



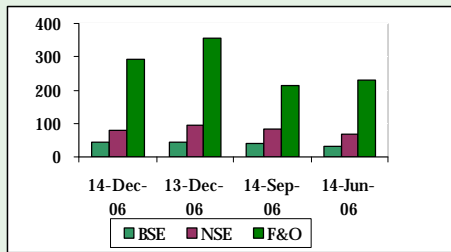
15 December 2006

Indices	%Change			
	14-Dec-06	1mth	3mth	6mth
Sensex	13,487	0.5	12.6	51.0
Nifty	3,843	(0.6)	10.7	46.0
CNX Midcap	5,617	0.3	24.2	68.4
Banking	6,899	0.5	22.4	71.7
Capital Goods	9,164	3.7	15.0	58.8
IT	5,128	2.8	17.9	68.5
Healthcare	3,677	(3.3)	2.1	30.0
NASDAQ	2,454	1.0	10.1	17.6
Dow Jones	12,417	1.6	7.7	14.8

Net Inflows

Rsbn	13-Dec-06	21-Dec-06	MTD	YTD
FII	1	4.2	(11.5)	390.5
Mutual Fund	(2)	(5)	(11.5)	126.1
FII - F&O	3.4	(13.8)	(29.0)	17.4

Turnover



Commodity & Currency	% Change			
	14-Dec-06	1mth	3mth	6mth
Crude (US\$/barrel)	62.5	7.3	(1.1)	(9.6)
Gold (US\$/Oz)	626.0	0.4	8.8	11.8
US\$	44.7	(0.9)	(3.0)	(2.7)
Euro	59.1	2.1	0.7	2.1

Debt

%	14-Dec-06	1mth	3mth	6mth
RBI Reverse Repo	6.0	6.0	6.0	5.8
10 yr G-Sec yld	7.7	7.6	7.8	7.8
Spread 1 & 10 yr G-Sec	0.6	0.6	0.9	0.9
US 10 yr treasury	4.6	4.6	4.8	5.1
Surplus liquidity (Rsbn)	(9.8)	42.8	372.8	506.8

Rohta India (Rs235) BUY

Target Price: Rs320

Ravi R

ravir@karvy.com

Rohta over the last 2 decades has emerged as a leading CAD/CAM/ GIS solutions provider and is also a leading provider of AM/FM services, as it has executed numerous multi-million dollar projects. At present, no other company globally offers a blend of geospatial, engineering design and e-business solutions, which gives Rohta the competitive edge in the market place. The prospective investments into India's infrastructure, energy, homeland security, and military related are expected to exceed US\$350bn in the next 7 years. Besides, spending on engineering services is likely to increase substantially over the next few years, and Rohta is well poised to capitalise on these opportunities. Consequently, we initiate coverage with a BUY rating, as we expect its earnings to grow by 42% for FY07 and around 35% CAGR for the next two years.

Enjoys a significant market share: In the geospatial space, Rohta has a 70% market share of the domestic Rs5bn market working in verticals like telecom, power, internal and border security, town planning and urban development, infrastructure and environment protection. In the engineering services, Rohta again is a clear market leader with a market share of 85% of the Rs2bn domestic engineering design automation (EDA) market. Besides, Rohta provides a range of advanced engineering design services encircling the entire product, plant lifecycle designing, modeling, detailing, analysis, tooling, manufacturing, operations, maintenance and simulation.

Leveraging its dominant position: To consolidate its leadership position, Rohta has entered into a joint venture with Stone & Webster (of US) to provide cost effective engineering design and procurement management services to power, refineries and petrochemical projects worldwide. In addition, recently Rohta has entered into a joint venture with Thales of France to provide wider range of advanced technologies and systems for developing state-of-the-art "command, control, computers communications, intelligence, surveillance, target acquisition and reconnaissance information systems for the military and internal security. At Rohta there is a clear focus to be on the top of the value chain and the joint venture initiatives are in that direction. Over the last four years it has grown its revenues and profits by 26% and 33% CAGR respectively.

