

Rolta India Limited

Piocon Technologies Acquisition Conference Call Transcript

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Executives:

Mr. A. P. Singh	Joint Managing Director
Mr. Atul Tayal	Joint Managing Director
Mr. Ben Eazzetta	President – International Operations
Mr. Hiranya Ashar	Chief Financial Officer

Analysts/Investors:

Mr. Karthik Arunachalam	UBS
Mr. Abhiram Eleswarapu	BNP Paribas
Mr. Rishi Maheshwari	Enam AMC
Mr. Minar Mujumdar	Kotak PMS
Mr. Kunal Sangoi	Edelweiss Capital
Mr. Dipesh Mehta	Khandwala Securities
Mr. Mohit Agarwal	Tholons Capital
Mr. Nihar Shah	Enam Holdings

And 51 other participants

Presentation Session

Moderator:

Good evening ladies and gentlemen. I am Mohana, moderator for this conference. Welcome to the conference call of Rolta India Limited. At this moment, all participants are in listen only mode. Later we will conduct a question and answer session. At that time, if you have a question, please press * and 1 on your telephone keypad. This call will be for 30 minutes only. Please note this conference is recorded. I would now like to hand over the conference to Mr. Kapil Jaswani, from CDR - India.

Kapil Jaswani:

Good evening to everyone in India, and good morning or good afternoon as the case may be, to those of you who have joined us from overseas. Firstly, a very Happy New Year to everyone. Thank you for joining us on this call to discuss our acquisition of Piocon Technologies. We have with us Mr. A. P. Singh, Joint Managing Director, Mr. Atul Tayal, Joint Managing Director, Mr. Ben Eazzetta, President of International Operations and Mr. Hiranya Ashar, Chief Financial Officer, representing Rolta India Limited today. Before we

begin, I would like to state that some of the statements made in today's discussion, may be forward looking in nature, including those related to future financial and operating results, benefits and synergies of the company's brands and strategies, future opportunities and the growth of market of the company's services and solutions, which may involve a number of risk and uncertainties associated with our business. Rolta disclaims any intention or obligation to update any forward-looking statement as a result of development occurring after this date. Documents relating to the acquisition were e-mailed to all of you earlier. These documents have also been posted on our corporate website. Lastly, as the company is in quiet period with regard to discussing its performance, it will be much appreciated if the questions on this call are limited to the recent acquisition. I will now hand over the call to Mr. Ben Eazzetta to provide some key highlights of the acquisition. Over to you, Ben.

Ben Eazzetta:

Thank you. Good morning. We are pleased to announce today the strategic acquisition of Piocon Technologies Inc. Piocon is a US Company based in Chicago, Illinois and is a premier provider of Oracle Technology based business intelligence solutions and professional consulting services. What is of particular interest to Rolta is Piocon's position in providing equipment reliability and operational intelligence solutions for the Oil and Gas industry based upon AP-913 standards. This standard was originally developed by the Institute of Nuclear Power Operation but is now widely accepted by other segments of the process industry. Through this strategic move, Rolta has acquired a unique template based solution that addresses critical operational needs of refineries in the Oil and Gas sector. This solution is field proven and has been deployed successfully in multiple refining facilities of one of the world's largest oil companies. Since the date of deployment of this solution, the customers experienced no unplanned shutdown, due to reliability of related incidents in a time span of more than six times this refinery's historical average and three times its previous record. Piocon Solutions provides operational excellence and reliability methods in reporting for more than a 100,000 pieces of equipments in hundreds of operations throughout a large oil and gas refinery where there is a strong need to analyze information, assess and provide new insights into their business operation. Piocon was awarded their second consecutive Oracle Titan Award in 2008. This award recognizes Piocon's innovative approach to integrating business intelligence tool with enterprise level engineering databases and application. Rolta has been engaged in providing services for the process industry for two decades; beginning with provision of design automation tools and technology. We later started offering plant modeling and detailed engineering services to our clients thereby continually adding more value to our services portfolio. The acquisitions of TUSC and Whittman-Hart Consulting were the first steps for expanding the scope of our portfolio to include enterprise level solutions such as integration of disparate data repository with engineering databases. The Piocon Solution elevates our solution to offering to the next level. With Piocons Template in its portfolio, Rolta can now comprehensively address the need of its customers, whether EPC's or owner operators, from initial design and modeling through detailed engineering procurement and construction management, to optimizing operational efficiency. With Rolta's domain expertise in engineering and Rolta's own intellectual property in the area of service oriented architecture, data integration and business intelligence, Rolta is uniquely positioned to take the Piocon Solution to a much higher level of sophistication and to provide business intelligence solutions within the Rolta Engineering Solution framework.

