

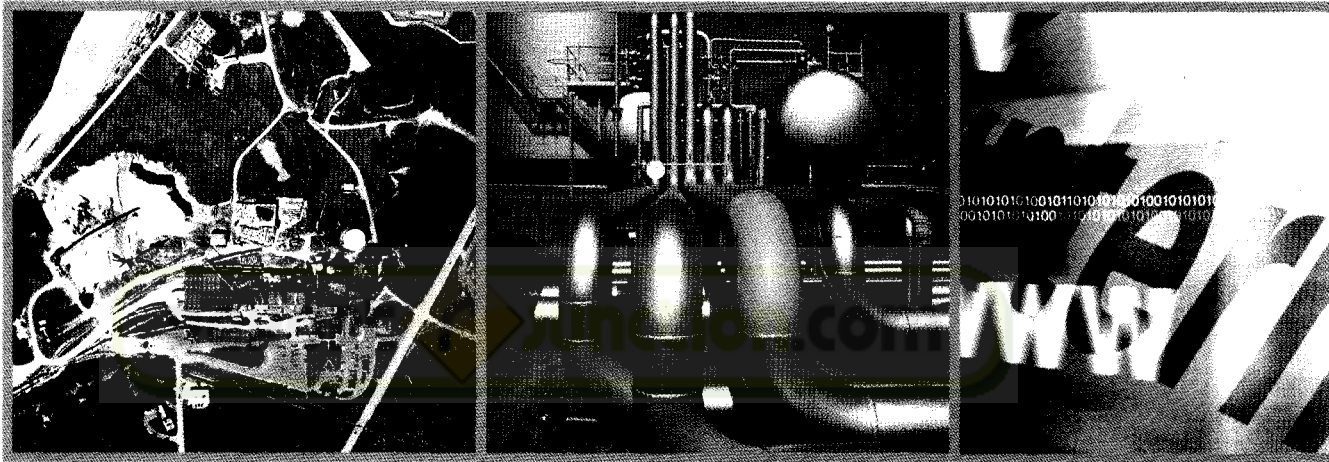


ROLTA INDIA LIMITED
ANNUAL REPORT 2004-05

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Power of Empowerment



"An empowered organization is one in which individuals have the knowledge, skill, desire, and opportunity to personally succeed in a way that leads to collective organizational success."

- Stephen R. Covey

Mission Statement

Rolta will be the preferred choice
for providing knowledge-based
IT solutions through pioneering efforts
to meet market demands
and exceed customer expectations,
achieved by an empowered team of
Roltaites, for maximizing value
to its stakeholders.



Chairman's statement

The political and economic environment in India, and globally, has continued to usher change in the way business is conducted. The "flattening of the world" as seen by Thomas Friedman has opened great opportunities, while simultaneously posing new challenges for companies like Rolta. To succeed in these exciting times, a company not only needs to remain alert to exploit new opportunities and address the challenges, but also, indeed more importantly, must empower itself to continually adapt to the environment to remain relevant.

In Rolta's view, empowerment is a process that questions our perceptions about the way things are and can be. It challenges our basic assumptions about knowledge, technology, partnerships, quality, clients, employees, and opportunities. Rolta continuously endeavors to harness the power of these drivers to empower itself for the benefit of its stakeholders.

Rolta focuses on acquisition and upgradation of its knowledge in the domains it addresses. This empowers Rolta to maintain leadership and growth at levels that stakeholders can be justifiably proud of. When domain expertise is coupled with world-class technologies that Rolta has acquired through synergistic partnerships, Rolta is able to continually elevate its portfolio of products and services to higher levels in the value chain.

We have retained our position as India's #1 CAD/CAM/GIS Company for well over a decade. Globally, we are recognized among the leading providers of GeoSpatial Information Technology and digital mapping services. During the year, Rolta has mapped the contours of the moon, ocean floors and of course, extensive mapping of the earth's surface!

We have expanded the scope of our partnership with Intergraph Corporation, USA with a strategic agreement for providing Geospatial services to users in the Americas, in the areas of project consulting, digital mapping, photogrammetry, and software development. In the domestic market, the implementation of the proposed Indian National Map Policy will take GIS into the civil domain and open enormous markets to address the specialized map-data needs of various commercial users and myriad applications for police, fire, emergency services, environmental management, land use, infrastructure design/planning, vehicle navigation and many, many more. I believe Rolta is better equipped than any other company to address these emerging needs in India.