Rohta India		Y/E JUNE FY2005	FY2006	FY2007E	FY2008E	FY2009E	
Reuters/Bloomberg Code	ROHTA.BO/RLTA.IN	Revenues	4146	5349	7114	9320	12255
Market Cap (Rs mn)	18781	Op Profit	1473	2229	2855	3713	4826
Market Cap (US\$ mn)	416	Net Profit	902	1273	1819	2456	3247
Shares Outstanding (mn)	80.4	EPS (Rs)	11.1	15.8	22.4	30.2	40.4
52-week High/Low (Rs)	285/124	EPS Grow	43.1	42.4	41.3	34.9	32.2
		Operating	35.5	41.7	40.1	39.8	39.4
Major Shareholders (%)		PER (x)	21.1	14.8	10.5	7.8	5.9
Promoters	40.8	P/BV (x)	4.1	2	1.8	1.5	1.3
FII & OCB's	14.3	Price/sale:	4.5	3.5	2.6	2	1.5
GDRs	12.8	EV/EBITD	13.8	8.1	6.3	4.7	3.4
Banks/FIs/MFs	1.7	Dividend	1.5	1.7	2.4	3.3	4.3
Corporates	6.7	RoE (%)	19.8	13.5	16.7	19.3	21.6
Public	23.7	RoCE (%)	16.6	16	18.6	21.9	24.9

Source: Company and Karvy Estimates

Revenue growth would hover around 30% YoY: Though the market opportunity is large and the company may end up growing faster, than what we have projected, we at this point of time expect its revenue to grow by 33% for FY07 and 31% CAGR for the next two years, with revenues from CAD/CAM/GIS & PDA solutions accounting for 89% of revenues in FY07, declining to 85% for in FY09. Though in absolute terms CAD/CAM/GIS & PDA solutions will grow, the rate of growth would hover around of 27 - 28% YoY, whereas the E-business solutions is likely to grow at much faster rate at close to 50% YoY. Through the productivity gains, it can technically expand its margins, where as we have assumed the margins to modestly dip, as the wage inflation pressure can start hurting if the growth in the e-business solutions has to be stepped up.

Valuations are coming attractive: Though the stock has been trading at attractive valuations vis-à-vis its IT services peers, the investment community was little apprehensive of its high receivables, and gearing of close to 50%. Post the GDR, the debt has been paid off and the company's efforts to reduce the receivables from a high of 320 days in FY04 to 220 in FY06 and we have been given to understand it would be reduced to 150 days over the next few years. With the business momentum likely to improve significantly, we believe there is value in the stock at the current levels. We recommend the stock as a Buy with 35% upside with a price target of Rs320.

BULK DEALS ON NSE - 15 Dec 2006

Symbol	Scrip Name	Client Name	Buy/Sell	Quantity Traded	Price
JUNIORBEES	NIFTY JR BENCHMARK ETF	BENCHMARK ASSET MANAGEMENT COMP	BUY	4,371	70.0
IFCI	IFCILT	JAYPEE CAPITAL SERVICES LTD.	BUY	8,019,529	11.1
HOVS	HOVSERVICES LTD	DIMENSIONS INVESTMENT AND SECUR	BUY	70,828	170.6
EASTSILK	EASTERN SILK INDUSTRIES L	FIDELITY FUNDS (MAURITIUS) LIMI	BUY	146,460	310.0
FMGOETZE	FEDERAL-MOGUL GOETZE (IND	SPADEFINANCIAL SERVICE LTD	BUY	154,800	381.0
KEI	KEI INDUSTRIES LTD.	SAMRADHA FINSTOCK PRIVATE LTD	BUY	46,938	429.8
KEI	KEI INDUSTRIES LTD.	SOGELUX FUND	BUY	91,800	429.9
INDOTECH	INDOTECHTRANSFORM LTD.	ASIT C MEHTA INVESTMENT INTERRM	BUY	167,368	269.4
BBL	BHARAT BIJLEE LTD	birla mutual fund	BUY	42,184	1140.0
LIQUIDBEES	LIQUID BENCHMARK ETS	BENCHMARK MUTUAL FUND	BUY	7,762	1000.0
NDTV	NDTV LTD	RADHAKISHAN SHIVKISHAN DAMANI	BUY	313	203.2
JUNIORBEES	NIFTY JR BENCHMARK ETF	BENCHMARK ASSET MANAGEMENT COMP	SELL	4,746	69.9
IFCI	IFCILT	JAYPEE CAPITAL SERVICES LTD.	SELL	8,111,010	11.1
CENTURYTEX	CENTURYTEXTILES LTD	PRUDENTIAL ICICI ASSET MANAGEME	SELL	506,384	670.7
HOVS	HOVSERVICES LTD	DIMENSIONS INVESTMENT AND SECUR	SELL	16,378	171.4
AARVEEDEN	AARVEE DEN. & EXP.LTD	BSMA LIMITED	SELL	600,000	65.0
FMGOETZE	FEDERAL-MOGUL GOETZE (IND	ANILNANDA	SELL	155,000	381.0
KEI	KEI INDUSTRIES LTD.	SAMRADHA FINSTOCK PRIVATE LTD	SELL	52,938	429.4
UTVSOF	UTV SOFT. COMM. LTD.	GRANTHAM MAYOVAN OTTERLOO & CO	SELL	152,100	262.0
INDOTECH	INDOTECHTRANSFORM LTD.	ASIT C MEHTA INVESTMENT INTERRM	SELL	167,368	272.2
BSL	BSL LTD	ABHYUDYA TRADING LIMITED	SELL	82,168	23.1
RANASUG	RANA SUGARS LTD.	LOTUS GLOBAL INVESTMENTS LTD.A	SELL	450,000	24.0
MALUPAPER	MALU PAPER MILLS LIMITED	MITTAL SECURITIES AND FINANCE L	SELL	138,181	37.8
BBL	BHARAT BIJLEE LTD	SANJAY MUMNDRA	SELL	31,721	1140.0
LIQUIDBEES	LIQUID BENCHMARK ETS	BENCHMARK MUTUAL FUND	SELL	71,122	1000.0
NDTV	NDTV LTD	RADHAKISHAN SHIVKISHAN DAMANI	SELL	337,069	201.3
IVRCLINFRA	IVRCL INFRAST & PROJ.LTD.	BSMA LIMITED	SELL	645,782	402.2
KEI	KEI INDUSTRIES LTD.	GMO - ERISA POOL	SELL	65,000	431.2
HINDMOTOR	HINDMOTOR-16%FCD 100-1999	HSBC FINANCIAL SERVICES MIDDLE	SELL	850,000	33.7