Besides refinery operations, this approach is also very relevant to up stream and down stream operations in Oil and Gas and other process industries like petrochemicals, mining, power and especially highly regulated sectors of pharmaceuticals and nuclear power. Really any heavy manufacturing where reliability, safety, and efficiency are achieved. The solution can be scaled to address process improvement in refineries, to achieve downtime reduction, inventory rationalization, optimization of crude selection and improve refinery planning. With the incorporation of Rolta software, tools, and middleware, the solution can be readily configurable, therefore making it a unique proposition for owner operators in various vertical. Industry experts believe that when fully deployed, the Rolta Solutions can save as much as \$20 million annually for a medium-size refinery, ensuring very high returns on their investments and allowing business efficiency to be made expeditiously. This makes the technology and capability extremely relevant in today's economic environment. Piocon is built on a history of excellence in information technology consulting focused on providing solutions which dramatically impact its customers operationally and competitive advantage. The company founders have over 45 years of consulting and systems integration experience. Piocon has a deep understanding of operation methods of oil and gas refining and extensive expertise in Oracle Business intelligence, data warehousing, Oracle fusion middle ware, and other Oracle Technologies. Their clients include Fortune 100 Companies, spanning a broad range of industries such as Oil and Gas, Manufacturing, Energy, Healthcare, Marketing, Retail, Government, not-for-profit and membership based organization. These Oracle capabilities complement the extensive expertise that Rolta has acquired this year when Rolta purchased TUSC and Whittman Hart Consulting. These capabilities provide Rolta tremendous opportunities of vertical industry expansion at the high end of the solution and services value chain. Piocon is also based in Chicago, therefore making it very practical and cost effective to integrate its operations with TUSC. Rolta can now not only accept technically more challenging assignments, but also take on very large projects. The Piocon acquisition provides a key building block of Rolta's engineering fusion solution. The architectural framework provides the unique value proposition in the market based upon a field proven template of an enterprise level dashboard for managing operations excellence of refinery operations. The industry leading platform for business intelligence applications - Oracle business intelligence enterprise edition. Rolta enterprise integration solution, I-Perspective™ in particular, a software product for the integration through a service oriented architecture for a highly flexible solution that can be cost effectively adopted through various protocols. Integration with Rolta's Geospatial Fusion™ for Onpoint™ software products, called web based Geospatial expansion, for example up stream operations in oil and gas and also any critical Geospatial based business like mining and off shore, any field related industry. Proven integration with applications such as Meridian, Passport, Primavera, Maximo, all very widely used in the process industry. The Institute of Nuclear Power operations, INPL, AP 913 standard which was originally developed to ensure equipment reliability within the nuclear power industry is now being accepted by all process industries, in addition to significant reference of all projects. The Piocon acquisition is part of Rolta's systematic growth plan to provide configureable solutions that address the real challenges faced by industries today. With Piocon, Rolta has acquired an impressive track record, a significant customer base, highly experienced consultants, unique methodologies and technologies in a fast growing market, ongoing customer contracts, and a profitable and growing revenue base. Based on market research, it has been estimated that the size of the addressable market for such solutions would be at the order of the \$1 billion annually. Our investment with Piocon is supported by several validation perspectives, from the traditional basic

financial return expectation. Piocon's current and expected future operations related to earning and growth are consistent with Rolta's internal requirements for the business. Therefore, we see this acquisition as an exciting opportunity for Rolta that will provide immediate earnings accretion as well as play a significant role in leveraging our position in the strategic direction of the company's value proposition to our customers. At this point, we will begin to take questions.

