.

Despite having undertaken these activities, the Rolta Foundation understands that there is still so much more to do and much more that can be done.

The Rolta Foundation is committed to continue to work, relentlessly, to ensure improvement of general health, spread of non-formal education among all members in the community and the upliftment of the underprivileged strata of society.

Auditors' Report on Consolidated Financial Statements

To,

The Board of Directors

ROLTA INDIA LIMITED

1. We have audited the attached Consolidated Balance Sheet of Rolta India Ltd. (the Company) and its subsidiaries & joint venture (collectively, 'the Group') as at 30th June, 2008, and also the Consolidated Profit and Loss Account and the Consolidated Cash Flow Statement for the year ended on that date annexed thereto. These financial statements are the responsibility of the Company's Management. Our responsibility is to express an opinion on these financial statements based on our audit.
2. We conducted our audit in accordance with the auditing standards generally accepted in India. Those Standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis of our opinion.
3. We did not audit the Standalone / Consolidated financial statements of Rolta International Inc., USA, subsidiary company, whose consolidated financial statements reflect total assets of 3918.06 Millions, total revenue of Rs.2502.26 Million and cash inflow of Rs.122.07 Million for the year ended 30th June, 2008 and Rolta UK. Ltd., UK, Rolta Saudi Arabia Ltd., Saudi Arabia, Rolta Middle East FZ LLC, UAE, subsidiary companies, whose standalone / consolidated financial statements reflect total assets of Rs.404.68 Millions, total revenue of Rs.673.64 Millions and cash inflows amounting to Rs.0.95 Million for the year ended 31st March, 2008. These financial statements and other financial information have been audited by other auditors whose reports have been furnished to us, and our opinion is based solely on the report of other auditors.
4. We report that the Consolidated Financial Statements have been prepared by the Management of the Company in accordance with the requirements of Accounting Standard 21 (AS - 21). "Consolidated Financial Statements" and Accounting Standard 27 (AS-27), "Financial Reporting of Interests in Joint Ventures" issued by the Institute of Chartered Accountants of India.
5. Based on our audit and on consideration of reports of other auditors on separate financial statements and on the other financial information of the components, and to the best of our information and according to the explanations given to us, we are of the opinion that the attached Consolidated Financial Statements give a true and fair view in conformity with the accounting principles generally accepted in India:
   a) in the case of the Consolidated Balance Sheet, of the state of affairs of the Group as at 30th June, 2008;
   b) in the case of the Consolidated Profit and Loss Account, of the Profit for the year ended on that date; and
   c) in the case of the Consolidated Cash Flow Statement, of the cash flows for the year ended on that date.

For Khandelwal Jain & Co.
Chartered Accountants,

(Shivratan Agarwal)
Partner
Membership No.104180

Place : Mumbai
Date : July 24, 2008

Rolta India Limited and it's Subsidiaries

Consolidated Balance Sheet

As at 30th June 2008

(Amount in Rs.)

	Schedules	30th June 2008		30th June 2007
SOURCES OF FUNDS				
Shareholders' Funds				
Share Capital	A	1,608,975,510		801,185,080
Reserves & Surplus	B	10,232,441,628		9,664,826,023
			11,841,417,138	10,466,011,103
Loan Funds				
Secured Loans	C		-	65,796,190
Unsecured Loan - FCCBs	D		6,937,936,091	6,111,000,000
Deferred Tax Liability			458,626,656	345,947,057
Minority Interest			15,361,369	-
Total			**19,253,341,254**	**16,988,754,350**
APPLICATION OF FUNDS				
Fixed Assets	E			
Gross Block		10,583,293,334		8,283,458,694
Less: Depreciation / Amortisation		4,090,439,257		3,619,102,468
Net Block		6,492,854,077		4,664,356,226
Add: Capital Work In Progress		1,729,193,847		1,462,787,795
			8,222,047,924	6,127,144,021
Goodwill On Consolidation			2,000,166,482	59,846,823
Investments	F		2,816,253,499	976,098,326
Deferred Tax Assets			63,306,431	258,957
Current Assets, Loans And Advances				
a) Inventories	G	214,550,010		206,420,470
b) Sundry Debtors	H	5,017,795,912		3,769,903,491
c) Cash & Bank Balances	I	2,598,304,034		6,389,552,303
d) Other current assets	J	215,667,414		10,242,965
e) Loans & Advances	K	944,804,558		874,993,733
		8,991,121,928		11,251,112,962
Less : Current Liabilities And Provisions	L	2,839,555,010		1,425,706,739
Net Current Assets			6,151,566,918	9,825,406,223
Total			**19,253,341,254**	**16,988,754,350**
Significant Accounting Policies And Notes To Accounts	R			

The Schedules referred to above and the notes thereon form an integral part of the Balance Sheet
This is the Balance Sheet referred to in our report of even date

For and on behalf of Board of Directors

For **Khandelwal Jain & Co.**
Chartered Accountants

Shivratan Agarwal
Partner
M.No.104180

K K Singh
Chairman & Managing Director

R.R.Kumar
Director

K.R.Modi
Director

Atul D. Tayal
Jt. Managing Director

Hiranya Ashar
Director - Finance & Chief Financial Officer

Harjinder Singh
Executive Vice President Legal & Company Secretary

Mumbai,
Date: July 24, 2008

Mumbai,
Date: July 24, 2008

Rolta India Limited and it's Subsidiaries

Consolidated Profit And Loss Account

For The Year Ended 30th June 2008

(Amount in Rs.)

	Schedules	30th June 2008	30th June 2007
INCOME			
Sale of IT Solutions & Services		10,722,143,683	7,114,098,696
Other Income	M	169,751,168	102,519,354
Total		**10,891,894,851**	**7,216,618,050**
EXPENDITURE			
Material Cost	N	2,560,344,127	1,928,122,575
Manpower cost	O	3,200,780,855	1,689,705,197
Other expenses	P	1,063,623,778	630,059,950
Interest	Q	-	7,364,531
Depreciation / Amortisation	E	1,382,535,395	1,018,304,919
Total		**8,207,284,155**	**5,273,557,172**
Profit Before Tax		2,684,610,696	1,943,060,878
Less : Provision For Taxation		387,799,654	216,612,603
Profit After Tax		2,296,811,042	1,726,448,275
Add : Minority Share in Losses		9,138,631	-
Profit For The Year		**2,305,949,673**	**1,726,448,275**
Add : Balance brought forward from previous year		4,756,871,743	3,688,785,168
Balance Available For Appropriation		**7,062,821,416**	**5,415,233,443**
APPROPRIATIONS			
Dividend Paid		90,075	22,148
Proposed Dividend		497,692,653	400,592,540
Income Tax on Proposed / Paid Dividend		86,297,674	69,346,058
Transfer to General Reserve		270,538,642	188,400,954
Balance Carried To Balance Sheet		**6,208,202,372**	**4,756,871,743**
Earnings Per Share (equity shares,par value Rs.10 each)			
Basic		14.37	10.79
Diluted		14.19	10.75
(Refer Note No 11 of Schedule R)			
Significant Accounting Policies And Notes To Accounts	R		

The Schedules referred to above and the notes thereon form an integral part of the Profit & loss account
This is the Profit & loss account referred to in our report of even date

For and on behalf of Board of Directors

For **Khandelwal Jain & Co.**
Chartered Accountants

Shivratan Agarwal
Partner
M.No.104180

K K Singh
Chairman & Managing Director

R.R.Kumar
Director

K.R.Modi
Director

Atul D. Tayal
Jt. Managing Director

Hiranya Ashar
Director - Finance & Chief Financial Officer

Harjinder Singh
Executive Vice President Legal & Company Secretary

Mumbai,
Date: July 24, 2008

Mumbai,
Date: July 24, 2008

(Amount in Rs.)

	30th June 2008	30th June 2007
SCHEDULE - A		
SHARE CAPITAL		
Authorised :		
250,000,000 (Previous Year 100,000,000) Equity Shares of Rs.10 each	2,500,000,000	1,000,000,000
	2,500,000,000	1,000,000,000
Issued, Subscribed & Paid up :		
160,897,551 (Previous Year 80,118,508) Equity Shares of Rs.10 each fully paid up.	1,608,975,510	801,185,080
	1,608,975,510	**801,185,080**
SCHEDULE - B		
RESERVES AND SURPLUS		
Securities Premium Account		
As Per last Balance Sheet	4,091,550,780	4,203,088,230
Add: Receipts On Exercise of Stock Option byEmployees	57,005,493	24,975,335
	4,148,556,273	4,228,063,565
Less: Share / Bond Issue Expenses	14,835,753	136,512,785
Capitalisation on Issue of Bonus Shares	801,365,230	-
Premium on Redemption of Bonds	510,526,091	-
	2,821,829,199	4,091,550,780
Statutory Reserves		
(Refer Note No. 6 of Schedule R)	7,999,950	8,689,425
Merger Reserve	5,998,150	6,423,894
Translation Reserve		
(Refer Note No. 1.2. b(v) of Schedule R)	61,942,077	(87,533,782)
General Reserve		
As per last Balance Sheet	888,823,963	700,423,009
Less: Adjustment for Employee Benefit Provision (As per revised AS-15)	32,892,725	-
Add : Transfer from Profit & Loss Account	270,538,642	188,400,954
Balance at the end of the year	1,126,469,880	888,823,963
Surplus in Profit & Loss Account		
Transferred from Profit & Loss A/c.	6,208,202,372	4,756,871,743
	10,232,441,628	**9,664,826,023**
SCHEDULE - C		
SECURED LOANS		
Term Loans	-	65,796,190
	-	65,796,190
SCHEDULE - D		
UNSECURED LOANS		
Foreign Currency Convertible Bonds (FCCB)	6,427,410,000	6,111,000,000
Premium on Redemption of Bonds	510,526,091	-
	6,937,936,091	**6,111,000,000**
(Refer Note No.8 of Schedule R)		

SCHEDULE - E

FIXED ASSETS

(Amount in Rs.)

PARTICULARS	GROSS BLOCK				DEPRECIATION / AMORTISATION				NET BLOCK	
	Opening Balance 01.07.2007	Additions During The Year	Sale/ Adjustment During the Year	Closing Balance 30.06.08	Up-to 30.06.2007	For the Year	On Deduction	Up-to 30.06.08	As-at 30.06.08	As-at 30.06.2007
Free Hold Land	102,570,930	2,182,158	-	104,753,088	-	-	-	-	104,753,088	102,570,930
Lease Hold Land	76,156,243	-	-	76,156,243	8,772,471	1,118,999	-	9,891,470	66,264,773	67,383,772
Building	1,681,915,112	482,835,523	-	2,164,750,635	177,508,344	38,806,834	-	216,315,178	1,948,435,457	1,504,406,768
Computer Plant & Machinery	5,744,989,812	2,638,897,418	903,549,320	7,480,337,910	3,250,446,337	1,296,274,698	903,549,320	3,643,171,716	3,837,166,194	2,494,543,475
Other Equipment	320,751,368	44,117,258	876,485	363,992,141	95,619,115	19,251,785	94,046	114,776,853	249,215,288	225,132,253
Furniture & Fixtures	298,006,687	14,945,637	-	312,952,324	70,366,503	20,032,312	-	90,398,815	222,553,509	227,640,184
Vehicles	59,068,542	41,528,546	20,246,095	80,350,993	16,389,698	7,050,767	7,555,240	15,885,225	64,465,768	42,678,844
GRAND TOTAL	**8,283,458,694**	**3,224,506,540**	**924,671,900**	**10,583,293,334**	**3,619,102,468**	**1,382,535,395**	**911,198,606**	**4,090,439,257**	**6,492,854,077**	**4,664,356,226**
PREVIOUS YEAR	**6,694,860,510**	**1,873,497,929**	**263,587,431**	**8,283,458,694**	**2,852,146,172**	**1,018,304,919**	**251,348,623**	**3,619,102,468**	**4,664,356,226**	

Schedules Forming Part of Consolidated Balance Sheet
As at 30th June 2008

(Amount in Rs.)

	30th June 2008	30th June 2007
SCHEDULE - F		
INVESTMENT		
Current Investment (Non Trade)		
Investment in Mutual Fund (Debt Fund)	2,816,253,499	976,098,326
	2,816,253,499	**976,098,326**
SCHEDULE - G		
INVENTORIES		
Software & Toolkits	214,550,010	206,420,470
	214,550,010	**206,420,470**
SCHEDULE - H		
SUNDRY DEBTORS (Unsecured, Considered Good)		
Outstanding for a period exceeding 6 months	1,986,599,643	1,632,543,765
Others	3,031,196,269	2,137,359,726
	5,017,795,912	**3,769,903,491**
SCHEDULE - I		
CASH AND BANK BALANCES		
Cash on Hand	2,015,704	411,151
Balances with Scheduled banks in		
Current Accounts	470,472,796	4,386,055,978
Dividend Accounts	54,844,454	57,220,924
Deposit Accounts	2,070,971,080	1,945,864,250
	2,598,304,034	**6,389,552,303**
SCHEDULE - J		
OTHER CURRENT ASSETS		
Interest Accrued	131,206,252	1,547,913
Other receivables	84,461,162	8,695,052
	215,667,414	**10,242,965**
SCHEDULE - K		
LOANS AND ADVANCES		
(Unsecured, considered good)		
Unbilled Revenues	773,942,856	701,783,680
Advances, Security Deposits recoverable in cash or in kind or for value to be received	56,671,397	103,854,255
Prepaid Expenses	114,190,305	69,355,798
	944,804,558	**874,993,733**

(Amount in Rs.)

SCHEDULE - L	30th June 2008	30th June 2007
CURRENT LIABILITIES & PROVISIONS		
CURRENT LIABILITES		
Sundry Creditors	470,231,591	206,393,011
Income Received in Advance	193,568,467	85,528,355
Advances from Customers	6,057,824	22,701,483
Unclaimed Dividend	54,844,454	57,220,924
Other Liabilities	1,273,522,953	385,817,754
	1,998,225,289	757,661,527
PROVISIONS		
Provision for Gratuity	39,128,689	43,906,918
Provision for Leave Encashment	68,759,558	12,095,561
Provision for Warranties	9,697,936	6,997,052
Provision For Income Tax (Net of Advance Tax and TDS inclusive of MAT Credit)	141,468,019	136,372,439
Proposed Dividend	497,692,653	400,592,540
Income Tax on Proposed dividend	84,582,866	68,080,702
	841,329,721	668,045,212
	2,839,555,010	1,425,706,739

SCHEDULE - M	For the year ended 30th June 2008	For the year ended 30th June 2007
OTHER INCOME		
Interest (Net) (TDS Rs. 29,875,016 /- Previous Year Rs. 1,238,975/-	162,089,050	11,905,346
Dividend		
- Current Investment	167,583,913	45,421,269
- Long Term Investment	-	4,787,500
Profit on Sale of Investment	25,330,425	16,884,483
Exchange Difference Gain/(Loss) (including FCCB)	(298,907,629)	-
Miscellaneous Income	113,655,409	23,520,756
	169,751,168	102,519,354

SCHEDULE - N		
MATERIAL COST		
a) Material & Subcontracting Cost	2,572,346,683	1,902,515,265
b) (Increase) / Decrease in Stock in Trade		
Opening Stock		
Software & Toolkits	202,184,750	227,792,060
Less : Closing Stock		
Software & Toolkits	214,187,306	202,184,750
(increase) / Decrease In Stock In Trade	(12,002,556)	25,607,310
Material Cost	2,560,344,127	1,928,122,575

(Amount in Rs.)

SCHEDULE - O	For the year ended 30th June 2008	For the year ended 30th June 2007
MANPOWER COST		
Salaries, Wages & Bonus	3,111,956,772	1,644,686,402
Contribution to Provident and Other Funds	51,922,282	27,590,472
Gratuity	20,580,235	10,788,926
Welfare Expenses	16,321,566	6,639,397
	3,200,780,855	1,689,705,197

SCHEDULE - P		
OTHER OPERATING EXPENSES		
Electricity	58,001,082	36,447,088
Repairs & Maintenance		
- Buildings	19,024,548	22,862,372
- Machinery	9,023,006	7,454,135
- Others Assets	17,564,335	13,615,860
Rent	59,711,685	30,016,381
Rates & Taxes	10,111,293	11,086,810
Insurance	7,853,860	7,762,541
Advertisement	41,790,765	18,274,171
Sales Promotion	91,490,014	50,998,883
Communication Expenses	65,966,823	40,236,156
Travelling & Conveyance	369,666,655	216,668,074
Printing & Stationery	30,478,791	16,461,766
Bank & Other Charges	21,822,174	32,187,309
Auditors' Remuneration	7,898,502	6,302,250
Directors' Sitting Fees	1,080,000	1,240,000
Legal & Professional Fees	158,622,441	63,498,619
Loss on Sale of Fixed Assets	4,342,154	5,832,426
Donation	6,648,322	1,291,919
Miscellaneous Expenses	82,527,328	47,823,190
	1,063,623,778	630,059,950

SCHEDULE - Q		
INTEREST		
On Fixed loans	-	7,364,531
	-	7,364,531

SCHEDULE - R

SIGNIFICIANT ACCOUNTING POLICIES AND NOTES TO ACCOUNTS

1.0. Background:

1.1. Overview:

Rolta India Limited ("RIL" or the "Company"), a publicly held company together with its subsidiaries Rolta International Inc., USA (RUS), Rolta Middle East FZ LLC UAE (RME), Rolta Saudi Arabia Limited, Saudi Arabia (RSA), Rolta UK Limited (RUK) UK, Rolta Thales Limited (RTL) & joint venture company Stone Webster Rolta Limited (SWRL) (Collectively, 'the Group') is primarily engaged in the Engineering Design /GIS solutions, e-business and other IT related services.

1.2 Basis of Consolidation:

a) Basis of Preparation of Financial statements

i) Consolidated Financial Statements (CFS) have been prepared in accordance with the Accounting Standard 21 (AS-21), "Consolidated Financial Statement" and Accounting Standard 27 (AS -27), "Financial Reporting of Interests in Joint Ventures" issued by the Institute of Chartered Accountants of India.

ii) The Consolidated Financial Statements include the financial statements of Rolta India Ltd., all its subsidiaries and Joint Venture Company.

iii)The Financial Statements of the subsidiary company's used in the preparation of the CFS are drawn upto the same reporting date of the company i.e. 30th June 2008. In case where the financial statement are not drawn up to the same reporting date as of the parent company, adjustments are made for significant transactions or other events that occur between the dates of the financial statements of the subsidiary and the parent company.

iv)The information on subsidiary companies whose financial statements are consolidated is given below.

Sr. No.	Particulars	Country of Incorporation	Extent of Interest	Financial Year
1	Rolta International Inc.	U.S.A	100% Subsidiary	01.07.2007 to 30.06.2008
2	Rolta Canada Ltd.	Canada	100% Subsidiary of RUS	01.05.2007 to 30.06.2008
3	Orion Technologies Inc.	Canada	100% Subsidiary of RUS	01.07.2007 to 30.06.2008
4	Rolta TUSC Incorporated	U.S.A	100% Subsidiary of RUS	22.01.2008 to 30.06.2008
5	Rolta Asia Pacific Pty Ltd.	Australia	100% Subsidiary of RUS	20.09.2007 to 30.06.2008
6	Rolta Saudi Arabia Ltd	Saudi Arabia	75% Subsidiary	01.04.2007 to 31.03.2008
7	Rolta Middle East FZ-LLC	U.A.E	100% Subsidiary	01.04.2007 to 31.03.2008
8	Rolta U. K. Ltd.	U.K.	100% Subsidiary	01.04.2007 to 31.03.2008
9	Rolta Benelux B. V.	Netherlands	100% Subsidiary of RUK	01.04.2007 to 31.03.2008
10	Rolta Deutschland GmbH	Germany	100% Subsidiary of RUK	01.04.2007 to 31.03.2008
11	Rolta Thales Limited	India	51% Subsidiary	20.08.2007 to 30.06.2008

v) The Company does not have investments in Associates as defined in Accounting Standard 23 (AS-23) "Accounting for Investments in Associates in Consolidated Financial Statements" issued by the Institute of Chartered Accountants of India.

vi)The Company's share in the assets, liabilities income and expenses in the following jointly controlled entity is included in the CFS.

Name of JV	Country of incorporation	Share in JV
Stone & Webster Rolta Ltd.	India	50%

b) Principles of Consolidation:

i) The Financial Statements of the Company & its subsidiary companies have been consolidated on a line-by-line basis by adding together the book value of like items of assets, liabilities, income and expenses, after fully eliminating intra-group balances and transactions resulting in unrealized profits or losses.

ii) The Financial Statements of joint venture has been combined by applying proportionate consolidation method on a line by line basis on items of assets, liabilities, income and expenses, after fully eliminating proportionate share of unrealized profits or losses.

iii) The CFS have been prepared using uniform accounting policies for like transactions and other events in similar circumstances and are presented to in the same manner as the Company's separate financial statements except in respect of accounting policies of depreciation, retirement benefit where it was not practicable to use uniform accounting policies in case of certain subsidiaries. The amount of impact is not material.

iv) The excess of the cost to the company of its investment in subsidiary company over the company's portion of equity of the subsidiary as at the date on which investment in subsidiary is made, is recognized in the financial statement as Goodwill. The excess of company's share of equity and reserve of the subsidiary company over the cost of acquisition is treated as Capital Reserve.

v) In case of foreign subsidiaries revenue items have been consolidated at the average rate prevailing during the period. All assets and liabilities are converted at rates prevailing at the end of the period. The exchange difference arising out of translation is debited or credited to Foreign Currency Translation Reserve shown under Reserves and Surplus.

vi) Minority Interest's share of net profit of consolidated subsidiaries for the year is identified and adjusted against the income of the group in order to arrive at the net income attributable to the shareholders of the Company.

vii)Minority Interest's share of net assets of consolidated subsidiaries is identified and presented in the consolidated Balance Sheet separate from the liability and Equity of the Company's shareholders.

1.3 Investments other than in Subsidiary / Joint Venture have been accounted as per Accounting Standard 13 (AS-13) on "Accounting for Investments".

2.0 Summary of Group's Significant Accounting Policies

a Basis of Preparation of Financial Statements

The financial statements are prepared in accordance with Indian Generally Accepted Accounting Principles ("GAAP") under the historical cost convention on the accrual basis. GAAP Comprises mandatory accounting standards issued by the Institute of Chartered Accountants of India ("ICAI"), the provisions of the Companies Act, 1956 and guidelines issued by the Securities and Exchange Board of India. Accounting policies have been consistently applied except where a newly issued accounting standard is initially adopted or a revision of an existing accounting standard requires a change in the accounting policy hitherto in use.

b Use of Estimates

The preparation of the financial statements in conformity with GAAP requires the management to make estimates and assumptions that affect the reported balances of assets and liabilities and disclosures relating to contingent assets and liabilities as at the date of the financial statements and reported amounts of income and expenses during the period. Examples of such estimates include provisions for doubtful debts, future obligations under employee retirement benefit plans, income taxes, post-sales customer support and the useful lives of fixed assets and intangible assets.

Schedules Forming Part of Consolidated Balance Sheet & Profit and Loss Account

c Revenue Recognition

i. Revenue from sale of solutions and services is recognized in accordance with the sales contract and when significant risks and rewards in respect of ownership are transferred to the customers.

ii. Income from maintenance contract is recognized proportionately over the period of the contract.

iii. Dividend on investments held by the Company is accounted for as and when it is declared.

d Fixed Assets, Depreciation, Amortisation and Capital Work in Progress (CWIP)

In respect of Parent Company

i. All Fixed Assets are stated at cost of acquisition or construction less accumulated depreciation and impairment loss, if any.

ii. The company provides depreciation on Fixed Assets on Straight Line Method (SLM), at the rates and in the manner specified in Schedule XIV of the Companies Act, 1956, except for Computer Plant & Machinery and its related equipments.

iii. Depreciation on Computer Plant & Machinery and its related equipment is provided on the Straight Line Method (SLM) over the economic useful life of assets, which is ascertained to be 4 years by the management.

iv. Leasehold Land is amortised over the period of lease.

v. Capital Work-in-Progress is stated at cost comprising of direct cost and related incidental expenditure. The advances given for acquiring / construction of fixed assets are shown under CWIP.

In respect of Subsidiaries

vi Depreciation is provided on cost of the asset on Straight Line Method over the estimated useful life of the respective asset.

e Impairment of Assets

The fixed assets are reviewed for impairment at each balance sheet date. In case of any such indication, the recoverable amount of these assets is determined, and if such recoverable amount of the asset or cash-generating unit to which the asset belongs is less than its carrying amount, the impairment loss is recognized by writing down such assets to their recoverable amount. An impairment loss is reversed if there is change in the recoverable amount and such loss either no longer exists or has decreased.

f Investments

Investments are classified into Current Investment and Long Term Investments.

Current Investments are carried at lower of the cost and fair value.

Long Term Investments are carried at cost. Provision for diminution is made only if, in the opinion of the management, such a decline is other than temporary.

g Inventories

Systems, Software, Peripheral and Spares are valued at lower of cost or net realisable value on First In First Out basis.

Finished products are valued at lower of cost or net realisable value.

h Foreign Currency Transactions

i Foreign currency transactions are recorded at the exchange rate prevailing on the date of transaction.

ii. All monetary foreign currency assets/liabilities are translated at the rates prevailing on the date of balance sheet.

iii. In the case of monetary items, which are covered by forward / hedging contracts, the difference between the year end rate and the rate on the date of contract is recognised as exchange difference.

iv. Gain/Loss on cancellation or renewal of forward exchange contract is recognised as income or expense for the period.

v. The premium/discount arising at the inception of the contract is amortised as expense or income over the life of the contract.

vi. Exchange difference arising on settlement/conversion are adjusted to Profit & Loss Account.

i Employee Benefits

In respect of Parent Company

1. Short Term Employee Benefits

Short Term Employees Benefits are recognized as an expense at the undiscounted amount in the Profit and Loss Account of the year in which the related services is rendered.

2. Post Employment Benefits

i. Provident Fund

The Company contributes monthly at a determined rate. These contributions are remitted to the Government administered/ trust established by the Company for this purpose and is charged to Profit and Loss account on accrual basis.

ii. Gratuity

The Company provides for gratuity (a defined benefit retirement plan) to all the eligible employees. The benefit is in the form of lump sum payments to vested employees on retirement, on death while in employment, or termination of employment for an equivalent to 15 days salary payable for each completed year of service subject to a maximum of Rs. 500,000/- Vesting occurs on completion of five years of service. Liability in respect of gratuity is determined using the projected unit credit method with actuarial valuations as on the balance sheet date and gains/losses are recognized immediately in the profit and loss account.

iii. Leave Encashment

Liability in respect of leave encashment is determined using the projected unit credit method with actuarial valuations as on the balance sheet date and gains/losses are recognized immediately in the profit and loss account.

In respect of Subsidiaries

The provision for employee's retirement benefit is made in accordance with the local laws and regulations.

j. **Borrowing Cost**

Borrowing costs that are attributable to the acquisition or construction of qualifying assets are capitalised as part of the cost of such assets. A qualifying asset is one that necessarily takes substantial period of time to get ready for intended use. All other borrowing costs are charged to revenue.

k. **Earnings per Share**

In accordance with the Accounting Standard 20 (AS 20) "Earnings per Share" issued by the Institute of Chartered Accountants of India, basic / diluted earnings per share is computed using the weighted average number of shares outstanding during the period.

l. **Income Tax**

In respect of Parent Company

Income tax comprises of current tax, fringe benefit tax and deferred tax. Deferred tax assets and liabilities are recognized for the future tax consequences of timing differences, subject to the consideration of prudence. Deferred tax assets and liabilities are measured using the tax rates enacted or substantively enacted by the balance sheet date. The carrying amount of deferred tax asset / liability are reviewed at each balance sheet date.

In respect of Subsidiaries

In case of subsidiaries the provision for income tax liability is made in accordance with the prevailing local laws of the respective countries where the company is situated.

m. **Share/Bond Issue Expenses and Premium on Redemption of Bonds**

Share / Bond issue expenses and premium payable on redemption of bonds are written off to Securities Premium Account.

n. **Warranty Cost**

The company accrues the estimated cost of warranties at the time when the revenue is recognised. The accruals are based on the company's historical experience of material usage and service delivery cost.

o. **Prior Period Items**

Prior period expenses/income are accounted under the respective heads. Material items, if any, are disclosed separately by way of a note.

p. **Provisions & Contingent Liabilities**

The company creates a provision when there is a present obligation as a result of an obligating event that probably requires an outflow of resources and a reliable estimate can be made of the amount of the obligation. A disclosure for a contingent liability is made when there is a possible obligation or a present obligation that may, but probably will not, require an outflow of resources. Where there is a possible obligation or a present obligation in respect of which the likelihood of outflow of resources is remote, no provision or disclosure is made.

q. **Leases**

Operating Leases: Rental in respect of all operating leases are charged to Profit & Loss Account.

r. **Other Accounting Policies**

These are consistent with the generally accepted accounting practices.

3. **Contingent Liabilities not provided for**

(Rs. in lacs)

Particulars	As At 30.06.08	As at 30.06.07
i. B/G & B/D given by Bankers (including counter guarantees issued by them)	16364.10	7487.53
ii. Letters of Credit issued by Bankers	462.88	103.64
iii. Contingent Liabilities not provided for: Income Tax Demand for A.Y. 2005-2006 (Paid under protest Rs.1,358,100/-)	27.16	Nil
iv. Guarantee given to third party for Office rentals	12.11	7.97

4. **Capital Commitments**

Particulars	As At 30.06.08	As at 30.06.07
Estimated amount of contracts remaining to be executed on Capital Account and not provided for (net of advances).	153,752,096	51,188,133

Schedules Forming Part of Consolidated Balance Sheet & Profit and Loss Account

5. In the case of the parent company, the outstanding balances as at 30th June, 2008 in respect of Sundry debtors, Creditors, Loans and Advances, Deposits and certain bank accounts are subject to confirmation from the respective parties and consequent reconciliation / adjustments arising there from, if any. The management however, does not expect any material variation.

6. In accordance with Articles of Association of Rolta Saudi Arabia Ltd and the Regulations for Companies in the Kingdom of Saudi Arabia, the Company maintains a statutory reserve equal to one half of its share capital. Such reserve is not currently available for distribution to the shareholders.

7. a. In the current financial year, the Parent Company, in addition to the provision made for the previous year ended 31st March, 2008, has estimated the Income Tax provision for the subsequent three months period ended 30th June, 2008, the ultimate liability for which will be determined on the basis of figures for the previous year ending 31st March, 2009.

   b. The Parent Company has calculated its tax liability after considering Minimum Alternative Tax (MAT). The MAT liability can be carried forward and setoff against the future tax liabilities. Accordingly Rs.233.90 lacs is carried forward and shown under "Provision for Income Tax (net of advance tax & credit for MAT)" in the Balance Sheet as on 30th June 2008.

   c. Income Tax Provision as at 30th June 2008 includes Rs. 3449.76 lacs (previous year Rs. 1140.00 lacs) towards Current Income Tax, Rs. 8.00 lacs (previous year Rs.5.00 lacs) towards Wealth Tax, Rs. 531.97 lacs (previous year Rs. 928.97 lacs) recognised and charged to Profit & Loss Account on account of Deferred Tax, Rs. 122.17 lacs (previous year Rs.75.00 lacs) on account of Fringe Benefit Tax and Rs.233.90 lacs towards MAT credit.

   d. The break up of Deferred Tax Liability components as at 30.06.08 is as under:

Deferred Tax Liabilities / (Assets)	Current Year	Previous Year
a. Fixed Assets	491,252,963	360,047,176
b. Others	(34,503,838)	(14,359,075)
c. Foreign Subsidiaries	(61,428,900)	Nil
Deferred Tax Liability Net	395,320,225	345,688,101

8. The Parent Company on 28th June'2007 issued Zero Coupon Foreign Currency Bond (FCCB) aggregating to US $ 150 million at par. The bondholders have an option to convert these bonds in equity shares at an initial conversion price of Rs.368.70 (as adjusted by 1:1 bonus issue) per share at fixed exchange rate (Rs.40.75 = US$ 1.00) between August 08, 2007 and June 22, 2012. The conversion price will be subject to certain adjustment in certain circumstances as detailed in the Offering Circular (OC).

   The Bonds can be mandatorily converted into Shares, in whole but not in part, at the option of the Company on or at any time after 28 June 2008 but not less than seven business days prior to the maturity date at the conversion price and on the terms and conditions as defined in the OC.

   Further under certain condition, the company has an option for early redemption of the bonds in whole but not in part Unless previously converted, redeemed or repurchased or cancelled the company will redeem these bond at 139.391 percent of the principal amount on June 29, 2012. In view of above an amount of Rs.510,526,091/-(inclusive of Rs.4,161,897/-pertaining to previous year) is provided for the premium and adjusted against Securities Premium Account..

   The proceeds from the FCCB issue were utilized for the purpose for which the bonds were used i.e funding the capital expenditure, expansion of existing facilities, establishing new units, investment in Subsidiary Companies and for acquisition overseas.

   Hitherto, the company was accounting the premium payable on redemption of bonds in the year when the bonds were redeemed, repurchased or cancelled. During the year the company has changed its aforesaid policy and started providing for the said premium over the tenure of the bonds. Consequent to this change an amount of Rs. 510,526,091/- (inclusive of Rs. 4161897/- pertaining to previous year) has been provided for and debited to Securities Premium Account. The change does not have any impact on the profit for the year.

9. **Employee Benefits**

   i. During the current year, the Parent Company and its Joint Venture Stone & Webster Rolta Ltd. has adopted the revised Accounting Standard 15 (AS 15), Employee Benefits as issued by the Institute of Chartered Accountants of India.. Pursuant to the adoption the transitional obligation amounting to Rs.328.92 lacs has been adjusted against the opening balance of General Reserve.

   ii. Disclosure relating to Employee Benefits in accordance with provision of revised Accounting Standard 15 (AS-15)

   a. Expenses recognised in the Statement of Profit & Loss A/c. for the year ended 30th June 2008

Particulars	Gratuity	Leave Encashment
Current Service Cost	6207885	7635921
Interest Cost	57916	3599063
Expected return on Plan Asset	--	--
Net actuarial (gain) loss recognized in the year	4969416	20375578
Expenses Recognized in the income statement	13647171	31610562

b. Net Receipt / Liability Recognised in the Balance Sheet

Particulars	Gratuity	Leave Encashment
Movements in the liability recognized		
Opening net liability	30873387	44988286
Expense as above	13647171	31610562
Contribution paid	(5391870)	(12863094)
Closing net Liability	39128689	63735755

c. Recalculation of Opening and Closing Balances of Defined Benefit Obligation

Particulars	Gratuity	Leave Encashment
Liability at the beginning of the period	30873388	44988286
Interest Cost	2469871	3599063
Current Service Cost	6207885	7635921
Benefit Paid	(5391870)	(12863094)
Actuarial (Gain / Loss on Obligations)	4969416	20375578
Liability at the end of the period	39128689	63735755

d. Actuarial Assumption

Particulars	June 30, 2008
Discount Rate	8.00%
Rate of increase in Salary	5.00%
Rate of Return on Plan Assets	8.00%

The Guidance on implementing AS 15, "Employee Benefits" (Revised 2005) issued by Accounting Standard Board (ASB) states benefit involving employer established provident funds, which requires interest shortfalls to be recompensed are to be considered as defined benefit plans. Pending the issuance of the guidance note from the Actuarial Society of India, the Company's actuary has expressed an inability to reliably measure provident fund liabilities. Accordingly the company is unable to exhibit the related information.

10. The Parent Company has instituted various Employee Stock Option Plan. The Compensation Committee of the board evaluates the performance and other criteria of employees and approves the grant of options. The particulars of options granted under various plans are tabled below:

ESOP 2000

During December 2000, the Company introduced its Employee Stock Option Plan (ESOP) as per Securities Exchange Board of India (SEBI) guidelines, 1999, wherein an aggregate of 1,500,000 options representing 1,500,000 equity shares of face value of Rs. 10/- each were made available for grant to certain employees and whole time directors except for promoter director of the company. These options are available for exercise over a period of 4 years in the following manner, 25% of the options in each of the years following the end of 2nd, 3rd, 4th and 5th year after the grant of the options. Out of 1,500,000 options, 595,500 options were granted on December 30, 2000 at an exercise price of Rs. 198.60, which was the closing price of the Company's equity shares on The Stock Exchange Mumbai on that date. A total of 77,437 number of options were exercised by eligible employees out of the options granted. 518,063 numbers of Options had lapsed due to non-exercise of options and cessation of employment.