The Company continues to be the leading provider of Plant Design Automation solutions in India and is a preferred services partner of international giants. Rolta has harnessed laser and photogrammetry technologies that now make it practical and more affordable for users to create "as-built" 3D digital plant models. With global emphasis on cost savings, more and more companies are relying on as-built digital models as the key resource for enhancing plant safety, and reducing their maintenance and insurance costs. Rolta is therefore uniquely placed to exploit opportunities in this emerging market segment.

Stone & Webster Rolta Ltd.. (SWRL), our Joint Venture with Stone & Webster, USA, is now fully operational. This JV Company provides high quality engineering services worldwide and undertakes turnkey refinery, petrochemical and power projects in India. With access to unique and proprietary Stone & Webster technologies for ethylene and related manufacturing processes, and especially those for nuclear power plants, SWRL is in an enviable position to exploit opportunities that will be offered by India's ambitious plans to create 40,000 MW nuclear power generation capacity within ten years. With the recent understanding between USA and India for supporting our nuclear power plans, Rolta is very optimistic about phenomenal growth for SWRL in the coming years.

IT infrastructure and network security have become a critical aspect of today's global business environment. Rolta's strong partnership with Computer Associates (CA), one of the world's largest "eSecurity" companies, is moving from strength-to-strength. We have recently strengthened our partnership with them by entering into a definitive agreement to provide expert implementation, customization and integration services to CA customers across the Americas. This will increase the business volume in this segment many-fold.

Rolta has always been proactive in adopting best-of-class practices. In keeping with this philosophy, we engaged Grant Thornton to audit our accounts in line with International Financial Reporting Standards (IFRS). Their report has been included in this document. We are also furnishing Human Resource, Economic Value Added, and Brand valuation reports prepared by Grant Thornton for reference.

Rolta's impressive standing in the marketplace represents the prudent optimization of its potential, gained as a first-mover in its selected areas of business. As a unique IT company, Rolta's pioneering advantage has been reinforced through aggressive investments in people, technology, R&D and infrastructure resulting in a formidable critical mass of intellectual capital. Rolta has just completed a major expansion of its infrastructure with the addition of state-of-the-art facilities. This would enable Rolta to accelerate its growth and exploit the large opportunities emerging worldwide.

Rolta has been able to look beyond just the immediate opportunities and build businesses with long-term prospects and relevance. I firmly believe that with the solid foundation that has been laid and the large opportunities in front of us, we will continue to create superior value for all our stakeholders.

K. K. Singh

Chairman & Managing Director



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Empowered
by Leadership

Polta

Rolta's pioneering efforts in high technology knowledge-based business has translated into a formidable reputation and a respected brand empowering the company to maximize returns to all stakeholders



The undisputed leader in GeoSpatial technology in India for nearly two decades, Rolta enjoys a market share of over 70% in this business and is the primary solutions provider to nodal agencies in survey, defence, space, environment, hydrology, town planning, public safety, photogrammetry, digital imagery, telecom, electric, and other sectors.

What's more, it continues to be rated amongst the world's top GIS and photogrammetry service providers, executing complex and high value projects for customers across the world.

In the engineering domain, Rolta is again a leader with market share of over 85% in the Plant Design Automation (PDA) segment in India. Rolta provides a complete range of solutions and services that help integrate engineering tasks encompassing the entire product / plant lifecycle – designing, modeling, detailing, analysis, tooling, manufacturing, operations, maintenance and simulation.

Rolta, in partnership with Stone & Webster Inc., one of the world's foremost engineering companies, has established a full service engineering and procurement Joint Venture Company - Stone & Webster Rolta Limited. This joint venture is a natural progression of Rolta's engineering business that leverages Rolta's domain

expertise and opens up a world of business opportunities.

Rolta offers cutting edge eBusiness and Internet-related security solutions and services for high-end consulting, implementation, enterprise management, security, storage, service management, rapid application development and offshore software testing. Rolta has also entered into a strategic agreement with Computer Associates for providing these services, globally, as one of their Top partners worldwide.