Question and Answer Session

Moderator: We will now begin the question and answer session. Our first question comes from Mr. Karthik Arunachalam of UBS.

Karthik Arunachalam: Hello, good evening and congratulations on your acquisition. Can you please give the valuation of all these companies and revenue figures and all that?

Atul Tayal: We are under an NDA, there are some things we can disclose and some things we can't. So, what we can disclose is that #1, this is a profitable business, 20% EBITDA is currently being achieved. The second thing that we can talk about is that moving forward in the next three to four years we expect this business to generate on a cumulative basis about \$100 million. So, these are some of the numbers that we can talk about that we see this as a strategic fit, I mean as we have done earlier, we have not really done any acquisitions for increasing our top line or those kind of things. Our acquisitions are pretty strategic in nature, which enable and enhance our capabilities to address our core markets better, so this is an acquisition in that context.

Karthik Arunachalam: Okay, to follow up, is this EPS accretive or you think there will be some dilution because of this to your margins, and also if you have last year's numbers for the Piocon it will be great.

Hiranya Ashar: This is an EPS accretive acquisition, but it will be margin dilutive because the margins, which Piocon has is less than Rolta margins.

Atul Tayal: But, since it is completely a US based company without any off shoring component, moving forward, in the three to four years period that we talked about and in that time line, we will be able to bring in the margins that are consistent with those of Rolta.

Karthik Arunachalam: Okay.

Moderator: Our next question comes from Mr. Abhiram Eleswarapu of BNP Paribas.

Abhiram Eleswarapu: You made a couple of other acquisitions in recent times, especially of those that provide Oracle Solutions. At this point, what further gaps do you see in your services portfolio that is what other acquisitions you might be looking at going forward?

Atul Tayal: As, we have always said, our focus is the infrastructure, security, government and defense markets, and what we have done right now is completed our first phase of acquisitions, but we would always be on the look out for any acquisition that makes sense to us, as I said earlier, our focus is that we want to get acquisitions that bring technology to

us that enable us to move up the value chain which are accretive to shareholder value, but what we are not really looking for is big bang acquisitions, which add pure top line and things like that. So, to answer your question in a short context, yes, we will remain on the look out for our focus areas, but we have already completed the first phase that we had planned.

Abhiram Eleswarapu: Okay, as a follow up to that what kind of success have you had so far of cross-selling the acquisition solutions to your existing client base?

Atul Tayal: Oh tremendous. To give you an example, when we acquired TUSC, we acquired very good solutions for integrating multiple databases. We had earlier acquired Orion, with which we had acquired very high-end web GIS technologies. Now, while integrating technology from these two acquisitions, we have been able to create a very high-end solution for the Geospatial market, which we have branded as Geospatial Fusion™ and there is a tremendous demand and actually our fees that have come out, although orders, I think will take a few more months, but those can run into millions of dollars about an organizations need for integrating multiple Geospatial and MIS databases in practical real time and enabling practically instantaneous decision making. So, we have had pretty good success and we believe this is the right way in moving forward.

Abhiram Eleswarapu: Just a final question on this, could you tell us what proportion of your customers use Oracle databases at this point?

Atul Tayal: A fairly large number, I would say the majority.

Abhiram Eleswarapu: Congrats on the acquisition.

Moderator: Our next question comes from Mr. Rishi Maheshwari of Enam AMC.

Rishi Maheshwari: In your press release you have mentioned the market for such solutions would be of the order of one billion dollars. In the recent start note, you have also mentioned that are set to achieve around 100 million dollars out of this business alone. So, are you saying that you would be able to capture around 10 percent of the market share?

Atul Tayal: No, we said 100 million in three to four years, cumulative.

Rishi Maheshwari: Incrementally, how much do you expect this market to grow in the industry?