ESOP 2003

On December 31, 2003, the Company granted 911,500 stock options out of the balance and lapsed stock options available under the Employee Stock Options Plan (ESOP) 2000. These Options were granted at an exercise price of Rs. 111.35, which was the closing market price on the date of the grant of Options. Out of these options a total of 418,102 number of options are exercised by eligible employees. 3,30,586 numbers of Options had lapsed due to non-exercise of options and cessation of employment. The details of ESOP's exercised, forfeited, lapsed during the year is given below.

	2008		2007	
	Number	Price	Number	Price
Outstanding at July 1	395,927	111.35	6,39,690	111.35
Forfeited	-	-	-	-
Exercised	141,155	111.35	146,637	111.35
Lapsed	91,960	111.35	97,126	111.35
Outstanding as at June 30*	162,812	111.35	395,927	111.35

ESOP 2006

On April 24, 2006, the Company granted 852,500 stock options out of 1,500,000 options made available for grant to eligible employees under the Employee Stock Options Plan 2005 (ESOP - 2005). These Options were granted at an exercise price of Rs. 252.30, which was the closing market price on the date of the grant of Options. Out of these options a total of 189,112 number of options were exercised by eligible employees. 154,500 numbers of Options had lapsed due to cessation of employment.

	2008		2007	
	Number	Price	Number	Price
Outstanding at July 1	760,000	252.30	852,500	252.30
Forfeited	-	-	-	-
Exercised	189,112	-	-	-
Lapsed	62,000	252.30	92,500	252.30
Outstanding as at June 30*	508,888	252.30	760,000	252.30

ESOP 2007

On April 24, 2007, the Company granted 1,427,500 stock options out of the balance and lapsed stock options available under the Employee Stock Options Plan 2005 (ESOP - 2005) and Stock options made available for the eligible employees under Employee Stock Options Plan 2007 (ESOP 2007). These Options were granted at an exercise price of Rs. 419.70, which was the closing market price on the date of the grant of Options. The first 50% of these options shall become available for exercise on April 24, 2009 and one Option if exercised is convertible into one-equity share. Out of the options granted, 62,500 numbers of Options had lapsed due to cessation of employment. On 23rd July 2007 additional 125,000 Options were granted out of ESOP Plan 2007, at an exercise price of Rs. 481.45, which was the closing market price on the date of grant of additional Options. The first 50% of these Options shall become available for exercise on July 23, 2009.

	2008		2007	
	Number	Price	Number	Price
Outstanding at July 1	1,427,500	419.70	-	-
Granted	-	-	1,427,500	419.70
Additional Grant	125,000	481.45	-	-
Forfeited	-	-	-	-
Exercised	-	-	-	-
Lapsed	62,500	-	-	-
Outstanding as at June 30*	1,490,000	-	1,427,500	-

ESOP 2008

On January 31, 2008, the Company granted further 1,25,000 stock options out of the balance and lapsed stock options available under the Employee Stock Options Plan 2007 (ESOP 2007). These Options were granted at an exercise price of Rs. 232.15, which was the closing market price on the date of the grant of Options. The first 50% of these options shall become available for exercise on 31/01/2010 and one Option if exercised is convertible into one-equity share the exercise price mentioned below. On 30th April 2008, the Company further granted additional 300,000 stock options out of the balance and lapsed stock options available under the Employee Stock Options Plan 2007 (ESOP 2007). These options were granted at an exercise price of Rs.339.35, which was the closing price as on the date of the grant of Options.

On June 27, 2008, the Company granted further 1,455,500 stock options out of the balance and lapsed stock options available under the Employee Stock Options Plan 2007 (ESOP - 2007) and Employee Stock Options Plan 2008 (ESOP 2008). These options were granted at an exercise price of Rs.261.75, which was the closing price as on the date of the grant of the options.

	2008		2007	
	Number	Price	Number	Price
Outstanding at July 1	-	-	-	-
Granted	125,000	464.30	-	-
Granted	300,000	339.35	-	-
Granted	1,455,500	261.75	-	-
Forfeited	-	-	-	-
Exercised	-	-	-	-
Lapsed	-	-	-	-
Outstanding as at June 30 2008	1,880,500	-	-	-

* These options are entitled for 1:1 bonus issue adjustments.

FBT on exercised of the stock options are paid by the company and subsequently recovered from the employees consequently, there is no impact on Profit and Loss Account.

11. Earning Per Share EPS

EPS is calculated by dividing the profit attributable to the equity shareholders by the average number of equity shares outstanding during the year. Numbers used for calculating basic and diluted earnings per equity share are as stated below.

(Rs. in lacs)

	For the Year ended June 30, 2008	For the Year ended June 30, 2007.*
1. Net Profit artributable to Equity Shareholders	2,305,949,673	1,726,448,275
2. Weighted Avg. Number of Equity Shares (Nos.)/basic EPS	160,410,264	160,014,996
EPS (Rs.) basic	14.37	10.79
3. Weighted Avg. Number of Equity Shares of diluted EPS	162,423,360	160,674,386
EPS (Rs.) diluted	14.19	10.75

*** Adjusted by the 1:1 Bonus issue**

Reconciliation of weighted average nos of equity shares outstanding during the period.

(Rs. in lacs)

	For the Year ended June 30, 2008	For the Year ended June 30, 2007.*
Weighted Nos of shares for Basic Earnings per share	160,410,264	160,014,996
Adjusted on account of ESOPs	2,013,095	659,390
Weighted Nos of shares for Diluted Earnings per share	162,423,360	160,674,386

12. The future obligation on account of non-cancellable Operating Lease payable as per the rental status in respective agreement are as follows:

(Rs. in lacs)

Upto 1 year	24111549
Later than 1 years not later than 5 years	35114161
Later than 5 years	--
Total	59225710

Lease Payments recognized in the Statement of Profit & loss Account under the head Rent in Schedule P Rs.95.58 lacs.

13. As required by Accounting Standard 29 "Provisions, Contingent Liabilities and Contingent Assets" issued by the Institute of Chartered Accountants of India the disclosure with respect to provision for warranty and maintenance expenses is as follows:

	2008	2007
a. Amount at the beginning of the year	69.97	98.51
b. Additional provision made during the year	96.97	69.97
c. Amount used	20.01	30.50
d. Unused amount reversed during the year	49.96	68.01
e. Amount at the end of the year	96.97	69.97

14. Related Party Disclosures

i. List of Related Parties and relationships

a Key Management Personnel / Directors

Mr. K K Singh	Chairman & Managing Director
Mr. A D Tayal	Jt. Managing Director
Dr. Aditya Singh	Jt. Managing Director
Mr. A. P Singh	Jt. Managing Director
Mrs.Preetha Pulsani	Jt. Managing Director (w.e.f. 01.03.2008)
Mr.Hiranya Ashar	Director Finance & Chief Financial Officer
Mr. Ben Eazzetta	Director & President International Operations

Schedules Forming Part of Consolidated Balance Sheet & Profit and Loss Account

b Enterprises over which significant influence exercised by Key Management Personnel / Directors

Management Personnel / Directors

Rolta Limited	Company controlled by Mr. K K Singh
Rolta Properties Pvt. Ltd	Company controlled by Mr. K K Singh
Rolta Resources (P) Ltd	Company controlled by Mr. K K Singh
Rolta Holding & Finance Corporation Ltd	Company controlled by Mr. K K Singh
Rolta Infotech Hongkong	Company controlled by Mr. K K Singh
Rolta Shares & Stocks Pvt Ltd	Company controlled by Mr. K K Singh
Aditya Investment & Finance Corporation	Firm in which Mr. K K Singh is a Partner
Kanga & Company	Solicitors Firm in which Mr. K R Modi, Director of the Company, is a Partner
Lanier Ford Shaver & Payne P.C	Law firm in which Mr. John R Wynn, an Officer of Rolta U.S. is a legal counsel

c Associates

Stone & Webster Ltd.	Joint Venture partner in Stone & Webster Rolta Ltd.
Mashail Al-Khaleej	Minority shareholder in Rolta Saudi Arabia Limited

ii. Disclosures required for related parties transactions

(Rs. in lacs)

Transactions	Associates	Key Management Personnel	Enterprises over which significant influence excercised by Key Mgmt.Pers./ Directors	Total
I) Transactions during the year				
Sale of Goods/ Services.	3,088.66	-	-	3,088.66
Reimbursement Of Expenses	115.42	-	-	115.42
Lease Rent/Maintenance/ Business Center Fees Paid...	-	-	224.20	224.20
Technical Fees Paid....	-		613.07	613.07
Professional Fees Paid...	-	-	173.51	173.51
Remuneration...	-	2,096.30	-	2096.30
II) Amounts Receivable....	763.01	-	25.65	788.66
Amounts Payable....	-	1,565.78	-	1,565.78

Notes:

Related party relationship is as identified by the Company on the basis of information available.

No amount has been written off or written back during the year in respect of debts due from or to related parties.

The Company has entered into transactions with certain parties as listed above during the year under consideration. Full disclosures have been made and the board considers such transactions to be in normal course of business and at rates agreed between the parties.

15. Segment Reporting

a. In accordance with the requirement of Accounting Standard 17 (AS 17) "Segment Reporting" issued by the Institute of Chartered Accountants of India, the company reviewed its activities in various IT Related solutions and services and identified following three distinguishable Business activities as Primary Segments

i. Geospatial / GIS,
ii. Engineering Design and
iii. Enterprise Information & Communication Technology

The disclosure requirement as per Accounting Standard 17 is as under

(Rs. in lacs)

Particulars	June 30, 2008	June 30, 2007
Segment Revenue		
Geospatial / GIS	53,055.24	40,434.09
Engineering Design	34,770.03	22,054.19
Enterprise Information & Communication Technology	19,396.17	8,652.71
Less: Inter Segment revenue	-	-
Net revenue from operations	**107,221.44**	**71,140.99**
Segment Profit/(loss) before tax, interest & depreciation		
Geospatial / GIS	21,219.36	17,028.58
Engineering Design	13,577.05	8,731.19
Enterprise Information & Communication Technology	4,177.54	2,902.35
Total	**38,973.95**	**28,662.12**
Add: Other Income (not allocable)	1,697.51	1,025.19
Less: Interest (not allocable)	-	73.65
Less: Depreciation (not Allocable)	13,825.35	10,183.05
Total Profit before Tax	**26,846.11**	**19,430.61**

b. Secondary segment report is based on Geographical locations. Revenue Attributable to different geographical segment is as follows:

(Rs. in lacs)

Geographical segments	June 30, 2008	June 30, 2007
India	59,278.96	42,180.65
Rest of the World	47,942.48	28,960.34
Total	107,221.44	71,140.99

Note on segment information: Segmental Capital Employed: Fixed assets used in the company's business or liabilities contracted have not been identified to any of the reportable segments. The company believes that it is currently not practicable to provide segment disclosures relating to total assets and liabilities.

16. The previous year's figures are regrouped, rearranged & reclassified, wherever necessary.

The Schedules referred to above and the notes thereon form an integral part of the Balance Sheet
This is the Balance Sheet referred to in our report of even date

For and on behalf of Board of Directors

For **Khandelwal Jain & Co.**
Chartered Accountants

Shivratan Agarwal
Partner
M.No.104180

K K Singh
Chairman & Managing Director

R.R.Kumar
Director

K.R.Modi
Director

Atul D. Tayal
Jt. Managing Director

Hiranya Ashar
Director - Finance &
Chief Financial Officer

Harjinder Singh
Executive Vice President Legal &
Company Secretary

Mumbai,
Date: July 24, 2008

Mumbai,
Date: July 24, 2008

Consolidated Cash Flow Statement

For the Year Ended 30th June 2008

(Amount in Rs.)

	30th June 2008		30th June 2007	
A. CASH FLOW FROM OPERATING ACTIVITIES:				
Net Profit after tax and extraordinary items		2,296,811,042		1,726,448,275
Adjustments for :				
Depreciation	1,382,535,395		1,018,304,919	
Interest expenses	-		7,364,531	
Interest income	(162,089,050)		(11,905,346)	
Dividend income	(167,583,913)		(50,208,769)	
Provision For Tax	387,799,654		216,612,603	
Profit on Sale of Investment (Net)	(25,330,425)		(16,884,483)	
Loss on Sale of Asset (Net)	4,342,154		5,832,426	
Exchange difference adjustment(net)	330,342,631		(66,381,126)	
		1,750,016,446		1,102,734,755
Operating Profit Before Working Capital Changes		4,046,827,488		2,829,183,030
Adjustments for :				
Trade and other receivables	(1,310,059,648)		(648,380,137)	
Inventories	(8,129,540)		27,455,373	
Trade payables	1,137,969,222		217,315,480	
		(180,219,966)		(403,609,284)
CASH GENERATED FROM OPERATIONS		3,866,607,522		2,425,573,746
Interest paid	--		(7,364,531)	
Direct taxes paid (net of refunds)	(274,797,007)		(99,176,782)	
		(274,797,007)		(106,541,313)
NET CASH FROM OPERATING ACTIVITIES		3,591,810,515		2,319,032,433
B. CASH FLOW FROM INVESTING ACTIVITIES				
Purchase of Fixed Assets		(3,452,832,395)		(2,654,743,042)
Sale of Fixed Assets		9,131,139		6,406,382
Sale / purchase of Investment (net)		(1,814,824,748)		164,565,763
Interest received		32,430,711		10,904,286
Dividend received		167,583,913		50,883,769
Consideration towards Acquisition		(1,832,827,076)		-
Net Cash Used In Investing Activities		(6,891,338,456)		(2,421,982,842)
C. CASH FLOW FROM FINANCING ACTIVITIES				
Repayment of Secured Loan		(67,460,673)		(32,312,610)
Dividend and Dividend Tax Paid		(472,854,595)		(363,978,316)
Proceeds from issue of FCCB's		--		6,111,000,000
Proceeds from issue of Share Capital (includes Securities premium)		63,430,693		26,977,955
Share Issue Expenses		(14,835,753)		(136,512,785)
Net Cash From Finance Activities		(491,720,328)		5,605,174,244
Net Increase In Cash & Cash Equivalents		(3,791,248,269)		5,502,223,835
Cash & Cash Equivalents(opening Balance)		6,389,552,303		887,328,468
Cash & Cash Equivalents(closing Balance)		2,598,304,034		6,389,552,303

1) Cash & cash equivalents consists of cash on hand and balances with banks.
2) Figures for the previous years have been regrouped/re-cast wherever necessary.

This is the Cash Flow referred to in our report of even date

For **Khandelwal Jain & Co.**
Chartered Accountants

For and on behalf of Board of Directors

Shivratan Agarwal
Partner
M.No.104180

K K Singh
Chairman & Managing Director

R.R.Kumar
Director

K.R.Modi
Director

Atul D. Tayal
Jt. Managing Director

Hiranya Ashar
Director - Finance
& Chief Financial Officer

Harjinder Singh
Executive Vice President Legal
& Company Secretary

Mumbai,
Date: July 24, 2008

Mumbai,
Date: July 24, 2008

Rolta India Limited and it's Subsidiaries

Consolidated Balance Sheet in US $

As at 30th June 2008

(Amount in US $)

	30th June 2008		30th June 2007
SOURCES OF FUNDS	$	$	$
Shareholders' Funds			
Share Capital	37,549,020		19,665,810
Reserves & Surplus	238,796,771		237,231,861
		276,345,791	256,897,671
LOAN FUNDS			
Secured Loans		-	1,615,027
Unsecured Loan - FCCBs		161,912,161	150,000,000
Deferred Tax Liability		10,703,072	8,491,582
Minority Interest		358,492	-
Total		449,319,516	417,004,280
APPLICATION OF FUNDS			
Fixed Assets			
Gross Block	246,984,676		203,324,956
Less: Depreciation	95,459,493		88,834,130
Net Block	151,525,183		114,490,826
Add: Capital Work In Progress	40,354,582		35,905,444
		191,879,765	150,396,270
Goodwill On Consolidation		46,678,331	1,468,994
Investments		65,723,536	23,959,213
Deferred Tax Assets		1,477,396	6,356
Current Assets, Loans And Advances			
a) Inventories	5,007,001		5,066,776
b) Sundry Debtors	117,101,422		92,535,677
c) Cash & Bank Balances	60,637,200		156,837,318
d) Other current assets	5,033,078		251,423
e) Loans & Advances	22,049,115		21,477,509
	209,827,816		276,168,703
Less : Current Liabilities And Provisions	66,267,328		34,995,256
Net Current Assets		143,560,488	241,173,447
Total		449,319,516	417,004,280

For and on behalf of Board of Directors

For **Khandelwal Jain & Co.**
Chartered Accountants

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Mumbai,
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(2) All conversions from Indian Rupees ('Rs.') to U.S.dollars ('U.S.$') are made on the basis of exchange rate prevailing on 30th June, 2008 of Rs. 42.85 = U.S.$ 1.00 (Last Year Rs. 40.74 = U.S.$ 1.00).

Rolta India Limited and it's Subsidiaries

Consolidated Profit And Loss Account in US $

For the year ended 30th June 2008

(Amount in US $)

	30th June 2008	30th June 2007
	$	$
INCOME		
Sale of IT Solutions & Services	250,225,057	174,621,961
Other Income	3,961,521	2,516,430
Total	254,186,578	177,138,391
EXPENDITURE		
Material Cost	59,751,322	47,327,506
Manpower cost	74,697,336	41,475,336
Other expenses	24,822,025	15,465,389
Interest	-	180,769
Depreciation / Amortisation	32,264,537	24,995,212
Total	191,535,220	129,444,212
Profit Before Tax	62,651,358	47,694,179
Less : Provision For Tax and Deferred Tax	9,050,167	5,316,951
Profit After Tax	53,601,191	42,377,228
Add : Minority Share in Losses	213,270	-
Profit For The Year	53,814,461	42,377,228
Add : Balance brought forward from previous year	111,012,176	90,544,555
Balance Available For Appropriation	164,826,637	132,921,783
APPROPRIATIONS		
Dividend Paid	2,102	544
Proposed Dividend	11,614,764	9,832,905
Income Tax on Proposed Dividend	2,013,948	1,702,161
Transfer to General Reserve	6,313,621	4,624,471
Balance Carried To Balance Sheet	144,882,202	116,761,702
Earnings Per Share (equity Shares,par Value Rs.10 Each)		
Basic	0.34	0.26
Diluted	0.33	0.26

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Rolta India Limited and it's Subsidiaries

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As at 30th June 2008

(Amount in US $)

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Shareholders' Funds			
Share Capital	37,549,020		19,665,810
Reserves & Surplus	238,796,771		237,231,861
		276,345,791	256,897,671
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Deferred Tax Liability		10,703,072	8,491,582
Minority Interest		358,492	-
Total		449,319,516	417,004,280
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Gross Block	246,984,676		203,324,956
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Mumbai,
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For the year ended 30th June 2008

(Amount in US $)

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Manpower cost	74,697,336	41,475,336
Other expenses	24,822,025	15,465,389
Interest	-	180,769
Depreciation / Amortisation	32,264,537	24,995,212
Total	191,535,220	129,444,212
Profit Before Tax	62,651,358	47,694,179
Less : Provision For Tax and Deferred Tax	9,050,167	5,316,951
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Earnings Per Share (equity Shares,par Value Rs.10 Each)		
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Diluted	0.33	0.26

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Independent Auditors' Report (IFRS)

To
The Board of Directors of
Rolta India Limited:

We have audited the accompanying consolidated financial statements of Rolta India Limited (the Company) and its subsidiaries (together referred to as 'the Group'), which comprise of consolidated balance sheet as at June 30, 2008, and also the consolidated statement of income, the consolidated statement of changes in shareholders' equity and the consolidated statement of cash flows for the year then ended, and a summary of significant accounting policies and other explanatory notes.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with International Financial Reporting Standards. This responsibility includes: designing, implementing and maintaining internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error; selecting and applying appropriate accounting policies; and making accounting estimates that are reasonable in the circumstances.

Auditors' Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with International Standards on Auditing. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control.

An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

We did not audit the financial statements of certain subsidiaries and joint ventures, whose financial statements reflect total assets of Rs. 4,530,917 thousand as at June 30, 2008, total revenue of Rs. 3,526,018 thousand and cash out flow of Rs. 114,748 thousand for the year then ended. The financial statements and other financial information of these subsidiaries and joint ventures have been audited by other auditors whose reports have been furnished to us, and our opinion is based solely on the report of those other auditors.

We report that the consolidated financial statements have been prepared by Rolta's management in accordance with the requirements of International Accounting Standard 27, Consolidated Financial Statements and Accounting for Investments in Subsidiaries and International Accounting Standard 31, Financial Reporting of Interests in Joint Ventures, issued by the International Accounting Standards Board.

In our opinion, the financial statements give a true and fair view of the financial position of Rolta as at June 30, 2008, and of its financial performance and the changes in the shareholder's equity and its cash flows for the year then ended in accordance with International Financial Reporting Standards.

Grant Thornton
New Delhi
Date: July 24, 2008

Consolidated Financial Statements Prepared in Accordance with IFRS

Consolidated Balance Sheet

(All amounts in thousands of Indian Rupees, unless otherwise stated)

ASSETS	Notes	June 30, 2008	June 30, 2007
Current			
Cash and cash equivalents	B	2,519,632	6,311,126
Restricted cash	C	78,673	78,426
Short term marketable securities (available for sale)		2,822,852	976,098
Accounts receivable, net	D	5,017,796	3,769,904
Inventories	E	214,550	206,420
Other current assets	F	1,226,737	952,618
Total current assets		**11,880,240**	**12,294,592**
Non current			
Property, plant and equipment, net	G	6,601,416	4,706,962
Capital work in progress	H	1,729,194	1,462,789
Intangible Assets	I	142,017	656
Goodwill	J	1,772,908	-
Deferred tax assets	N	97,810	19,967
Total non current assets		**10,343,346**	**6,190,374**
Total assets		**22,223,586**	**18,484,966**
LIABILITIES AND STOCKHOLDERS' EQUITY			
Current liabilities			
Accounts payable		470,231	206,393
Current tax liabilities, net of advances		63,687	58,591
Current portion of long term debt		-	18,803
Other liabilities	L	1,544,068	558,264
Total current liabilities		**2,077,986**	**842,051**
Non current			
Long-term debt (net of current portion)		-	46,993
Liability component of compound financial instruments	K	6,487,190	5,686,459
Employee obligations	M	101,512	71,370
Deferred tax liabilities	N	491,841	389,508
Total non current liabilities		**7,080,543**	**6,194,330**
Total liabilities		9,158,529	7,036,381
Stockholders' equity	O		
Common stock		1,608,976	801,185
Additional paid in capital		3,483,704	4,228,065
Equity component of compound financial instrument		288,027	288,027
Stock compensation reserve		159,846	63,151
Statutory Reserve		8,825	8,825
Translation Reserve		62,289	(83,329)
Revaluation Reserve		6,600	-
Accumulated earnings		7,431,429	6,142,661
		13,049,696	11,448,585
Minority Interest		15,361	-
Total stockholders' equity		**13,065,057**	**11,448,585**
Total liabilities and stockholders' equity		**22,223,586**	**18,484,966**

(The accompanying notes are an integral part of these consolidated financial statements)

Consolidated Financial Statements Prepared in Accordance with IFRS

Consolidated Statement of Income

(All amounts in thousands of Indian Rupees, unless otherwise stated)

	Notes	Year ended June 30, 2008	Year ended June 30, 2007
Revenues			
Operating Revenue	P	10,722,144	7,114,099
Total		**10,722,144**	**7,114,099**
Expenses			
Materials consumed	R	2,560,344	1,928,123
Employee costs	S	3,326,818	1,731,787
Other expenses		1,112,485	630,032
Depreciation and amortization	G&I	1,341,506	782,602
Total		**8,341,153**	**5,072,544**
Operating result		2,380,991	2,041,555
Other income	Q	219,212	102,519
Interest cost		500,055	7,365
Result from continuing operations before tax		**2,100,148**	**2,136,709**
Taxes	N		
Current tax expenses		325,551	115,529
Deferred tax		24,490	230,611
Net result from continuing operations		1,750,107	1,790,569
Attributable to minority interest		9,139	-
Attributable to equity shareholders to shareholders of Rolta India Limited		**1,759,246**	**1,790,569**
Earnings per share	X		
Basic (in Rs.)		10.97	11.19
Diluted (in Rs.)		10.82	11.14

(The accompanying notes are an integral part of these consolidated financial statements)

Consolidated Statement of Changes in Shareholders' Equity

(All amounts in thousands of Indian Rupees, unless otherwise stated)

	Equity attributable to shareholders of Rolta India Limited											Total Stock-holders' Equity
	Common stock - No. of shares	Common stock - Amount	Additional paid in capital	Equity component of Compound Financial Instrument	Stock compensation reserve	Statutory reserve	Revaluation reserve	Translation reserve	Accum-ulated earnings	Total	Minority Interest	
Balance as at July 1, 2006,	**79,918,246**	**799,182**	**4,203,089**	-	**29,592**	**8,825**	**(48,036)**	**4,892**	**4,717,888**	**9,715,432**	-	**9,715,432**
Unrealised loss on available for sale investment recycled to profit and loss account on disposal of investments	-	-	-	-	-	-	48,036	-	-	48,036	-	48,036
Translation adjustment	-	-	-	-	-	-	-	(88,221)	-	(88,221)	-	(88,221)
Income/ (expense) recognized directly in equity	-	-	-	-	-	-	**48,036**	**(88,221)**	-	**(40,185)**	-	**(40,185)**
Net income for the year	-	-	-	-	-	-	-	-	1,790,569	1,790,569	-	1,790,569
Total income and expense recognized for the year	-	-	-	-	-	-	**48,036**	**(88,221)**	**1,790,569**	**1,750,384**	-	**1,750,384**
Employee share based compensation	-	-	-	-	33,559	-	-	-	-	33,559	-	33,559
Shares issued under Employee Stock Option ('ESOP') Scheme	200,262	2,003	24,976	-	-	-	-	-	-	26,978	-	26,978
Equity component of compound financial instrument	-	-	-	294,607	-	-	-	-	-	294,607	-	294,607
Issue cost attributable to equity component of compound financial instrument	-	-	-	(6,580)	-	-	-	-	-	(6,580)	-	(6,580)
Dividends paid	-	-	-	-	-	-	-	-	(365,796)	(365,796)	-	(365,796)
Balance as at June 30, 2007	**80,118,508**	**801,185**	**4,228,065**	**288,027**	**63,151**	**8,825**	-	**(83,329)**	**6,142,661**	**11,448,584**	-	**11,448,584**
Balance as at July 1, 2007,	**80,118,508**	**801,185**	**4,228,065**	**288,027**	**63,151**	**8,825**	-	**(83,329)**	**6,142,661**	**11,448,584**	-	**11,448,584**
Unrealised loss on available for sale investment	-	-	-	-	-	-	6,600			6,600		6,600
Translation adjustment	-	-	-	-	-	-	-	145,618	-	145,618	-	145,618
Income/ (expense) recognized directly in equity	-	-	-	-	-	-	**6,600**	145,618	-	152,218	-	152,218
Net income for the year	-	-	-	-	-	-	-	-	1,759,246	1,759,246	(9,139)	1,750,107
Total income and expense recognized for the year	-	-	-	-	-	-	**6,600**	**145,618**	**1,759,246**	**1,911,464**	**(9,139)**	**1,902,325**
Bonus Issue				-	-	-	-	-	-		-	-
Equity	80,118,508	801,185	(801,185)	-	-	-	-	-	-		-	-
ESOP	18,015	180	(180)	-	-	-	-	-	-		-	-
Employee share based compensation	-		-	-	96,695	-	-	-	-	96,695	-	96,695
Minority interest in RTL	-	-	-	-	-	-	-	-	-		24,500	24,500
Shares issued under Employee Stock Option ('ESOP') Scheme	642,520	6,426	57,005	-	-	-	-	-	-	63,431	-	63,431
Dividends paid	-	-	-	-	-	-	-	-	(470,478)	(470,478)	-	(470,478)
Balance as at June 30, 2008	**160,897,551**	**1,608,976**	**3,483,704**	**288,027**	**159,846**	**8,825**	**6,600**	**62,289**	**7,431,429**	**13,049,696**	**15,361**	**13,065,057**

(The accompanying notes are an integral part of these consolidated financial statements)

Consolidated Financial Statements Prepared in Accordance with IFRS

Consolidated Statement of Cash Flows

(All amounts in thousands of Indian Rupees, unless otherwise stated)

Particulars	Year ended June 30, 2008	Year ended June 30, 2007
(A) Cash inflow/ (outflow) from operating activities		
Net result before tax	**2,100,148**	**2,136,709**
Adjustments to reconcile net income before tax to net cash provided by operating activities:		
Depreciation and amortization	1,341,506	782,602
Employee Compensation on stock options	96,695	33,559
Interest on FCCB	478,233	-
Interest income, net	(129,658)	(1,001)
Loss on sale of asset (net)	4,028	5,832
Profit on sale of investments	(25,330)	(16,884)
Dividend income	(167,584)	(57,571)
Provision for retirement benefit	23,997	-
Unrealized exchange differences (net)	207,435	65,596
	3,929,470	**2,948,842**
Changes in operating assets and liabilities		
Restricted cash	(247)	(7,314)
Accounts receivable and other assets	(1,310,060)	(751,984)
Inventory	(8,156)	23,136
Accounts payable and other liabilities	1,106,500	192,766
Net changes in operating assets and liabilities	**(211,963)**	**(543,396)**
Direct Tax paid	(262,181)	(93,680)
Net cash provided by operating activities	**3,455,326**	**2,311,766**
(B) Cash inflow/ (outflow) from investing activities		
Dividend received	167,584	58,246
Payments for purchase of property plant and equipment	(3,452,832)	(2,655,405)
Proceeds from sale of property plant and equipment	9,453	5,729
Purchase of available for sale investments	-	(47,637)
Sale of available for sale investments	(1,814,825)	213,042
Consideration towards acquisition	(1,832,827)	-
Net cash used in investing activities	**(6,923,447)**	**(2,426,025)**
(C) Cash inflow / (outflow) from financing activities		
Proceeds from secured loan	-	-
Proceeds from compound financial instruments	-	6,111,000
Repayment of secured loans	(67,461)	(22,890)
Proceeds from issue of share capital	75,681	26,978
Debt issue cost	-	(136,513)
Share application money received	12,250	-
Dividend paid (including tax on dividend)	(470,478)	(362,716)
Net cash provided by financing activities	**(450,008)**	**5,615,859**
Effect of exchange rate changes on cash	126,634	(6,100)
Net increase in cash and cash equivalents	**(3,791,495)**	**5,495,500**
Cash and cash equivalents at the beginning of the year	6,311,126	815,626
Cash and cash equivalents at the end of the year	**2,519,632**	**6,311,126**
Cash and cash equivalents comprise		
Cash in hand	2,016	371
Balances with banks	2,517,616	6,310,755
	2,519,632	**6,311,126**

(The accompanying notes are an integral part of these consolidated financial statements)

NOTE A - BACKGROUND INFORMATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

1. NATURE OF OPERATIONS

Rolta India Limited ('the Company') and its subsidiaries (together referred to as 'the Group') are primarily engaged in providing Computer Aided Designing ('CAD'), Computer Aided Manufacturing ('CAM'), GeoSpatial Information System ('GIS') Solutions, eBusiness and other related services. Rolta also provides Automated Mapping ('AM') and Facilities Management ('FM'), GIS and Photogrammetry services, Plant Design Automation ('PDA') and Mechanical Design Automation ('MDA') solutions. Rolta also offers comprehensive high-end technical customisation services and solutions in eBusiness.

Rolta entered into a strategic partnership with Stone & Webster Inc., USA, a subsidiary of Shaw Group, a leading engineering procurement and construction ('EPC') company to provide globally high quality cost effective engineering, design and procurement services, related to power, refinery and petrochemical projects. The Joint Venture Company, Stone & Webster Rolta Limited is incorporated in India and Rolta India Limited has a 50% stake in this company.

In the current year, Rolta Thales Limited ('RTL') has been incorporated in India. RTL represents the partnership between Rolta India Limited and Thales, France. Thales is a world leader in Mission Critical Information Systems for the defence, aerospace and homeland security markets. The subsidiary will take advantage of technology transfer from Thales for developing state of the art, command, control, communications, computers, intelligence, surveillance, target acquisition and reconnaissance ('C4ISTAR') equipment systems to address opportunities in the defence, security and defence segments worldwide. Rolta India Limited has 51% stake in RTL.

2. GENERAL INFORMATION

Rolta India Limited, a public listed company, is domiciled in Mumbai, India and is the Group's ultimate parent company. The registered office of Rolta India Limited is at Rolta Towers, Rolta Technology Park, 22nd Street, MIDC, Andheri (E), Mumbai - 400093, India.

The Company's shares are listed on the Bombay Stock Exchange and the National Stock Exchange of India in Mumbai, India and company's GDRs are listed on London Stock Exchange, UK.

The financial statements have been prepared in accordance with International Financial Reporting Standards issued by the International Accounting Standards Board and effective as of June 30, 2008.These financial statements include comparative financial information as at and for the year ended June 30, 2007, as required by IAS 1 - Presentation of Financial Statements ('IAS 1'). The consolidated financial statements have been prepared on a going concern basis.

The consolidated financial statements of Rolta have been prepared in accordance with the International Financial Reporting Standards ('IFRS') issued by the International Accounting Standards Board effective for accounting periods commencing on July 1, 2007.

Rolta also separately presents its consolidated financial statements for the same period prepared in accordance with accounting principles generally accepted in India ('Indian GAAP'). The significant differences between the Indian GAAP and IFRS, so far as concerns the financial statements referred to above, primarily relate to compensated absences, employee benefit plans, share based payments to employees, depreciation of assets based on estimated useful life of assets, accounting for derivatives and business combinations. A reconciliation of net income determined as per Indian GAAP with the net income determined as per IFRS has been presented in Note 4.

The consolidated financial statements of Rolta are prepared and presented in thousands of Indian Rupees ('INR'), the Company's functional currency.

The financial statements for the year ended June 30, 2008 were approved by a committee of the Board of Directors on July 24, 2008. Financial statements once approved by the Board of Directors are generally not amended.

3. CHANGE IN ACCOUNTING POLICIES

3.1 Overall considerations

The Group has adopted for the first time IFRS 7 Financial Instruments: Disclosures in its 2008 consolidated financial statements. Both Standards have been applied retrospectively, i.e. with amendments to the 2007 accounts and their presentation. The 2007 comparatives contained in these financial statements therefore differ from those published in the financial statements for the year ended 30 June 2008.

Other Standards or Interpretations relevant for IFRS financial statements did not become effective during the current financial year. Significant effects on current, prior or future periods arising from the first-time application of the standards listed above in respect of presentation, recognition and measurement of accounts are described in the following notes. An overview of Standards and Interpretations that will become mandatory for the Group in future periods is given in note 3.4.

3.2 Amendment of IAS 1 Presentation of Financial Statements

In accordance with the amendment of IAS 1 Presentation of Financial Statements, the Group now reports on it capital management objectives, policies and procedures in each annual financial report. The new disclosures that become necessary due to this change in IAS 1 can be found in note 3.4.

3.3 Adoption of IFRS 7 Financial Instruments: Disclosures

IFRS 7 Financial Instruments: Disclosures is mandatory for reporting periods beginning on 1 January 2007 or later. The new Standard replaces and amends disclosure requirements previously set out in IAS 32 Financial Instruments: Presentation and Disclosures and has been adopted early by the Group in its 2008 consolidated financial statements. All disclosures relating to financial instruments including all comparative information have been updated to reflect the new requirements. In particular, the Group's financial statements now feature

- a sensitivity analysis, to explain the Group's market risk exposure in regards to its financial instruments, and
- a maturity analysis that shows the remaining contractual maturities of financial liabilities,

each as at the balance sheet date. The first-time application of IFRS 7, however, has not resulted in any prior-period adjustments of cash-flows, net income or balance sheet line items.

3.4 Standards and Interpretations not yet applied

The following new Standards and Interpretations, which are yet to become mandatory, have not been applied in Rolta's 2008 Group Financial Statements.

Standard or interpretation	Effective dates
IAS 1: Presentation of Financial Statements (Revised)	Annual periods beginning on or after 1 January 2009
IAS 23: Borrowing costs (Revised)	Annual periods beginning on or after 1 January 2009
IAS 27: Consolidated and Separate Financial Statements (Revised 2008)	Annual periods beginning on or after 1 July 2009
IAS 32: Financial Instruments: Presentation- Puttable Financial Instruments and Obligations Arising on Liquidation Amendment	Annual periods beginning on or after 1 January 2009
IFRS 2: Share-Based Payment (Amendment)	Annual periods beginning on or after 1 January 2009
IFRS 3: Business Combinations (Revised 2008)	For acquisition dated on or after the beginning of the first annual reporting period beginning on or after 1 July 2009
IFRS 8: Operating Segments	Periods beginning on or after 1 January 2009
IFRIC 13: Customer Loyalty Programmes	Annual periods beginning on or after 1 July 2008

Based on Rolta's current business model and accounting policies, management does not expect material impacts on Rolta's Group Financial Statements when the Interpretations become effective.

