

## **Rolta's Q1-FY-14 Consolidated Revenue Grows 33.5% and Net Profit 11.1% Y-o-Y**

**Mumbai** – Rolta India Limited, a leading provider of innovative IT solutions for many vertical segments, including Federal and State Governments, Defence and Homeland Security, Utilities, Process, Power, Banking and Insurance, today announced unaudited financial results for quarter ended September 30, 2013(Q1 FY-14).

### **FINANCIAL HIGHLIGHTS**

- Consolidated Revenue for Q1 FY-14 at Rs.627.77 cr (Rs. 6.28 Billion) against Rs. 470.14 cr (Rs. 4.70 Billion) in Q1 FY-13, registering a Y-o-Y growth of 33.5% and Q-o-Q growth of 2.5%.
- Consolidated EBITDA for Q1 FY-14 at Rs. 239.34 cr (Rs. 2.39 Billion) against Rs. 212.57 cr (Rs. 2.13 Billion) in Q1 FY-13, registering a Y-o-Y growth of 12.6% and Q-o-Q growth of 5.3%.
- Consolidated Profit after Tax for Q1 FY-14 at Rs. 70.26 cr (Rs. 0.70 Billion) against Rs. 63.21 cr (Rs. 0.63 Billion) in Q1 FY-13, registering a Y-o-Y growth of 11.1%. PAT for the quarter ended September 30, 2013 is strictly not comparable with the sequential quarter ended June 30, 2013 as it includes an exceptional item of additional depreciation.

Commenting on the results, Mr. K. K. Singh, Chairman and Managing Director said, “We are very encouraged by the continued positive response we are receiving for our solutions based on Rolta’s intellectual property (IP). We now have a rich repository of sophisticated field-proven solutions that are helping us to monetize our extensive investments through higher IP based revenues and longer term annuity contracts.”

### **CORPORATE HIGHLIGHTS**

India’s Companies Act 2013 has inserted a provision for rotation of auditors. In anticipation of the provision being made effective, the Board of Directors has recommended the appointment of Walker, Chandio & Co. (WCC) as Statutory Auditors of the Company in place of retiring auditors Khandelwal Jain & Co. at the ensuing Annual General Meeting on November 23, 2013. WCC is registered with the Institute of Chartered Accountants of India as well as the PCAOB (US Public Company Accountancy Oversight Board). For multinational companies and other organisations with international operations or interests, WCC has access to Grant Thornton member firms in other countries that adopt the same rigorous standards, and utilise the same tools and methodologies. WCC is recognized as one of the largest accountancy and advisory firms in India with presence in 9 cities, 20 partners and 850+ employees. Grant Thornton (GT) has been auditing the Company’s financial statements prepared under IFRS for seven years. GT is one of the world’s leading organizations of independent assurance, tax, and advisory firms. Its 2012 combined global revenues were US\$4.2 billion. GT has a presence in 100+ countries, 530 offices, 2,600 partners and 35,000 personnel.

To further strengthen its corporate governance, the Company’s Board has decided that the retirement age of the Executive Chairman, Whole-time Directors, and Independent Directors shall be 75, 70 and 80 years, respectively. Accordingly, the composition of the Rolta Board will undergo a change with effect from the forthcoming AGM. Mr. R.R. Kumar will be retiring after 24 years of illustrious service to the Company as a Director. Similarly, Mr. A.P. Singh, after serving Rolta on the Boards of various group companies for 30 years as Whole-time Director will also retire.

The Company continued to strengthen its infrastructure, especially its managerial and technical resources. A number of highly skilled and experienced persons were inducted to enhance subject-matter expertise, industry knowledge, and sales effectiveness in all geographies. The Company also improved compensation packages of its existing employees by an average of 10% in India and 3.5% in other international locations. In spite of such increase in employee cost that became effective at the beginning of the quarter, EBITDA margins have shown a healthy improvement due to the Company’s IP-led business model.

### **OPERATIONAL HIGHLIGHTS**

Rolta continues to win projects in the areas of Geospatial, Engineering, IT and Defence & Security, even more so when it is able to combine its strengths in these areas. This is true for all geographical regions, vindicating Rolta’s strategy of offering preconfigured but customized solutions that leverage Rolta’s deep domain knowledge, its intellectual property, IT expertise and industry focus. Each one of the examples below, pertaining to last quarter illustrates the Company’s success in leveraging Rolta IP in a variety of high-growth

sectors. The pipeline is also steadily undergoing a qualitative improvement, with larger, more sophisticated projects and greater contribution from Rolta IP.

**Defense and Homeland Security:**

- In the Defence and Homeland Security (HLS) sector, the Company continues to strengthen its leadership position.
- For example, Rolta's war gaming solution is becoming the standard for Indian defense, after wins and implementations at various key military organizations. Now, the Company has been invited for award of contract by the apex Indian war gaming agency.
- Major HLS organizations continued to repose confidence in Rolta's offerings and now even the central secret services are finalizing on the Company's sophisticated solutions.
- Plans for setting up an Optronics manufacturing plant in collaboration with a leading manufacturer of global standing are at an advanced stage to address the opening demand from police, paramilitary forces and defence.
- Defence Procurement Policy 2013 of MoD, India stipulates that qualified indigenous vendors shall be given first preference, and imports the last. Rolta is one of the very few select companies qualified to bid for 'Make India' programs under the Policy and is very well positioned for large multi-billion dollar programs like Battlefield Management Systems, especially since the Company is also the incumbent with its solutions already deployed at various field formations.