A. P. Singh: We believe this will grow at least about 30%, because we have a lot of segments of this market, which you could call adjacent segments, which can be addressed with our solutions, but because of the limit or reach of Piocon, they had not addressed so far.

Atul Tayal: So, 30% is our business that we are talking about. We are not talking of billion dollars will grow at 30% per annum, but what we are talking about is what we will do, will grow at that or more per annum and what we are saying is that it is a pretty large market there. I will give you an example; one of the world's biggest oil companies is one of their main customers and you can find details on their website. Hiranya can I give the name?

Chevron is the name and something similar for example; I would say would be very relevant to Reliance. Reliance would have a requirement, which would run, if I am not wrong, at least three to four times because of the size of the refinery, which Reliance is running here and Reliance type organization should be able to save close to 40 to 50 million dollars annually by deploying these kind of technologies. The customer yield to us in that context should be about 10 to 12 million dollars. Now that can give you an idea of the kind of market, the kind of addressable growth areas that are there. What we are talking about 100 million is cumulative, which is in our opinion pretty conservative looking at the size of the overall estimated market.

A. P. Singh: See, you must also realize that we already have pretty sizable customers, not for this solution obviously already, but in the Middle East for example; we work with Saudi Aramco, we work with SABIC, we work with all kinds of companies, where this solution is absolutely as relevant as it is to the units that are already using it in the US for example.

Ben Eazzetta: I would like to add a couple of comments to that, we did market sizing, and we really looked at up stream, down stream, refining, petrochemical, pharma. What I would say is the traditional oil and gas and petrochemical type companies. This is really applicable in my view to any heavy manufacturer ranging from mining, to ship manufacturing, to nuclear, to other heavy manufacturing. In fact, Piocon has done projects where they have implemented time critical opportunity reporting and analytical solutions beyond just reliability. So this is a very flexible templating capability that we purchased. So, the original estimate in the market, if the market potential is based on the market that we have significant penetration in today, it does not mean at all that is the limit to the opportunity.

Rishi Maheshwari: Right, two further questions to this, so when you say, is it only applicable to the US Market so far, the Piocon Technologies, the customers are they only located in the US and second, could you also tell us how do you actually sell this? Do you sell it as license revenue followed by the AMC or do you sell it as project wherein you build in time material revenues?

Ben Eazzetta: Yes, right now, the projects have been implemented in the North America. That said the companies that they are implementing projects with are International Companies, so they have subsidiaries and partner companies all over the world. Today, they have done a lot of that implementation as projects and temporary projects. We intend to add a significant amount of Rolta Intellectual Property, as I mentioned i-Perspective™ and Geospatial Fusion™ and Onpoint™ into this template that will essentially raise the software type content of the projects. So, there will be both a combination of Intellectual Property and project, and then we intend to use our channel internationally and then we have a substantial business in India that already addresses the Oil and Gas market. Similarly in the Middle East and in Europe, we were doing work today with all our operators in engineering construction contractors. So, we feel like we already know a lot of the customers, it is a matter of introducing this to our existing customer base.

Rishi Maheshwari: Right, so can I also conclude that you would still be expecting to capture around 5% to 10% of the world market in this space?

Atul Tayal: We have given you the numbers. We have talked about \$100 million in 3 to 4 years and we have set a billion dollar as a potential opportunity, so you can arrive at the calculations.

Rishi Maheshwari: All the best in the New Year.

Moderator: Our next question comes from Mr. Minar Mujumdar of Kotak PMS.

Minar Mujumdar: Can you share how the acquisition was funded?

Hiranya Ashar: The acquisition was funded by raising a dollar debt of about \$23 to \$24 million partly. The entire debt was used for this acquisition and for other purposes as well.

Minar Mujumdar: Okay, so was it a foreign debt that you have raised?

Hiranya Ashar: Yes.

Minar Mujumdar: All right. Another question I had in mind is to the business that Piocon is primarily into, is there a difference in the execution period of what EDS solutions Rolta does standalone or via the JV of The Shaw Group and the solutions that Piocon...?