The possible outcome of applying the revised version of IAS 23 is yet to be determined. Under the new Standard, all borrowing costs that are directly attributable to qualifying assets are to be capitalised. This may affect the measurement of assets which are self constructed in the course of Rolta's ongoing research and development activities. Rolta's current accounting policy is to immediately expense all borrowing costs. A change in accounting policies will affect the timing of expense recognition as well as the presentation of the resulting expenses (interest costs vs. amortization).

Rolta does not intend to apply any of these pronouncements early.

4. RECONCILIATION OF NET RESULT

The reconciliation presented below is additional information presented in these financial statements to help readers compare the Indian GAAP financial information to IFRS.

Reconciliation of net result	Note	Year ended June 30, 2008	Year ended June 30, 2007
Net result determined under Indian GAAP		2,296,813	1,726,448
Adjustments to conform with IFRS			
Reversal of amortized goodwill	4.1	499	527
Employee benefits - Gratuity and compensated absences	4.2	(17,526)	(578)
Depreciation	4.3, 4.4	64,181	235,703
Share based payments	4.5	(96,695)	(33,559)
Deferred tax	4.6	25,143	(137,972)
Adjustment of legal fees on increase of authorised capital	4.7	(14,836)	-
Amortisation of intangibles	4.8	(23,151)	-
Foreign exchange gain on FCCB	4.9	(6,088)	-
Interest on FCCB	4.8	(478,233)	-
Net result in accordance with IFRS		1,750,107	1,790,569

4.1 Goodwill

In the preparation of its financial statements in accordance with Indian GAAP, the Company has recognized goodwill on consolidation of its subsidiaries. This goodwill has resulted from change in ownership structure of certain entities within the Group.

In the Company's financial statements in accordance with IFRS, the consolidation principles of IAS 27 were applied, which does not permit recognition of internally generated goodwill. As a result Rolta has reversed this goodwill and has accordingly adjusted the opening balance of retained earnings.

4.2 Employee Benefits

In the preparation of its financial statements in accordance with Indian GAAP, the retirement benefits are recognised on the basis of a valuation by a qualified actuary. Rolta carries out an actuarial valuation for accrued leave balances only for the encashable portion of the leave.

In the Company's financial statements in accordance with IFRS, the liabilities for employee benefits were determined as per IAS 19-'Employee benefits'. Further, the liability in respect of all compensated absences was recognized.

4.3 Change in estimate of useful life of assets

In the preparation of its financial statements in accordance with Indian GAAP during the year ended June 30, 2007, the Company has changed the accounting policy for charging depreciation from Written Down Value method to Straight Line Method for Computer Plant and Machinery. Further, the Company has also revised the estimated useful life of Computer Plant and Machinery from six years to four years. Due to these changes the Company, in the preparation of Indian GAAP financial statements charged all the additional depreciation in the current year's statement of income.

In the Company's financial statements in accordance with IFRS, the Company has revised the useful life of Computer Plant and Machinery from three years to four years. This change in estimate of useful life has been accounted for prospectively and impacts the depreciation for the current and future periods. Accordingly, the net excess depreciation charged in the Indian GAAP financial statements has been reversed.

4.4 Decapitalisation of Borrowing Costs and Foreign Exchange Differences

In the preparation of the financial statements in accordance with Indian GAAP, the Company had capitalised borrowing cost and foreign exchange differences as part of the cost of property, plant and equipment. This treatment has been followed for the year ending June 30, 2000 onwards, prior to which such costs were charged to profit and loss.

In the Company's financial statements in accordance with IFRS, the company has adopted the benchmark treatment of expensing all borrowing costs. Accordingly, all such costs capitalized in earlier years have been charged to retained earnings. Further, the depreciation charged on this element of the capitalized costs has been reversed, with a corresponding adjustment to the retained earnings and current period depreciation.

4.5 Share based payments

The Company has not recognised any expense on the equity-settled share-based payments for the year under the Indian GAAP as the use of fair value method for measurement of employee share based compensation is only recommendatory in nature.

In the Company's financial statements in accordance with IFRS, the company has applied IFRS 2 (2003) and all share-based remuneration is recognised as an expense in profit and loss and is measured using the fair value model.

4.6 Deferred Tax Assets and Liabilities

On application of IFRS the carrying amounts of assets and liabilities have changed, and hence the deferred tax liabilities and assets and the related deferred tax income and expenses have also changed.

4.7 Legal fees incurred for the increase of authorised capital

In the preparation of the financial statements in accordance with Indian GAAP, expenditure incurred to increase the authorised share capital of the Company has been considered as share issue cost and has been adjusted through the securities premium account.

In the Company's financial statements in accordance with IFRS, the expenditure to increase authorised share capital does not qualify as share issue expense under IAS 32 and therefore has been charged to income statement accordingly.

4.8 Amortization of Intangibles

The Group has acquired Orion Technology Inc and Broech Corporation in the current year. In Indian GAAP financial statements, excess of purchase consideration over cost of acquisition has been recognised as goodwill. As per IFRS 3, Business Combinations, the acquirer, in this case Rolta International Inc., will account for the acquisition through use of the purchase method.

This requires the acquirer to allocate the cost of the business combination to acquiree's identifiable assets and liabilities including any identifiable intangible assets. In pursuance of the purchase price allocation performed for the acquisition, certain intangible assets have been identified. The intangible assets and the related amortization are recorded in the financial statements prepared under IFRS.

4.9 Imputed interest on Compound Financial Instrument

The Group has outstanding foreign currency convertible bonds ('FCCB') as on 30 June 2008. As per IAS 32, FCCB issued by the Company are treated as compound financial instruments. An imputed interest is recognised at the effective rate of interest on the liability portion of such financial instruments.

In the absence of relevant literature in Indian GAAP, the relevant adjustments as stipulated by IAS 32 for recognition of the imputed interest cost and re-measurement of liability at the closing balance sheet date have not been made in the Indian GAAP financial statements.

5. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

5.1. OVERALL CONSIDERATIONS

The significant accounting policies that have been used in the preparation of these consolidated financial statements are summarised below.

The consolidated financial statements have been prepared using the measurement basis specified by IFRS for each type of asset, liability, income and expense. The measurement basis are more fully described in the accounting policies below.

All accounting estimates and assumptions that are used in preparing the financial statements are consistent with the Rolta's latest approved budgeted forecast, where applicable. Judgements are based on the information available at each balance sheet date. Although these estimates are based on the best information available to management, actual results may ultimately differ from those estimates.

Estimates of life of various tangible and intangible assets, allowance for uncollectible amounts, percentage of completion of customer contracts, costs to complete customer projects and assumptions used in the determination of employee-related obligations represent certain of the significant judgements and estimates made by management.

The preparation of these consolidated financial statements in conformity with IFRS and requires the application of judgment by management in selecting appropriate assumptions for calculating financial estimates, which inherently contain some degree of uncertainty. Management estimates are based on historical experience and various other assumptions that are believed to be reasonable in the circumstances, the results of which form the basis for making judgments about the reported carrying values of assets and liabilities and the reported amounts of revenues and expenses that may not be readily apparent from other sources. Actual results may differ from these estimates under different assumptions or conditions.

In the process of applying the Group's accounting policies, the following judgments have been made apart from those involving estimations, which have the most significant effect on the amounts recognized in the financial information:

Notes to Financial Statements
Prepared in Accordance with IFRS (All amounts in thousands of Indian Rupees, unless otherwise stated)

Leases

The Company has evaluated each lease agreement for its classification between finance lease and operating lease. The Company has reached its decisions on the basis of the principles laid down in IAS 17, "Leases" for the said classification. Also, the Company has used IFRIC 4, "Determining whether an arrangement contains a lease" for determining whether an arrangement is, or contains, a lease is based on the substance of the arrangement and based on the assessment whether:

a) fulfillment of the arrangement is dependent on the use of a specific asset or assets (the asset); and

b) the arrangement conveys a right to use the asset.

Deferred Tax

Management judgment is required in determining provisions for income taxes, deferred tax assets and liabilities and the extent to which deferred tax assets can be recognised. If the final outcome of these matters differs from the amounts initially recorded, differences will impact the income tax and deferred tax provisions in the period in which such determination is made.

Post employment benefits

The cost of post employment benefits is determined using actuarial valuations. The actuarial valuation involves making assumptions about discount rates, expected rate of return on assets, future salary increases, and mortality rates. Due to the long term nature of these plans such estimates are subject to significant uncertainty. For net employee liability at the end of the respective dates

5.2. BASIS OF CONSOLIDATION

The group financial statements consolidate those of the Company and all of its subsidiary undertakings drawn up to the dates specified in Note 6. Subsidiaries are all entities over which Rolta India Limited has the power to control the financial and operating policies. Rolta India Limited obtains and exercises control through voting rights.

Unrealised gains and losses on transactions between the Company and its subsidiaries are eliminated. Where unrealised losses on intra-group asset sales are reversed on consolidation, the underlying asset is also tested for impairment losses from the Company's group perspective. Amounts reported in the financial statements of subsidiaries have been adjusted where necessary to ensure consistency with the accounting policies adopted by Rolta. Entities whose economic activities are controlled jointly by the Rolta India Limited and by other venturers independent of Rolta are accounted for using proportionate consolidation.

5.3. INVESTMENT IN JOINT VENTURES

Entities whose economic activities are controlled jointly by the Company and by other venturers independent of the Company ("joint ventures") are accounted for using proportionate consolidation.

Unrealised gains and losses on transactions between Rolta and its joint venture entities are eliminated to the extent of group's interest. Where unrealised losses on intra-group asset sales are reversed on consolidation, the underlying asset is also tested for impairment losses from the Company's group perspective.

Amounts reported in the financial statements of jointly controlled entities have been adjusted where necessary to ensure consistency with the accounting policies adopted by the Group.

5.4. FOREIGN CURRENCY TRANSLATION

The consolidated financial statements are presented in Indian Rupees ('INR' or 'Rs.'), which is the functional currency of the parent company, Rolta India Limited, being the currency of the primary economic environment in which it operates.

In the separate financial statements of the consolidated entities, foreign currency transactions are translated into the functional currency of the individual entity using the exchange rates prevailing at the dates of the transactions (spot exchange rate). Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation of remaining balances at year-end exchange rates are recognised in the income statement under "other income" or "other expenses", respectively.

In the consolidated financial statements, all separate financial statements of subsidiaries, originally presented in a currency different from the Rolta's presentation currency, have been converted into INR. Assets and liabilities have been translated into INR at the closing rate at the balance sheet date. Income and expenses have been converted into the Rolta's presentation currency at the average rates over the reporting period. The resulting translation adjustments are recorded under the currency translation reserve in equity.

5.5. REVENUE RECOGNITION

Revenue from sale of solutions is recognized when significant risks and rewards in respect of ownership of solutions are transferred to the customer and there are either no unfulfilled company obligations or any obligations are inconsequential or perfunctory and will not affect the customer's final acceptance of the arrangement.

Revenue from services is recognised upon the performance of services or transfer of risk to the customer.

Revenue from customer-related long-term contracts is recognised by reference to the percentage of completion of the contract at the balance sheet date. Rolta's long term contracts specify a fixed price for the sale of license and installation of software solutions & services and the related revenue is determined using the percentage of completion method. The percentage of completion is calculated by comparing costs incurred to date with the total estimated costs of the contract. If the contract is considered profitable, it is valued at cost plus attributable profits by reference to the percentage of completion. Any expected loss on individual contracts is recognised immediately as an expense in the income statement.

Rolta commits to extensive after-sales support, in the form of annual maintenance contracts, in its service segment. The amount of the selling price associated with the subsequent servicing agreement is deferred and recognised as revenue over the period during which the service is performed. This deferred income is included in "other liabilities".

5.6. PROPERTY, PLANT AND EQUIPMENT

Property, plant and equipment are stated at cost of acquisition less accumulated depreciation. Direct costs are capitalised until the assets are ready for use and include inward freight, duties, taxes and expenses incidental to acquisition and installation.

Depreciation on property, plant and equipment is provided based on the straight line method over the economic useful life of assets as estimated by the management, on a pro-rata basis. The economic useful lives estimated by the management for amortisation/depreciation of the assets are as under:

Buildings	60 years
Computer, Plant and machinery	4 years
Office equipment	20 years
Furniture and Fixtures	15 years
Vehicles	10 years

The useful life of property, plant and equipment is reviewed periodically and wherever a change is made to the estimate of useful life of an asset, the depreciation charge is adjusted prospectively.

Material residual value estimates are updated as required, but at least annually, whether or not the asset is revalued.

5.7. BORROWING COSTS

Borrowing costs, including borrowing cost directly attributable to the acquisition or construction of fixed assets, are recognized in the profit or loss in the period in which they are incurred, the amount being determined using the effective interest rate method. Transaction cost incurred on raising long term borrowings are deferred in the year of payment and are amortised over the contractual terms of the debt using the effective interest rate method.

5.8. INTANGIBLE ASSETS

Intangible assets include expenditure incurred by Rolta on development or acquisition of software. They are accounted for using the cost model whereby capitalized costs are amortised on a straight line basis over the useful lives of the assets as estimated by management. These assets are currently amortized over a period of three to five years and included under 'Depreciation and amortization' in the statement of income.

5.9. IMPAIRMENT TESTING OF GOODWILL, INTANGIBLE ASSETS AND PROPERTY, PLANT AND EQUIPMENT

Rolta's intangible assets and property, plant and equipment are subject to impairment testing.

For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash flows (cash-generating units). As a result, some assets are tested individually for impairment and some are tested at cash-generating unit level. Goodwill is allocated to those cash-generating units that are expected to benefit from synergies of the related business combination and represent the lowest level within Rolta at which management controls the related cash flows.

Individual assets or cash-generating units that include goodwill are tested for impairment at least annually. All other individual assets or cash-generating units are tested for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable.

An impairment loss is recognised for the amount by which the carrying amount of the asset's or cash-generating unit's exceeds its recoverable amount. The recoverable amount is the higher of fair value, reflecting market conditions less costs to sell and value in use, based on an internal discounted cash flow evaluation. Impairment losses recognised for cash-generating units, to which goodwill has been allocated, are credited initially to the carrying amount of goodwill. Any remaining impairment loss is charged pro rata to the other assets in the cash-generating unit. With the exception of goodwill, all assets are subsequently reassessed for indications that an impairment loss previously recognised may no longer exist. Impairment losses are recognised in income statement

5.10. FINANCIAL ASSETS

Rolta's financial assets include cash receivables (including accounts receivable) and investment . Financial assets, other than hedging instruments, can be divided into categories such as loans and receivables, financial assets at fair value through profit or loss, available-for-sale financial assets and held-to-maturity investments. Financial assets are assigned to the different categories by management on initial recognition, depending on the purpose for which the investments were acquired. The designation of financial assets is re-evaluated at every reporting date at which a choice of classification or accounting treatment is available.

Financial assets are measured at their fair value on initial recognition and subsequently measured at amortised cost

Derecognition of financial instruments occurs when the rights to receive cash flows from the investments expire or are transferred and substantially all of the risks and rewards of ownership have been transferred. An assessment for impairment is undertaken at least at each balance sheet date, whether or not there is objective evidence that a financial asset or a group of financial assets is impaired.

Financial assets at fair value through profit or loss include financial assets that are either classified as held for trading or are designated by the entity to be carried at fair value through profit or loss upon initial recognition. In addition, derivative financial instruments that do not qualify for hedge accounting are classified as held for trading.

Subsequent to initial recognition, the financial assets included in trading category are measured at fair value with changes in fair value recognised in profit or loss. Financial assets originally designated as financial assets at fair value through profit or loss may not subsequently be reclassified.

Available-for-sale financial assets include non-derivative financial assets that are either designated to this category or do not qualify for inclusion in any of the other categories of financial assets. All financial assets within this category are subsequently measured at fair value, unless otherwise disclosed, with changes in value recognised in equity, net of any effects arising from income taxes. Gains and losses arising from securities classified as available-for-

Notes to Financial Statements
Prepared in Accordance with IFRS (All amounts in thousands of Indian Rupees, unless otherwise stated)

sale are recognised in the income statement when they are sold or when the investment is impaired.

In the case of impairment, any loss previously recognised in equity is transferred to the income statement. Losses recognised in the income statement on equity instruments are not reversed through the income statement. Losses recognised in prior period consolidated income statements resulting from the impairment of debt securities are reversed through the income statement, when such increase can be related objectively to an event occurring after the impairment loss.

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. They arise when Rolta provides money, goods or services directly to a debtor with no intention of trading the receivables. Loans and receivables are subsequently measured at amortised cost using the effective interest method, less provision for impairment. Any change in their value is recognised in profit or loss.

Trade receivables are provided against when objective evidence is received that Rolta will not be able to collect all amounts due to it in accordance with the original terms of the receivables. The amount of the write-down is determined as the difference between the asset's carrying amount and the present value of estimated future cash flows.

Cash and cash equivalents include cash at bank and in hand and bank deposits.

5.11. INVENTORIES

Systems, software, peripherals and stores and spares are valued at lower of cost or net realisable value on first in first out basis.

5.12. ACCOUNTING FOR INCOME TAXES

Current income tax assets and/or liabilities comprise those obligations to, or claims from, fiscal authorities relating to the current or prior reporting period, that are unpaid at the balance sheet date. They are calculated according to the tax rates and tax laws applicable to the fiscal periods to which they relate, based on the taxable profit for the year. All changes to current tax assets or liabilities are recognized as a component of tax expense in the income statement.

Deferred income taxes are calculated using the liability method on temporary differences. This involves the comparison of the carrying amounts of assets and liabilities in the consolidated financial statements with their respective tax bases. However, in accordance with the rules set out in IAS 12, no deferred taxes are recognized in conjunction with goodwill. This applies also to temporary differences associated with shares in subsidiaries and joint ventures if reversal of these temporary differences can be controlled by the Group and it is probable that reversal will not occur in the foreseeable future. In addition, tax losses available to be carried forward as well as other income tax credits to the Group are assessed for recognition as deferred tax assets.

However, deferred tax is not provided on the initial recognition of goodwill, nor on the initial recognition of an asset or liability unless the related transaction is a business combination or affects tax or accounting profit.

Deferred tax liabilities are always provided for in full. Deferred tax assets are recognized to the extent that it is probable that they will be able to be offset against future taxable income. Deferred tax assets and liabilities are calculated, without discounting, at tax rates that are expected to apply to their respective period of realization, provided they are enacted or substantively enacted at the balance sheet date.

Most changes in deferred tax assets or liabilities are recognized as a component of tax expense in the income statement. Only changes in deferred tax assets or liabilities that relate to a change in value of assets or liabilities that is charged directly to equity are charged or credited directly to equity.

5.13. LEASING ACTIVITIES

Leases are classified as finance leases whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessee. All other leases are classified as operating leases.

Rental income from operating leases is recognized on a straight-line basis over the term of the relevant lease.

Assets held under finance leases are recognized as assets of the Group at their fair value or present value of minimum lease payments if lower at the date of acquisition. The corresponding liability to the lessor is included in the balance sheet as a finance lease obligation. Finance costs, which represent the difference between the total leasing commitments and the fair value of the assets acquired, are charged to the income statement over the term of the relevant lease so as to produce a constant periodic rate of charge on the remaining balance of the obligations for each accounting period.

5.14. EQUITY

Share capital is determined using the nominal value of shares that have been issued.

Additional paid-in capital includes any premium received on the initial issue of share capital. Any transaction costs associated with the issue of shares is deducted from additional paid-in capital, net of any related income tax benefits.

Foreign currency translation differences are included in the translation reserve.

Retained earnings include all current and prior period results, as disclosed in the income statement.

5.15. EMPLOYEE BENEFITS

Employee benefits are provided through a defined benefit plan as well as certain defined contribution plans.

The Company provides for gratuity, a defined benefit plan, which defines an amount of pension benefit that an employee will receive on retirement, usually dependent on one or more factors such as age, years of service and remuneration. The legal obligation for any benefits from this kind of plan remains with the Group.

The Company also provides for provident fund benefit, a defined contribution plan, under which the Group pays fixed contributions into an independent entity. The Group has no legal or constructive obligations to pay further contributions after payment of the fixed contribution.

The liability recognised in the balance sheet for defined benefit plans is the present value of the defined benefit obligation (DBO) at the balance sheet date less the fair value of plan assets, together with adjustments for actuarial gains or losses and past service costs. The DBO is calculated annually by independent actuaries using the projected unit credit method. The present value of the DBO is determined by discounting the estimated future cash outflows using interest rates of high quality corporate bonds that are denominated in the currency in which the benefits will be paid and that have terms to maturity approximating to the terms of the related pension liability.

Actuarial gains and losses are recognised as an income or expense in the period in which they arise. Past-service costs are recognised immediately in the income statement, unless the changes to the plan are conditional on the employees remaining in service for a specified period of time (the vesting period). In this case, the past service costs are amortised on a straight-line basis over the vesting period.

The contributions recognised in respect of defined contribution plans are expensed as they fall due. Liabilities and assets may be recognised if underpayment or prepayment has occurred and are included in current liabilities or current assets as they are normally of a short-term nature.

Interest expenses related to pension obligations are included in "finance costs" in the income statement. All other pension related benefit expenses are included in "Employee benefit expense".

Short-term employee benefits are recognised for the number of paid leave days (usually holiday entitlement) remaining at the balance sheet date. They are included in employee obligations at the undiscounted amount that the Group expects to pay as a result of the unused entitlement. Paid leave days which are likely to be encashed at the time of retirement are valued at the rates at which they are estimated to be paid out, and the present value of the same is included under 'Long term Employee obligations'.

5.16. FINANCIAL LIABILITIES

The Group's financial liabilities include trade and other payables and borrowings, which are initially measured at fair value and subsequently measured at amortised cost using effective interest rate method. They are included in balance sheet line items 'long-term financial liabilities' and 'trade and other payables'.

Financial liabilities are recognised when the Group becomes a party to the contractual agreements of the instrument. All interest related charges is recognised as an expense in "finance cost" in the income statement.

Trade payables are recognised initially at their fair value and subsequently measured at amortised cost less settlement payments.

Dividend distributions to shareholders are included in 'other short term financial liabilities' when the dividends are approved by the shareholders' meeting.

5.17. PROVISIONS AND CONTINGENT LIABILITIES

Provisions are recognised when present obligations will probably lead to an outflow of economic resources from the Group and they can be estimated reliably. Timing or amount of the outflow may still be uncertain. A present obligation arises from the presence of a legal or constructive obligation that has resulted from past events.

Provisions are measured at the estimated expenditure required to settle the present obligation, based on the most reliable evidence available at the balance sheet date, including the risks and uncertainties associated with the present obligation.

In those cases where the possible outflow of economic resource as a result of present obligations is considered improbable or remote, or the amount to be provided for cannot be measured reliably, no liability is recognised in the consolidated balance sheet.

5.18. COMPOUND FINANCIAL INSTRUMENTS

Convertible bonds that can be converted to share capital at the option of the holder, where the number of shares issued does not vary with changes in their fair value, are accounted for as compound financial instruments. Transaction costs that relate to the issue of compound financial instruments are allocated to the liability and equity components in proportion to the allocation of proceeds. The equity component of the convertible bonds is calculated as the excess of the issue proceeds over the present value of the future interest and principal payments, discounted at the market rate of interest applicable to similar liabilities that do not have a conversion option. The interest expense recognised in the income statement is calculated using the effective interest rate method. The equity component of the compound financial is not remeasured subsequently

5.19. EQUITY BASED COMPENSATION

The Group recognises share-based payment arrangements granted after 7 November 2002 that has not vested by January 1, 2005. The Group operates equity-settled share-based remuneration plans for remuneration of its employees.

All employee services received in exchange for the grant of any share-based remuneration are measured at their fair values. These are indirectly determined by reference to the fair value of the share options awarded. Their value is appraised at the grant date and excludes the impact of any non-market vesting conditions (for example, profitability and sales growth targets).

All share-based remuneration is ultimately recognised as an expense in profit or loss with a corresponding credit to additional paid-in capital, net of deferred tax where applicable. If vesting periods or other vesting conditions apply, the expense is allocated over the vesting period, based on the best available estimate of the number of share options expected to vest. Non-market vesting conditions are included in assumptions about the number of options that are expected to become exercisable. Estimates are subsequently revised, if there is any indication that the number of share options expected to vest differs from previous estimates.

No adjustment is made to expense recognised in prior periods if fewer share options ultimately are exercised than originally estimated. Upon exercise of share options, the proceeds received net of any directly attributable transaction costs up to the nominal value of the shares issued are allocated to share capital with any excess being recorded as additional paid-in capital.

Notes to Financial Statements
Prepared in Accordance with IFRS (All amounts in thousands of Indian Rupees, unless otherwise stated)

6. BUSINESS COMBINATION

Orion acquisition

On July 1, 2007, the Group acquired 100% equity shares of Orion Technologies Inc., Canada ('Orion') through its US subsidiary Rolta International Inc. Orion is a software and integration company specializing in enterprise web-GIS solutions. Orion will continue its operations under the same name from its headquarters in Canada, and will be managed and operated by the Management team that is currently in place.

The total cost of acquisition includes the components stated below. The purchase price was settled in cash by the Group.

Purchase price	315,074
Acquisition related cost	6,309
Total cost of acquisition	**321,283**

The allocation of the purchase price to the assets and liabilities of Orion was completed in July 2007. The amounts recognized for each class of the acquiree's assets, liabilities and contingent liabilities recognized at the acquisition date are as follows:

Tangible assets	38,944
Intangible assets	67,727
Other assets	64,847
Total assets	**171,518**
Non current liabilities	72,110
Current liabilities	20,373
Total liabilities	**92,483**
Net assets acquired	**79,035**
Goodwill	242,248
Total consideration paid	**321,283**

Contingent consideration

The share purchase agreement (SPA) stipulates that an amount of CAD$ 258,000 (approx. Rs. 10,851 thousands) shall be paid to the Escrow Agent to be held by the Escrow Agent under the terms of the Escrow Agreement and released from escrow as specified in the SPA

Further, the SPA also stipulates that the purchase price shall be increased by an amount not to exceed CAD$ 277,278 (approx. Rs. 11,662 thousands), if Orion wins the specified contract in the Share Purchase Agreement .

The above amounts of CAD$ 258,000 (approx. Rs. 10,851 thousands) and CAD$ 277,278 (approx. Rs. 11,662 thousands) represent contingent consideration which would be added to goodwill when such events would be probables described in preceding paragraphs.

Orion Technologies Inc. incurred a loss of CAD$ 1,665,362 or approximately Rs. 66,581thousands for the period ended June 30, 2008, from the date of acquisition i.e July 1, 2007. This loss has been included in the consolidated Income Statement of the Group.

Broech acquisition ("TUSC")

The Group on January 22, 2008 acquired 100% equity shares of Broech Corporation, doing business as "TUSC", an IT Consulting Company specializing in ERP applications as well as Database and Business Intelligence solutions based on Oracle technologies.

TUSC is headquartered in Chicago, with excellence centres and offices across the US that are staffed by over 160 consultants. Established in 1988, TUSC has served over 2000 customers in diverse sectors like Utilities, Energy, Engineering, Manufacturing, Finance, Insurance, Retail, Government, Healthcare, Services, Transportation, and Technology.

The total cost of acquisition includes the components stated below. The purchase price was settled in cash by the group.

Purchase price	1,718,553
Acquisition related cost	45,902
Total	**1,764,455**

The allocation of the purchase price to the assets and liabilities of TUSC was completed in 2008. The amounts recognized for each class of the acquiree's assets, liabilities and contingent liabilities recognized at the acquisition date are as follows:

Tangible assets	9,319
Intangible assets	97,441
Other assets	573,681
Total assets	**680,441**
Current liabilities	446,647
Total liabilities	**446,647**
Net assets acquired	**233,794**
Goodwill	1,530,661
Total consideration paid	**1,764,455**

Contingent consideration

The share purchase agreement stipulates the occurrence of following events for additional consideration payable in the future periods.

The Company shall calculate the Earn-Out Revenue for the First Earn- Out Period (the "First Period Revenue") and the Profit Percentage for the First Earn-Out Period (the "First Period Profit Percentage"). The Earn-Out Payment for the First Earn-Out Period (the "First Period Earn-out") shall be aggregate of

A) the First Period Revenue Payment and

B) the First Period Profit Payment, as calculated in sub-section (i) and (ii) of this sub-paragraph of the Share Purchase Agreement. In no event shall the First Period Earn-Out exceed three million dollars ($3,000,000)

Subject to the conditions in Share Purchase Agreement, following the Second Earn-out Period, the Company shall calculate the Earn-out Revenue for the Second Earn-out period (the "Second Period Revenue") and the Profit Percentage for the Second Earn-out period (the "Second Period Profit Percentage").

The Earn-out Payment for the Second Earn-Out Period (the "Second Period Earn-Out") shall be aggregated of

(A) the Second Period Revenue Payment and

(B) the Second Period Profit Payment, as calculated in sub-sections (i) and (ii) of this sub-paragraph (f) of the Share Purchase Agreement. In no event shall the Second Period Earn-Out exceed three million dollars ($3,000,000).

Prepared in Accordance with IFRS (All amounts in thousands of Indian Rupees, unless otherwise stated)

Subject to the specified conditions in the Share Purchase Agreement, following the Second Earn-Out Period, the Company shall calculate the cumulative Earn-Out Revenue. The catch up payment shall be the amount calculated as following.

The "Catch-up Payment" shall be zero unless the Cumulative Earn-Out Revenue is equal to greater than the Cumulative Earn-Out Revenue Target, in which case the Catch-up Payment shall be the amount, if any, by which $3,000,000 exceeds the Cumulative Revenue Payment.

In no event shall the Catch-up Payment and the Earn-out Payment exceeds, in the aggregate, six million dollars ($6,000,000).

TUSC incurred a profit of US$ 2,560,325 million or approximately Rs. 109,736 thousands for the period ended June 30, 2008, from the date of acquisition i.e January 22, 2008. This profit has been included in the consolidated Income Statement of the Group.

Disclosure of the carrying amounts of the acquiree's assets and liabilities immediately before the combination in accordance with IFRS was impracticable. Broech and Orion have not applied IFRS prior to its acquisition as at 31 July 2007. Therefore, essential data needed for pro-forma IFRS accounts of acquired entities prior to the date of acquisition was not available.

No major line of business will be disposed of as a result of the combination of Orion and Broech acquisitions.

A significant part of the acquisition costs can be attributed to the work force, the know-how of key personnel, and certain customer relationships and customer contracts of Orion and Broech. At the acquisition however, some intangible asset qualified for recognition in this respect. These circumstances contributed to the amount recognised as goodwill.

The group is in process of allocating goodwill arising on the business combination to cash- generating units.

7. BASIS OF CONSOLIDATION

The subsidiaries which consolidate under Rolta India Limited comprise the entities listed below:

Name of the Entity	Year End Date	Country of Incorp-oration	Holding Company	Effective Group Share-holding (%)
Rolta International Inc. ('RUS')	June 30, 2008	USA	RIL	100
Rolta Saudi Arabia Limited. ('RSA')	March 31, 2008	Saudi Arabia	RIL	75
Rolta Middle East FZ LLC ('RME')	March 31, 2008	UAE	RIL	100
Rolta UK Limited ('RUK')	March 31, 2008	UK	RIL	100
Rolta Beneulx B.V.	March 31, 2008	Netherlands	RUK	100
Rolta Canada Limited	June 30, 2008	Canada	RUS	100
Rolta Deutschland GmbH	March 31, 2008	Germany	RUK	100
Rolta Asia Pacific	June 30, 2008	Australia	RUS	100
Orion Technology Inc	June 30, 2008	Canada	RUS	100
Broech Corporation (TUSC)	June 30, 2008	USA	RUS	100
Rolta Thales Limited	June 30,2008	India	RIL	51

The Company holds a 50% stake in Stone & Webster Rolta Limited, a joint venture company. The remaining 50% shares are held by Stone & Webster Inc., USA.

All of the above entities follow uniform accounting policies, except for Rolta International Inc., which follows the reducing balance method of depreciation for certain assets. However, the impact of this difference on consolidated financial statements is not expected to be material.

NOTE B - CASH AND CASH EQUIVALENTS

Cash and cash equivalents comprise the following:

Particulars	June 30, 2008	June 30, 2007
Cash in hand	2,016	371
Balances with banks in current /cash credit accounts and deposit accounts	2,517,616	6,310,755
Total	2,519,632	6,311,126

NOTE C - RESTRICTED CASH

Restricted cash comprise the following:

Particulars	June 30, 2008	June 30, 2007
Dividend accounts	54,844	55,933
Time deposits	23,829	22,493
Total	78,673	78,426

Dividend accounts represent balances maintained in specific bank accounts for payment of dividends. The use of these funds is restricted and can only be used to pay dividends. The corresponding liability for payment of dividends is included in 'Other Current Liabilities'.

Bank deposits represents time deposits placed with banks under lien with an original maturity exceeding 90 days. Most of these deposits have been placed for a one-year period, and are automatically renewed.

NOTE D - ACCOUNTS RECEIVABLE, NET

Particulars	June 30, 2008	June 30, 2007
Accounts receivables	5,017,796	3,769,904
Total	5,017,796	3,769,904

Trade receivables are usually due within 180 to 200 days and are not interest bearing. All trade receivables are subject to credit risk exposure. However, Rolta does not identify specific concentrations of credit risk with regard to trade and other receivables, as the amounts recognised represent a large number of receivables from various customers.

Given below is ageing of accounts receivable spread by period of six months:

Particulars	June 30, 2008	June 30, 2007
Outstanding for more then 6 months	1,986,246	1,658,700
Others	3,031,500	2,111,204
Total	5,017,796	3,769,904

NOTE E - INVENTORIES

Inventories comprise the following:

Particulars	June 30, 2008	June 30, 2007
Systems, software and toolkits	214,550	206,420
Total	214,550	206,420

NOTE F - OTHER CURRENT ASSETS

Other current assets comprise the following:

Particulars	June 30, 2008	June 30, 2007
Unbilled income	773,943	701,784
Prepaid expense	180,456	136,740
Interest accrued	131,206	1,548
Other receivables	84,461	8,695
Deposits and advances receivable in cash and kind	56,671	103,851
Total	1,226,737	952,618

NOTE G - PROPERTY, PLANT AND EQUIPMENT, NET

Property, plant and equipment comprise the following:

Cost	June 30, 2008	June 30, 2007
Freehold land	104,753	102,571
Building	2,173,488	1,690,653
Computer, Plant and Machinery	7,051,279	5,270,099
Office Equipments	363,973	320,858
Furniture and fixtures	312,952	298,007
Vehicles	80,351	59,069
	10,086,797	7,741,257

Accumlated Depreciation	June 30, 2008	June 30, 2007
Freehold Land	-	-
Building	220,073	180,357
Computer, Plant and Machinery	3,044,247	2,671,537
Office Equipments	114,777	95,644
Furniture and fixtures	90,399	70,367
Vehicles	15,885	16,390
	3,485,381	3,034,295

Net book value	June 30, 2008	June 30, 2007
Freehold land	104,753	102,571
Building	1,953,415	1,510,296
Computer, Plant and Machinery	4,007,032	2,598,562
Office Equipments	249,196	225,214
Furniture and fixtures	222,553	227,640
Vehicles	64,466	42,679
	6,601,416	4,706,962

Movements in the cost and accumulated depreciation of property, plant and equipment are as follows:

	Year ended June 30, 2008		Year ended June 30, 2007	
Cost	Additions	Disposals	Additions	Disposals
Freehold land	2,182	-	-	5,434
Building	482,835	-	111,095	16,665
Computer Plant and machinery	2,684,756	903,577	1,736,600	221,318
Office equipments	15,821	876	16,284	35,955
Furniture and fixtures	43,115	-	9,077	4,138
Vehicles	41,529	20,246	-	1,362
	3,270,238	924,699	1,873,056	284,872

	Year ended June 30, 2008		Year ended June 30, 2007	
Accumulated Depreciation	Charge for the year	Adjustment on disposals	Charge for the year	Adjustment on disposals
Freehold land	-	-	-	-
Building	39,717	-	33,442	281
Computer Plant and machinery	1,231,184	903,549	706,632	218,631
Furniture and fixtures	20,126	-	14,673	2,031
Office equipments	19,158	94	20,626	29,711
Vehicles	7,051	7,555	5,543	668
	1,317,236	911,198	780,916	251,322

NOTE H - CAPITAL WORK IN PROGRESS

	June 30, 2008	June 30, 2007
Opening balance	1,462,789	681,543
Additions	3,536,643	2,630,523
Capitalised during the year	(3,270,238)	(1,849,277)
Total	1,729,194	1,462,789

NOTE I - INTANGIBLE ASSETS

Intangible assets comprise of recognised intangibles on acquisition in the current year and software for internal use.