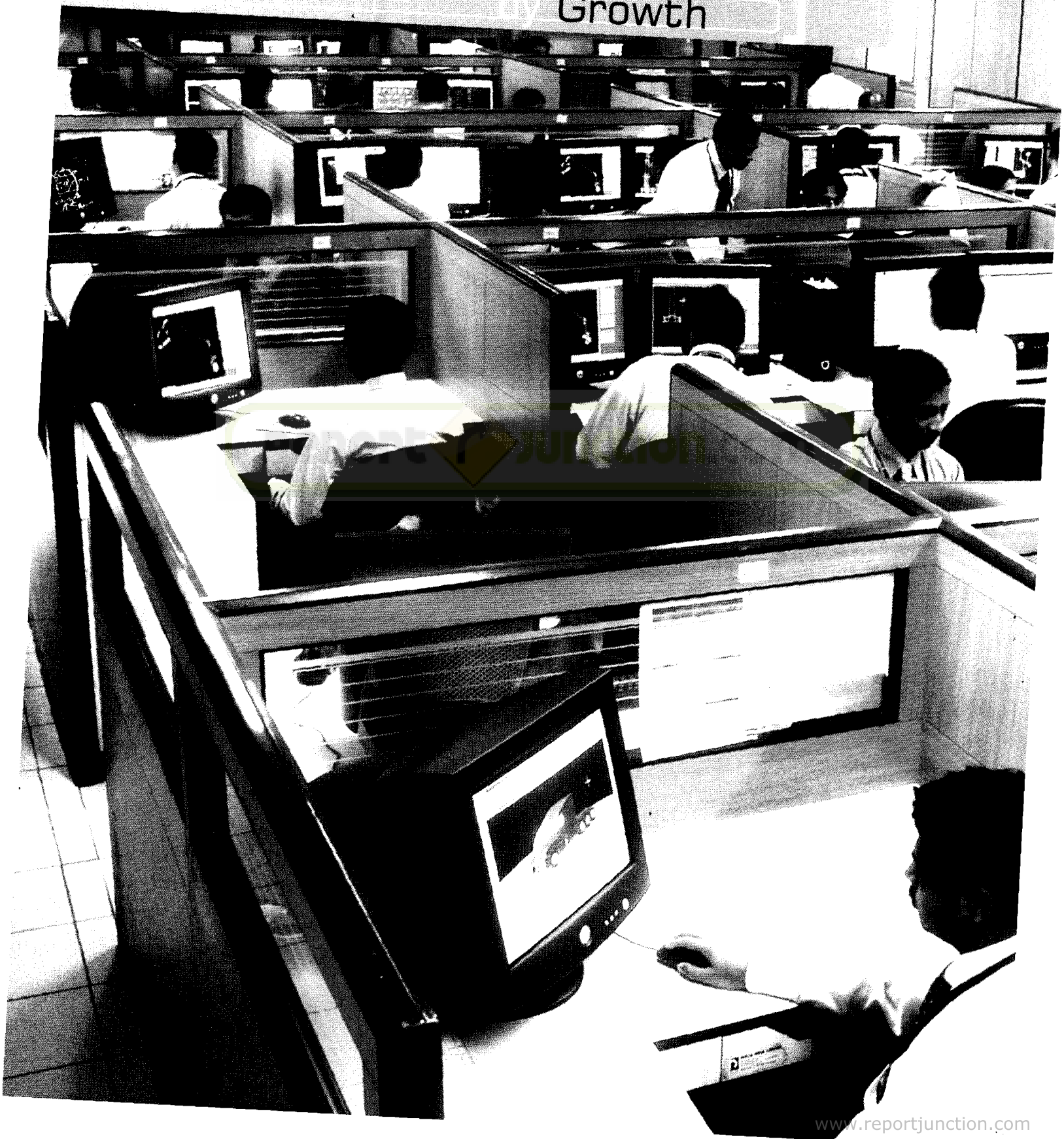
Rolta's market leadership is much more than a mere statistic. It is an indicator of the quality of Rolta's trusting relationship with its customers and an effective guarantor of future business.

With a dominating market share and presence in GeoSpatial and Engineering Design domains, coupled with a unique offering of eSolutions, Rolta has retained the No. 1 position in the Indian CAD/CAM/GIS market with a brand value of Rs. 8011 million (as valued by Grant Thornton – details available elsewhere in this report).