Atul Tayal: What Piocon does is, it comes and sits on top of what we already do. So, for example what we do at Reliance, so this comes in and sits on top of what we do. It enables us to complete the full enterprise cycle in the fertilizer and Oil & Gas right from design automation tools to operation and maintenance.

Minar Mujumdar: All right. So, is there a prime difference in the execution period for solutions to be implemented at the client's end for Piocon?

Atul Tayal: Yes, actually in some standard design automation tools can go very fast, but as soon as you start getting into let us say operation and maintenance, then it becomes a little longer time cycle. So, depending on the scope and depending on the complexity, the execution changes. But even design automation let us say, alongwith design automation, you have to capture a lot of design data and build it as a part of engineering data base even that solution can take a fair amount of time. So, it can be quick and it can be long, it all depends on the scope and it all depends on what the client wants.

Minar Mujumdar: But any typical average or execution cycle that you have as far as...?

A. P. Singh: About 6 to 12 months.

Minar Mujumdar: All right. Another question I had in my mind is what is the typical skill set of the employees required to implement these solutions or develop these solutions, are they similar to what we have at Rolta or Rolta Academy, or it is quite different?

Atul Tayal: See there are again, it is a combination of skill sets. There are a fairly large number of those skills already available with Rolta, there are a lot of skills that comes in with Piocon themselves, and there are a lot of skills that have already come in with the

acquisition of TUSC and Whittman-Hart consulting. So, I believe most of these skills and expertise that is needed we already have and expansion most of it we will do in India and for that if we need to add some specific people and some specific expertise we will do that.

Minar Mujumdar: Okay, can we conclude that you are planning to offshore those services back to India in some few quarters.

Atul Tayal: Yes, we will, as the solution develops and expands and specially whatever is offshoreable, for example, development and more templates and something like that, a lot of that will get offshored and that is one of the ways we see of improving the margins of the company.

Minar Mujumdar: So, any particular time frame you have or any target you have in mind where the margin expands?

Atul Tayal: As I said earlier that the next 3 to 4 years is what we are looking at in that we expect to take EBITDA to similar levels that Rolta has.

Minar Mujumdar: But not in the immediate effect?

Atul Tayal: I do not see it in the next 2 quarters.

Minar Mujumdar: Okay. Another broad-based question I had in mind is firstly that you have raised debt to acquire the company and going by history, the recent history that a lot of aggressive acquisitions that we have done with TUSC and Whittman-Hart Consulting. In such a kind of a scenario where there is a global slow down and primarily the US markets are facing this kind of a slow down. I just wanted to understand the management thinking behind going that aggressive on acquisitions or rather on the contrary conserve cash and may be take the decision few months or few quarters down the line. So, is this time specific kind of an acquisition that you have considered?

Atul Tayal: Yes, let me answer that question. Number 1, I believe, we got a good price. There is also an advantage of buying in when there is this kind of a meltdown and financial turmoil, lot of assets are available at very attractive prices. So, I believe, we got a good price and secondly, more important I think than the price is that, this is a very strategic fix into what we do. We specialize in the engineering business and this takes us to the next level in addressing the needs of our customers especially the large owner operators in meeting their aspirations and requirements. As the financial meltdown bites more, these kind of solutions have become all the more relevant for owner operators who want to save cost, who want to have better reliability, their shutdown is better managed and their overall profitability improves, so this kind of a solution when they deploy as I said, we typically expect that against a dollar spent they save 4 dollars annually. So, we see this as pretty strategic and especially in these times, we see this also becoming all the more relevant.

Minar Mujumdar: So, are you expecting the incremental order book coming into Piocon from the client. They should not be facing any delays from the client in terms of the decision-making. Are you so confident where our peers are really facing if not a slow down in the incremental order book, but at least there is a delay for the time being?

Atul Tayal: So, see what we have said is that we have given a guidance at the beginning of the year, what we expect to do during the course of the year and today we still maintain that.

Minal Mujumdar: Alright, those were the questions from my side.

Moderator: Our next question comes from Mr. Kunal Sangoi of Edelweiss Securities.