Intangible assets for internal use:

	June 30, 2008	June 30, 2007
Cost	45,731	45,731
Accumulated amortisation	(45,731)	(45,075)
	-	656

The group has recognised intangible assets in the current year on acquisitions of Orion and TUSC. The cost of acquisition and the amortisation charge during the year are summarised below:

Intangible assets on Orion acquisition

	June 30, 2008	June 30, 2007
Recognised on acquisition		
Customer Contracts	32,239	-
Intellectual Property Rights	35,488	-
Amortisations		
Customer Contracts	(9,301)	-
Intellectual Property Rights	(7,098)	-
Carrying amount	51,328	-

Intangible assets on TUSC acquisition

	June 30, 2008	June 30, 2007
Recognised on acquisition		
Customer Contracts and relationships	97,441	-
Amortisations		
Customer Contracts and relationships	(6,752)	-
Carrying amount	90,689	-

NOTE J - GOODWILL

Goodwill is recognised on acquisition in the current year and comprise of the following:

	June 30, 2008	June 30, 2007
Opening balance	-	-
Additions	1,772,908	-
Impairment	-	-
	1,772,908	-

NOTE K - LIABILITY COMPONENT OF COMPOUND FINANCIAL INSTRUMENTS

Particulars	June 30, 2008	June 30, 2007
Opening liability	5,686,459	-
Accrued interest	478,233	-
Exchange loss	322,498	-
Compound financial instruments - foreign currency convertible bonds	-	5,686,459
	6,487,190	5,686,459

Foreign Currency Convertible Bonds (FCCB)

The Group, on June 28, 2007 issued 'Zero coupon convertible bonds due 2012' (the "Bonds"). The bonds are convertible at any time on and after August 8, 2007 and up to the close of business on June 22, 2012 by the holders of the Bonds (the "Bondholders") into newly issued, ordinary shares of Rs.10 each of the Group (the "Shares") at the option of the Bondholder, at an initial conversion price of Rs.737.40 per share with a fixed rate of exchange on conversion of Rs.40.75 to USD 1.00.

Unless previously converted, redeemed or purchased and cancelled, the Bonds will be redeemed in US dollars on June 29, 2012 at 139.391 per cent of their principal amount.

The effective interest rate on the liability component is 8.49%. The following are other details in respect of the bonds:

Particulars	June 30, 2008	June 30, 2007
Proceeds from issue of zero coupon foreign currency convertible bonds of USD 1,000 each	-	6,111,000
Transaction costs	-	(136,513)
Net proceeds	-	5,974,487
Amount classified as equity	-	(288,028)
Carrying amount of liability	-	5,686,459

The initial carrying amount of this compound financial instrument is allocated to its equity and liability components, and the equity component is assigned the residual amount after deducting from the fair value of the instrument as a whole the amount separately determined for the liability component. The value of any derivative features such as a call option embedded in the compound financial instrument other than the equity component such as an equity conversion option is included in the liability component. Accordingly, the Company is required to determine the carrying amount of the liability component by measuring the fair value of a similar liability (including any embedded non-equity derivative features) that does not have an associated equity component. The carrying amount of the equity instrument represented by the option to convert the instrument into ordinary shares is then determined by deducting the fair value of the financial liability from the fair value of the compound financial instrument as a whole.

NOTE L - OTHER LIABILITIES

Other liabilities comprise the following:

Particulars	June 30, 2008	June 30, 2007
Income received in advance	193,568	85,528
Advances from customers	6,058	22,701
Unclaimed dividend	54,844	57,220
Other liabilities	1,279,900	385,818
Provision for warranties	9,698	6,997
Total	1,544,068	558,264

NOTE M - EMPLOYEE OBLIGATIONS

Employee obligations comprise the following:

Particulars	June 30, 2008	June 30, 2007
Provision for compensated absences	37,776	27,463
Provision for gratuity benefit plan	63,736	30,149
Others	-	13,758
Total	101,512	71,370

NOTE N - TAXES

Taxes for the year comprise the following:

Particulars	June 30, 2008	June 30, 2007
Current income tax expense	325,551	115,529
Deferred income tax	24,490	230,611
Total	350,041	346,140

The relationship between the expected tax expense based on the applicable tax rate of the Company and the tax expense actually recognized in the income statement can be reconciled as follows:

Particulars	June 30, 2008	June 30, 2007
Effective tax rate	33.99%	33.99%
Expected tax expense at prevailing tax rate	713,840	726,267
Adjustment for tax-exempt income		
- Export income exempt from tax	(443,741)	(486,975)
- Exempt income	(59,251)	(17,066)
Other adjustments		
- Disallowed expenses	-	220
- Long term capital gain on sale of assets	(2,870)	(3,943)
- Unrecognised tax benefit on losses of subsidiaries	65,046	32,068
- Disallowance under income tax	17,290	85,445
- Impact due to rate change	-	1,251
- Disallowed expenditure on share based payments	32,867	11,407
- Disallowed expenditure on FCCB interest	164,620	-
- Others	(137,760)	(2,534)
Actual tax expense net	350,041	346,140

No temporary differences resulting from investments in subsidiaries or associates qualified for recognition as deferred tax assets or liabilities.

The tax effect of significant temporary differences that resulted in deferred income tax assets and liabilities and a description of the items that create those differences are given below:

Particulars	June 30, 2008	June 30, 2007
Deferred income tax assets - Non current		
Net operating loss of Rolta International Inc.	63,306	-
Employee Benefits	34,504	19,967
	97,810	19,967
Deferred income tax liabilities - Non current		
Difference in depreciation on Property, plant and equipment	491,841	389,508
	491,841	389,508
Net deferred income tax liability	394,031	369,541

In assessing the reliability of deferred income tax assets, management considers whether it is more likely than not that some portion or all of the deferred income tax assets will be realized. The ultimate realization of deferred income tax assets is dependent upon the generation of future taxable income during the periods in which the temporary differences become deductible. The amount of the deferred income tax assets considered realizable, however, could be reduced in the near term if estimates of future taxable income during the carry forward period are reduced.

As at June 30, 2008, the Company's subsidiaries had losses which can be carried forward for future utilization within 5 to 15 years. These subsidiaries have been incurring losses and therefore it is considered more likely that the deferred tax asset arising from these carried forward net operating losses will not be realized. Accordingly no deferred tax assets have been recognized in respect of these losses.

NOTE O : EQUITY AND RESERVES

a) Ordinary shares

The Company presently has only one class of ordinary shares. For all matters submitted to vote in the shareholders meeting, every holder of ordinary shares, as reflected in the records of the Company on the date of the shareholders' meeting, has one vote in respect of each share held. All shares are equally eligible to receive dividends and the repayment of capital in the event of liquidation of the Company.

The Company has an authorized share capital of 250,000,000 equity shares of Rs 10 each.

b)Dividends

Indian statutes mandate that dividends be declared out of distributable profits only after the transfer of up to 10 percent of net income computed in accordance with regulations to a general reserve. Should the Company declare and pay dividends, such dividends are required to be paid in Indian rupees to each holder of equity shares in proportion to the number of shares held.

c) Reserves

Additional paid in capital - The amount received by the company over and above the par value of shares issued (share premium) is shown under this head.

Statutory reserves - In accordance with Articles of Association of Rolta Saudi Arabia Ltd and the regulations for companies in the Kingdom of Saudi Arabia, the Company maintains a statutory reserve equal to one half of its share capital. Such reserve is not currently available for distribution to the shareholders.

Revaluation reserve - The revaluation reserve comprises gains and losses due to the revaluation of certain financial assets and property, plant and equipment. Foreign currency translation differences are included in the translation reserve.

Translation reserve - Assets and liabilities of foreign subsidiaries are translated into Indian rupees at the rate of exchange prevailing as at the Balance Sheet date. Revenue and expenses are translated into Indian rupees by averaging the exchange rates prevailing during the period. The exchange difference arising out of the year-end translation is being debited or credited to Translation Adjustment Account.

Accumulated earnings - Accumulated earnings include all current and prior period results as disclosed in the income statement.

NOTE P - OPERATING REVENUE

Operating revenue comprises the following:

Particulars	Year ended June 30, 2008	Year ended June 30, 2007
Geospatial / GIS	5,305,524	4,043,409
Engineering Design	3,477,003	2,205,419
Enterprise Information & Communication Technology	1,939,617	865,271
Total	10,722,144	7,114,099

NOTE Q - OTHER INCOME

Other income comprises the following:

Particulars	Year ended June 30, 2008	Year ended June 30, 2007
Interest income	211,549	11,905
Dividend income	167,584	50,209
Gain on sale of available for sale investments	25,330	16,884
Exchange gain	2,911	-
Exchange gain/(loss) on FCCB	(301,819)	-
Others	113,657	23,521
Total	219,212	102,519

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NOTE R - MATERIALS CONSUMED

Materials consumed for the year comprise the following:

Particulars	Year ended June 30, 2008	Year ended June 30, 2007
Opening stock	206,420	229,093
Purchases	2,568,111	1,905,450
Less: Closing stock	(214,187)	(206,420)
Total	**2,560,344**	**1,928,123**

NOTE S - EMPLOYEE COSTS

Employee costs comprise the following:

Particulars	Year ended June 30, 2008	Year ended June 30, 2007
Salaries, wages and bonus	3,080,346	1,663,998
Share based payments	96,695	33,559
Contribution to provident and other funds	121,639	27,590
Welfare expenses	28,138	6,640
Total	**3,326,818**	**1,731,787**

NOTE T - JOINTLY CONTROLLED ENTITIES

Stone & Webster Rolta Limited is the only jointly controlled entity within the Group. Its financial statements have been incorporated into Rolta's consolidated financial statements using proportionate consolidation. The aggregate amounts relating to Stone & Webster Rolta Limited that have been included in the consolidated financial statements are as follows:

Particulars	June 30, 2008	June 30, 2007
Non-current assets	2,080	1,478
Current assets	169,714	106,306
Non-current liabilities	-	-
Current liabilities	54,663	29,404
Income	349,568	187,742
Expenses	274,479	124,548

NOTE U - EMPLOYEE POST - RETIREMENT BENEFITS

The following are the employee benefit plans applicable to the employees of the Group.

a) Gratuity benefit plan

In accordance with applicable Indian laws, the Company provides for gratuity, a defined benefit retirement plan ("the Gratuity Plan") covering eligible employees. The Gratuity Plan provides for a lump sum payment to vested employees on retirement, death, incapacitation or termination of employment of amounts that are based on salary and tenure of employment. Liabilities with regard to the Gratuity Plan are determined by actuarial valuation.

The following table sets out the funded status of the Gratuity Plan and the amounts recognized in the Group's consolidated financial statements:

Particulars	June 30, 2008	June 30, 2007
Change in Benefit Obligation		
Present Benefit Obligation ('PBO') at the beginning of the year	30,149	32,455
Interest cost	2,412	2,596
Service cost	5,619	4,630
Benefits paid	(5,392)	(7,569)
Actuarial (gain) loss on obligations	4,988	(1,963)
PBO at the end of the year	37,776	30,149
Liability recognized		
Present value of obligation	37,776	30,149
Fair value of plan assets	-	-
Liability recognized in balance sheet	**37,776**	**30,149**

Net gratuity cost for the year ended includes the following components:

Particulars	June 30, 2008	June 30, 2007
Current service cost	5,619	4,630
Interest cost	2,412	2,596
Net actuarial (gain) loss recognised in the year	4,988	(1,963)
Expenses recognised in the income statement	13,019	5,263

The movement of the net liability can be reconciled as follows:

Particulars	June 30, 2008	June 30, 2007
Movements in the liability recognized		
Opening net liability	30,149	32,455
Expense as above	13,019	5,263
Contribution paid	(5,392)	(7,569)
Closing net liability	37,776	30,149

For determination of the liability, the following actuarial assumptions were used:

Particulars	June 30, 2008	June 30, 2007
Discount rate	8.00%	8.00%
Rate of increase in compensation levels	5.00%	5.00%
Current service cost and interest cost are included in employee costs.		

The development of Group's defined benefit scheme relating to gratuity may also be summarised as follows:

Particulars	Defined benefit obligation	Experience adjustments on plan liabilities
2004	25,098	827
2005	28,626	765
2006	32,455	(1,492)
2007	30,149	3,583
2008	37,776	4,988

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b) Provident fund benefit plan

Apart from being covered under the Gratuity Plan described earlier, employees of the Indian companies participate in a provident fund plan; a defined contribution plan. The Company makes annual contributions based on a specified percentage of salary of each covered employee to a government recognized provident fund. The Company does not have any further obligation to the provident fund plan beyond making such contributions. Upon retirement or separation an employee becomes entitled for this lump sum benefit, which is paid directly to the concerned employee by the fund. The Company contributed approximately Rs 51,922 thousand to the provident fund plan during the year ended June 30, 2008.

c) Compensated absence plan (defined benefit paln)

The Company permits encashment of leave accumulated by their employees on retirement, separation and during the course of service. The liability for encashment of privilege leave is determined and provided on the basis of actuarial valuation performed by an independent actuary at balance sheet date.

The following table sets out the status of the Compensated absence plan of Rolta and the corresponding amounts recognized in the Group's consolidated financial statements:

Particulars	June 30, 2008	June 30, 2007
Change in Benefit Obligation		
PBO at the beginning of the year	27,463	18,917
Interest cost	2,197	1,513
Service cost	6,060	5,949
Benefits paid	(12,863)	(8,385)
Actuarial (gain) loss on obligations	40,879	9,469
PBO at the end of the year	**63,736**	**27,463**

Net compensated absence cost for the years ended included the following components:

Particulars	June 30, 2008	June 30, 2007
Current service cost	6,060	5,949
Interest cost	2,197	1,513
Net actuarial (gain) loss recognised in the year	40,879	9,469
Expenses recognised in the income statement	49,136	16,931

The actuarial assumptions used in accounting for the Compensated absence plan were as follows:

Particulars	June 30, 2008	June 30, 2007
Discount rate	8.00%	8.00%
Rate of increase in compensation levels	5.00%	5.00%

The development of Group's defined benefit scheme relating to compensated absences may also be summarised as follows:

Particulars	Defined benefit obligation	Experience adjustments on plan liabilities
2004	12,336	(718)
2005	14,938	2,111
2006	18,917	6,509
2007	27,463	14,530
2008	63,736	40,879

NOTE V - SHARE BASED EMPLOYEE REMUNERATION

ESOP 2003

On December 31, 2003, the Company granted 911,500 stock options at an exercise price of Rs. 111.35, which was the closing market price on the date of the grant of Options. 25% of the options granted under the scheme have been vested on December 30, 2005, 25% have been vested on December 30, 2006, 25% have been vested on December 30, 2007 and the balance 25% shall vest on December 30, 2008. Vested options shall be exercised up to a period of one year from the date of vesting failing which vested options shall lapse. One option, if exercised, is convertible into one-equity share.

ESOP 2006

On April 24, 2006, the Company granted further 852,500 stock options out of additional 1,500,000 options made available for grant to eligible employees under the Employee Stock Options Plan (ESOP). These options were grated at an exercise price of Rs 252.30, which was the closing market price on the date of the grant of Options. 50% of the options granted under the scheme have been vested on April 24, 2008, 25% shall vest on April 24, 2009, and the balance, 25% shall vest on April 24, 2010. Vested options shall be exercised up to a period of three year from the date of vesting failing which vested options shall lapse. One option if exercised is convertible into one-equity share.

ESOP 2007

On April 24, 2007, the Company granted further 647.500 stock options out of the balance stock options available under the Employee Stock Options Plan (ESOP) 2006 and 780,000 options, under the Employee Stock Options Plan (ESOP) 2007 . These Options were granted at an exercise price of Rs. 419.70, which was the closing market price on the date of the grant of options. 50% of the options granted under the Scheme shall vest on April 24, 2009, 25% shall vest on April 24, 2010 and the balance 25% shall vest on April 24, 2011. Vested options shall be exercised up to a period of three years from the date of vesting failing which vested options shall lapse. One option if exercised is convertible into one-equity share.

On January 31, 2008, the Company granted further 125,000 stock options out of the balance and lapsed stock options available under the Employee Stock Options Plan 2007 (ESOP 2007). These Options were granted at an exercise price of Rs. 232.15, which was the closing market price on the date of the grant of Options. The first 50% of these options shall become available for exercise on 31/01/2010 and one Option if exercised is convertible into one-equity share

On 30th April 2008, the Company further granted additional 300,000 stock options out of the balance and lapsed stock options available under the Employee Stock Options Plan 2007 (ESOP 2007). These options were granted at an exercise price of Rs.339.35, which was the closing price as on the date of the grant of Options.

ESOP 2008

On June 27, 2008, the Company granted further 1,455,500 stock options out of the balance and lapsed stock options available under the Employee Stock Options Plan 2007 (ESOP - 2007) and Employee Stock Options Plan 2008 (ESOP 2008). These options were granted at an exercise price of Rs.261.75, which was the closing price as on the date of the grant of the options.

Prepared in Accordance with IFRS (All amounts in thousands of Indian Rupees, unless otherwise stated)

The aggregate share options and weighted average exercise price under all the above mentioned plans are as follows for the reporting periods presented:

	2008		2007	
	Number*	Price*	Number*	Price*
		Rs.		Rs.
Outstanding at July 1	5,166,854	55.675 - 209.85	3,162,382	55.675 -126.15
Granted	2,130,500	232.15 - 339.35	2,855,000	209.85
Forfeited	-	-	-	-
Exercised	660,534	55.675 - 63.08	400,524	55.675 -99.3
Expired	432,920	-	450,004	-
Outstanding as at June 30	6,203,900	55.675 - 339.35	5,166,854	55.675 - 209.85

* All figures have been accordingly adjusted for the 1:1 bonus issue during the year.

All share based employee remuneration would be settled in equity. The group has no legal or constructive obligation to repurchase or settle the options.

The fair values of options granted are determined using the Black-Scholes valuation model. Significant inputs into the calculation are:

Weighted average share price*	55.675 - 339.35
Exercise price*	55.675 - 339.35
Weighted average volatility rate	44% - 59%
Dividend pay outs	35% - 40%
Risk free rate	6.50% - 8.00%
Average remaining life	12 - 50 months

*Prices have been accordingly adjusted for the 1:1 bonus issue during the year.

The underlying expected volatility was determined by reference to historical data, adjusted for unusual share price movements. No special features inherent to the options granted were incorporated into measurement of fair value.

In total, Rs 96,695 thousands of employee remuneration expense has been included in the consolidated income statement for 2008 (2007: 33,559 thousands) which gave rise to additional paid-in capital. No liabilities were recognized due to share-based payment transactions.

NOTE W - RELATED PARTY TRANSACTIONS

Related parties with whom the Group has transacted during the year

Key Management Personnel	
Mr. K K Singh	Chairman & Managing Director
Mr. A D Tayal	Jt. Managing Director
Dr. Aditya Singh	Jt. Managing Director
Mr. A. P Singh	Jt. Managing Director
Mr. Hiranya Ashar	Director Finance & Chief Financial Officer
Mrs.Preetha Pulsani	Jt. Managing Director (w.e.f. 01.03.2008)
Mr. Ben Eazzetta	Director & President International Operations
Mr. K R Modi	Director

Enterprises over which significant influence exercised by key management personnel/ directors	
Rolta Limited	Company controlled by Mr. K K Singh
Rolta Properties Pvt. Ltd	Company controlled by Mr. K K Singh
Rolta Resources (P) Ltd	Company controlled by Mr. K K Singh
Rolta Holding & Finance Corporation Ltd	Company controlled by Mr. K K Singh
Rolta Shares & Stocks Pvt. Ltd	Company controlled by Mr. K K Singh
Aditya Investment & Finance Corporation	Firm in which Mr. K.K. Singh is a partner
Kanga & Company	Solicitors firm in which Mr. K R Modi, Director of the Company, is a partner
Lanier Ford Shaver & Payne P. Company Associates	Law firm in which Mr. John R Wynn, an Officer of Rolta US, is a legal counsel
Stone & Webster Inc. USA	Joint Venture Partner in Stone & Webster Rolta Ltd
Mashail Al-Khaleej	Minority shareholder in Rolta Saudi Arabia Limited

Summary of transactions with related parties during the year

Nature of Transaction	Year ended June 30, 2008	Year ended June 30, 2007
Transactions with key management personnel		
Remuneration	209,630	190,283
Amount payable at the year end	156,578	140,633
Share based payments	47,146	9,347
Transactions with enterprises over which significant influence exercised by key management personnel/ directors.		
Rent/ business centre fees paid	22,420	21,513
Technical fees paid	61,307	23,321
Professional fees paid	17,352	3,653
Security deposit given	-	31,051
Loan taken	-	112,500
Repayment of loan	-	112,500
Interest paid	-	7,434
Amount payable at the year end	12,326	26,418
Amount receivable at the year end	2,565	462
Transactions with Associates		
Sale of goods/ services	308,886	177,162
Rendering of other services	11,542	-
Amount receivable	22,561	36,779

The directors are covered under the Group's gratuity policy along with other employees of the Group. Proportionate amount of gratuity is not included in the aforementioned disclosures.

NOTE X - EARNINGS PER SHARE

The basic earnings per share for the year ended June 30, 2008 and June 30, 2007 have been calculated using the net results attributable to shareholders of Rolta as the numerator.

Calculation of basic and diluted EPS is as follows:

Particulars	June 30, 2008	June 30,2007*
Profit attributable to shareholders of Rolta, for basic and dilutive	1,759,246	1,790,569
Weighted average number of shares outstanding during the year for Basic	160,410,264	160,014,996
Effect of dilutive potential ordinary shares: Employee stock Options	2,117,233	659,390
Weighted average number of shares outstanding during the year for dilutive	162,527,498	160,674,386
Basic EPS, in Rs.	**10.97**	**11.19**
Diluted earnings per share, in Rs.	**10.82**	**11.14**

*Figures have been adjusted for the 1:1 bonus issue during the year. Since the bonus issue was without consideration, it is treated as if it had occurred before the beginning of 2007, the earliest period presented.

NOTE Y - COMMITMENTS AND CONTINGENCIES

A summary of the contingencies existing as at year ended is as follows:

Particulars	June 30, 2008	June 30,2007
Counter guarantees given to bankers against guarantees issued by them	636,410	748,753
Letters of Credit issued by Bankers	46,288	25,183
Corporate Guarantees given to Banks on behalf of subsidiaries	87,330	98,846
Estimated amount of contracts remaining to be executed on capital account and not provided for (net of advances)	153,545	51,188

NOTE Z - SEGMENT REPORTING

Business segments

Particulars	June 30, 2008	June 30,2007
Segment Revenue		
Geospatial / GIS	5,305,524	4,043,409
Engineering Design	3,477,003	2,205,419
Enterprise Information & Communication Technology	1,939,617	865,271
Less: Inter segment revenue	-	-
Net revenue from operations	**10,722,144**	**7,114,099**
Segment results before tax, interest & depreciation		
Geospatial / GIS	1,947,038	1,660,803
Engineering Design	1,357,705	873,119
Enterprise Information & Communication Technology	417,754	290,235
TOTAL	**3,722,497**	**2,824,157**
Add : Other Income (not allocable)	219,212	102,519
Less: Interest (not allocable)	500,055	7,365
Less: Depreciation (not Allocable)	1,341,506	782,602
Total Profit before tax	**2,100,148**	**2,136,709**

Segment Assets and Liabilities

Particulars	June 30, 2008	June 30,2007
Segment assets		
Unallocated	22,223,586	18,484,966
Total	**22,223,586**	**18,484,966**
Segment liabilities		
Unallocated	9,158,529	7,036,381
Total	**9,158,529**	**7,036,381**
Capital expenditure		
Unallocated	3,224,507	1,873,056
Total	**3,224,507**	**1,873,056**

The company does not track most assets and liabilities by business segment, as these are invariably used for both business segments. The Company's buildings and IT infrastructure are its principal non-current assets, and these are used for both the segments depending on the requirements for that period. The only assets which are specifically tracked are the receivables relating to these business segments. In view of this, management believes that it is currently not practicable to provide segment disclosures relating to total assets and liabilities

Geographical segments segment revenue

Geographical segments	June 30, 2008	June 30, 2007
India	5,927,896	4,218,065
Americas	2,446,879	1,705,960
Europe / Middle East	2,347,369	1,190,074
Total	10,722,144	7,114,099

Description of business segments

Geospatial/GIS Segment

Under this segment the company provides Geo Spatial services for Asset management and Facilities Management and Geographic Information Systems (GIS). The solutions offered by the company provide advanced capabilities in applications such as mapping, surveying, image processing digital photogrammetry etc.

Engineering Design

Under this segment the company provides design automation tools and engineering services for Plant Design Automation and Mechanical Design Automation.

Enterprise Information & Communication

The company offers end to-end eSecurity services and solutions. Rolta offers networking infrastructure services using sophisticated software such as CA-Unicenter TNG.

NOTE AA - OTHER FINANCIAL ASSETS

Trade receivables comprise amounts receivable from the rendering of services and implementation of IT solutions. Other current assets include unbilled income, prepayments, accrued interest and deposits and advances receivable in cash and kind.

The directors consider that the carrying amount of trade and other receivables approximates their fair value.

Bank balances and cash comprise cash and short-term deposits held by the group treasury function. The carrying amount of these assets approximates their fair value.

The investments in short term included investment in daily dividend plan of reputed mutual funds, where the carrying value represents fair value. The fair values of these securities are based on quoted market prices.

Long term investments represent investments in listed equity securities which present the Group with opportunity for return through dividend income and trading gains. The fair values of these securities are based on quoted market prices.

Given below is the summary of financial assets as categorised in IAS 39:

Particulars	June 30, 2008	June 30,2007
Non current assets		
Available for sale	-	-
Held to maturity	-	-
Current assets		
Available for sale	2,822,852	976,098
Loans and receivables	5,017,796	3,769,904
Cash and cash equivalents	2,519,632	6,311,126

NOTE BB - OTHER FINANCIAL LIABILITIES

Trade and other payables principally comprise amounts outstanding for trade purchases and ongoing costs.

The directors consider that the carrying amount of trade payables approximates to their fair value.

Given below is the summary of financial liabilities as categorised in IAS 39:

Particulars	June 30, 2008	June 30,2007
Non current liabilities		
Borrowings:		
Financial liabilities at amortised cost	6,487,190	5,686,459
Current liabilities		
Borrowings:		
Financial liabilities at amortised cost	-	18,803
Trade payables:		
Financial liabilities at amortised cost	470,231	206,393

NOTE CC - RISK MANAGEMENT OBJECTIVES AND POLICIES

The Group is exposed to a variety of financial risks which results from the Group's operating and investing activities. The Group's risk management is coordinated its parent company, in close co-operation with the board of directors and the core management team of the subsidiaries, and focuses on actively securing the Group's short to medium term cash flows by minimising the exposure to financial markets.

The Group does not actively engage in the trading of financial assets for speculative purposes nor does it write options.

Financial assets that potentially subject the Group to concentrations of credit risk consist principally of cash equivalents, accounts receivables, other receivables, investment securities and deposits. By their nature, all such financial instruments involve risk including the credit risk of non-performance by counter parties.

The Group's cash equivalents and deposits are invested with banks, whereas investment securities represent investments in highly liquid securities traded actively on various stock exchanges.

The Group's trade and other receivables are actively monitored to review credit worthiness of the customers to whom credit terms are granted and also avoid significant concentrations of credit risks.

The Group's interest-rate risk arises from long-term borrowings. Borrowings obtained at variable rates expose the Group to cash flow interest-rate risk. Borrowings issued at fixed rates expose the Group to fair value interest-rate risk.

Foreign Currency sensitivity

The overseas entities of the Group operate in different countries. The operating currency of such entities is the currency being used in that particular country. The bulk of contributions to the Group's assets, liabilities, income and expenses in foreign currency are denominated in US Dollar and Pound Sterling. Apart, from these two currencies, foreign currency transactions are entered into by entities in Euro, Saudi Riyal, Canadian Dollar, Australian Dollar and UAE Dirhams as applicable in the country in which the particular entity operates. However, the size of these entities relative to the total Group and, the volume of transactions in such currencies are not material.

Thus, the foreign currency sensitivity analysis has been performed only in relation to US Dollar (USD) and Pound Sterling (GBP).

US Dollar conversion rate was Rs. 40.74 at the beginning of the year and scaled to a high of Rs. 43.18 and to low of Rs. 39.23. The closing rate is Rs. 42.85. Considering the volatility in direction of strengthening dollar upto 5%, the sensitivity analysis has been disclosed at 5% movements on strengthening and weakening effect for presenting comparable movement due to currency fluctuations.

Foreign currency denominated financial assets and liabilities, translated into USD at the closing rate, are as follows.

Nominal amounts	June 30, 2008		June 30,2007	
	USD	INR	USD	INR
Short term exposure				
Financial assets	39,786	1,704,821	23,254	947,243
Financial liabilities	32,451	1,390,527	10,118	412,167
Net short term exposure	7,335	314,294	13,136	535,076
Long term exposure				
Financial assets	51,652	2,213,236	4,409	179,582
Financial liabilities	-	-	-	-
Net Long term exposure	51,652	2,213,236	4,409	179,582

If the INR had strengthened against the US Dollar by 5% (2007: 5%) then this would have had the following impact:

	June 30, 2008	June 30,2007
	USD	USD
Net results for the year	260	43
Equity	-	-

If the INR had weakened against the US Dollar by 5% (2007: 5%) then this would have had the following impact:

	June 30, 2008	June 30,2007
	USD	USD
Net results for the year	(235)	(39)
Equity	-	-

Pound conversion rate was Rs. 81.85 at the beginning of the year and scaled to a high of Rs. 85.50 and to low of Rs. 76.88. The closing rate is Rs. 85.50. Considering the volatility in direction of strengthening dollar upto 5%, the sensitivity analysis has been disclosed at 5% movements on strengthening and weakening effect for presenting comparable movement due to currency fluctuations.

Foreign currency denominated financial assets and liabilities, translated into GBP at the closing rate, are as follows.

Nominal amounts	June 30, 2008		June 30,2007	
	GBP	INR	GBP	INR
Short term exposure				
Financial assets	2,823	1,704,821	2,078	177,163
Financial liabilities	6,462	1,390,527	4,555	388,332
Net short term exposure	**(3,639)**	**314,294**	**(2,477)**	**(211,170)**
Long term exposure				
Financial assets	62	4,957	59	5,060
Financial liabilities	-	-	-	-
Net Long term exposure	**62**	**4,957**	**59**	**5,060**

Notes to Financial Statements
Prepared in Accordance with IFRS (All amounts in thousands of Indian Rupees, unless otherwise stated)

If the INR had strengthened against the GBP by 5% (2007: 5%) then this would have had the following impact:

	June 30, 2008	June 30,2007
	GBP	GBP
Net results for the year	(90)	(63)
Equity	-	-

If the INR had weakened against the GBP by 5% (2007: 5%) then this would have had the following impact:

	June 30, 2008	June 30,2007
	GBP	GBP
Net results for the year	82	57
Equity	-	-

Interest rate sensitivity

The Group's policy is to minimise interest rate cash flow risk exposures on long-term borrowing. The Group, on June 28, 2007 issued 'Zero coupon convertible bonds due 2012' (the "Bonds"). The bonds are convertible at any time on and after August 8, 2007 and up to the close of business on June 22, 2012 by the holders of the Bonds (the "Bondholders") into newly issued, ordinary shares of Rs.10 each of the Group (the "Shares") at the option of the Bondholder, at an initial conversion price of Rs.737.40 per share with a fixed rate of exchange on conversion of Rs.40.75 to USD 1.00.

Unless previously converted, redeemed or purchased and cancelled, the Bonds will be redeemed in US dollars on 29 June 2012 at 139.391 per cent of their principal amount.

The imputed interest computed for the Bonds has been accounted for in the manner as indicated in the accounting policy for compound financial instruments mentioned in the Significant Accounting Policies above.

Since, there is no interest rate cash outflow associated with the Bonds, an interest rate sensitivity analysis has not been performed.

Credit risk analysis

The Group's exposure to credit risk is limited to the carrying amount of financial assets recognised at the balance sheet date, as summarised below:

	June 30, 2008	June 30,2007
Cash & cash equivalents	2,519,632	6,311,126
Highly liquid investments	2,822,853	976,098
Trade receivables	5,017,796	3,769,904
Unbilled revenues	773,943	701,784
Deposits and advances recoverable in cash and kind	56,671	103,851
Other receivables	84,461	8,695
Total	**11,275,356**	**11,871,458**

The Group continuously monitors defaults of customers and other counterparties, identified either individually or by the Group, and incorporates' this information into its credit risk controls. The Group's policy is to deal only with creditworthy counterparties.

The Group's management considers that all the above financial assets that are not impaired for each of the reporting dates under review are of good credit quality, including those that are past due.

None of the Group's financial assets are secured by collateral or other credit enhancements.

In respect of trade and other receivables, the Group's exposure to any significant credit risk exposure any single counterparty or any groups of counterparties having similar characteristics is considered to be negligible. The credit risk for liquid funds and other short-term financial assets is considered negligible, since the counterparties are reputable banks with high quality external credit ratings.

Liquidity risk analysis

The Group manages its liquidity needs by carefully monitoring scheduled debt servicing payments for long-term financial liabilities as well as cash-outflows due in day-to-day business. Liquidity needs are monitored in various time bands, on a day-to-day and week-to-week basis, as well as on the basis of a rolling 30-day projection. Long-term liquidity needs for a 180-day and a 360-day lookout period are identified monthly

The Group maintains cash and marketable securities to meet its liquidity requirements for up to 30-day periods. Funding in regards to long-term liquidity needs is additionally secured by an adequate amount of committed credit facilities and the ability to sell long-term financial assets.

As at 30 June 2008, the Group's liabilities have contractual maturities which are summarised below:

	Current				Non Current			
	Within 6 months		6 to 12 months		1to 5 years		More than 5 years	
	2008	2007	2008	2007	2008	2007	2008	2007
Trade payable	470,232	206,393	-	-	-	-	-	-
Other short term lliabilities.	1,544,068	558,264	-	-	-	-	-	-
Employee benefit obligations	-	-	-	-	101,512	71,370	-	-
Liability component of compound financial instrument.	-	-	-	-	8,959,231	8,959,231	-	-

The above contractual maturities reflect the gross cash out flows, not discounted at the current values thereby these values will differ to the carrying values of the liabilities at the balance sheet date.

NOTE DD - CAPITAL MANAGEMENT POLICIES AND PROCEDURES

The Group's capital management objectives are:

- to ensure the Group's ability to continue as a going concern; and
- to provide an adequate return to shareholders.

by pricing products and services commensurately with the level of risk.

The Group monitors capital on the basis of the carrying amount of equity plus its subordinated loan, less cash and cash equivalents as presented on the face of the balance sheet. Capital for the reporting periods under review is summarised as follows:

The Group's goal in capital management is to maintain a capital-to-overall financing structure ratio as low as possible.

The Group sets the amount of capital in proportion to its overall financing structure, i.e. equity and financial liabilities other than its subordinated loan. The Group manages the capital structure and makes adjustments to it in the light of changes in economic conditions and the risk characteristics of the underlying assets. In order to maintain or adjust the capital structure, the Group may adjust the amount of dividends paid to shareholders, return capital to shareholders, issue new shares, or sell assets to reduce debt.

	June 30, 2008	June 30,2007
Total equity	13,065,057	11,448,585
Add Subordinated loan	6,487,190	5,733,453
Less Cash & cash equivalents	(2,519,632)	(6,311,126)
Capital	**17,032,615**	**10,870,912**
Total equity	13,065,057	11,448,585
Add Borrowings	-	-
Overall financing	**13,065,057**	**11,448,585**
Capital to overall financing ratio	**1.30:1**	**0.95:1**

NOTE EE - SUBSEQUENT EVENTS

On July 1, 2008, Orion Technologies Inc amalgamated with Rolta Canada Limited to form Rolta Canada Limited.

Auditors Report on the Abridged Accounts

To
The Members of
ROLTA INDIA LIMITED

We have examined the attached abridged Balance Sheet of Rolta India Limited ('the Company) as at June 30,2008 and the related abridged Profit and Loss Account for the year ended on that date annexed thereto and the abridged Cash Flow Statement for the year ended on the date ,together with the significant accounting policies and notes thereon. These abridged financial statements have been prepared by the Company pursuant to Rule 7A of the Companies (Central Government's) General Rules and Forms.1956 and are based on the audited accounts of the Company for the year ended June 30,2008 prepared in accordance with Schedule VI of the Companies Act,1956 and is covered by our report of even date to the members of the Company which report is attached.