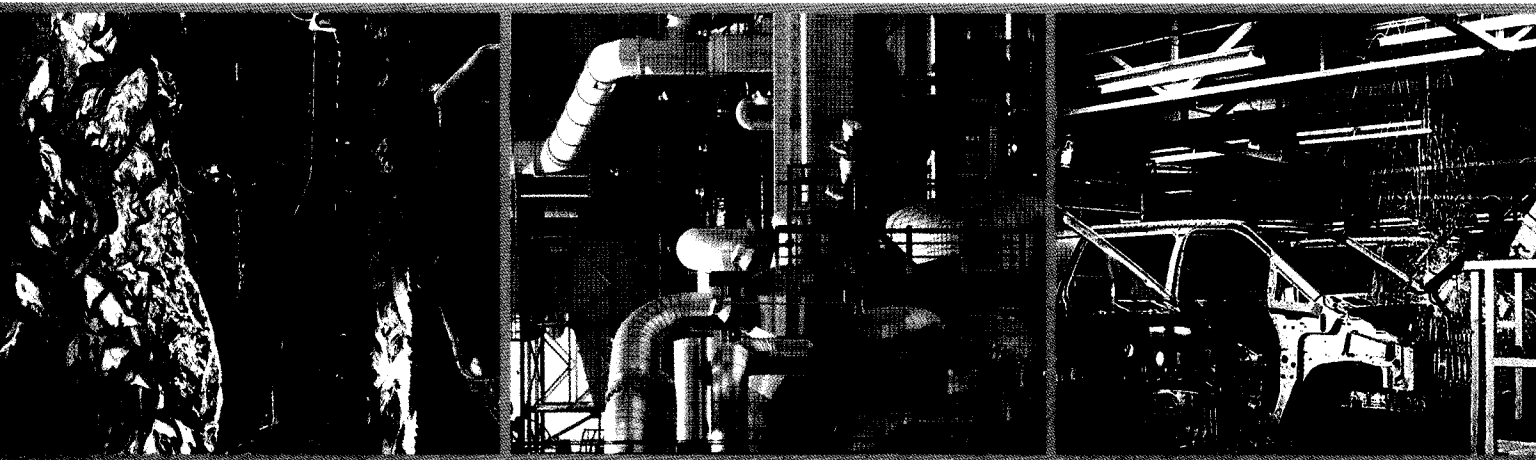
Rolta is fully committed to leverage the power of its market leadership to ensure that it consistently meets stakeholders' expectations. Which is what is expected from a truly empowered company.

Rolta

Powered
by Growth



Rolta's business model focuses on the delivery of solutions and services at the higher end of the value chain by leveraging knowledge and expertise in selected business areas, empowering steady growth.



Rolta pioneered CAD/CAM/GIS solutions in India and as customer requirements evolved, Rolta's solutions too transformed from being primarily point solutions for R&D, engineering and design to enterprise-wide comprehensive solutions, integrated across business processes.

These large, high-value requirements de-risk the Company by building a progressively healthy bottom line and also enable Rolta to constantly add value to its customer base while continuously focusing on core competencies.

Rolta's pioneering advantage has been reinforced through aggressive investments in people, technology, R&D and infrastructure resulting in a formidable critical mass of intellectual capital in the GeoSpatial, Engineering Design and eSolutions businesses, thereby positioning the Company far ahead of competition.

Rolta's exemplary performance stems from the strength of its business model. It has posted profits and paid dividends every year since its IPO in 1990. The Company's consolidated turnover has attractively grown

from Rs. 47.2 million in 1990 to Rs. 4256.9 million in 2004-05. Rolta's consolidated profit after tax grew from Rs. 11.6 million in 1990 to Rs. 902.2 million in 2004-05. As a result of this constant growth, Rolta's gross block grew from Rs. 360.7 million in 1990 to Rs. 7033.7 million in 2004-05.

To meet the growing demands from the marketplace, Rolta has completed its expansion plan to build additional engineering, software development and delivery centers at Rolta Technology Park, Mumbai, consisting of 250,000 sq.ft. of state-of-the-art facilities with cutting edge engineering workstations and IT infrastructure. This expansion program, spanning over the last two years, will enable the company to accelerate its growth and seamlessly provide quality engineering and IT solutions and services to its customers worldwide.

Rolta is fully committed to leverage the power of its performance driven business model to ensure that it consistently meets stakeholders' expectations. Which is what is expected from a truly empowered company.

Rolta

Empowered by Recognition



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GIS SERVICE