Kunal Sangoi: Congrats for the acquisition. My question is for this acquisition, why has debt been raised because we believe that as of last quarter we already had Rs 350 crore cash balance in hand.

Hiranya Ashar: Yes, we had cash balance in hand and we still have cash balance in hand. The purpose of raising a small debt was the dollar funds are not easy to get and when there was a line of credit available and even inflow and outflow of dollars from India is also becoming slightly difficult. So, that is the reason, a debt was raised for payment into dollars and that is the only reason.

Kunal Sangoi: So, as of now, how much of cash we do have in hand?

Atul Tayal: We cannot disclose this. We will be closing the quarter on December 31, 2008. Please wait for 15 days.

Kunal Sangoi: Okay. So, maybe if you can share, what are the terms of debt, when it is to be repaid and what would be the interest cost?

Hiranya Ashar: It is a long term debt. The average maturity is five years and the cost of debt would not be very, very high. It is a LIBOR based debt, so overall cost would not be more than 6% to 6.5%.

Kunal Sangoi: Okay. My next question is to Ben. Ben you, in the earlier answer that you gave to one of the questions was that you know you have implementation, at the same time; you have probably, time and material-based revenues. If you can be more specific in terms of what kind of revenues would flow from implementation because I believe that that would be high margin, at the same time, T&M would be a lower margin business, so if you can just give me that breakup please.

Ben Eazzetta: Yes. I told you that if you look at the majority of the larger projects that we are going to be doing after oil and gas, they are probably 70% or 80% project based. Right where they are going to have some IT component as well as what I would call higher margin services wrapper and then there would be some type of ongoing support, that would continue, that would be more like a single end basis and you have to remember that a lot of these implementations could also include business intelligence, road map development and participation in the business intelligence competency center and these are very high-end consulting services.

Kunal Sangoi: Yes, so maybe in the project base, which is 70% to 80%, would it be fair to assume that the margins would be at 20% to 25% range or would be still higher?

Ben Eazzetta: As far as gross margins go, it would be higher than that.

Kunal Sangoi: No operating margins?

Ben Eazzetta: Operating margins, I think previously we said that if this would be 20% EBIT business and that would be our intention, so....

Kunal Sangoi: Okay, 20% EBIT margin right?

Atul Tayal: Currently, this is what we are operating at and it is our intention in the course of the next couple of years to bring it online with what our engineering EDA EBIT margins are, then we should be hopefully able to do that.

Kunal Sangoi: Sure. The other question is that Piocon, I believe is a 15-year-old company, if I am not wrong? So, how has their track record been for growth if you can share that over the last three years?

Ben Eazzetta: Yes, they have grown in the 30% to 40% a year range. That's very similar to how TUSC has grown. I see that although relevant, it is less relevant because of Rolta's channel. Our intention is that there is very specific capability that they have that we would like to bring into very specific markets primarily Oil and Gas and heavy manufacturing and we believe that we have got a very unique capability and channel to bring that capability into the market.

Kunal Sangoi: Just to put some more light, what would be the average contract or implementation project size for Piocon?

Atul Tayal: Okay, let me give you that answer. When we talk of a medium size refinery we are talking about 6 to 7 million dollars and when we are talking of a large refinery, it can go up to 10 to 12 million dollars. So, let's say, the Reliance type refinery can be 10 to 12 million dollars.

Kunal Sangoi: Okay, all right. My questions have been answered.

Moderator: Our next question comes from Mr. Dipesh Mehta of Khandwala Securities.

Dipesh Mehta: Can you share vertical revenue mix of Piocon and what would be the Rolta's Refinery related revenue? The second question is what is the service offering difference between TUSC, Whittman, and Piocon?

Hiranya Ashar: Okay, I will answer the first question; I will leave the second question for Ben to answer. The majority of the revenues of Piocon are coming from Oil and Gas sector, pretty close to 50% and the rest of the revenues are from a very diversified set of sectors, which Ben talked about in his opening speech. Ben, would you like to answer the second question on difference between what TUSC, Whittman-Hart, and Piocon provides.