For **KHANDELWAL JAIN & CO.**
Chartered Accountants,

(SHIVRATAN AGARWAL)
PARTNER
Membership No.104180

Place : Mumbai
Date : July 24, 2008

Auditors' Report

To
The Members of
ROLTA INDIA LIMITED

1. We have audited the attached Balance Sheet of ROLTA INDIA LIMITED, as at 30th June, 2008, the Profit and Loss Account and also the Cash Flow Statement for the year ended on that date annexed thereto. These financial statements are the responsibility of the Company's Management. Our responsibility is to express an opinion on these financial statements based on our audit.
2. We conducted our audit in accordance with the auditing standards generally accepted in India. Those Standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.
3. As required by the Companies (Auditors' Report) Order, 2003 issued by the Central Government of India in terms of sub-section (4A) of Section 227 of the Companies Act, 1956, and on the basis of such checks as considered appropriate and according to the information and explanations given to us during the course of audit, we enclose in the Annexure a statement on the matters specified in paragraphs 4 and 5 of the said Order, to the extent applicable to the Company.
4. Further to our comments in the Annexure referred to in paragraph 3 above we report that:-
   a) We have obtained all the information and explanations, which to the best of our knowledge and belief were necessary for the purposes of our audit;
   b) In our opinion, proper books of account as required by law have been kept by the Company so far as appears from our examination of those books;
   c) The Balance Sheet, Profit and Loss Account and Cash Flow Statement dealt with by this report are in agreement with the books of account;
   d) In our opinion, the Balance Sheet, Profit and Loss Account and Cash Flow Statement dealt with by this report comply with the Accounting Standards referred to in sub-section (3C) of section 211 of the Companies Act, 1956;
   e) On the basis of written representations received from the directors, as on 30th June, 2008 and taken on record by the Board of Directors, we report that none of the Directors is disqualified as on 30th June, 2008 from being appointed as a director in terms of clause (g) of sub-section (1) of section 274 of the Companies Act, 1956;
5. In our opinion and to the best of our information and according to the explanations given to us, the said accounts, read together with the Significant Accounting Policies and other notes appearing in Schedule 'P' give the information required by the Companies Act, 1956, in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India :-
   (i) in the case of Balance Sheet, of the state of affairs of the Company as at 30th June, 2008;
   (ii) in the case of the Profit and Loss Account, of the Profit of the Company for the year ended on that date; and
   (iii)in case of the Cash Flow Statement, of the cash flows for the year ended on that date.

For **KHANDELWAL JAIN & CO.**
Chartered Accountants,

(SHIVRATAN AGARWAL)
Partner
Membership No.104180

Place : Mumbai
Date : July 24, 2008

Annexure to Auditors' Report

ANNEXURE REFERRED TO IN PARAGRAPH 3 OF OUR REPORT OF EVEN DATE TO THE MEMBERS OF ROLTA INDIA LIMITED ON THE ACCOUNTS FOR THE YEAR ENDED 30TH JUNE 2008

(i) (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets except in case of furniture and fixtures and electrical installation for which quantitative records with item wise break-up of value is not available.

(b) The fixed assets have been physically verified by the management at reasonable intervals and no material discrepancies were noticed on such verification.

(c) During the year, the company has not disposed off any substantial part of the Fixed Assets.

(ii) (a) The inventory has been physically verified during the year by the management. In our opinion, the frequency of verification is reasonable.

(b) The procedures of physical verification of inventories followed by the management are reasonable and adequate in relation to the size of the company and the nature of its business.

(c) The company is maintaining proper records of inventory. The discrepancies noticed on verification between the physical stocks and the book records were not material in relation to the operation of the company and the nature of its business.

(iii) (a) The company has granted interest free loans to its 4 subsidiaries covered in the register maintained under section 301 of the Companies Act, 1956. The maximum amount involved during the year was Rs.1870.13 lacs and the year-end balance of loans granted to such parties was Rs.1692.62 lacs.

(b) In our opinion and according to the information and explanations given to us, the aforesaid loans are interest free and other terms and conditions are not prima facie prejudicial to the interest of the company.

(c) The said interest free loans given to the wholly owned subsidiaries of the company are repayable on demand and there is no repayment schedule.

(d) In respect of the loan given by the company, the same is repayable on demand and therefore the question of overdue amount does not arise.

(e) The company has not taken loan from any company covered in the register maintained under section 301 of the Companies Act, 1956. Hence provisions of clause 4 (iii) (f), (g) are not applicable to the company

(iv) In our opinion and according to the information and explanations given to us, there exist an adequate internal control systems commensurate with the size of the company and the nature of its business with regard to purchases of inventory, fixed assets and with regard to the sale of goods and services. During the course of our audit, we have not observed any continuing failure to correct major weaknesses in internal control system of the Company.

(v) (a) According to the information and explanations given to us, we are of the opinion that the particulars of all contracts or arrangements that need to be entered into the register maintained under section 301 of the Companies Act, 1956 have been so entered.

(b) In our opinion and according to the information and explanations given to us, the transactions made in pursuance of contracts or arrangements entered in the register maintained under section 301 of the Companies Act, 1956 and exceeding the value of rupees five lakhs in respect of any party during the year have been made at prices which are reasonable having regard to prevailing market prices at the relevant time.

(vi) According to information and explanations given to us, the Company has not accepted any deposits from public covered by the provisions of Section 58A and 58AA of the Companies Act, 1956 and rules framed there under.

(vii) In our opinion, the company has an internal audit system commensurate with the size and nature of its business.

(viii)We have broadly reviewed that books of account relating to materials, manpower cost and other items of cost maintained by the company pursuant to the Rules made by the Central Government for the maintenance of cost records under section 209 (1) (d) of the Companies Act, 1956 for internet business and we are of the opinion that prima facie the prescribed accounts and records have been made and maintained.

(ix) (a) The company is generally regular in depositing with appropriate authorities undisputed statutory dues including provident fund, investor education protection fund, employees' state insurance, income tax, sales tax, wealth tax, service tax, custom duty, excise duty, cess and other material statutory dues applicable to it. However on certain occasions with regards to provident fund, employees' state insurance, service tax and Tax deducted at source, few days of delays have been observed.

Further, since the Central Government has till date not prescribed the amount of cess payable under section 441A of the Companies Act, 1956, we are not in a position to comment upon the regularity or otherwise of the company in depositing the same.

(b) According to the information and explanations given to us, no undisputed amounts payable in respect of income tax, wealth tax, service tax, sales tax, customs duty, excise duty and cess were in arrears, as at 30th June, 2008 for a period of more than six months from the date they became payable.

(c) According to the information and explanation given to us, there are no dues of sale tax, customs duty, wealth duty, service tax, excise duty and cess which have not been deposited on account of any dispute.

(x) The company does not have any accumulated losses at the end of the financial year and has not incurred cash losses in the current financial year and in the immediately the preceding financial year.

(xi) In our opinion and according to the information and explanations given to us, the company has not defaulted in repayment of dues to a financial institution, bank or debenture holders.

(xii) As per the information and explanation given to us, the company has not granted loans and advances on the basis of security by way of pledge of shares, debentures and other securities.

(xiii) In our opinion, the company is not a chit fund or a nidhi mutual benefit fund/society. Therefore, the provisions of clause 4(xiii) of the Companies (Auditor's Report) Order, 2003 are not applicable to the company.

(xiv) In our opinion, the company is not dealing in or trading in shares, securities, debentures and other investments. Accordingly, the provisions of clause 4(xiv) of the Companies (Auditor's Report) Order, 2003 are not applicable to the company.

(xv) In our opinion, the terms and conditions on which the company had given guarantees for loans taken by others from banks or financial institutions are not prejudicial to the interest of the company.

(xvi) No term loans have been raised during the year.

(xvii) According to the information and explanations given to us and on an overall examination of the balance sheet of the company, we report that no funds raised on short-term basis have been used for long-term investment.

(xviii) According to the information and explanations given to us, the Company has not made any preferential allotment of shares to parties and companies covered in the register maintained under Section 301 of the Companies Act, 1956.

(xix) According to the information and explanations given to us, the Company has not issued any debentures during the year.

(xx) The company has not raised any money by public issue during the period covered by our audit.

(xxi) As per the information and explanations given to us, no fraud on or by the company has been noticed or reported during the course of our audit.

For KHANDELWAL JAIN & CO.
Chartered Accountants,

(Shivratan Agarwal)
Partner
Membership No.104180

Place : Mumbai
Date : July 24, 2008.

Rolta India Limited

Abridged Balance Sheet

As at 30th June 2008

(Statement containing salient features of Balance Sheet as per Section 219(1)(b)(iv) of the Companies Act, 1956)

(Amount in Rs.)

	30th June 2008		30th June 2007
SOURCES OF FUNDS			
SHAREHOLDERS' FUNDS			
Share Capital			
Equity		1,608,975,510	801,185,080
Reserves & Surplus			
Securities premium account		2,821,829,199	4,091,550,780
General reserve		1,112,719,880	882,674,040
Surplus in profit and loss		7,496,589,401	5,694,973,970
LOAN FUNDS			
Unsecured Loan - FCCBs		6,937,936,091	6,111,000,000
Deferred Tax Liability		458,626,656	345,947,057
TOTAL		20,436,676,737	17,927,330,927
APPLICATION OF FUNDS			
FIXED ASSETS			
Net Block (Original cost less depreciation/amortisation)	6,259,981,153		4,475,968,585
Capital Work In Progress	1,728,401,627		1,462,787,795
		7,988,382,780	5,938,756,380
INVESTMENTS			
Investment in subsidiary companies and JV's -(Unquoted)		3,658,062,489	1,483,972,113
Investment in Mutual Fund (Debt Fund)		2,740,796,363	928,461,002
CURRENT ASSETS, LOANS AND ADVANCES			
(a) Inventories	214,187,306		202,184,750
(b) Sundry Debtors	4,933,683,392		3,699,467,079
(c) Cash & Bank Balances	2,410,765,478		6,347,116,708
(d) Other current assets	152,231,276		8,407,079
(e) Loans & Advances			
- To Subsidiary companies	269,958,717		521,919,005
- To Others	76,525,469		108,753,251
	8,057,351,638		10,887,847,872
LESS : CURRENT LIABILITIES AND PROVISIONS			
Current liabilities	1,137,361,182		657,418,708
Provisions	870,555,351		654,287,732
	2,007,916,533		1,311,706,440
NET CURRENT ASSETS		6,049,435,105	9,576,141,432
TOTAL		20,436,676,737	17,927,330,927

Refer Accounting policies and Notes compiled from the
Audited Accounts of the Company referred to in our Report dated July 24, 2008

For and on behalf of Board of Directors

As per our report of even date

For **Khandelwal Jain & Co.**
Chartered Accountants

Shivratan Agarwal
Partner
M.No.104180

K K Singh
Chairman & Managing Director

R.R.Kumar
Director

K.R.Modi
Director

Atul D. Tayal
Jt. Managing Director

Hiranya Ashar
Director - Finance &
Chief Financial Officer

Harjinder Singh
Executive Vice President Legal &
Company Secretary

Mumbai,
Date: July 24, 2008

Mumbai,
Date: July 24, 2008

Rolta India Limited

Abridged Profit And Loss Account

For the year Ended 30th June 2008

(Statement containing salient features of Profit and Loss Account as per Section 219(1)(b)(iv) of the Companies Act, 1956)

(Amount in Rs.)

	30th June 2008	30th June 2007
INCOME		
Sale of IT Solutions & Services	8,509,160,260	5,991,384,066
Other Income		
Dividend	174,320,186	57,571,445
Interest	159,310,395	6,793,468
Exchange Difference Gain/(Loss) (including FCCB)	(301,819,081)	-
Others	73,092,925	20,919,221
TOTAL	8,614,064,685	6,076,668,200
EXPENDITURE		
Material Cost		
Opening stock	202,184,750	117,229,160
Material & Subcontracting Cost	2,200,327,543	1,850,578,496
Less: Closing Stock	(214,187,306)	(202,184,750)
Salaries,Wages and other employee benefits	1,321,235,053	772,733,018
Managerial remuneration	151,050,000	140,632,660
Depreciation/Amortisation	1,353,886,101	1,005,127,496
Auditors remuneration	2,750,000	2,750,000
Other expenses	537,814,131	352,394,524
TOTAL	5,555,060,272	4,039,260,604
PROFIT BEFORE TAX	3,059,004,413	2,037,407,596
Less : Provision For Taxation	429,618,765	214,897,284
PROFIT AFTER TAX	2,629,385,648	1,822,510,312
Add : Balance brought forward from previous year	5,694,973,970	4,523,413,185
BALANCE AVAILABLE FOR APPROPRIATION	8,324,359,619	6,345,923,497
APPROPRIATIONS		
DIVIDEND ON EQUITY SHARES		
Dividend Paid	90,075	22,148
Proposed Dividend	482,692,653	400,592,540
Income Tax On Proposed / Paid Dividend	82,048,924	68,083,808
Transfer to General Reserve	262,938,565	182,251,031
BALANCE CARRIED TO BALANCE SHEET	7,496,589,401	5,694,973,970
EARNINGS PER SHARE (equity shares,par value Rs.10 each)		
Basic	16.39	11.39
Diluted	16.19	11.34
(Refer Note No. 16)		

Refer Accounting policies and Notes compiled from the
Audited Accounts of the Company referred to in our Report dated July 24, 2008

For and on behalf of Board of Directors

As per our report of even date

For **Khandelwal Jain & Co.**
Chartered Accountants

Shivratan Agarwal
Partner
M.No.104180

K K Singh
Chairman & Managing Director

R.R.Kumar
Director

K.R.Modi
Director

Atul D. Tayal
Jt. Managing Director

Hiranya Ashar
Director - Finance &
Chief Financial Officer

Harjinder Singh
Executive Vice President Legal &
Company Secretary

Mumbai,
Date: July 24, 2008

Mumbai,
Date: July 24, 2008

SIGNIFICANT ACCOUNTING POLICIES AND NOTES TO ACCOUNTS

1. SIGNIFICANT ACCOUNTING POLICIES

a. Basis of Preparation of Financial Statements

The financial statements are prepared in accordance with Indian Generally Accepted Accounting Principles ("GAAP") under the historical cost convention on the accrual basis. GAAP Comprises mandatory accounting standards issued by the Institute of Chartered Accountants of India ("ICAI"), the provisions of the Companies Act, 1956 and guidelines issued by the Securities and Exchange Board of India. Accounting policies have been consistently applied except where a newly issued accounting standard is initially adopted or a revision of an existing accounting standard requires a change in the accounting policy hitherto in use.

b. Use of Estimates

The preparation of the financial statements in conformity with GAAP requires the management to make estimates and assumptions that affect the reported balances of assets and liabilities and disclosures relating to contingent assets and liabilities as at the date of the financial statements and reported amounts of income and expenses during the period. Examples of such estimates include provisions for doubtful debts, future obligations under employee retirement benefit plans, income taxes, post-sales customer support and the useful lives of fixed assets and intangible assets.

c. Revenue Recognition

i. Revenue from sale of solutions and services is recognized in accordance with the sales contract and when significant risks and rewards in respect of ownership are transferred to the customers.

ii. Income from maintenance contract is recognized proportionately over the period of the contract.

iii. Dividend on investments held by the Company is accounted for as and when it is declared.

d. Fixed Assets, Depreciation, Amortisation and Capital Work in Progress (CWIP)

i. All Fixed Assets are stated at cost of acquisition or construction less accumulated depreciation and impairment loss, if any.

ii. The company provides depreciation on fixed assets on Straight Line Method (SLM), at the rates and in the manner specified in Schedule XIV of the Companies Act, 1956 except for Computer Plant and its related equipments.

iii. Depreciation on Computer plant and its related equipment is provided on the Straight Line Method (SLM) over the economic useful life of assets, which is ascertained to be 4 years by the management.

iv. Leasehold land is amortised over the period of lease.

v. Capital work-in-progress is stated at cost comprising of direct cost and related incidental expenditure. The advances given for acquiring / construction of fixed assets are shown under CWIP.

e. Impairment of Assets

The fixed assets are reviewed for impairment at each balance sheet date. In case of any such indication, the recoverable amount of these assets is determined, and if such recoverable amount of the asset or cash-generating unit to which the asset belongs is less than it's carrying amount, the impairment loss is recognized by writing down such assets to their recoverable amount. An impairment loss is reversed if there is change in the recoverable amount and such loss either no longer exists or has decreased.

f. Investments

Investments are classified into Current Investment and Long Term Investments.

Current Investments are carried at lower of the cost and fair value.

Long Term Investments are carried at cost. Provision for diminution is made only if, in the opinion of the management, such a decline is other than temporary.

g. Inventories

Systems, Software, Peripheral and Spares are valued at lower of cost or net realisable value on First in First out basis.

Finished products are valued at lower of cost or net realisable value.

h. Foreign Currency Transactions

i. Foreign currency transactions are recorded at the exchange rate prevailing on the date of transaction.

ii. All monetary foreign currency assets/liabilities are translated at the rates prevailing on the date of balance sheet.

iii. In the case of monetary items, which are covered by forward / hedging contracts, the difference between the year end rate and the rate on the date of contract is recognised as exchange difference.

iv. Gain /loss on cancellation or renewal of forward exchange contract is recognised as income or expenses for the period.

v. The premium / discount arising at the inception of the contract is amortised as expenses or income over the life of the contract.

vi. Exchange difference arising on settlement/conversion are adjusted to Profit & Loss Account.

i. Employee Benefits

1. Short Term Employee Benefits

Short Term Employees Benefits are recognized as an expense at the undiscounted amount in the Profit and Loss Account of the year in which the related services is rendered.

2. Post Employment Benefits

i. Provident Fund

The Company contributes monthly at a determined rate. These contributions are remitted to the Government administered/ trust established by the Company for this purpose and is charged to Profit and Loss account on accrual basis.

ii. Gratuity

The Company provides for gratuity (a defined benefit retirement plan) to all the eligible employees. The benefit is in the form of lump sum payments to vested employees on retirement, on death while in employment, or termination of employment for an equivalent to 15 days salary payable for each completed year of service subject to a maximum of Rs.500,000/-. Vesting occurs on completion of five years of service. Liability in respect of gratuity is determined using the projected unit credit method with actuarial valuations as on the balance sheet date and gains/losses are recognized immediately in the profit and loss account.

iii Leave Encashment

Liability in respect of leave encashment is determined using the projected unit credit method with actuarial valuations as on the balance sheet date and gains/losses are recognized immediately in the profit and loss account.

j. Borrowing Cost

Borrowing costs that are attributable to the acquisition or construction of qualifying assets are capitalised as part of the cost of such assets. A qualifying asset is one that necessarily takes substantial period of time to get ready for intended use. All other borrowing costs are charged to revenue.

k. Earnings per Share

In accordance with the Accounting Standard 20 (AS - 20) "Earnings Per Share" issued by the Institute of Chartered Accountants of India, basic / diluted earnings per share is

Notes to Abridged Balance Sheet as at 30th June 2008
and Abridged Profit and Loss Account for the year ended on that date

computed using the weighted average number of shares outstanding during the period.

l. Income Tax

Income tax comprises of current tax, fringe benefit tax and deferred tax. Deferred tax assets and liabilities are recognized for the future tax consequences of timing differences, subject to the consideration of prudence. Deferred tax assets and liabilities are measured using the tax rates enacted or substantively enacted by the balance sheet date. The carrying amount of deferred tax asset / liability are reviewed at each balance sheet date.

m. Share/Bond Issue Expenses and Premium on Redemption of Bonds

Share / Bond issue expenses and premium payable on redemption of bonds are written off to Securities Premium Account.

n. Warranty Cost

The company accrues the estimated cost of warranties at the time when the revenue is recognised. The accruals are based on the company's historical experience of material usage and service delivery cost.

o. Prior Period Items

Prior period expenses/income are accounted under the respective heads. Material items, if any, are disclosed separately by way of a note.

p. Provisions & Contingent Liabilities

The company creates a provision when there is a present obligation as a result of an obligating event that probably requires an outflow of resources and a reliable estimate can be made of the amount of the obligation. A disclosure for a contingent liability is made when there is a possible obligation or a present obligation that may, but probably will not, require an outflow of resources. Where there is a possible obligation or a present obligation in respect of which the likelihood of outflow of resources is remote, no provision or disclosure is made.

q. Leases

Operating leases : Rental in respect of all operating leases are charged to Profit & Loss Account.

r. Other Accounting Policies

These are consistent with the generally accepted accounting practices.

2. CONTINGENT LIABILITIES NOT PROVIDED FOR

(Rs. in lacs)

		As at 30.06.08	As at 30.06.07
i.	B/G & B/D given by Bankers (including counter guarantees issued by them)	17237.40	8475.99
ii.	Letters of Credit issued by Bankers	462.88	103.64

		As at 30.06.08	As at 30.06.07
3.	Estimated amount of contracts remaining to be executed on Capital account and not provided for (net of advances).	1533.75	511.88

4. Interest income is net of interest expenses amounting to Rs.494.50 lacs.

5. The outstanding balances as at 30th June, 2008 in respect of Sundry Debtors, Creditors, Loans and Advances, Deposits and certain bank accounts are subject to confirmation from the respective parties and consequential reconciliation / adjustments arising there from, if any. The management, however, does not expect any material variation.

6. In the opinion of the Board, all current assets, loans & advances and other receivables are approximately of the value stated, if realised in the ordinary course of business.

7a. In the current financial year, the Company, in addition to the provision made for the previous year ended 31st March, 2008, has estimated the Income Tax provision for the subsequent three months period ended 30th June, 2008, the ultimate liability for which will be determined on the basis of figures for the previous year ending 31st March, 2009.

b. The Company has calculated its tax liability after considering Minimum Alternative Tax (MAT).The MAT liability can be carried forward and setoff against the future tax liabilities. Accordingly Rs.233.90 lacs is carried forward and shown under "Provision for Income Tax(net of advance tax & credit for MAT)" in the Balance Sheet as on 30th June 2008.

c. Income Tax Provision as at 30th June 2008 includes Rs. 3277.11 lacs (previous year Rs.1140.00 lacs) towards Current Income Tax, Rs. 8.00 lacs (previous year Rs.5.00 lacs) towards Wealth Tax, Rs. 1126.79 lacs (previous year Rs. 928.97 lacs) recognised and charged to Profit & Loss Account. on account of Deferred Tax, Rs. 118.17 lacs (previous year Rs.75.00 lacs) on account of Fringe Benefit Tax and Rs.233.90 lacs towards MAT credit.

d. The break up of Deferred Tax Liability components as at 30.06.08 is as under:

(Amt. in Rs.)

Deferred Tax Liabilities / (Assets)	Current Year	Previous Year
a. Fixed Assets	493,130,494	360,306,132
b. Others	(34,503,838)	(14,359,075)
Deferred Tax Liability Net	458,626,656	345,947,057

8. Managerial Remuneration

(Amt. in Rs.)

		Current Year	Previous Year
i)	Managerial remuneration including all benefits but excluding provision for Leave Encashment & Gratuity (includes commission of Rs.151,050,000/- (Previous year Rs. 140,632,660/-) to whole time Directors)	191,449,000	166,829,601

ii. Computation of net profit in accordance with Section 198 of the Companies Act, 1956, in respect of commission payable to whole time Directors:

	2007 - 08
Profit before tax as per Profit & Loss account	3,059,004,413
Add: Depreciation as per Accounts	1,353,886,101
Managerial Remuneration charged in the Accounts	191,449,000
Directors Sitting Fees	1,080,000
Loss On Sale Of Assets	4,342,154
Less: Depreciation under Section 350 of the Companies Act, 1956	1,353,886,101
Net Profit u/s. 349	3,255,875,567
Maximum Permissible Managerial Remuneration (10%)	325,587,557
Commission provided for Whole Time Directors	151,050,000

9 AUDITORS REMUNERATION:(Net of Service Tax)

	Current Year	Previous Year
Audit fees & Limited Review	1,875,000	1,875,000
Tax Audit Fees	500,000	500,000
Other Matters	375,000	375,000
Total	**2,750,000**	**2,750,000**

10. Out of total 160,897,551 (P. Y. 80,118,508) Equity Shares :-

a. 15,537,662 (P. Y. 15,537,662) Equity Shares of Rs.10/- each have been allotted as fully paid up for consideration other than cash to the shareholders of the erstwhile Rolta Computer & Industries Pvt. Ltd., Rolta Leasing & Holdings Ltd., Rolta Investments Pvt. Ltd., Rolta Consultancy Services Pvt. Ltd., persuant to Scheme of Amalgamation.

b. 8,807,272 (P. Y. 8,807,272) Equity Shares of Rs. 10/- each have been allotted as fully paid up for consideration other than cash to the shareholders of erstwhile Rolta Design and Conversion Services Limited, persuant to Scheme of Arrangement.

c. 996,904 (P. Y. 354,384) equity shares issued persuant to Employee Stock Option Plan.

d. 16,071,429 (P. Y. 16,071,429) Equity Shares of Rs. 10/- each were issued by way of US $ Equity Issues represented by Global Depository Receipts (GDR), at a priceof US $ 5.60 per Share (inclusive of premium).

e. 80,136,523 (P. Y. Nil) Equity Shares, fully paid up have been issued as bonus shares by capitalization of Securities Premium.

11. The company on 28th June'2007 issued Zero Coupon Foreign Currency Bond (FCCB) aggregating to US $ 150 million at par. The bondholders have an option to convert these bonds in equity shares at an initial conversion price of Rs.368.70 (as adjusted by 1:1 bonus issue) per share at fixed exchange rate (Rs.40.75 = US$ 1.00) between August 08, 2007 and June 22, 2012. The conversion price will be subject to certain adjustment in certain circumstances as detailed in the Offering Circular (OC).

The Bonds can be mandatorily converted into Shares, in whole but not in part, at the option of the Company on or at any time after 28 June 2008 but not less than seven business days prior to the maturity date at the conversion price and on the terms and conditions as defined in the OC.

Further under certain condition, the company has an option for early redemption of the bonds in whole but not in part Unless previously converted, redeemed or repurchased or cancelled the company will redeem these bond at 139.391 percent of the principal amount on June 29, 2012.

The proceeds from the FCCB issue were utilized for the purpose for which the bonds were used i.e funding the capital expenditure, expansion of existing facilities, establishing new units, investment in Subsidiary Companies and for acquisition overseas.

Hitherto, the company was accounting the premium payable on redemption of bonds in the year when the bonds were redeemed, repurchased or cancelled. During the year the company has changed its aforesaid policy and started providing for the said premium over the tenure of the bonds. Consequent to this change an amount of Rs. 510,526,091/- (inclusive of Rs. 4,161,897/- pertaining to previous year) has been provided for and debited to Securities Premium Account. The change does not have any impact on the profit for the year.

12. There are no dues to Micro and Small Enterprises as at 30th June 2008. This information as required to be disclosed under the Micro, Small and Medium Enterprises Development Act, 2006 has been determined to the extent such parties have been identified on the basis of information available with the Company

13. There are no amounts due and outstanding to be credited to Investor Education and Protection Fund.

14. Employee Benefits

i. During the current year, the Company has adopted the revised Accounting Standard 15 (AS 15), Employee Benefits as issued by the Institute of Chartered Accountants of India. Pursuant to the adoption the transitional obligation amounting to Rs. 328.92 lacs has been adjusted against the opening balance of General Reserve.

ii. Disclosure relating to Employee Benefits in accordance with provision of revised Accounting Standard (AS)-15

a. Expenses recognised in the Statement of Profit & Loss A/c. for the year ended 30th June 2008

Particulars	Gratuity	Leave Encashment
Current Service Cost	5,618,631	7,635,921
Interest Cost	2,411,955	3,599,063
Expected return on plan Asset	-	-
Net actuarial (gain) loss recognised in the year	4,987,824	20,375,578
Expenses Recognised in the income statement	13,018,410	31,610,562

b. Net Receipt / Liability Recognised in the Balance Sheet

Particulars	Gratuity	Leave Encashment
Movements in the liability recognized		
Opening net liability	30,149,438	44,988,286
Expense as above	13,018,410	31,610,562
Contribution paid	(5,391,870)	(12,863,094)
Closing net Liability	37,775,978	63,735,755

c. Recalculation of Opening and Closing Balances of Defined Benefit Obligation

Particulars	Gratuity	Leave Encashment
Liability at the beginning of the period	30,149,438	44,988,286
Interest Cost	2,411,955	3,599,063
Current Service Cost	5,618,631	7,635,921
Benefit Paid	(5,391,870)	(12,863,094)
Actuarial (Gain / Loss on Obligations)	4,987,824	20,375,578
Liability at the end of the period	37,775,978	63,735,755

d. Actuarial assumption

Particulars	June 30, 2008
Discount Rate	8.00%
Rate of increase in Salary	5.00%
Rate of Return on Plan Assets	8.00%

The Guidance on implementing AS 15, Employee benefits (revised 2005) issued by Accounting Standard Board (ASB) states benefit involving employer established provident funds, which requires interest shortfalls to be recompensed are to be considered as defined benefit plans. Pending the issuance of the guidance note from the Actuarial Society of India, the Company's actuary has expressed an inability to reliably measure provident fund liabilities. Accordingly the company is unable to exhibit the related information.

15. The Company has instituted various Employee Stock Option Plan. The Compensation Committee of the board evaluates the performance and other criteria of employees and approves the grant of options. The particulars of options granted under various plans are tabled below :

ESOP 2000

During December 2000, the Company introduced its Employee Stock Option Plan (ESOP) as per Securities Exchange Board of India (SEBI) guidelines, 1999, wherein an aggregate of 1,500,000 options representing 1,500,000 equity shares of face value of Rs. 10/- each were made available for grant to certain employees and whole time directors except for promoter director of the company. These options are available for exercise over a period of 4 years in the following manner, 25% of the options in each of the years following the end of 2nd, 3rd, 4th and 5th year after the grant of the options. Out of 1,500,000 options, 595,500 options were granted on December 30, 2000 at an exercise price of Rs. 198.60, which was the closing price of the Company's equity shares on The Stock Exchange Mumbai on that date. A total of 77,437 number of options were exercised by eligible employees out of the options granted. 518,063 numbers of Options had lapsed due to non-exercise of options and cessation of employment.

ESOP 2003

On December 31, 2003, the Company granted 911,500 stock options out of the balance and lapsed stock options available under the Employee Stock Options Plan (ESOP) 2000. These Options were granted at an exercise price of Rs. 111.35, which was the closing market price on the date of the grant of Options. Out of these options a total of 418,102 number of options are exercised by eligible employees. 3,30,586 numbers of Options had lapsed due to non-exercise of options and cessation of employment. The details of ESOP's exercised, forfeited, lapsed during the year is given below.

	2008 Number	2008 Price	2007 Number	2007 Price
Outstanding at July 1	395,927	111.35	6,39,690	111.35
Forfeited	-	-	-	-
Exercised	141,155	111.35	146,637	111.35
Lapsed	91,960	111.35	97,126	111.35
Outstanding as at June 30*	162,812	111.35	395,927	111.35

ESOP 2006

On April 24, 2006, the Company granted 852,500 stock options out of 1,500,000 options made available for grant to eligible employees under the Employee Stock Options Plan 2005 (ESOP - 2005). These Options were granted at an exercise price of Rs. 252.30, which was the closing market price on the date of the grant of Options. Out of these options a total of 189,112 number of options were exercised by eligible employees. 154,500 numbers of Options had lapsed due to cessation of employment.

	2008 Number	2008 Price	2007 Number	2007 Price
Outstanding at July 1	760,000	252.30	852,500	252.30
Forfeited	-	-	-	-
Exercised	189,112	-	-	-
Lapsed	62,000	252.30	92,500	252.30
Outstanding as at June 30*	508,888	252.30	760,000	252.30

ESOP 2007

On April 24, 2007, the Company granted 1,427,500 stock options out of the balance and lapsed stock options available under the Employee Stock Options Plan 2005 (ESOP - 2005) and Stock options made available for the eligible employees under Employee Stock Options Plan 2007 (ESOP 2007). These Options were granted at an exercise price of Rs. 419.70, which was the closing market price on the date of the grant of Options. The first 50% of these options shall become available for exercise on April 24, 2009 and one Option if exercised is convertible into one-equity share. Out of the options granted, 62,500 numbers of Options had lapsed due to cessation of employment. On 23rd July 2007 additional 125,000 Options were granted out of ESOP Plan 2007, at an exercise price of Rs. 481.45, which was the closing market price on the date of grant of additional Options. The first 50% of these Options shall become available for exercise on July 23, 2009.

	2008 Number	2008 Price	2007 Number	2007 Price
Outstanding at July 1	1,427,500	419.70	-	-
Granted	-	-	1,427,500	419.70
Additional Grant	125,000	481.45	-	-
Forfeited	-	-	-	-
Exercised	-	-	-	-
Lapsed	62,500	-	-	-
Outstanding as at June 30*	1,490,000	-	1,427,500	-

ESOP 2008

On January 31, 2008, the Company granted further 1,25,000 stock options out of the balance and lapsed stock options available under the Employee Stock Options Plan 2007 (ESOP 2007). These Options were granted at an exercise price of Rs. 232.15, which was the closing market price on the date of the grant of Options. The first 50% of these options shall become available for exercise on 31/01/2010 and one Option if exercised is convertible into one-equity share the exercise price mentioned below. On 30th April 2008, the Company further granted additional 300,000 stock options out of the balance and lapsed stock options available under the Employee Stock Options Plan 2007 (ESOP 2007). These options were granted at an exercise price of Rs.339.35, which was the closing price as on the date of the grant of Options.

On June 27, 2008, the Company granted further 1,455,500 stock options out of the balance and lapsed stock options available under the Employee Stock Options Plan 2007 (ESOP - 2007) and Employee Stock Options Plan 2008 (ESOP 2008). These options were granted at an exercise price of Rs.261.75, which was the closing price as on the date of the grant of the options.

	2008 Number	2008 Price	2007 Number	2007 Price
Outstanding at July 1	-	-	-	-
Granted	125,000	464.30	-	-
Granted	300,000	339.35		
Granted	1,455,500	261.75		
Forfeited	-	-	-	-
Exercised	-	-	-	-
Lapsed	-	-	-	-
Outstanding as at June 30 2008	1,880,500	-	-	-

* These options are entitled for 1:1 bonus issue adjustments.

FBT on exercised of the stock options are paid by the company and subsequently recovered from the employees Consequently, there is no impact on Profit and Loss Account.

16. Earning Per Share EPS

EPS is calculated by dividing the profit attributable to the equity shareholders by the average number of equity shares outstanding during the year. Numbers used for calculating basic and diluted earnings per equity share are as stated below.

		For the Year ended June 30, 2008	For the Year ended June 30, 2007.*
1.	Net Profit artributable to Equity Shareholders	2,629,385,648	1,822,510,312
2.	Weighted Avg. Number of Equity Shares / Basic EPS	160,410,264	160,014,996
	EPS (Rs.) basic	16.39	11.39
3.	Weighted Avg. Number of Equity Shares for Diluted EPS	162,423,360	160,674,386
	EPS (Rs.) diluted	16.19	11.34

* Adjusted by the 1:1 Bonus issue

Reconciliation of Weighted Average Nos. of equity shares outstanding during the period.

	For the Year ended June 30, 2008	For the Year ended June 30, 2007.*
Weighted Nos of shares for Basic Earnings Per Share	160,410,264	160,014,996
Adjusted on account of ESOPs	2,013,095	659,390
Weighted Nos of shares for Diluted Earnings Per Share	162,423,360	160,674,386

17. The future obligation on account of non cancellable Operating Lease payable as per the rental status in respective agreement are as follows :

(Amt. in Rs.)

Upto 1 year	8,892,000
Later than 1 years not later than 5 years	14,741,000
Later than 5 years	NIL
Total	**22,793,000**

Lease Payments recognized in the Statement of Profit & loss Account under the head Rent amounting to Rs. 95.58 lacs.