**Enterprise Geospatial and Engineering:**

- Rolta is seeing increased traction in the area of 3D city modeling, with focus shifting towards building a mapping infrastructure that can help to improve citizen services, including safety and security. Rolta has won its second 3D multi-million dollar mapping project in the Middle East. There are other municipal and government bodies actively pursuing similar approaches, and as an early mover in this complex field with a proven track record, Rolta is well placed to get significant business from other customers in Middle East.
- Rolta won a prestigious contract from the apex mapping agency of a major mid-eastern country for design and development of a GIS portal, including the necessary IT infrastructure, to serve the entire country. This solution will leverage Rolta's Geospatial expertise and IP.
- A large contract was signed with one of the world's largest infrastructure companies in Japan, for design and detailed engineering, and Engineering IT services for a hydrocarbon facility in the Middle East.
- In India, the Company successfully completed a complex project for Laser Scan based As-Built Engineering for country's largest Exploration & Production Company.
- Canadian governmental agencies awarded a follow-on GIS Services contract to Rolta for extending and enhancing their Rolta OnPoint™ deployment.
- Rolta received a large contract for implementing a solution for Land Management in Namibia, to modernize land records and use by exploiting the power of Rolta Geospatial IP, combined with domain expertise.
- The Company was also awarded contracts for specialized GIS related consulting and services in Saudi Arabia, Oman, Dubai, and Qatar. These wins are important door openers and should result in substantial follow on business.

**Business Intelligence, Big Data and Analytics**

- Rolta was selected by the largest chip manufacturer in the world to drive their global strategic program on "Self-Service BI" to give the power of BI and Analytics to their business users. Rolta was awarded this critical project because of its unique Rolta SmartMigrate™ based automated solution, and its strong BI and Big Data Analytics expertise. Rolta will play a key role in deploying this ambitious solution at the customer's business units spread across the world.
- One of the top 20 independent commercial bank holding companies in the U.S., with \$83 billion in assets and more than 725 branch offices, awarded a contract for Hyperion planning for EPM implementation. Rolta won this contract due to its specialized IP and expertise on the Oracle stack.
- Rolta won a contract from a major UK Water Utility for "smart" assets updates reporting for business

efficiencies and for regulatory compliance by leveraging its expertise in Business Intelligence and Analytics, based on Rolta OneView™ architecture. This is a path-breaking application that would be applicable to other utilities in UK and other similar agencies in Europe.

- A leading chemicals company in Qatar selected Rolta for helping them craft their strategy for operational excellence based on Rolta's flagship BI/Analytics solution, Rolta OneView™. This is a precursor to large scale implementation of business analytics applications.

#### IT Infrastructure Consulting and Managed Services

- A major distributor of more than five million products representing over 4,000 world-class manufacturers, awarded a multi-million dollar, multi-year contract for managed services covering SAP's ERP applications, providing both functional and technical support.
- Similarly, the 2nd largest PC manufacturer in the world awarded a major project to support Oracle EBS R12 upgrade, Hyperion planning and Data Relationship Management.
- In the Utilities space, a provider of electricity to 9 million people in various southeastern states in the U.S. entrusted the Company with a project for enterprise data warehouse redesign as a precursor to implementing BI and Analytics.
- A long-standing Managed Services client, one of the leading global manufacturers of plastic products has called upon Rolta to provide consulting services for an Oracle Fusion Financial Applications implementation. Rolta is being recognized as one of the very few companies globally who has the expertise with unique IP for acceleration and accuracy of migration, which positions the Company as a premier service provider for Oracle Fusion implementations.
- Rolta architected and implemented new information back-up and disaster recovery processes and systems for a large, state operated Health Care organization, in US and at a global leader in the Metals industry.
- The Company also designed and implemented new software defined distributed networking architectures for a global Retailer, and another for a major Medical Products company; built the IT infrastructure to support a new customer focused application for a regional utility company.
- Rolta won a World Bank funded multi-crore project in India to deliver a comprehensive solution for Rural Livelihoods promotion in Bihar. Rolta's win is evidence of its strong ERP expertise, a proven e-Governance solution framework, and an enviable track record of delivering complex projects for Government organizations such as NICS and various state organizations. This solution could become a template for implementing similar applications for other states in India.

**About Rolta:** Rolta is a leading provider of innovative IT solutions for many vertical segments, including Federal and State Governments, Defense/HLS, Utilities, Process, Power, Financial Services, Manufacturing, Retail, and Healthcare. By uniquely combining its expertise in the IT, Engineering and Geospatial domains, Rolta develops exceptional solutions for these segments. The Company leverages its industry-specific know-how, rich repository of intellectual property that spans photogrammetry, image processing, geospatial applications, business intelligence, analytics, field-proven solution frameworks, and deep expertise in cutting-edge technologies like Geo BI, Cloud computing, Software Defined Infrastructure and Big Data for providing sophisticated enterprise-level integrated solutions. Rolta is a multinational organization headquartered in India. The Company operates from 40 locations worldwide through its subsidiaries, and has executed projects in over 45 countries. The Company benchmarks its quality processes to the world's best standards, like successful assessment for Software Application Development and Maintenance at the highest Level 5 of SEI's CMMI® version 1.3. Rolta is listed on the Bombay Stock Exchange & National Stock Exchange, and forms part of various indices on BSE/NSE in India. The Company's GDRs are listed on the Main Board of London Stock Exchange. The Company's 'Senior Notes' are listed on Singapore Stock Exchange.

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