Ben Eazzetta: Yes, sure. Today what TUSC provides is a very significant capability in Oracle, so they can give you Oracle database management, remote database management, applications, implementations, , Oracle projects, we do a lot of work with fusion and we have software that is related to Oracle to sell a product with our own service oriented architectural product. Whittman-Hart has done primarily business intelligence around Hyperion Solutions. Hyperion is a software that basically sits on top of SAP or Oracle financials and allows you to begin to, in a template based environment, pull the data out of those financial systems that you need to be able to provide very sound financial business intelligence. What Piocon has done is that they have expertise in Oracle business intelligence enterprise and what that is, is that suite of products allows you to do business intelligence outside of just the financial skills. So, while Hyperion focuses primarily on the SAP and Oracle financials, Oracle OBIE focuses on being able to integrate lots of other different products. Thus, what it does is, we now have the capabilities to go into a customer and extract data not only from Oracle, SAP, but also be able to mine a significant number of other databases and other products to be able to pull it into a fused environment that provides them very good business intelligence. So that is how the three are so different.

Dipesh Mehta: Second follow up question would be, when you expect deal to be completed, means integration will start?

Atul Tayal: Integration has already started and we expect it to be completed pretty quickly, because this is also a Chicago based company.

Dipesh Mehta: Do we expect the June quarter number to contain Piocon number?

Hiranya Ashar: Yes.

Dipesh Mehta: Okay.

Moderator: Our next question comes from Mr. Mohit Agarwal of Tholons Capital.

Mohit Agarwal: Yes. My question is relating to the acquisition stake whether it is the majority stake or 100% stake ownership and the follow-up question being how you plan to retain the key employees of Piocon Technologies.

Hiranya Ashar: It is a 100% acquisition, we have acquired 100% stake in Piocon and Ben would you like to answer the second one?

Ben Eazzetta: Yes, what I was going to say is that the deal actually from the principle perspective is a combination – it has some bonuses and earn outs that we feel will entice or keep the executive management in place for up to for three years and we feel very confident of that. We have also put in place some other message and stay-in-place bonus capabilities to be able to keep the majority of their critical staff on board. In addition to that I think we have done a good job and we have a very good track record, in the acquisitions that we have done, we have not lost any critical staff and so I think that we have a good track record of having acquired companies and communicating properly and getting them to understand the vision of where Rolta is going and getting excited about our future and

so, I think it is a combination of good communication, a good business plan and attractive incentives for the management team.

Mohit Agarwal: Okay

Moderator: Our next question comes from Mr. Nihar Shah of Enam Holdings.

Nihar Shah: Congratulations on the transaction. Just a very quick question on the client side, on the Oil and Gas industry, it only shows Chevron as the main client and you said that 50% Piocon acquisition, 50% of the concentration is in oil and gas segment, does that mean that one client Chevron, sort of, contributes 50% of the revenues for the company?

Ben Eazzetta: We have several other Oil and Gas clients and have several more in process right now.

Nihar Shah: Okay.

Ben Eazzetta: We just cannot disclose the names now.

Nihar Shah: Okay.

Ben Eazzetta: Chevron is a very significant portion of the oil and gas revenue today. That said there is more than one project, there are multiple, multiple projects more like three or four going on at once.

Nihar Shah: Okay. That's it.

Moderator: There are no further questions. Now, I hand over the floor to Mr. Ben Eazzetta, President, International Operations of Rolta India Limited for closing comments.

Hiranya Ashar: This is Hiranya. Thanks a lot for joining us on this call and hope to speak to you next year, 2009, on our earnings call. Thanks a lot.

A.P. Singh: All the best to you in the New Year.

Atul Tayal: Season's greetings and a very Happy New Year, Atul Tayal. Bye.

Ben Eazzetta: Bye, happy New Year to everyone. Thank you everyone.

Moderator: Ladies and gentleman, this concludes the conference for today. Thank you for your participation and for using Door Sabha's Conference Call Service. You may disconnect your lines now. Thank you and have a pleasant evening.

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