18. As required by Accounting Standard 29 "Provisions, Contingent Liabilities and Contingent Assets" issued by Institute of Chartered Accountants of India the disclosure with respect to provision for warranty and maintenance expense is as follows

(Rs in Lacs)

	2007 - 2008	2006 - 2007
a. Amount at the beginning of the year	69.97	98.51
b. Additional provision made during the year	96.97	69.97
c. Amount used	20.01	30.50
d. Unused amount reversed during the year	49.96	68.01
e. Amount at the end of the year	96.97	69.97

19. Related Party Disclosures

i. List of Related Parties and relationships

Party	Relation
a **Rolta International Inc. USA**	Subsidiary
Rolta Middle East FZ LLC	Subsidiary
Rolta Saudi Arabia Ltd.	Subsidiary
Rolta UK Ltd	Subsidiary
Rolta Thales Limited (w.e.f 22.08.2007)	Subsidiary
b **Rolta Benelux BV** (Formerly Rolta Europe BV)	Subsidiary of Rolta UK Ltd.
Rolta Deutschland GmbH	Subsidiary of Rolta UK Ltd.
Rolta Canada Ltd	Subsidiary of Rolta International Inc.
Rolta TUSC Incorporated (w.e.f 22.01.08)	Subsidiary of Rolta International Inc
Orion Technology Inc. (w.e.f 01.07.07)	Subsidiary of Rolta International Inc
Rolta Asia Pacific Pty Ltd. (w.e.f 20.09.07)	Subsidiary of Rolta International Inc
c **Stone & Webster Rolta Limited**	Joint Venture Company
d **Key Management Personnel**	
Mr. K K Singh	Chairman & Managing Director
Mr. A D Tayal	Jt. Managing Director
Dr. Aditya Singh	Jt. Managing Director
Mr. A.P.Singh	Jt. Managing Director
Mrs.Preetha Pulsani	Jt. Managing Director (w.e.f. 01.03.2008)
Mr.Hiranya Ashar	Director Finance & Chief Financial Officer
Mr. Ben Eazzetta	Director & President International Operations
e **Enterprises over which significant influence exercised by Key Management Personnel / Directors**	
Rolta Limited	Company controlled by Mr. K K Singh
Rolta Properties Pvt. Ltd	Company controlled by Mr. K K Singh
Rolta Resources (P) Ltd	Company controlled by Mr. K K Singh
Rolta Infotech Hongkong	Company controlled by Mr. K K Singh
Rolta Holding & Finance Corporation Ltd	Company controlled by Mr. K K Singh
Rolta Shares & Stocks Pvt Ltd	Company controlled by Mr. K K Singh
Aditya Investment & Finance Corporation	Firm in which Mr. K K Singh is a Partner
Kanga & Company	Solicitors Firm in which Mr. K R Modi, Director of the Company, is a Partner

II - Disclosures required for related Parties Transactions

(Rs in Lacs)

Transactions	Subsidiaries	Sub-Subsidiaries	Joint Venture	Key Management Personnel	Enterprises over which significant influence exercised by Key Mgmt. Personnel	Total
I Transactions during the year						
Sale of Goods/ Services.	10696.38	454.70	2284.49	-	-	13435.58
Reimbursement Of Expenses	108.93	2.43				111.37
Lease Rent/Maintenance/						
Business Center Fees Paid...					224.20	224.20
Technical Fees Paid....	-	-	-	-	613.07	613.07
Professional Fees Paid...	-	-	-	-	27.18	27.18
Remuneration...	-	-	-	1914.49	-	1914.49
Short Term Loan given (net of repayment)	(3654.06)	-	-	-	-	(3654.06)
Share Application Money Paid	1134.46					1134.46
Corporate Guarantee given....	873.29	-	-	-	-	873.29
II Amounts Receivable....	10980.32	27.70	265.86	--	30.27	11304.17
Amounts Payable....	4.33	-	-	1565.78	104.28	1674.39
Corporate Guarantee Outstanding	873.29	-	-	-	-	873.29

Notes to Abridged Balance Sheet as at 30th June 2008
and Abridged Profit and Loss Account for the year ended on that date

Notes:

- Related party relationship is as identified by the Company on the basis of information available.
- No amount has been written off or written back during the year in respect of debts due from or to related parties.
- The Company has entered into transactions with certain parties as listed above during the year under consideration. Full disclosures have been made and the board considers such transactions to be in normal course of business and at rates agreed between the parties.

20. Disclosure required by Accounting Standard 27 "Financial Reporting of interest in Joint Venture" (AS 27) for jointly controlled entity

a

Jointly controlled entity	Country of Incorporation	Ownership Interest (%)
Stone & Webster Rolta Ltd.	India	50%

b. Rolta India Ltd.'s share in assets, liabilities, income, expenses, contingent liabilities and capital commitments of jointly controlled entity are as under:

(Rs.in Lacs)

Description	30.06.2008	30.06.2007
i. Assets		
- Fixed Assets	20.80	12.19
- Deferred Tax Assets	18.78	2.59
- Investment	754.57	476.37
- Current Assets	980.12	588.08
ii. Liabilities		
- Current Liabilities	602.96	295.44
- Other Liabilities	NIL	NIL
iii. Income	3507.63	1877.42
iv. Expenses	2756.74	1245.48
v. Contingent Liabilities	13.58	NIL
vi. Capital Commitments	0.85	NIL

21. The company has prepared the consolidated financial statements as per accounting standard (AS) 21 and accordingly the segment information as per AS 17 "Segment Reporting" has been presented in the consolidated financial statements.

22. Information pursuant to Clause 32 of the Listing Agreement with Stock Exchanges.

Loans and advances in the nature of loans to :

			Maximum balance Rs. in lacs	
	2008	2007	2008	2007
To wholly owned subsidiary - Rolta International Inc.	90.39	3581.79	7230.35	3582.18
To wholly owned subsidiary - Rolta Middle East FZ LLC	408.51	619.96	713.50	655.78
To wholly owned subsidiary - Rolta UK Ltd.	940.52	897.93	940.52	954.91
To subsidiary - Rolta Saudi Arabia Ltd.	125.69	119.51	125.69	119.51

Note:-

1. Loans and Advances shown above , to subsidiaries fall under the category of 'Loans and Advances where there is no repayment schedule'.
2. No Interest is chargeable on Loan and Advances to above subsidiaries.
3. None of the loanees have made investments in the shares of the Company.

23. The Company has not entered into any derivative transactions during the year.

24. Additional Information pursuant to provisions of paragraph 3, 4C and 4D of Part II of Schedule VI to the Companies Act, 1956.

a. Installed Capacity and Actual Production For The Year (As certified by Management on annualised basis)

Computer Systems :	2008	2007
System Integration, Technical Services, Software Services, AM/FM/GIS services, PDA/MDA Design Engineering Services, E-Commerce and Internet Services.	Rs. 1500 Crore	Rs. 1500 Crore

Note :

i. Under the new Industrial Policy, no specific license is necessary for the manufacture of products mentioned above. The company has filed a memorandum with the Secretariat for Industrial Approvals (SIA), for a total annual capacity of Rs.1500 crores within the above class of goods, which has been acknowledged by SIA.

ii. Further, System Integration & Engineering Software Services cannot be expressed in any generic unit and hence it is not practicable to give quantitative details of above items.

b. Opening and Closing Stock of Goods Produced For Sale

Products	Opening Stock as on July 01, 2007 Qty*	Rupees	Closing Stock as on June 30, 2008 Qty*	Rupees
Software / Toolkits	-	202,184,750	-	214,187,306
*Refer note 24 (a) (ii) above				

c. Material Consumed

	Current Year Qty*	Rupees	Previous Year Qty*	Rupees
Material & Subcontracting Cost	-	2,200,327,543	-	1,850,578,496
*Refer note 24 (a) (ii) above				

d. Particulars in respect of sale of Products/ Services during the year.

	Current Year Qty*	Rupees	Previous Year Qty*	Rupees
Geospatial/ GIS	-	4,946,903,094	-	3,490,157,831
Engineering Design	-	2,771,535,359	-	1,880,777,422
Enterprise information & Comm.Technology	-	790,721,807	-	620,448,814
		8,509,160,260		5,991,384,066

* Refer Note 24 (a) (ii) above

e. CIF Value of Imports

	Current Year Qty*	Rupees	Previous Year Qty*	Rupees
Systems ,Software, Peripheral & Spares	-	437,109,632	-	538,496,837

f. Value of material, stores & spares consumed

	Current Year %	Rupees	Previous Year %	Rupees
Imported	20	437,109,632	29	538,496,837
Indigenous	80	1,763,217,911	71	1,312,081,659
		2,200,327,543		1,850,578,496

g. Expenditure in Foreign Currency (On payment basis)

	Current Year Rupees	Previous Year Rupees
Overseas Project expenses (Overseas training, Prof. fees, Sales promotion, Maintenance Expenses, Interest on Foreign Currency Loan)	25,761,911	42,137,580

h. Earnings in Foreign Exchange

	Current Year Rupees	Previous Year Rupees
Exports of Software Services rendered	1,127,221,524	963,007,318
Interest on Fixed Deposits	29,444,572	1,419,835

i. Other clauses are not applicable to the company

Notes to Abridged Balance Sheet as at 30th June 2008

and Abridged Profit and Loss Account for the year ended on that date

25. The previous year's figures are regrouped, rearranged and reclassified, wherever considered necessary.
26. BALANCE SHEET ABSTRACT AND COMPANY'S GENERAL BUSINESS PROFILE AS PER SCHEDULE VI, OF THE COMPANIES ACT, 1956

		As at 30th June 2008	As at 30th June 2007
I	**Registration Details**		
	Registration No	52384	52384
	State Code	11	11
	Balance Sheet Date	30.06.2008	30.06.2007
II	**Capital Raised During the year (Amount in Rs. Thousands)**		
	Public Issue	NIL	NIL
	Right Issue	NIL	NIL
	Bonus Issue	801365	NIL
	Private Placement (Preferential allotment)	3303	2003
III	**Position of Mobilisation and Deployment of Funds (Amount in Rs. Thousands)**		
	Total Liabilities	20,436,677	17,927,331
	Total Assets	20,436,677	17,927,331
	Sources of Funds		
	Paid-up Capital	1,608,975	801,185
	Reserves & Surplus	11,431,138	10,669,199
	Secured Loans	NIL	NIL
	Unsecured Loans	6,937,936	6,111,000
	Application of Funds		
	Net Fixed Assets	7,988,382	5,938,756
	Investments	6,398,859	2,412,433
	Net Current Assets	6,049,435	9,576,141
	Miscellaneous Expenditure	NIL	NIL
	Accumulated Losses	NIL	NIL
IV	**Performance of the Company (Amount in Rs. Thousands)**		
	Total Income	8,614,064	6,076,668
	Total Expenditure	5,555,060	4,039,261
	Profit Before Tax	3,059,004	2,037,408
	Profit After Tax And Extraordinary Item	2,629,386	1,822,510
	Earning Per Share (Rs.)		
	Basic	16.39	11.39
	Diluted	16.19	11.34
	Dividend Rate (%)	30%	50%

V Generic Names of Three Principal Products/Services of the Company (as per monetary terms)

Product Description	Item Code No. (ITC Code)
1 Marketing of Computer Workstation & Network Servers and other Product	8471
2 Software Development / Designing / IT Services	85244011

For and on behalf of Board of Directors

As per our report of even date

For **Khandelwal Jain & Co.**
Chartered Accountants

Shivratan Agarwal
Partner
M.No.104180

K K Singh
Chairman & Managing Director

R.R.Kumar
Director

K.R.Modi
Director

Atul D. Tayal
Jt. Managing Director

Hiranya Ashar
Director - Finance &
Chief Financial Officer

Harjinder Singh
Executive Vice President Legal &
Company Secretary

Mumbai,
Date: July 24, 2008

Mumbai,
Date: July 24, 2008

Abridged Cash Flow Statement

For the year Ended 30th June 2008

(Amount in Rs.)

	30th June 2008		30th June 2007	
A. CASH FLOW FROM OPERATING ACTIVITIES				
Net Profit after tax and extraordinary items		2,629,385,648		1,822,510,312
Adjustments for :				
Depreciation	1,353,886,101		1,005,127,496	
Interest income (net)	(159,310,395)		(6,793,468)	
Dividend Income	(174,320,186)		(57,571,445)	
Provision For Tax	429,618,765		214,897,284	
Profit on Sale of Investment (net)	(25,330,425)		(16,884,483)	
Profit/Loss on Sale of fixed assets(net)	4,342,154		5,832,426	
Exchange difference adjustment(net)	205,830,184		65,596,459	
		1,634,716,198		1,210,204,269
OPERATING PROFIT BEFORE WORKING CAPITAL CHANGES		4,264,101,846		3,032,714,581
Adjustments for :				
Trade and other receivables	(853,182,647)		(705,152,085)	
Inventories	(12,002,556)		(84,955,590)	
Trade payables	510,943,265		137,726,005	
		(354,241,938)		(652,381,670)
CASH GENERATED FROM OPERATIONS		3,909,859,908		2,380,332,911
Interest received (net)	29,670,990		5,792,408	
Taxes paid (net of refunds)	(258,692,192)		(97,331,367)	
		(229,021,202)		(91,538,959)
NET CASH FROM OPERATING ACTIVITIES		3,680,838,706		2,288,793,952
B. CASH FLOW FROM INVESTING ACTIVITIES				
Purchase of fixed assets (including CWIP)		(3,416,203,356)		(2,630,522,365)
Sale of fixed assets		8,348,701		5,729,203
Sale/Purchase of Investments (net)		(1,787,004,937)		212,203,089
Investments in subsidiary companies and Joint Venture		(2,174,090,375)		-
Dividend Received		174,320,186		58,246,445
NET CASH USED IN INVESTING ACTIVITIES		(7,194,629,781)		(2,354,343,628)
C. CASH FLOW FROM FINANCING ACTIVITIES				
Dividend and Dividend Tax paid		(471,155,095)		(362,716,066)
Proceeds from issue of FCCB's		-		6,111,000,000
Proceeds from issue of Share Capital (include Share Premium)		63,430,693		26,977,955
Bond Issue Expenses		(14,835,753)		(136,512,785)
NET CASH FROM FINANCE ACTIVITIES		(422,560,155)		5,638,749,104
NET INCREASE IN CASH & CASH EQUIVALENTS		(3,936,351,230)		5,573,199,428
CASH & CASH EQUIVALENTS(OPENING BALANCE)		6,347,116,708		773,917,280
CASH & CASH EQUIVALENTS(CLOSING BALANCE)		2,410,765,478		6,347,116,708

Figures for the previous years have been regrouped/re-cast wherever necessary.

As per our report of even date

For and on behalf of Board of Directors

For **Khandelwal Jain & Co.**
Chartered Accountants

Shivratan Agarwal
Partner
M.No.104180

K K Singh
Chairman & Managing Director

R.R.Kumar
Director

K.R.Modi
Director

Atul D. Tayal
Jt. Managing Director

Hiranya Ashar
Director - Finance &
Chief Financial Officer

Harjinder Singh
Executive Vice President Legal &
Company Secretary

Mumbai,
Date: July 24, 2008

Mumbai,
Date: July 24, 2008

Corporate Governance

As at 30th June 2008

Rolta's Corporate Governance principles are based on the principles of fairness, transparency and commitment to values. The company is committed to good corporate governance and continuously reviews various investor relationship measures with a view to enhance stakeholders' value. The company provides detailed information on various issues concerning the company's business and financial performance. Rolta respects the rights of its stakeholders to information on the performance of the company. Rolta has complied in all material respects with the features of Corporate Governance as specified in clause 49 of the Listing Agreements.

1 Board of Directors

(i) Composition:

The Board of Directors of the Company includes individuals who are professionals in their respective areas of specialization and who have held eminent positions. The Board is broad based and comprises of individuals drawn from management, technical, financial and legal fields. The members of the Board are individuals with leadership qualities and strategic insight. The current policy of the Company is to have an Executive Chairman who is also the Managing Director. Directors including Non-executive Directors are professionally competent. At present, the Board consists of fourteen members, of which seven are Non-Executive Independent Directors. None of the Directors on the Board is a member of more than ten committees and Chairman of more than five committees , across all the Companies in which he is a Director.

The Directors have made the necessary disclosures regarding Committee positions.

The composition and category of Directors on the Board of the Company as on 30th June 2008 are:

Sr. No.	Name of the Director	Category	Designation
1	Mr. Kamal K Singh	Executive, Whole-time Director	Chairman & Managing Director
2	Mr. R R Kumar	Non-Executive, Independent Director	Director
3	Mr. K R Modi	Non-Executive, Independent Director	Director
4	Lt. Gen. J S Dhillon (Retd.)	Non-Executive, Independent Director	Director
5	Mr. A.T. Pannir Selvam	Non-Executive, Independent Director	Director
6	Mr. V.K. Agarwala	Non-Executive, Independent Director	Director
7	Mr. Behari Lal	Non-Executive, Independent Director	Director
8	Mr. V K Chopra	Non-Executive, Independent Director	Director
9	Dr. Aditya K Singh	Executive, Whole-time Director	Joint Managing Director
10	Mr. A D Tayal	Executive, Whole-time Director	Joint Managing Director
11	Mr. A.P. Singh	Executive, Whole-time Director	Joint Managing Director
12	Ms. Preetha Pulusani	Executive, Whole-time Director	Joint Managing Director
13	Mr. Ben Eazzetta	Non-Executive, Non-Independent Director	Director & President International Operations
14	Mr. Hiranya Ashar	Executive, Whole-time Director	Director Finance & Chief Financial Officer

(ii) Board Meetings:

Minimum four Board Meetings are held each year, one in each Quarter. The Board Meetings of the Company are prescheduled and adequate notice is given to the members of the Board. Apart from the Quarterly Board Meetings, the Company convenes additional Board Meetings by giving appropriate notice to the Directors to consider specific matters related to the business of the Company. The Board Meetings are generally held at the Registered Office of the Company at Rolta Tower A, Rolta Technology Park, MIDC-Marol, Andheri (East), Mumbai - 400093, India.

The Directors are given presentations on the performance of the Company for the preceding quarter at each of the prescheduled Quarterly Board Meetings.

For effective corporate management, the Board has constituted various Committees viz. Management Committee, Audit Committee, Compensation Committee and Investors' Grievance Committee.

During the financial year 2007-08, the Board of the Company, as also the various specialised committees constituted by the Board, held as many as 25 meetings, which include 5 meetings of the Board. Necessary information required to be given in terms of Annexure 1A to Clause 49 of the Listing Agreement, was placed before the Board for its consideration and all matters with explanatory notes / reports relating to the respective committees were circulated to the committee members at their meetings.

Corporate Governance

As at 30th June 2008

The Directors, including the Non-executive Directors, actively participated at length in the deliberations of the Board. During the financial year 2007-08, the Board held its meetings on 23rd July, 2007, 22nd October, 2007, 16th November, 2007, 31st January, 2008 and 17th April, 2008. The time gap between any two Board meetings did not exceed four months.

(iii) Attendance of Directors at Board and Annual General Meeting

Attendance of Directors at the Board Meeting and the Annual General Meeting held during financial year 2007-08:

Sr. No.	Name of the Director	Meetings held during the tenure of the Directors	Meetings Attended	Whether present at the last AGM
1	Mr. Kamal K Singh	5	5	Yes
2	Mr. R R Kumar	5	5	Yes
3	Mr. K R Modi	5	5	Yes
4	Lt. Gen. J S Dhillon (Retd.)	5	4	Yes
5	Mr. A.T. Pannir Selvam	5	5	Yes
6	Mr. V.K. Agarwala	5	5	Yes
7	Mr. Behari Lal	5	5	Yes
8	Mr. V K Chopra *	1	1	No
9	Dr. Aditya K Singh	5	4	Yes
10	Mr. A D Tayal	5	3	Yes
11	Mr. A.P. Singh	5	5	Yes
12	Ms. Preetha Pulusani	5	3	Yes
13	Mr. Ben Eazzetta	5	4	Yes
14	Mr. Hiranya Ashar	5	5	Yes

* Mr. V K Chopra was inducted on the Board w.e.f. 17 April 2008 as Independent Director.

1. None of the Directors is related to any other Director, except Dr. Aditya K Singh who is the son of Mr. Kamal K Singh.
2. None of the Directors received any loans and advances from the Company during the financial year ended June 30, 2008.

(iv) No. of other Boards/Board Committees in which the Directors are either Member or Chairman as on June 30, 2008

None of the Directors of Rolta India Limited is a Director in more than 10 listed companies. Similarly none of the Directors hold membership of more than 10 Board Committees or holds Chairmanships of more than 5 Board Committes.

Composition of the Board and other directorships held during the financial year 2007-08:

Name of the Director	Position	Directorship held as June 30, 2008		Committee membership in all companies ###	Chairperson in Committees ###
		India listed Companies #	All companies around the world ## (listed & unlisted)		
Mr. Kamal K Singh	Chairman & Managing Director	-	24	1	4
Mr. R R Kumar	Independent Director	4	7	4	4
Mr. K R Modi	Independent Director	1	2	3	1
Lt. Gen. J S Dhillon (Retd.)	Independent Director	-	3	-	-
Mr. A.T. Pannir Selvam	Independent Director	1	4	-	1
Mr. V.K. Agarwala	Independent Director	-	1	1	-
Mr. Behari Lal	Independent Director	-	1	1	-
Mr. V K Chopra *	Independent Director	5	5	4	-
Dr. Aditya K Singh $	Joint Managing Director	-	12	2	-
Mr. A D Tayal	Joint Managing Director	-	5	1	-
Mr. A.P. Singh	Joint Managing Director	-	12	-	-
Ms. Preetha Pulusani **	Joint Managing Director	-	3	-	-
Mr. Benedict A Eazzetta	Director & President International Operations	-	11	-	-
Mr. Hiranya Ashar	Director Finance & Chief Financial Officer	-	1	3	-

* Appointed as Independent Director w.e.f. 17 April 2008.
** Ms .Preetha Pulusani has resigned w.e.f. 31 January 2008 from the Membership of the Compensation Committee.
\# Excluding directorship in Rolta India Limited.
\#\# Directorships in companies around the world including Rolta India Limited.
\#\#\# Includes Management Committee, Investors Grievance Committee, Audit Committee and Compensation Committee in all companies including Rolta India Limited.
$ None of the directors is related to any other Director, except Dr. Aditya K. Singh who is the son of Mr. Kamal K. Singh.

2. Management Committee

The Management Committee is a Committee of the Board and is authorised to deliberate, act and decide on all matters, which the full Board is otherwise empowered to do, except those matters, which are specifically required by law to be considered and decided by full Board. The Management Committee meets regularly to deliberate and take decisions on various issues relating to strategic, financial, corporate and legal matters ensuring smooth management of the Company.

The Management Committee comprises three Whole-time Directors (including the Chairman) and two non-executive and independent Directors, namely Mr K K Singh, Mr R R Kumar, Mr K R Modi, Mr A D Tayal and Mr Hiranya Ashar. Mr K K Singh is the Chairman of the Management Committee. The Company Secretary acts as the Secretary to the Management Committee.

Attendance of Directors at the Management Committee during the financial year 2007-08:

Sr. No.	Member	Meetings held during the tenure of the Director	Meetings Attended
1	Mr. Kamal K Singh	9	9
2	Mr. R R Kumar	9	9
3	Mr. K R Modi	9	9
4	Mr. A D Tayal	9	6
5	Mr. Hiranya Ashar	9	8

3. Investors' Grievance Committee

The Board of Directors of the Company, has formed an Investors' Grievance Committee comprising of two Non-Executive and two Whole-time Directors. The Investors' Grievances Committee is chaired by Mr. K R Modi and its other members include Mr. R R Kumar, Mr. A D Tayal and Mr. Hiranya Ashar. Mr. Harjinder Singh, the Company Secretary and the Compliance Officer under Clause 49 of the Listing Agreement entered into with the Indian Stock Exchanges, also acts as the Secretary of the Investors' Grievance Committee.

This Committee's mandate requires it to look into investors' grievances relating to matters such as the transfer of shares, non-receipt of Annual Reports and non-receipt of dividends, and also reviews any cases filed by aggrieved investors before the courts or other forums. It also supervises the Company's in-house Investor Service Cell, which services the shareholders of the Company by monitoring, recording and processing share transfers and requests for dematerialization of shares.

The fully equipped in-house Investor Service Cell, services the shareholders of the Company. The transfers received by the Company are generally processed and transferred on a monthly basis. No valid transfer request remains pending for transfer to the transferees as on 30th June 2008. All requests for dematerialization of shares are likewise processed and confirmation thereof is normally communicated to the concerned depository within 10 working days of receipt of all documents.

With a view to provide good Services to investors, the Company has an in-house Registrar and Share Transfer Department and all work relating to shares held in physical and electronic mode, are directly undertaken by the Company at its Registered Office. The Committee monitors the Redressal of Investor Grievances. The total number of complaints received and replied to the satisfaction of the shareholders during the year under review was 66. The complaints received from regulatory authorities and pending as on June 30, 2008 were as follows:

a. 2 Grievances as per the list furnished by the Securities and Exchange Board of India. These grievances were pending since suits by Investors have been filed in various Courts / Forums. The pending suits pertain to title of shares in which the Company has been made a party. The resolution of such cases is dependent upon the final court judgment. The Company ensures that proper representation is made in court in all such suits.

b. No complaint was received from Bombay Stock Exchange Ltd (BSE), and one complaint from the National Stock Exchange of India Ltd. (NSE) remained pending as on June 30, 2008.

A qualified practicing Company Secretary carries out a Secretarial Audit to reconcile the total admitted capital with National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL) and the total issued and listed capital. The audit confirms that the total issued / paid up capital is in agreement with the total number of shares in physical form and the total number of dematerialized shares held with NSDL and CDSL.

The attendance of the Directors at the meeting of the Investor Grievance Committee held during the period ended June 30, 2008, is as follows:

Attendance of Directors at the Investor Grievance Committee during the Financial Year 2007-08

Sr. No.	Member	Meetings held	Meetings Attended
1	Mr. K R Modi	3	3
2	Mr. R R Kumar	3	3
3	Mr. A D Tayal	3	3
4	Mr. Hiranya Ashar	3	2

4. Audit Committee

The Company's Audit Committee was established in compliance with Clause 49 of the Listing Agreement with the Indian Stock Exchanges as read with Section 292A of the Companies Act, 1956. Presently the Audit Committee consists of three independent and non-executive Directors, namely, Mr. R R Kumar (as Audit Committee Chairman), Mr. K R Modi and Mr. Behari Lal and one Whole-time Director Mr. Hiranya Ashar.

Mr. R R Kumar is ex-Chairman & Managing Director of Union Bank of India and has sound knowledge in the areas of Finance, Banking and Accounts. Mr. K R Modi another member of the Audit Committee is a senior partner with M/s Kanga & Co., Advocates and Solicitors. Mr. Modi has sound knowledge in law. Mr Behari Lal, a former member of the Income Tax Appellate Tribunal has vast experience in legal and taxation matters. Mr. Hiranya Ashar is Director Finance & Chief Financial Officer of the Company and has sound knowledge in the areas of Finance, Banking and Accounts.

The Company had four Audit Committee meetings for the review relating to the financial period July 1, 2007 to June 30, 2008. These meetings were well attended. The Committee invited the Auditors to be present at these meetings. The Company Secretary acts as the Secretary of the Audit Committee.

The Audit Committee also advises the management on the areas where internal audit can be improved. The minutes of the meetings of the Audit Committee are circulated to the members of the Committee and placed before the Board.

Terms of Reference : The terms of reference/powers of the Audit Committee has been specified by the Board of Directors as under:

A. Primary objective of the Audit Committee The primary objective of the Audit Committee of Rolta India Ltd. is to monitor and provide effective supervision of the managements financial reporting process with a view to ensure accurate, timely and proper disclosures and transparency, integrity and quality of financial reporting. The Committee oversees the work carried out in the financial reporting process by the management, the internal auditors and the independent auditor and notes the processes and safeguards employed by each.

B. The role of the Audit Committee shall include the following:

1. Oversight of the Company's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible.
2. Recommending to the Board, the appointing, reappointment and, if required, the replacement or removal of Statutory Auditors and fixation of audit fees.
3. Approval of payment to Statutory Auditors for any other services rendered by the Statutory Auditors.
4. Reviewing with the management, the annual financial statements before submission to the Board for approval, with particular reference to:
   - Matters required to be included in the Directors' Responsibility Statement to be included in the Directors' Report in terms of sub-section (2AA) of Section 217 of the Companies Act, 1956.
   - Changes, if any, in accounting policies and practices and reasons for the same.
   - Major accounting entries involving estimates based on the exercise of judgment by the Management.
   - Significant adjustments made in the financial statements arising out of audit findings.
   - Compliance with listing and other legal requirements relating to financial statements.
   - Disclosure of related party transactions.
   - Qualifications in draft audit report.
5. Reviewing with the management, the quarterly financial statements before submission to the Board for approval.
6. Reviewing with the management, the performance of Statutory and Internal Auditors, adequacy of internal control systems.
7. Reviewing the adequacy of internal audit functions, if any, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure, coverage and frequency of internal audit.
8. Discussion with internal Auditors of any significant findings and follow-up thereon.
9. Reviewing the findings of any internal investigations by the internal Auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the Board.
10. Discussion with Statutory Auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern.
11. To look into the reasons for substantial defaults in the payment to the depositors, debenture-holders. shareholders (in case of non payment of declared dividends) and creditors.
12. To review the functioning of the Whistle Blower Mechanism.
13. Carrying out such other function as may be specifically referred to the Committee, by the Board of Directors and/or other Committees of Directors of the Company.
14. To review the following information:
    - The management discussion and analysis of financial condition and results of operations;
    - Statement of significant related party transactions (as defined by the Audit Committee), submitted by Management;
    - Management letters/letters of internal control weaknesses issued by the Statutory Auditors;
    - Internal audit reports relating to internal control weaknesses; and

- The appointment, removal and terms of remuneration of internal Auditors.

15. The audit committee shall have powers, which should include the following:
    - To investigate any activity within its terms of reference.
    - To seek information from any employee.
    - To obtain outside legal or other professional advice.
    - To secure attendance of outsiders with relevant expertise, if it considers necessary.

Attendance of Directors at the Audit Committee Meetings during the financial year 2007-08:

Sr. No.	Member	Meetings held	Meetings Attended
1	Mr R R Kumar	4	4
2	Mr K R Modi	4	4
3	Mr Behari Lal	4	4
4	Mr Hiranya Ashar	4	4

5. Compensation Committee:

The Company's Board has set up a competent and qualified Compensation Committee in compliance with the SEBI guidelines. As on 30 June 2008, its members include Mr. Kamal K Singh (as Compensation Committee Chairman), Mr. R R Kumar, Mr. K R Modi Ms. Preetha Pulusani has resigned as the Member of the Compensation Committee w.e.f. 31st January 2008. The Committee is responsible for recommending the compensation structure for Whole-time Directors and the implementation and administration of the Employee Stock Option Plans.

The Non-Executive Directors of the Company are paid sitting fees at the rate of Rs. 20,000/- for attending each Board Meeting and Rs.10,000/- for attending each Board Committee Meeting. Presently, the Non-executive Directors of the Company are not paid commission.

The Compensation Committee held two meetings during the period July 1, 2007 to June 30, 2008.

Attendance of Directors at the Compensation Committee meetings held during the financial year 2007-08:

Sr. No.	Member	Meetings held	Meetings Attended
1	Mr Kamal K Singh	4	4
2	Mr R R Kumar	4	4
3	Mr K R Modi	4	4
4	Ms. Preetha Pulusani*	2	Nil

* Ms. Preetha Pulusani resigned from the compensation Committee w.e.f. 31st January 2008.

The remuneration of Directors charged to the Profit & Loss Account during the Financial Year 2007-08 is given below:

Sr. No.	Name	Designation	Sitting Fees (Rs.)	Salary & Allowances (Rs.)	Taxable value of Perquisites (Rs.)	Performance Incentive (Rs.)	Commission (Rs.)	No. of Shares held ## (As on 30.6.08)	Stock Option Nos. In Force (As on 30.6.08)
1	Mr Kamal K Singh	Chairman & Managing Director	Nil	Nil	Nil	Nil	109250000	250000	Nil
2	Mr R R Kumar	Director	320000	Nil	Nil	Nil	Nil	13	Nil
3	Mr K R Modi	Director	320000	Nil	Nil	Nil	Nil	2000	Nil
4	Lt. Gen J S Dhillon (Retd)	Director	100000	Nil	Nil	Nil	Nil	Nil	Nil
5	Mr A T Pannir Selvam	Director	100000	Nil	Nil	Nil	Nil	1498	Nil
6	Mr V K Agarwala	Director	120000	Nil	Nil	Nil	Nil	26000	Nil
7	Mr Behari Lal	Director	160000	Nil	Nil	Nil	Nil	Nil	Nil
8	Mr V K Chopra*	Director	20000	Nil	Nil	Nil	Nil	Nil	Nil
9	Dr. Aditya K Singh	Joint Managing Director	Nil	5844000	Nil	Nil	5750000	153928	Nil
10	Mr A D Tayal	Joint Managing Director	Nil	12744000	Nil	360000	17250000	206000	537500
11	Mr Adarsh Pal Singh	Joint Managing Director	Nil	10204950	Nil	792000	11500000	29820	305000
12	Ms. Preetha Pulusani **	Joint Managing Director	40000	3848000	Nil	75000	2700000	Nil	100000
13	Mr. Hiranya Ashar	Director Finance & CFO	Nil	7832000	Nil	660000	4600000	Nil	180000
14	Mr. Benedict A Eazzetta	Director & President International Operations	Nil	16220062	Nil	Nil	Nil	Nil	600000

* Mr. V K Chopra was inducted on the Board w.e.f. 17 April 2008.

** Ms. Preetha Pulusani was appointed as Joint Managing Director w.e.f. 01/03/2008.

\#\# Shareholding details are given for the directors on Board as at 30th June 2008.

Corporate Governance
As at 30th June 2008

The remuneration paid to Whole-time Directors, is as per the approval already taken from the members at the Annual General Meeting.

Details of service contracts of whole time Directors

Sr No.	Name	Period of Service Contract
1	Mr. Kamal K Singh	01.07.2007 to 30.06.2012
2	Dr. Aditya K Singh	01.07.2007 to 30.06.2012
3	Mr. A D Tayal	17.02.2007 to 16.02.2012
4	Mr. A P Singh	01.04.2007 to 31.03.2012
5	Ms. Preetha Pulusani	01.03.2008 to 28.02.2013
6	Mr. Hiranya Ashar	01.11.2006 to 31.10.2009

The Contracts entered into by the company with all the Whole-time Directors may be terminated by either party giving the other party six calendar months' notice in writing.

6. General Body Meetings

The location and time, where the last 3 Annual General Meetings of the Company were held:

- 17th Annual General Meeting was held on 16 November 2007 at Shri Bhaidas Maganlal Sabhagriha, U-1, Juhu Development Scheme, Vile Parle (West), Mumbai - 400056 at 11.30 a.m.
- 16th Annual General Meeting was held on 28 November 2006 at Shri Bhaidas Maganlal Sabhagriha, U-1, Juhu Development Scheme, Vile Parle (West), Mumbai - 400056 at 11.30 a.m.
- 15th Annual General Meeting was held on 23 November 2005 at Shri Bhaidas Maganlal Sabhagriha, U-1, Juhu Development Scheme, Vile Parle (West), Mumbai - 400056 at 11.30 a.m.

All resolutions moved at the last Annual General Meeting were passed by show of hands by the requisite majority of members attending the meeting. The following are the Special Resolutions passed at the previous three Annual General Meetings and Extraordinary General Meetings held in the past 3 years

AGM held on	Whether Special Resolution passed	Summary of Special Resolution
17th Annual General Meeting 16-11-2007	Yes	1. Resolution for reappointment of Mr Kamal K Singh as Executive Chairman & Managing Director of the Company and who held office under sections 198, 269 and 309 of the Companies Act, 1956. 2. Special Resolution u/s 81 (1A) for issue of shares under the Employees Stock Option Plan for the employees of the company as well as for the employees of the holding/ subsidiary companies.
Special Resolution passed by Postal Ballot on 12-06-2007	Yes	1. For Enhancing limit for investment by FIIs (Exclusive of NRIs, OCBs, etc.) from 40% to 75% of the paidup capital of the company. 2. Issue of Equity Linked Foreign / Indian Securities like FCCBs, ADRs/GDRs etc. not exceeding US$ 250 millions.
16th Annual General Meeting 28-11-2006	Yes	1. Resolutions of Ms. Preetha Pulusani and Mr. J K Patnaik as Additional Directors of the Company and who held office under section 260 of the Companies Act, 1956. 2. Special Resolution for modification in the terms of the services of whole time Directors, Dr. S.R. Bhot, Mr. S.K. Shirguppi, Mr. K.R. Vaidyanathan and for an Appointment of Mr. Hiranya Ashar as Additional Director of the Company. 3. Special Resolution u/s 81 (1A) for issue of shares under the Employees Stock Option Plan for the employees of the company as well as for the employees of the holding/subsidiary companies.
15th Annual General Meeting 23-11-2005	Yes	1. Special Resolution for modifications in the terms of services of the Joint Managing Directors of the Company. 2. Special Resolution for modifications in the terms of the services of Whole-time Directors of the Company. 3 Special Resolution for modifications in the terms of services of the Joint Managing Directors of the Company. 4 Special Resolution for modifications in the terms of the services of Whole-time Directors of the Company.

7. Code for Prevention of Insider Trading/SEBI (Substantial Acquisition of Shares & Takeovers) Regulations, 1997:

The Company has adopted the Code of Conduct for Prevention of Insider Trading in the equity shares of the Company. This code is known as the Rolta Directors and Designated Employees Code of Conduct for Prevention of Insider Trading. The Company's Insider Trading Code of Conduct, inter-alia prohibits purchase / sale of equity shares of the Company by the Directors and Designated Employees in management position (at the level of Vice-President and above) while in possession of unpublished price sensitive information in relation to the Company. The Company makes disclosures to the Stock Exchanges of transactions covered under the "Rolta Directors and Designated Employees Code of Conduct for Prevention of Insider Trading". This code meets with the regulations stipulated by the Securities and Exchange Board of India (SEBI), on Prohibition of Insider Trading.

The Company also made disclosures to the Stock Exchanges for transactions covered under the SEBI (Substantial Acquisition of Shares & Takeovers) Regulations, 1997 by submitting the requisite reports and applications under the said Regulations.

8. Disclosures

Related party transactions are defined as transactions of the Company of material nature with Promoters, Directors or the management, their relatives, subsidiaries, etc. that may have potential conflict with the interest of the Company at large. Details of material and significant related party transactions are given in the Notes to the Accounts annexed to the financial statements. Necessary approvals, as required are taken before entering into any such arrangements.

The Company's equity shares are listed on Bombay Stock Exchange Limited (BSE) and The National Stock Exchange of India Limited (NSE) and the Company's Global Depository Receipts (GDRs) have been listed with London Stock Exchange. The Company has paid the Listing Fees, as applicable to the BSE, NSE and LSE for the financial year 2008-09.

The Company has duly complied with the requirements of the revised Clause 49 of the Listing Agreement with the Stock Exchanges, as well as with the Regulations of the Securities Exchange Board of India and such other statutory authority relating to the Capital Markets.

The company successfully raised US $ 150 million through Zero Coupon Foreign Currency Convertible Bonds (FCCBs) and these bonds are listed on 28th June 2007 in the bonds market of

Corporate Governance
As at 30th June 2008

Singapore Stock Exchange. The company has paid the listing fees to Singapore Stock Exchange for the financial year 2008-09.

The Company follows Accounting Standards issued by the Institute of Chartered Accountants of India. In the preparation of the financial statements, the Company has not adopted a treatment different from that prescribed in any Accounting Standard. The Company also publishes its Accounts drawn under International Financial Reporting Standards (IFRS).

9. Means of Communication

Timely disclosure of consistent, relevant and up-to-date information on corporate matters, financial matters etc., are at the core of good corporate governance. Towards this end, the quarterly results of the Company were published within a month of the end of each quarter and the Audited Annual Results within 3 months of the end of the financial year. The Company also ensures that Press Releases are issued on significant developments and the Investors kept informed of important announcements. The Quarterly Financial Results are published in English and vernacular newspapers. These results are generally published in the all India editions of The Economic Times / Business Standard / Financial Express and other English and vernacular newspapers. The results are posted on SEBI's website **www.sebi.gov.in** and as well as on the Company's website **www.rolta.com.** Investor / shareholders may directly address their queries at **investor@rolta.com**. The results and the various Press Releases issued by the Company are also promptly forwarded to the Stock Exchanges whereat the equity shares of the Company are listed. The Company frequently organizes facilities visits for representatives of institutional investors. These visits are generally accompanied by presentations by the Company's Strategic Business Units and a briefing on the Company's products and services both in the international markets and in India. The entire Annual Report of the Company as well as the Quarterly Results are also available on the Company's website. The Management Discussion and Analysis (MDA) giving an overview of the Company's business and its financials etc., Risk Management, The Shareholders' Information, Ratio & Ratio Analysis, Directors' Profile, are provided separately in this Annual Report.

10. General Shareholders Information

Mandatory as also various additional voluntary information of interest to investors is furnished in a separate section 'Shareholders Information' elsewhere in this Annual Report.

11. Code of Conduct for Directors and Senior Management

The Rolta Code of Conduct (Code) is applicable to all Directors (including Whole-time Directors) and Senior Management of the Company at the level of Executive Directors and above. The Code lays down the standards of business conduct, ethics for transparent corporate governance. A copy of the Code has been posted on the Company's website The Code has been circulated to all members of the Board and Senior Management and the compliance of the same has been affirmed by them.

Annual Declaration by the CEO under Clause 49 I (D) of the Listing Agreement regarding Adherence to the Code of Conduct

In accordance with Clause 49 sub-clause I (D) of the Listing Agreement with the Stock Exchanges, I hereby declare that all the Directors and the Senior Management personnel of the Company have affirmed compliance to the Rolta Code of Conduct for the Financial Year ended June 30, 2008.

Kamal K Singh
Chairman & Managing Director
July 24, 2008

12. Auditor's Certificate on Corporate Governance

The Auditor's Certificate on compliance of Clause 49 of the Listing Agreement relating to Corporate Governance is published below.

Auditors' Certificate

On Compliance with the conditions of Corporate Governance under Clause 49 of the Listing Agreement

To
The Members of
Rolta India Limited

We have examined the compliance of conditions of Corporate Governance by Rolta India Limited for the year ended 30 June 2008, as stipulated in Clause 49 of the Listing Agreement of the said Company with the Stock Exchanges.

The compliance of conditions of Corporate Governance is the responsibility of the company's management. Our examination has been limited to a review of the procedures and implementations thereof, adopted by the Company for ensuring the compliance with the conditions of Corporate Governance as stipulated in the said clause. It is neither an audit nor an expression of opinion on the financial statements of the Company.

In our opinion and to the best of our information and according to the explanations given to us and based on the representations, made by the Directors and the Management, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in the above-mentioned Listing Agreements.

We state that such compliance is neither an assurance as to the future viability of the Company nor of the efficiency or effectiveness with which the management has conducted the affairs of the Company.

For Khandelwal Jain & Co.,
Chartered Accountants

Shivratan Agarwal
Partner
Membership No. 104180

Date: July 24, 2008
Place: Mumbai

Section 212

Statement Pursuant to Section 212 of the Companies Act 1956 relating to Subsidiary Companies

	Rolta International Inc.	Rolta Canada Ltd**	Rolta TUSC Inc.**	Orion Technology Inc **	Rolta Asia Pacific Pty Ltd**	Rolta Saudi Arabia Limited	Rolta Middle East FZ LLC	Rolta UK Limited	Rolta Benelux B V*	Rolta Deutschland GmbH Germany *
1 Financial year of the subsidiary Company ended on	30.06.08	30.06.08	30.06.08	30.06.08	30.06.08	31.03.08	31.03.08	31.03.08	31.03.08	31.03.08
Holding Company's Interest	100%	100%	100%	100%	100%	75%	100%	100%	100%	100%
2 Number of shares held by the holding co in the subsidiary	280000 Common Shares of US $ 100 each 480000 Preference Shares of US $ 100 each.	1 Common Shares of US $ 1 each (held by Rolta International Inc)	37500000 Common Shares of US $ 0.001 each (held by Rolta International Inc)	87076 Common Shares (held by Rolta International Inc)	50000 Common Shares of US $ 1each (held by Rolta International Inc)	1125 Shares of Saudi Riyal (SR) 1000 each	1000 Share of UAE (AED) 1000 each	1197000 Ordinary Shares of £1 each 21500 Preference Shares of £ 100 each	50000 Ordinary Shares of Euro 45.38 each (held by Rolta UK Ltd)	50000 Ordinary Shares of Euro 1 each (held by Rolta UK Ltd)
Local / Reported Currency	US$	CAN$	US$	CAN$	US$	SR	AED	UK £	Euro	Euro
Exchange Rate:										
Average exchange rate for the year	40.3630	39.9396	40.3630	39.9396	40.3630	10.7615	10.9735	80.8679	57.1145	57.1145
Closing exchange rate for the year	42.8494	42.0601	42.8494	42.0601	42.8494	10.6666	10.8672	79.6049	63.0789	63.0789
3 The net aggregate amount of the Subsidiary's profits (Losses) so far as it concerns members of the Holding Company and is not dealt with in the Holding Company's accounts										
i) For the financial year of the subsidiary										
(Amount in local / reported currency)	(5273198)	(193,479)	2560320	(1665362)	(383164)	(2582595)	(581189)	(1336295)	(448628)	(76386)
(Amount Rs. in Lacs)	(2,128.42)	(77.27)	1,033	(665.14)	(154.66)	(277.93)	(63.78)	(1,080.63)	(256.23)	(43.63)
ii)For the previous financial years of the subsidiary since it became the Holding Company's subsidiary										
(Amount in local / reported currency)	(11,992,251)	(89,803)	-	-	-	(6000047)	(5528319)	(1545209)	(3913868)	(929717)
(Amount Rs. in Lacs)	(5,138.61)	(37.77)	-	-	-	(640.00)	(600.77)	(1,230.06)	(2,468.83)	(586.46)
4 Net aggregate amounts of the profits/ (losses) of the subsidiary dealt with in the Company's accounts										
i) For the financial year of the subsidiary	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL
ii) For the previous financial years of the subsidiary since it became the Holding Company's subsidiary	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL
5 Changes in the interest of Rolta India Limited in the subsidiary companies between the end of the financial year of the subsidiary companies and that of Rolta India Limited.	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL
6 Material changes between the end of the financial year of the subsidiary companies and the end of the financial year of Rolta India Limited, in respect of the Subsidiary company's fixed assets, investments, lending and borrowing for the purposes other than meeting their current liabilities.	Rs. NIL	Rs. NIL	Rs. NIL	Rs. NIL	Rs. NIL	Rs. NIL	Rs. NIL	Rs. NIL	Rs. NIL	Rs. NIL
* Subsidiaries of Rolta UK Limited: ** Subsidiaries of Rolta Intl Inc. USA.										

Amount (Rs. in Lacs)

Subsidiary	Issued & subscribed share capital including Preference Share Capital	Reserves	Total Assets	Total Liabilities	Turnover	Profit / (Loss) before Taxation	Provision for Taxation	Profit / (loss) after Taxation	Proposed Dividend
Rolta International Inc	32,565.54	(7,398.14)	34,408.38	9,240.98	11,737.00	(2,707.06)	(578.64)	(2,128.42)	-
Rolta Canada Ltd	0.01	(119.15)	82.33	201.48	87.69	(77.27)	-	(77.27)	-
Rolta TUSC Ltd	16.07	2,444.55	12,265.92	9,805.30	11,224.31	1,122.99	89.57	1,033.42	-
Orion Technology Inc	63.94	(648.17)	815.35	1,399.58	1,391.56	(665.14)	-	(665.14)	-
Rolta Asia Pacific Pty Ltd	21.42	(169.17)	47.25	194.99	17.56	(154.66)	-	(154.66)	-
Rolta Saudi Arabia Ltd	160.00	(875.48)	481.21	1,196.69	808.06	(277.93)	-	(277.93)	-
Rolta Middle East FZ-LLC	108.67	(663.93)	1,244.26	1,799.53	1,563.24	(63.78)	-	(63.78)	-
Rolta UK Ltd	2,664.38	(2,293.82)	4,728.13	4,357.57	3,285.08	(1,080.63)	-	(1,080.63)	-
Rolta Benelux B.V	858.72	(2,751.82)	141.34	2,034.43	556.58	(256.23)	-	(256.23)	-
Rolta Deutschland GmBh	31.54	(634.64)	221.69	824.79	401.63	(43.63)	-	(43.63)	-

Note -
1) Balance Sheet Items are converted into Indian Rupee by applying closing exchange rate 2) Revenue Items are converted into Indian Rupee by applying average exchange rate

For and on behalf of Board of Directors

K K Singh
Chairman & Managing Director

R.R.Kumar
Director

K.R.Modi
Director

Atul D. Tayal
Jt. Managing Director

Hiranya Ashar
Director - Finance & Chief Financial Officer

Harjinder Singh
Executive Vice President Legal & Company Secretary

Mumbai,
Date: July 24, 2008

Risk Management

The management cautions the readers that the risks outlined below are not exhaustive and are for information purpose only. This report also contains statements which are forward looking in nature and readers are requested to exercise their own judgment in assessing various risks associated with the Company and referring to the discussions of risks in the Company's earlier Annual Reports.

BUSINESS RISK

Rapid changes in business and customer preferences require innovative solutions and services to retain and improve market share.

In the challenging global economic environment, every business organization is subject to the inherent risk of decline in business due to rapid technological change, evolving industry standards, changing client preferences and new product and service introductions. Rolta's strong domain expertise, IPRs, diverse technological skills and its ability to provide integrated end-to-end solutions across varied platforms enables the Company to achieve a consistent growth in its business. Rolta's distinctive specialty to evolve innovative solutions combining its Geospatial/GIS, Engineering & Design and E-ICT domain expertise, uniquely positions it as a preferred choice for customers.

Rolta is continuously moving up the value chain by leveraging its multi-disciplinary project experience, acquiring and developing IPRs and strong domain expertise, in innovatively developing integrated solutions in Geospatial/GIS, Engineering & Design and E-ICT domains. Rolta is strengthening and expanding its product and services portfolio through acquisitions, long-term alliances with world leaders and adopting the latest technologies in its business segments.

Rolta prudently leverages its expertise, rich domain knowledge, IPRs and specialized infrastructure to maximize customer satisfaction, raising productivity within customer environments beyond standard deliverables. With continuous and timely innovation in all areas of its business and its ability and expertise to rapidly deploy solutions, Rolta is continuously moving up the value chain.

TECHNOLOGY RISK

Achieving and sustaining constant growth depends on ability to adopt emerging technologies.

In the current highly competitive environment, technology is evolving rapidly making it imperative for every company to adopt and assimilate changes in technology to enhance the quality and scope of its offerings. Rolta proactively upgrades its technology repertoire on an ongoing basis through acquisitions, developments and transfer of technology from its trusting and longstanding partnerships with world leaders.

The Company integrates and customizes the technologies acquired to suit customer requirements and enhances it through applied R&D.

The Company adheres to various standards to ensure that information is secure and is not prone to disasters. As an international eSecurity services provider, the Company has highly trained and industry-certified specialists deployed internationally. The Company's eSecurity procedures are certified by BSI. The Company also regularly audits and verifies its compliance with security and disaster recovery measures employed by the Company. Rolta has centralized back up and data recovery systems and planned procedures for regular back up of all critical servers.

Rolta has constantly expanded its infrastructure, technology and people skills to address the specialized markets in which it is present. The Company has made various strategic acquisitions of technologies, companies and business divisions e.g. Orion Technologies Inc., Broech Corporation (TUSC) and WhitmanHart Consulting (WHC). This has enhanced the Company's capabilities to provide innovative and state-of-the-art products and services in its business segments. Rolta uses its comprehensive infrastructure and state-of-the-art 'competency centres' spread all over the world to provide its customers with ground-breaking solutions through cutting-edge technology suitably adapted for their requirements through various value additions.

COMPETITION RISK

Inability of companies to continuously innovate may result in intense competition affecting revenues.

The Company encounters competition from local and international companies. While the competition in Indian market is expected to increase, Rolta believes it is adequately insulated against competition. The Company entered the CAD/CAM/GIS solutions market in India in 1985 and now has over 20 years of experience in this field. The Company has built up strong infrastructure, human resources, customer relationships and know-how, acquired and developed technologies/IPRs, including proprietary software, tools, utilities and business procedures. The Company believes that its domain expertise, successful track record, brand recognition and first mover advantage in its areas of operation place it in a strong competitive position. It is amongst the leaders in the business segments it operates in, in India and a major services provider worldwide.

Rolta's capability to offer innovative and value added solutions and services by integrating its diverse domain knowledge, expertise and IPRs with emerging technologies keeps it always ahead of its competitors.

The Company's strength comes from its inimitable combination of engineering culture, technology skills, strategic acquisitions, strategic joint ventures and management resources. The Company continues to develop best practices and methodologies for development and customization of solutions to ensure that projects are completed with speed, optimal resources and meet or exceed customer requirements.

Rolta has over the years has cemented strong customer relationships, and built innovative solutions that competitors find hard to emulate. Rolta's domain expertise in providing end-to-end solutions for its business segments, by using its critical mass of IPRs and by combining advantageously its Business Groups, de-risks its business from competition. Even by the most optimistic estimates, it would take competitors numerous years to equal Rolta in its infrastructure and domain expertise.

SKILLS RISK

In the rapidly growing economy, it is a challenge for a technology company to source and retain people with right skills.

In the current highly competitive environment, the Human Resources function has emerged as a key function in every company. People are considered to be the vital resource for the growth of a company. The Company believes that it is necessary to recruit and retain staff possessing advanced technical skills. The Company believes that it is necessary to upgrade skills at an advanced level for senior management personnel to enhance their ability to formulate key strategies and ensure organizational management.

Rolta, with its years of experience, has been successful in building a strong employee culture and is able to provide a judicious balance of secure and yet challenging work environment. The Company's innovative HR practices are oriented towards instilling a sense of ownership among Roltaites. Rolta operates in the hi–tech business areas of Geospatial/GIS, Engineering & Design and E-ICT and as a result, the business model is focused towards technically skilled manpower. Nearly 75 percent of Rolta's over 5,000 employees possess the relevant engineering, postgraduate and PhD degrees. This selective recruitment policy is supplemented by continuous training and upgradation of skills, which coupled with the excellent technical infrastructure, provides a unique working atmosphere to its employees.

The Company continuously invests in its people and believes in imparting constant training to Roltaites in their respective disciplines. The Company, in line with its corporate philosophy to enhance employee profile and skills, has set up Rolta Academy with cutting edge technology, software tools and a large dedicated faculty. The academy trained 1000 professionals during the year, in GIS, Engineering Design and E-ICT technologies to supplement and improve their skill sets. The company has devised a unique cashless program in order to retain employees and to make it a win-win proposition for both the organization and the employee.

In view of its acquisitions and partnerships with world leaders the level of technology employed in the Company is of a very high order. It gives the employees an opportunity to work with cutting edge technologies on an ongoing basis thereby constantly acquiring new high-end technical skills. The Company secures its interest through a contract with its people. Thanks to these factors the Company acquires and assimilates high-end technical skills on an on-going basis.

Rolta provides a distinctive working atmosphere to its employees. Rolta provides attractive opportunities for career growth, a number of Roltaites who joined as trainees have risen to positions of responsibility, right up to the Director level.

Rolta's remuneration structure has been benchmarked with IT industry. The Company provides employees with performance incentives and its Employees Stock Option Plan strengthens a sense of belonging and retention within the Company. As a result of these initiatives, Rolta's manpower attrition rates are below the industry average. The DQ-IDC IT Best Employer's Survey 2008 ranked Rolta 4th overall, ahead of many well-known IT industry giants.

CUSTOMER RISK

In today's fiercely competitive business environment, the ability to increase customer base is very critical.

Customer risk emanates from large exposure to a few clients, which entails increased credit risk besides the adverse effect on profitability in case of any adverse variation in revenue from these clients. Rolta has constantly strived to mitigate this risk by adding new clients besides entering into complimentary business domains.

Rolta adds value to its customer's business because of its domain expertise, diverse technology portfolio, IPRs and industry experience. Rolta's ability to uniquely integrate its offerings from the Geospatial/GIS, Engineering & Design and E-ICT domains, makes it a one-stop vendor for its customers. Rolta empowers its customers to decisively and successfully address business challenges through its innovative solutions.

Rolta distinguishes between customers and acknowledges that there is no one single technology or solution that meets requirements of all. Rolta uses its domain knowledge and IPRs to address the specific needs of customers, providing them with a sound, unique comprehensive solution.

Rolta is an extension of the business of its customers. It foresees the requirements of its customers and accordingly creates and provides customized solutions to meet their requirements. Rolta's services extend far beyond providing contracted deliverables. The Company provides not just tools but catalysts that help customers raise productivity within their respective environments. The Company also responds with speed to special customer needs. As a result, customers the world over remain with Rolta over the long-term. Rolta's high level of repeat business is a manifestation of these long-standing relationships.

GEOGRAPHY RISK

A high geographical concentration of business could lead to volatility because of political and economic factors.

Rolta's firm roots in the domestic market and strategic presence in major geographies provides it an opportunity to refine its offerings in domestic as well as international markets, thereby giving it the benefit of synergy across operations and optimization of resources. Its strategy of initially catering to the Indian market and thereafter taking its well developed skills to global markets enables the Company to efficiently spread its business across various geographies. The company is progressively expanding its presence in global markets and has already setup subsidiaries in US, Canada, Europe (UK, Netherlands & Germany), Middle East (Saudi Arabia & UAE) and Australia. The Company has entered into joint ventures with world technology leaders to cater to domestic as well as global markets.

Rolta is an attractive and cost effective off-shoring alternative, despite changes in the global economy. The Company's domestic-international spread and combination of its various solutions and services insulates the overall performance from the impact of downturns in any specific market. Rolta is not dependent on any specific geographic area or specific industry segment for its growth. For example, in India, the Company's customers are spread across various industry segments, such as infrastructure, defence, oil/refinery, electricity, telecom, transportation, agriculture, forestry etc. thereby enabling it to effectively counter lower spending by any one segment by increased spending by another segment. The Company's businesses are solution/project-oriented and not placement-oriented.

Rolta's special domain knowledge involving an exceptional combination of Geospatial/GIS, Engineering & Design and E-ICT skills, and a clear focus on core competencies enables it to be on the higher end of value chain. It directs its resources on its customers' mission-critical projects, implementing and executing these from its various offices/facilities worldwide.

The following discussion should be read in conjunction with the Company's audited consolidated financial statements as at and for the financial years ended 30 June 2008 and 30 June 2007, and the related notes thereto.

Company Overview

Rolta India Limited (referred to as "The Company" in this section) is an Indian Information Technology ("IT") company with its corporate headquarters in Mumbai. In addition to its headquarters, the Company operates through a network of 15 branch & regional offices across India combined with its ten subsidiaries located in the USA, Canada, the UK, the Netherlands, Germany, Saudi Arabia the United Arab Emirates and Australia. The company has also established a 50: 50 Joint Venture Company, Stone & Webster Rolta Limited with Shaw, Stone & Webster Inc USA and a 51:49 Joint Venture Company, Rolta Thales Limited with Thales Group of France. The Company provides software services and IT-based engineering and GeoSpatial solutions & Services, Engineering & Design Services and Enterprise Information & Communication Technology Services to customers across the world.

The Company has organised its business into three business groups (each, an "BG"): Geospatial Information Systems (GIS); Engineering & Design Services (EDS); and Enterprise Information & Communications Technology (EICT). Detailed overview of each Business Group forms part of SBG section in this Annual Report. For the year ended 30 June 2008, the Geospatial Information Systems (GIS) segment, Engineering & Design Services (EDS) segment, and Enterprise Information & Communications Technology (EICT) segment respectively, accounted for 49.5 %, 32.4 % and 18.1% of the Company's consolidated revenues, as compared to 56.8 %, 31.0% and 12.2 % for the year ended 30 June 2007.

The proportion of different sales mix and also work performed at the Company's facilities and at client sites varies each quarter. As a result, revenues, expenditure and gross profit in absolute terms and as a percentage of revenue fluctuate from quarter to quarter depending on the sales mix for the period and also based on the proportion of work performed off-shore at the Company's facilities.

Industry Overview

As per NASSCOM strategic Review-2008, the Indian IT sector's demonstrated ability to overcome challenges and continue on its strong growth trajectory reinforces the conviction in its fundamentally strong and sustainable value proposition. India continues to be the 'nerve-centre' for global sourcing with over 2/3rd of the Fortune 500 and a majority of the Global 2000 firms leveraging global service delivery -now sourcing from India. Market indicators and a strong track record strongly support the optimism of the industry in achieving its aspired target of US$ 60 billion in software and services exports and US$ 73-75 billion in overall software and services revenues, by 2010.

In the engineering services sector, the NASSCOM/Booz Allen study "Globalisation of Engineering Services", was the first to take a systematic and comprehensive view of the role of emerging markets in engineering services and assessing the evolution of the engineering market from 2005 to 2020. The study examined product and component design, plant design, process engineering and plant maintenance operations, for industries including automotive, aerospace, high tech, utilities, construction and industrial machinery. Current global spending on engineering services is US$ 750 billion projected to increase to US$ 1.1 trillion by 2020. The potential of offshoring engineering market in India is US$ 2 billion and is projected to increase to US$ 60 billion by 2020.

Internal Control System and their adequacy

The internal control systems adopted by the Company are adequate and appropriate to its operations. The system has been designed to ensure that assets and interest of the Company are protected and dependability of accounting data and its accuracy are ensured with proper checks and balances.

The Company has internal audit to examine and evaluate the adequacy and effectiveness of Internal Control System. The internal audit ensures that the systems designed and implemented, provides adequate internal control commensurate with the size and operations of the Company. A world-class Oracle ERP system has been implemented across the organization by KPMG to serve as its information backbone.

The Audit Committee of the Board, Statutory Auditors and the top management are periodically apprised of its activities and internal audit finding. The Audit Committee of the Company consisting of non-executive independent directors periodically reviews and commends the quarterly, half yearly and annual financial statements of the Company. A detailed note on the functioning of the audit committee forms part of the chapter on Corporate Governance in this Annual Report.

Revenues

The Company's revenues are generated principally from IT-based services and solutions provided on either a fixed-price, fixed-timeframe basis or a time-and-materials basis. In the case of long-term contracts, revenues are accrued and recognised based on the percentage of completion throughout the life of the contract and are recognised upon the achievement of specified milestones identified in the related contract. Income from maintenance contracts is recognised proportionately over the period of the contract. In some cases, a proportion of a contract payment may be retained by the counter party against completion of warranties. To cover potential customer warranty claims, provisions are accounted for according to the profit realised. At completion of the contract, the remaining warranty risk is reassessed.

For the financial years ended 30 June 2008 and 30 June 2007, consolidated revenues amounted to Rs. 10,722.14 million and Rs. 7,114.10 million, respectively. This represented a growth of 50.7% for the financial year ended 30 June 2008, as compared to the financial year ended 30 June 2007. The increase in revenues was attributable to an increased level of business activities from domestic & international markets across all Business Groups and also due to international acquisitions made during the year.

Revenues by Business Segment

The table below gives the consolidated revenue analysis by business segment for the periods indicated:

Rs in Million

Segment wise Revenue	Y.E June 30, 2008	Y.E June 30, 2007
Geospatial / GIS	5,305.52	4,043.41
Engineering Design	3,477.00	2,205.42
Enterprise Information & Communication Technology	1,939.62	865.27
Total	10,722.14	7,114.10
Segment wise Profit		
Geospatial / GIS	2,121.94	1,702.86
Engineering Design	1,357.71	873.12
Enterprise Information & Communication Technology	417.75	290.23
Total	**3,897.40**	**2,866.21**

For the financial years ended 30 June 2008 and 30 June 2007, consolidated revenues from Geospatial/GIS solutions and services amounted to Rs.5,305.52 million and Rs. 4,043.41 million, respectively. This represented a growth of 31.2 % for the financial year ended 30 June 2008, as compared to the financial year ended 30 June 2007. The consolidated revenues from Engineering Design solutions and services amounted to Rs. 3,477.00 million and Rs. 2,205.42 million, respectively. This represented a growth of 57.7 % for the financial year ended 30 June 2008, as compared to the financial year ended 30 June 2007. Similarly, the consolidated revenues from Enterprise Information & Communication Technology (EICT) solutions and services amounted to Rs.1,939.62 million and Rs.865.27 million respectively for these two financial years. This represented a growth of 124.2 % for the financial year ended 30 June 2008, as compared to the financial year ended 30 June 2007. The increase in revenues was attributable to an increased level of orders from existing customers and increasing business from new customers, and also due to acquisition of Broech Corporation, USA (TUSC) & Orion Technologies, Canada during the year.

Other Income

Other income comprises dividend income, interest income and also gains /(losses) from currency exchange fluctuations arising from realisations and translations. For the financial years ended 30 June 2008 and 30 June 2007, other income amounted to Rs. 169.75 million and Rs. 102.52 million respectively. Other income was mainly due to dividend received from investment in debt funds and interest received from investment in fixed deposits with the banks. Other income also includes foreign exchange revaluation loss on FCCBs to the extent of Rs 30.18 Crores (Rs. 301.8 Million). This represents mark to market (MTM) provision based on the exchange rate as on June 30, 2008 in accordance with Accounting Standard AS-11 issued by the Institute of Chartered Accountants of India (ICAI). This MTM provision of Rs. 30.18 Crores did not entail cash outflows and will be reversed as and when FCCBs are converted into equity shares.

Expenses

The Company's expenditure principally consists of material costs mainly attributable to third party software costs, employee costs, administrative and selling expenses, as well as financial and depreciation charges.

For the financial years ended 30 June 2008 and 30 June 2007, consolidated expenses amounted to Rs. 8,207.28 million and Rs. 5,273.56 million. This represented an increase of 55.6% for the financial year ended 30 June 2008, as compared to the financial year ended 30 June 2007. For the financial years ended 30 June 2008 and 30 June 2007, consolidated expenses, as a percentage of sales were 76.6 % and 74.1 %, respectively.

The table below shows the principal components of the Company's costs for the periods indicated:

	2008 (Rs. In Million)	% to Sales	2007 (Rs. In Million)	% to Sales
Materials Consumed	2,560.34	23.9	1,928.12	27.1
Employee costs	3,200.78	29.9	1,689.70	23.7
Other Expenses	1,063.62	9.9	630.06	8.9
Depreciation	1,382.54	12.9	1,018.31	14.3
Interest Cost	-	-	7.37	0.1
Total :	8,207.28	76.6	5,273.56	74.1

Material Consumed

Material consumed principally comprises of imported packed software, software toolkits, hardware and peripheral parts and spares needed to execute the contracts & projects awarded to the Company and also cost of third party sub-contracting of services.

In the financial years ended 30 June 2008 and 30 June 2007, material consumed amounted to Rs. 2,560.34 million and Rs. 1,928.12 million. This represented an increase of 32.8 % in the financial year ended 30 June 2008, as compared to the financial year ended 30 June 2007. For the financial years ended 30 June 2008 and 30 June 2007, material consumed as percentage of sales declined to 23.9 % from 27.1 %.

The change in the level of material consumption as a percentage of sales was attributable to the change in the business mix of solutions and services undertaken by the Company in the relevant periods, the provision of such solutions and services being dependent on the orders that the Company receives and the needs of the Company in order to be able to execute those orders. The types of contracts entered into by the Company are of a fluctuating nature and material consumed is prone to change depending upon the nature of orders executed.

Employee Costs

Employee costs comprise salaries, wages, bonuses, provident fund contributions and welfare expenses.

Employee costs increased in the financial years ended 30 June 2008 to Rs. 3,200.78 million from Rs.1,689.70 million in financial year ended 30 June 2007. This represented an increase of 89.4 % for the financial year ended 30 June 2008, as compared to the financial year ended 30 June 2007.

The increase in employee costs was mainly on account of international acquisitions . The company also strengthened its managerial teams by adding more than 250 consultants with average experience of more than 12 years. The Company also added over 1000 engineers in various disciplines in line with its business requirement and inducted additional technical and administrative personnel at senior level to broaden the management team in line with the increased international presence. The increase in manpower cost is also on account of average annual increments of about 15 % given to the employees. The employee costs as a percentage of sales increased from 23.7 % in the financial year ended 30 June 2007 and to 29.9 % in the financial year ended 30 June 2008.

The Company has created an amiable environment that encourages innovation and meritocracy. The Company has evolved a scalable recruitment policy and human resources management process, thereby attracting and retaining high caliber employees. The Company continuously invests in its people and has established Rolta Academy to impart training to its employees in their respective disciplines. Rolta Academy successfully recruited & trained over 1000 employees in various disciplines during the year & has significantly contributed to the growth of human resources of the organization. The Company takes various steps to ensure high motivation and retention levels for its employees. These include a series of initiatives, such as entering into a service agreement, various incentives & bonuses and variable salary component based on performance.

Other Expenses

Other expenses include electricity expenses, repairs and maintenance, sales promotion expenses, legal and other miscellaneous expenses.

In the financial years ended 30 June 2008 and 30 June 2007, other expenses amounted to Rs.1,063.62 million and Rs. 630.06 million. This represented an increase of 68.8 % for the financial year ended 30 June 2008, as compared to the financial year ended 30 June 2007. Other expenses as a percentage of sales was at 9.9% in the financial year ended 30 June 2008 as compared to 8.9 % in the financial year ended 30 June 2007 and it is in line with general increase in cost of various inputs.

Depreciation and Amortisation

Depreciation and amortisation is applied to the Company's property, plant and equipment at the rates set out in the notes to the financial statements. The principal depreciation costs relate to the Company's computer plant and machinery and, increasingly, the Company's land and buildings. The company has made extensive investment in development facilities at Rolta Technology Park in India on account of the fact that the company's business model is oriented towards an offshore model. Almost 90 percent of the engineers / software professionals are located in India, which in turn requires continuous addition to specialized computer systems and solutions. This offshore business model entails large investment in gross block.

Depreciation and amortisation expenses for the financial years ended 30 June 2008 and 30 June 2007 were Rs. 1,382.54 million and Rs. 1,018.31 million. The Company continuously adds specialised computer systems and tools to support its various solutions and services in the domestic and export markets. Due to these additions depreciation and amortization expenses have gone up by 35.8 % for the financial year ended June 30, 2008 as compared to the previous financial year. However, depreciation charges as a percentage of sales decreased from 14.3 % in the financial year ended 30 June 2007 to 12.9 % in the financial year ended 30 June 2008.

Interest Cost

Interest cost reflects the interest payable by the Company on its borrowings. Interest cost for the financial years ended 30 June 2008 and 30 June 2007 was Rs. Nil and Rs. 7.37 million. The Company presently has no borrowings on its books except for the Zero Coupon Foreign Currency Convertible Bonds

Net Income before tax

Net income before tax for the financial years ended 30 June 2008 and 30 June 2007 amounted to Rs. 2,684.61 million and Rs. 1,943.06 million. This represented an increase of 38.2% over the period.

The increases in net income before tax were due to the Company's organic growth & also inorganic expansion of its activities. The growth in net income before tax overall in line with the growth in business as elaborated under the heading "Net Income after Tax".

Income tax

Income tax expense includes current income tax expense, provision for deferred tax expenses and fringe benefit tax and other tax charges. The effect of withdrawal of exemption of minimum alternate tax (MAT) on IT services and software exports with effect from 1st April 2007 has been considered for providing for Tax.

In the financial years ended 30 June 2008 and 30 June 2007, income tax expense including fringe benefit tax, wealth tax and deferred tax liabilities amounted to Rs. 387.80 million and Rs. 216.61 million respectively.

The Company benefits from tax incentives provided to computer software entities in relation to the export of IT services from specially designated STPs in India, under Section 10A of the Income Tax Act, 1961. The effective tax rate for the Company worked out to 14.4 per cent in the financial year ended 30 June 2008 and 11.1 % in the financial year ended 30 June 2007.

Net Income after tax

For the financial years ended 30 June 2008 and 30 June 2007, net income after tax amounted to Rs. 2,305.95 million and Rs. 1,726.45 million, respectively.

The net profit margin of the Company for the years ended 30 June 2008 and 30 June 2007 was 21.5 % and 24.3%. The decrease in net margin was predominantly due to MTM provision of Rs.30.18 cr which impacted margin by 2.8%. There was an impact on net margin also due to acquisition of Broech Corporation, USA (TUSC) & Orion Technologies, Canada, which operate on an international model and their margins are not comparable to offshore business which impacted the margin in the short term. The Company has clear strategy to increase India based business component to leverage the expertise of these subsidiaries into the existing business of the Company thereby improving the margins in the long term.

The table below shows the Company's amount of net sales and its profit after tax for the periods

	2008 (Rs. In Million)	% to Sales	2007 (Rs. In Million)	% to Sales
Net Sales	10,722.14	100.0	7,114.10	100.0
Profit after Tax	2,305.95	21.5	1,726.45	24.3

Share Capital

As at 30 June 2008, the Company's authorised share capital was Rs. 2,500,000,000 (two and half billion rupees), comprising 250,000,000 (two hundred fifty million) equity shares of Rs.10 each, of which 160,897,551 equity shares of Rs.10 each, amounting to Rs. 1608.98 million were issued and fully-paid. During the year a total of 642,520 shares amounting to Rs. 6.43 million were issued to the employees on account of the exercise of stock options. During the Year Company also issued 80,136,523 shares as bonus shares in the ratio of 1:1 amounting to Rs.801.37 million by capitalising share premium.

The company did not have any preference shares on its books as on 30 June 08 nor had issued any share warrants except for stock options granted to employees under the Company's Employee Stock Option Plan (in line with the guidelines issued by SEBI). The Company had in its books as on June 30, 2008, 1,500 Foreign Currency Convertible Bonds (FCCBs) of US$ 100,000 each convertible into equity shares at Rs. 368.70 each (ex bonus). The details as required by SEBI regulations in regard to grant of options are given in Annexure to the Directors' Report.

Reserves & Surplus

Reserves & Surplus as on 30 June 08 was Rs. 10,232.44 million as compared to Rs. 9,664.83 million as on 30 June 07. During the year an amount of Rs. 57.00 million was transferred to Share Premium account on account of shares issued to employees in exercise of stock options. An amount of Rs 270.54 million was transferred to General Reserve from Profit and Loss Account.

An amount of Rs.32.89 million was adjusted against General Reserve towards employee Benefits Provisions for earlier years as provided under Accounting Standard 15-(AS-15) issued by ICAI. An amount of Rs 510.53 million was debited to Securities Premium Account towards redemption premium on FCCBs accrued till June 30, 2008. Net of dividends and dividend tax, Rs. 6208.20 million was retained in the Profit & Loss account.

Investments

The Company's investment in liquid mutual funds was Rs.2,816.25 million as on 30th June, 2008 as compared to Rs.976.10 million as on 30th June, 2007.

Liquidity and Capital Resources

The Company's requirement for liquidity and capital primarily arises from the capital cost of the expansion and development of its infrastructure facilities, and its working capital requirements.

Historically, the Company has relied upon a combination of cash generated from operations, working capital facilities from banks and long-term borrowings from financial institutions and also funds raised through various capital issues to fund its requirements.

Cash Flow

The following table sets out the Company's consolidated and summarised cash flows for each of the periods indicated:

	2008 (Rs. In Million)	2007 (Rs. In Million)
Cash inflow/(outflow) from operating activities	3,591.81	2,319.03
Cash inflow/(outflow) from investment activities(Including Acquisitions)	(6,891.34)	(2,421.98)
Cash inflow/(outflow) from financing	(491.72)	5,605.17
Cash and cash equivalents at the end of year	2,598.30	6,389.55

Net cash inflow from operating activities for the financial year ended 30 June 2008 amounted to Rs. 3,591.81 million. This represents an increase of 54.9 % for the financial year ended 30 June 2008, as compared to the financial year ended 30 June 2007. The increase in operating cash were mainly due to increased sales and increased operating profits.

Net cash outflow from investment activities for the financial year ended 30 June 2008 amounted to Rs. 6,891.34 million as compared to Rs 2,421.98 million for the financial year ended 30 June 2007. In line with its policy to create its own infrastructure, the Company added new facilities in the year to accommodate its increasing number of employees. The Company also made large investment in specialized computer systems and solutions as discussed in detail under the heading " Capital expenditure" which, accounted for a cash outflow of Rs. 3,452.83 million and consideration for acquisitions accounted for Rs 1,832.83 million in the financial year ended 30 June 2008. Balance amount of Rs 1605.68 million was represented by investment in Liquid Mutual Funds.

Net cash outflow from financing activities for the financial years ended 30 June 2008, amounted to Rs. 491.72 million which included an inflow Rs 63.43 million from issue of new shares out of ESOP Grants. As against this, there was net inflow of Rs 5,605.17 million in the year ended 30 June 2007 which included an inflow of Rs. 6,111.00 million representing proceeds from Zero Coupon Foreign Currency Convertible Bonds (FCCBs) issued in that year. The outflow on account of payment of dividends, including dividend tax amounted to Rs 472.85 million in the year ended 30 June 2008 as compared to Rs. 363.98 million in the year ended 30 June 2007. The outflow for repayment of secured loans amounted to Rs 67.46 million and bond issue expenses accounted for an outflow Rs 14.84 million for the year ended 30 June 2008.

Debts

The company has in its books unsecured loans amounting to Rs.6937.94 million representing Foreign Currency Convertible Bonds (FCCBs) issued for US $ 150 million (Rs 6427.41 million) and the redemption premium on the bonds accrued till 30 June 2008 amounting to Rs. 510.53 million.

The FCCB s were issued by the Company in June 2007 and these Zero Coupon Bonds, if not converted, are redeemable in June 2012 at 139.391 % of its principal amount. As debt these bonds carry no coupon till redemption . As per Accounting Standards there is no need to provide for the premium payable at redemption, since it is only contingent on repayment and not payable if FCCBs are converted into equity shares. However , as a matter of prudence ,the Company has provided for the same out of securities premium account as permitted under law.

Capital Expenditure

The Company's capital expenditure incurred during the financial years ended 30 June 2008 and 30 June 2007 amounted to Rs. 3,490.91million and Rs. 2,654.74 million. The company is making extensive investment in development facilities in India including new facilities on account of the fact that the company's business model is oriented towards an offshore model. It is also imperative for the Company to continuously add and upgrade its specialized computer systems and tools in order to support its various solutions and services in the domestic and export market, particularly as such assets are production equipments for the Company for generation of revenue. Large additions made to the manpower of the Company also makes it necessary for substantial investment in specialized systems to render this workforce productive. Further such large investments made by the Company has resulted in reduction in overall cost by minimizing lease rentals.

Working Capital

The Company's working capital (excluding cash and Bank Balance) as at 30 June 2008 and 30 June 2007 was Rs. 3553.26 million and Rs. 3435.85 million.

The Company's receivables as at 30 June 2008 and 30 June 2007 were Rs. 5,017.80 million and Rs. 3,769.90 million. The Company's projects in the domestic and overseas markets are spread over a time horizon of a year to three years with payments linked to individual milestones/ completion of each project. Depending on the nature and internal policies of the relevant counter party, upto 20 per cent of the project value is held back as a retention and is realised by the Company only after expiry of the project and/or warranty period. This process, together with the fact that the payment cycles of Government agencies tend generally to be longer than those in the private sector, leads to an extended receivables cycle. Despite the above due to the focused effort through strong receivable management, the length of the Company's receivables cycle has been reduced from around 193 days of sales in the financial year ended 30 June 2007 to around 151 days (after annualizing the revenue of subsidiaries acquired during the course of the year) in the financial year ended 30 June 2008.

Inventories as at 30 June 2008 and 30 June 2007 were Rs.214.55 million and Rs. 206.42 million. Due to better inventory management, judicial sales mix and smoother coordination with partners worldwide, the company has been able to optimize the inventory holding by reducing from 11 days of sales in the financial year ended 30 June 2007 to 7 days in the financial year ended 30 June 2008.

Loans and advances were Rs. 944.80 million as on 30 June 2008 (as against Rs. 874.99 million in 30 June 2007). These are considered necessary to carry out normal business transactions.

Current Liabilities and provisions consist of sundry creditors; liability for proposed dividends, provision for income tax etc and stood at Rs. 2,839.56 million as on 30 June 2008 as against 1,425.71 million on 30 June 2007. The increase in current liabilities and provisions is mainly on account of increased provision made for dividend and dividend tax, increased provision for employee benefits, accrued employee compensation payable by newly acquired subsidiaries as per their existing practice, additional staff deposits and similar liabilities.

Forward Looking Statement

In our report we have disclosed forward looking information so that investors can better understand a company's future prospects and make informed investment decisions. This annual report and other written and oral statements that we make from time to time contain such forward looking statements that set out anticipated results based on management's plans and assumptions. We have tried wherever possible to identify such statements by using words such as ' anticipate', 'estimate', 'expects', 'projects', 'intends', 'plans', 'believes', and words and terms of similar substance in connection with any discussion of future operating or financial performance. We cannot guarantee that any forward-looking statement will be realized, although we believe we have been prudent in our plans and assumptions. Achievement of future results is subject to risks, uncertainties and inaccurate assumptions. Should known or unknown risks or uncertainties materialize, or should underlying assumptions prove inaccurate, actual results could vary materially from those anticipated, estimated or projected. Investors should bear this in mind as they consider forward-looking statements. We undertake no obligation to publicly update any forward-looking statements, whether as a result of new information, future events or otherwise.

Directors' Profile

Mr. Kamal K. Singh
Promoter, Chairman and Managing Director
Mr. Singh is the founder Chairman of the Rolta group of companies and is also an Executive Committee member of the Federation of Indian Chamber of Commerce and Industry ("FICCI"), one of India's premier trade organisations. He is a first-generation entrepreneur and promoted the Rolta group in the 1970s. He is recognised as a pioneer in the CAD/CAM/GIS field in India and has over 35 years' experience in all aspects of corporate management including finance, technology and international business. Mr. Singh's tenure as the Company's Managing Director is contractually ends on 30th June, 2012.

Mr. Singh's other directorships include Rolta International, Inc, Rolta Saudi Arabia Ltd, Rolta Benelux BV, Rolta Deutschland GmbH, Rolta Middle East FZ-LLC, Rolta UK Limited, Rolta Canada Limited, Rolta Limited, Rolta Resources Pvt. Ltd., Rolta Properties Pvt. Ltd., Rolta Realty Limited, Rolta Infrastructure & Technology Services Limited, Rolta Infotech Ltd (UK), Rolta Infotech Ltd (Hong Kong), Rolta Infotech (US) Inc, Rolta Infotech (NY) LLC., Rolta Shares & Stocks Pvt. Ltd., Rolta Holding & Finance Corporation Limited, Orion Technology Inc. (Canada), Rolta TUSC Incorporated, Stone & Webster Rolta Limited and Rolta Thales Limited.

He also serves as Continental Governor of American Biographical Institute, USA. He is the Vice Chairman of the Governing Council of the India Tech Foundation. He is also member of various other national organizations of repute like CII, Electronics & Computer Software Export Promotion Council, NASSCOM, MAIT, Indo American Chamber of Commerce, Indo German Chamber of Commerce and Indo-Arab Chamber of Commerce & Industries. He is also the Honorary Consul-General of Ukraine in Mumbai for the territory of certain Indian States. Mr. Singh has also served on the Board of Punjab National Bank, one of the leading Indian Bank as a Government of India nominee Director. He has been bestowed with "2007 IMM Award for Excellence as Top CEO" by Institute of Marketing Management.

Mr. R. R. Kumar Director
Mr. Kumar is the former Chairman and Managing Director of Union Bank of India and has over 40 years' experience in banking and finance. His academic qualifications include a Bachelors degree in Arts and also in Law. He has been a Director of Rolta since the Company's inception. His other directorships include Gobind Glass Works Ltd., Haldyn Glass Ltd., KJMC Financial Services Ltd., Eastern Medikit Ltd., Uniflex Cables Ltd, GTC Industries Ltd. and IVP Ltd.

Mr. K. R. Modi Director
Mr. Modi is an advocate and solicitor by profession with over 30 years' experience. His academic qualifications include a Bachelors degree in Arts and Law. He is a senior partner with Kanga and Co., advocates and solicitors, who also act as the Company's legal advisors. Mr. Modi has been a Director of Rolta since 1989. Mr. Modi is also a director of Alok Industries Ltd.

Lt. Gen. J. S. Dhillon (Retd.) Director
Lt. Gen. Dhillon (Retd.) is a former Master General Ordnance (MGO) of the Indian Army, from which he retired in 2001. He holds a Master of Arts degree in Defence Studies and was awarded the Param Vishishtha Seva Medal and the Yuddha Seva Medal for his outstanding service in the Indian Armed Forces. He is also the Managing Director of Millicent Motors Ltd. and Director in Agylist Consulting Pvt. Ltd.

Mr. A. T. Pannir Selvam Director
Mr. Selvam retired in March 2000 as Chairman of the Indian Banks' Association (1997-2000). He was also the Chairman and Managing Director of the Union Bank of India (1993-2000) and Executive Director of the Bank of India (1990-91), where he also served in the roles of acting Chairman and Managing director during 1991-92. He was appointed as Chairman of several high-powered committees and director of several public sector undertakings by the Government of India and the RBI. He started his career in the Indian Overseas Bank in 1964, where he continued to work for 25 years. Post retirement, he is on the board of several prominent Indian corporates. Mr. Selvam has a Master's Degree in Economics from St. Stephens College, Delhi (1964). He is a Director in M/s. AXIS Bank Ltd, M/s. 2 i Capital (India) Pvt. Ltd., Bangalore and also a Director of the Advisory Board of Shriram Group Companies.

Mr. Behari Lal Director
Mr. Behari Lal is a former member of the Income Tax Appellate Tribunal and is experienced in income tax and legal matters. His academic qualifications include a Bachelors degree in Arts and Law. Mr. Behari Lal has over 35 years of experience in the legal field. Mr. Behari Lal is not a director in any other company.

Mr. V. K. Agarwala Director
Mr. V. K. Agarwala has experience in various businesses, especially in the field of exports. Mr. Agarwala's academic qualifications include a Masters degree in Arts, a degree in law and a Diploma in Business Management. Mr. Agarwala is a member of the executive committee of the Cotton Textile Export Promotion Council and a member of the Managing Committee of The All India Exporters' Chamber. Mr. Agarwala has over 35 years of experience in corporate management and is a director in Prakriti Exports Pvt. Ltd and Shanker Kapda Niryat Pvt. Ltd. and Carreman Fabrics India Ltd.

Mr. V. K. Chopra Director
Mr. V. K. Chopra is a Commerce Graduate from Shriram College of Commerce, New Delhi and a Fellow Member of The Institute of Chartered Accountants of India. He has held various top positions during his 37 years of experience in Banks; including 3 years as Chairman & Managing Director in Corporation Bank, Mangalore & SIDBI, Delhi / Lucknow; 3 years as Executive Director in Oriental Bank of Commerce and 31 years as General Manager, Central Bank of India, Mumbai; his last assignment being, as a Whole Time Member in SEBI, for about a year. Mr. V. K. Chopra is a Director in Rasandik Engineering Industries India Ltd., Dewan Housing Finance Corporation Ltd., Suashi Diamonds Ltd., FCH Centrum Direct Ltd., Landmark Properties Investments Ltd., RFCL Limited and SVIL Mines Limited.

Dr Aditya K. Singh Joint Managing Director
Dr Aditya K. Singh was appointed as Joint Managing Director of the Company in September 2004. Mr Singh holds a Masters Degree in Commerce and Business Administration and a Doctorate Degree in International Marketing from the University of Mumbai. His other directorships include Rolta Ltd., Rolta Holding and Finance Corporation Ltd., Rolta Shares and Stocks Pvt. Ltd., Rolta Realty Limited, Rolta Infrastructure & Technology Services Limited, Rolta Infotech Ltd (UK), Rolta Infotech Ltd (Hong Kong), Rolta Infotech (U.S.) Inc., Rolta Infotech (NY) LLC and Rolta Thales Limited. His tenure as Joint Managing Director contractually ends on 30th June, 2012.

Mr. Atul Dev Tayal Joint Managing Director
Mr. Atul Tayal has been with Rolta for over 20 years and has served in various managerial capacities in the IT industry. Mr. Tayal's corporate management experience includes marketing, technology and international business. Prior to his appointment on the Board, he was the Executive Director -Sales of the Company. His academic qualifications include a Bachelors degree in Commerce and an MBA. He is Director in-charge of Stone & Webster Rolta Limited and Managing Director of Rolta Thales Limited. His tenure as Joint Managing Director contractually ends on 16th February, 2012.

Mr A. P. Singh Joint Managing Director
Mr A. P. Singh has been with the Company for over 25 years and was appointed as Joint Managing Director in April 2007. His academic qualifications include Bachelors of Technology from IIT, MBA in Marketing and a Diploma in Industrial Management from Delhi University. He has over 35 years of experience and has worked with Siemens, IBM and Metalbox in the past. Mr A P Singh's other directorships include Rolta International, Inc, Rolta Saudi Arabia Ltd, Rolta Benelux BV, Rolta Deutschland GmbH, Rolta Middle East, FZ-LLC, Rolta UK Limited, Rolta Canada Limited, Orion Technology Inc. (Canada), Rolta TUSC Incorporated, Stone & Webster Rolta Limited and Rolta Thales Limited. His tenure as Joint Managing Director contractually ends on 31st March, 2012.

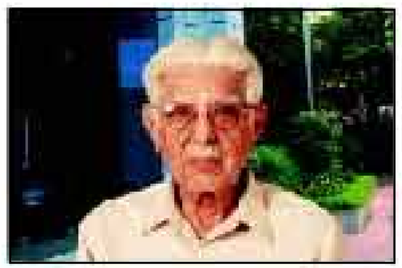
Ms. Preetha Pulusani Joint Managing Director
Ms. Preetha Pulusani is a M.S in Computer Science and Business Administration from the University of Alabama at Huntsville and she has also done her B.A. in Accounting and Computer Science. She had a career of more than 25 years with Intergraph Corporation at various senior management levels and was the President of SG&I Division of the Corporation, where she was responsible for worldwide operations for business with annual revenue of over 400 million dollars. Presently she is Chairman in Adept Media Corporation and Director in Rolta TUSC Incorporated.

Mr Hiranya Ashar Director Finance & Chief Financial Officer
Mr Hiranya Ashar is Director-Finance and Chief Financial Officer of the Company. He is a Commerce Graduate and an Associate Member of The Institute of Chartered Accountants of India. He has over 10 years of experience in managing corporate finance, project management, financial planning and analysis, funds raising, taxation, audit and investor relations. His tenure as Director-Finance and Chief Financial Officer ends on 31st October, 2009.

Mr Ben Eazzetta Director
Mr Ben Eazzetta is President International Operations and holds a Bachelor's degree in nuclear engineering & a Master's degree in mechanical engineering from Georgia Tech. Prior to joining Rolta Mr Eazzetta was President, Security, Government & Infrastructure Division of Intergraph Corporation. Prior to his taking over as President of SG&I, he was the COO of Intergraph's power, process and marine division and prior to that he was with Exxon for 12 years with extensive experience in plant economics, improvement programmes, technical initiatives, refinery operations and maintenance. His other directorships include Open Geospatial Forum (Non-profit), Rolta International Inc., Rolta Saudi Arabia Ltd, Rolta Benelux BV, Rolta Deutschland GmbH, Rolta Middle East FZ-LLC, Rolta UK Limited and Rolta Canada Limited, Orion Technology Inc. (Canada) and Rolta TUSC Incorporated.

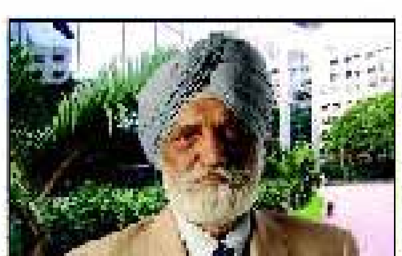
Board of Directors


Mr. K K Singh
Chairman & Managing Director


Mr. R R Kumar,
Independent Director


Mr. A T Pannir Selvam
Independent Director


Mr. V K Agarwala
Independent Director


Lt Gen J S Dhillon (Retd.)
Independent Director


Mr. K R Modi
Independent Director


Mr. Behari Lal
Independent Director


Mr. V K Chopra
Independent Director


Dr. Aditya K Singh
Jt. Managing Director


Ms. Preetha Pulusani
Jt. Managing Director

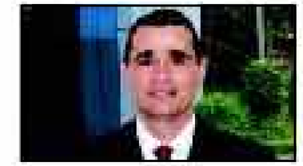

Mr. Ben Eazzetta
Director & President, International Operations


Mr. A P Singh
Jt. Managing Director


Mr. Atul D Tayal
Jt. Managing Director


Mr. Hiranya Ashar
Director, Finance & CFO

Management Team


Mr. Rich Niemiec
President - EICT, Intl.


Mr. Blane Shertz
Exec. VP - Intl. BD


Mr. John Sasser
President - MEA

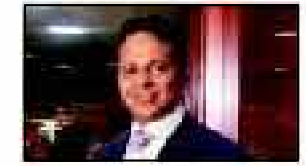

Mr. Jack T Leahey
Exec. VP - Sales, US


Mr. Joe Trezzo
COO - Rolta-TUSC


Mr. Brad Brown
CTO - Rolta-TUSC


Mr. Mark Edwards
President - Europe


Mr. Dave Sligting
Exec. VP - EICT, US

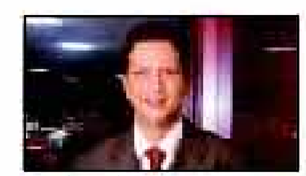

Mr. Dinesh DeSilva
President - Asia Pac


Mr. Reggie Peagler
Exec. VP - GIS, US

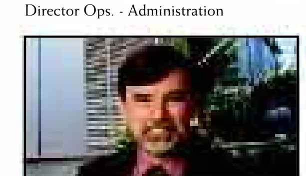

Mr. K R Vaidyanathan
Director Ops. - Marketing


Mr. S K Shirguppi
Director Ops. - Domestic


Mr. Vinay K Sawarkar
Director Ops. - ERP & HR


Dr. S R Bhot
Director Ops. - CA / Oracle Servs.

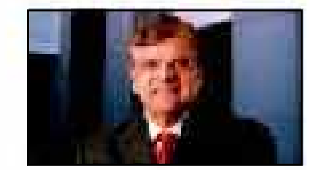

Mr. Aloke Chakrabarti
Director Ops. - Administration


Mr. Robert Winslow Britton
Director Ops. - GIS


Mr. Karl Seil
Director Ops. - Engg. & Design


Lt Gen P P S Bhandari (Retd.)
Director Ops. - Defence & RTL

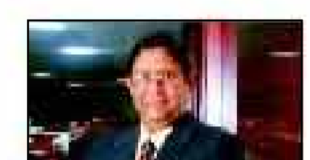

Mr. Jean-Christophe Rivas
CTO - RTL


Mr. Pooran Tripathi
President - SWRL


Mr. A C Suresh Babu
Director - Engg., SWRL


Mr. Laxmidhar V Gaopande
Director Ops. - S/W & Prod. Devpt.


Dr. M K Munshi
Sr. Exec. Director - GIS Defence


Dr. V Rangaraj
Sr. Exec. Director - Corp. Relations


Mr. Somnath Marthi
Sr. Exec. Director - GIS Servs.


Mr. Mark Woelke
CFO - Intl. Ops.

Mr. Donald Davis
Sr. VP - EPM & BI

Mr. Anthony Catalano
Sr. VP - EICT Delivery

Mr. Barry Wiebe
Sr. VP - EICT Sales, US

Mr. Louis Remedios
Exec. Director - GIS Servs.

Mr. R K Varma
Exec. Director - Admin. & Infrastructure

Mr. S G Mukund
Exec. Director - Domestic Sales

Mr. M K Govind
Exec. Director - Corp. Marketing

Management Team

Mr. S S K Banerjee
Exec. Director - Rolta Academy

Rear Adm Arun Saxena (Retd.)
Exec. Director - Naval Systems

Dr. C D Murthy
Exec. Director - Geospatial Prod.

Mr. Inder Jit Chhabra
Exec. Director - Engg. & Design Servs.

Mr. Shafiq Jiwani
VP - GIS BD, Intl.

Mr. Mike Butler
VP - Rolta-TUSC

Mr. Satinath Sarkar
VP - GIS Devpt, Intl.

Mr. Nathan Thiya
Chief Prod. Architect GIS

Mr. Ed Pascua
VP - EICT Sales, S-E US

Mr. Tejinder P Vohra
VP- GIS BD, US

Mr. Jim Cooper
VP - GIS Ops., US

Mr. Joe Osborne
VP - GIS Sales, US

Mr. Bill Toebbe
VP - Rolta-TUSC EPM

Mr. Mike Cochran
VP - Rolta-TUSC EPM

Mr. Dave Ventura
VP - EICT Federal, US

Mr. Bill Lewkow
VP - EICT Sales, West US

Mr. Roger Baroutjian
VP - EDS Sales, Middle East

Mr. Reida Elwannas
VP - GIS Sales, Middle East

Mr. Chandrakant Naik
Exec. Director - SWRL

Mr. Anil Kumar Das
Exec. Director - S/W Prod.

Mr. Ravindra N Kondekar
Exec. Director - S/W Devpt.

Mr. Dineshkumar Kapadia
Exec. Director - Finance

Mr. Rajbir Singh Rathi
Exec. Director - Domestic GIS

Mr. Subrata Mallick
Exec. Director - CA Servs.

Mr. Rupam Kiritkumar Vakil
Exec. Director - Engg. & Design Sales

Maj Gen Kunal Mukherjee (Retd.)
Exec. Director - Defence Sales

Mr. Sushil Dattatray Kulkarni
Exec. Director - Engg. & Design Servs.

Mr. Ashis Kumar Basu
Exec. Director - Engg. & Design Servs.

Mr. Ravindra Kala
Exec. Director - Finance

Mr. Sandeep N Ohri
Exec. Director - Business Ops., Def / RTL

Mr. Kiran Arun Kulkarni
Exec. Director - Oracle Servs.

Mr. A O Joseph
Executive Director - HR

Mr. Jeff Kuran
Exec. Director - Client Relations

Management Team

Mr. Ali Lalani
Finance Controller - US

Mr. Rajen Jariwala
Sr. Director - HR & Admin, US

Mr. Burk Sherva
Sr. Director - Marketing Rolta-TUSC

Mr. Kenneth Bryant
Director - GIS Tech. Proj., Europe

Mr. Roland Cunningham
Director - GIS Sales, Europe

Mr. John Gallacher
Director - EDS Sales, Europe

Mr. Julian Zambra
Director - EICT Sales, Europe

Mr. Nitin Khadse
Director - EICT Delivery, US

Mr. Shourya Shukla
Director - GIS Architecture

Mr. Shawn Morgan
Director - GIS Implementation

Mr.Faizal Hasham
Director - Partner Relations

Mr. Sujee Sabanathan
Director - Technology Servs.

Mr. Sameer Babbar
Director - GIS Sales, Asia Pac.

Mr. Hans-Peter Beier
Country Manager - Germany

Mr. Anand Prakash
Reg. Director - Sales North

Mr. Sunil Mone
Prod. Director - Defence

Mr. Thomas Kuruvilla
Prod. Director - Defence

Mr. Venkatesh Kamakoti
Reg. Director - Sales South

Mr. Bala Gangadhara PRC
Prod. Director - Engg. & Design Servs.

Dr. C R Bannur
Prod. Director - Geospatial Fusion

Mr. Umesh Kumar Panthula
Prod. Director - Geospatial Fusion

Mr. Narayan Domaji Ingole
Prod. Director - Engg. & Design Servs.

Mr. Ashok Kumar Gakhar
Prod. Director - RTL

Mr. Anantha Krishna Sharma
Prod. Director - Engg. & Design Servs.

Mr. Santosh Manohar Desai
Exec. VP - NOC

Mr. Satish W Sarwate
Exec. VP - RTL

Ms. Debjani Ashis Sarkar
Exec. VP - SWRL

Dr. Prakash Govind Bendale
Exec. VP - SWRL

Mr. Mahesh Madhav Ghanekar
Exec. VP - SWRL

Mr. Shailesh Railkar
Exec. VP - SWRL

Mr. Somasundaram Subramanian
Exec. VP - SWRL

Mr. Somashekar K Sathnur
Exec. VP - SWRL

Mr. Somasundaram C
Exec. VP - SWRL

Management Team

Mr. Biswajit Debray
Exec. VP - SWRL

Mr. Mohan Shriram Chitale
Exec. VP - SWRL

Mr. Subodh Mendhurwar
Exec. VP - eFusion

Mr. Ramasubramanian Kasi
Exec. VP - Commercial

Mr. Suyash S Gokhale
Exec. VP - EDA

Mr. Deepak Sadanand Vedak
Exec. VP - GIS

Mrs. Meenakshi Ganju
Exec. VP - SWRL

Mr. Ashwin N Thadani
Exec. VP - Rolta Academy

Mr. Harjinder Singh
Exec. VP & Company Secretary

Mr. Sunil Dubey
Exec. VP - Defence Sales

Mr. Shivnarayan Pareek
Exec. VP - Engg. & Design Servs.

Mr. Shirish Kumar Jain
Exec. VP - Engg. & Design Sales

Mr. Pramod Kumar Sinha
Exec. VP - SWRL

Mr. Selvapandian Thiruvengadam
Exec. VP - GIS

Mr. Pramod G Karnavat
Sr. VP - Sales West

Mr. Ashok Yoganand
Sr. VP - EDA

Mr. Prashant Vishnupant Naik
Sr. VP - SWRL

Mrs. Neelima Pandey
Sr. VP - SWRL

Mr. Nirmal Kumar Kothari
Sr. VP - Infrastructure

Mr. Ashoka Taomar
Sr. VP - GIS Proj.

Mr. Amit Jain
Sr. VP - Sales North

Mr. Rajan Achuth Menon
Sr. VP - GIS Servs.

Mr. Rafiq Abdul Rehman Rajpuriya
Sr. VP - GIS Servs.

Mr. Paresh Sharad Tipnis
Sr. VP - EICT

Dr. Deb Jyoti Pal
Sr. VP - EICT

Mr. Sanjay Kishore
Sr. VP - RTL

Mr. Samir Chandrakant Rane
Sr. VP - ERP

Mr. Rohinton Kariman Patel
Sr. VP - SWRL

Mr. Naresh Vasant Kamerkar
VP - Finance

Mr. Kamlesh Kumar Teckchandani
VP - Defence

Mr. Hiten Valia
VP - Corp. Marketing

Mr. Shripad Dattatray Tatke
VP - Defence

Mr. Virendra Prasad Bhagat
VP - Defence

Management Team

Mr. Nakka Muralidhara Rao
VP - Rolta Academy

Mr. Dhruvajyoti Sarkar
VP - Engg. & Design Servs.

Mr. Sanjay Lal Jagasia
VP - Engg. & Design Servs.

Mr. Anand Sharad Sabade
VP - Engg. & Design Servs.

Mr. Vinod Singh Rajput
VP - Defence Sales

Mr. Narayan Ramachandra Bhat
VP - Engg. & Design Servs.

Mr. Prashantkumar Vadavadgi
VP - RTL

Mr. Ramana S V Rachapudi
VP - Defence

Dr. Chittoor Venkatesh Manian
VP - Engg. & Design Servs.

Mr. Chandrakant Karkare
VP - Finance

Mr. Samir Chapadgaonkar
VP - EDA

Mr. Deepak Pandhi
VP - Sales Gujarat

Mr. Anant Devadatta Sadekar
VP - Engg. & Design Servs.

Mr. Suresh Manickan
VP - Personnel

Mr. Deepak Hiro Gursahani
VP - Defence

Mr. Anant N Bhat
VP - S/W Devpt.

Mr. Shirish Suresh Sathaye
VP - Engg. & Design Servs.

Dr. Nihar Ranjan Sahoo
VP - S/W Devpt.

Mr. Pradeeptanshu Chattopadhyay
VP - EDA

Mr. Gani Ismail Mukadam
VP - Ship Design Servs.

Mr. Nimish Rasik Shanghvi
VP - Engg. & Design Servs.

Mr. Pampapati
VP - Ship Design Servs.

Mr. Sunendra Mangaldas Kawade
VP - Ship Design Servs.

Mr. Ravi Kumar Nagalia
VP - RTL

Mr. Saghan Srivastava
VP & Asst. Company Secretary

Mr. Srinivas Kangondi
VP - Engg. & Design Servs.

Mr. Amitava Kundu
VP - RTL

Mr. Prahalad Hiranand Sippy
VP - Personnel

Mr. Joseph Raj Kumar
VP - Defence

Mr. Ashwani Sindhwani
VP - Defence

Mr. H P S Nanda
VP - Defence

Mr. A K Ramnath
VP - Engg. & Design Servs.

Mr. Shamsher Singh
VP - Defence

CENTRAL AND REGISTERED OFFICE:

Rolta Tower A
Rolta Technology Park,
MIDC, Andheri (East), Mumbai - 400093.
Tel : +91 (22) 2926 6666, 3087 6543
Email : roltacorp@rolta.com

CORPORATE OFFICE:

21st Floor, Maker Tower F
Cuffe Parade, Mumbai - 400005.
Tel : +91 (22) 2215 3984

JOINT VENTURE COMPANIES

Stone & Webster Rolta Ltd.
Rolta Tower C, Rolta Technology Park,
MIDC, Andheri (East),
Mumbai - 400093.
Tel : +91 (22) 3087 8000

Rolta Thales Ltd.
Rolta Tower C, Rolta Technology Park,
MIDC, Andheri (East),
Mumbai - 400093.
Tel : +91 (22) 2926 6666, 3087 6543

OVERSEAS SUBSIDIARIES

Rolta International Inc.
Rolta Center, 5865 North Point Parkway,
Alpharetta, GA 30022, USA.
Tel : +1 (678) 942 5000
Email : info@roltaus.com

Rolta Tusc Inc.
377 E. Butterfield Road,
Suite 100, Lombard,
IL 60148.
Tel : +1 (630) 960 2909
Email : info.roltatusc@rolta.com

Rolta Canada Ltd.
80 Whitehall Drive, Suite #3,
Markham, Ontario L3R 0P3,
Canada.
Tel : +1 (905) 754 8100
Email : info.roltacanada@rolta.com

Rolta UK Ltd.
Suite No. 2, 100 Longwater Avenue,
Green Park, Reading RG2 6GP,
United Kingdom.
Tel : +44 (0) 1189 450011
Email : info@rolta-emea.com

Rolta Benelux BV
Jupiterstraat 96, Building Pluspoint Nr. 2,
2132 HE, Hoofddorp, Postbus 190,
2130 AD Hoofddorp,
Netherlands.
Tel : +31 (23) 557 1916
Email : info@rolta-emea.com

Rolta Deutschland GmbH
Dornhofstrasse 34, D-63263 Neu-Isenburg,
Germany.
Tel : +49 (6102) 299 985
Email : info@rolta-emea.com

Rolta Middle East FZ-LLC
Office No. 209 - 211,
Building No. 9,
P. O. Box 500106,
Dubai Internet City,
Dubai, United Arab Emirates.
Tel : +971 (4) 391 5212
Email : info@rolta-emea.com

Rolta Saudi Arabia Ltd.
Al-Sulay Area, P. O. Box 68371,
Riyadh 11527,
Kingdom of Saudi Arabia.
Tel : +966 (1) 242 1212
Email : info@rolta-emea.com

Rolta Asia Pacific Pty. Ltd.
Level 17, 201 Miller Street,
North Sydney, NSW2060,
Australia.
Tel : + 61 (2) 9959 2444
Email : roltacorp@rolta.com

INDIAN OFFICES

West

Mumbai
Rolta Tower A
Rolta Technology Park,
MIDC, Andheri (East),
Mumbai - 400093.
Tel : +91 (22) 2926 6666, 3087 6543

Pune
101, Mantri House,
929, Fergusson College Road,
Pune - 411004.
Tel : +91 (20) 2565 3772 / 2567 8372

Raipur
A-1, Tanu Villa,
1st Floor, Gayatri Nagar,
Raipur - 492007.
Tel : +91 (771) 407 4181

Vadodara
303 / 304 Concorde, 3rd Floor,
R. C. Dutt Road, Alkapuri,
Vadodara - 390005.
Tel : +91 (265) 235 2612 / 232 2949

Gandhinagar
Plot No. 565 / 1, Sector 8 C,
Gandhinagar - 382008.
Tel : +91 (79) 2324 1322

Jamnagar
Shree Jamunesh Krupa,
15, Rajnagar Residence,
Seru Section Road,
Jamnagar - 361006.
Tel : +91 (288) 271 0072

East

Kolkata
501, Lords, 5th Floor,
7/1 Lord Sinha Road,
Kolkata - 700071.
Tel : +91 (33) 2282 5756 / 7092

Bhubaneshwar
47, Madhusudan Nagar,
Bhubaneshwar - 751001.
Tel : +91 (674) 239 0190

North

Delhi NCR
Rolta Technology Park,
Plot # 187, Phase I, Udyog Vihar,
Gurgaon - 122002.
Tel : +91 (0124) 423 5129.

Chandigarh
SCO - 840, 2nd Floor
Shivalik Enclave, NAC, Manimajra,
Chandigarh - 160101.
Tel : +91 (172) 273 0254 / 3728

Dehradun
2nd Floor, Raj Plaza, 75,
Rajpur Road,
Dehradun - 248001.
Tel : +91 (135) 274 2474

South

Chennai
Century Plaza, 6th Floor,
561 / 562, Mount Road,
Chennai - 600018.
Tel : +91 (44) 2432 9107 / 2434 9634

Bangalore
Mittal Towers,
'C' Wing, 8th Floor,
47 / 6, M. G. Road,
Bangalore - 560001.
Tel : +91 (80) 2558 1614 / 1623

Hyderabad
105, 1st Floor, Golden Edifice,
6-3-639, Khairatabad,
Hyderabad - 500004.
Tel : +91 (40) 2330 6806 / 2339 1083

BANKS
Union Bank of India
Bank of India

SOLICITORS
Kanga & Co.

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COMPANY SECRETARY
Harjinder Singh