Source: NSE

Source: NSE

BULK DEALS ON BSE - 15 Dec 2006

Symbol	Scrp Name	Client Name	Buy/Sell	Quantity Traded	Price
514274	AARVEE DEN E	BSMA LIMITED	S	614,621	65.0
520123	ABC INDIA LT	ASHOK MALHOTRA	B	33,236	55.8
520123	ABC INDIA LT	MANOJ GOEL	B	38,594	60.0
520123	ABC INDIA LT	ASHOK MALHOTRA	S	33,236	56.1
520123	ABC INDIA LT	MANOJ GOEL	S	38,594	60.6
532633	ALLSECTECH	BIRLA SUN LIFE TRUSTEE CO	B	114,485	274.0
532633	ALLSECTECH	BIRLA SUN LIFE TRUSTEE CO	S	118,485	274.0
524828	BDH INDUSTRI	JMP SECURITIES PVT. LTD.	B	75,818	36.5
524828	BDH INDUSTRI	JMP SECURITIES PVT. LTD.	S	72,819	36.5
532430	BF UTILITIES	KOYANA INVESTMENT AND TRA	S	850,000	3250.3
532430	BF UTILITIES	KUNAL TRADING AND INVESTM	S	1,000,000	3250.1
590059	BIHARTUBES	VINOD N.DOSHI	B	36,534	104.2
590059	BIHARTUBES	NCJAIN	S	16,769	103.0
590059	BIHARTUBES	VINOD N.DOSHI	S	27,021	103.3
509475	BOMBAY PAINT	RAF CY DANNY	S	9,660	53.5
509475	BOMBAY PAINT	DANNY JOSEPH	S	8,887	55.2
514045	BSL LIMITED	ABHYUDYA TRADING LIMITED	S	50,636	23.4
511742	CHOKHANI SEC	MANSOON PROPERTIES PVT LT	B	110,000	7.5
511742	CHOKHANI SEC	BLOSSOM ESTATES PVT LTD	B	85,000	7.3
511742	CHOKHANI SEC	AUTUMN PROPERTIES PVT LTD	B	75,000	7.5
511742	CHOKHANI SEC	R R CHOKHANI STOCK BROKER	S	270,000	7.4
526829	CONF PETRO	MUKESH VIJAY VARGYA	B	300,000	6.5
505242	DYNAMATIC TE	KOTAK MAHINDRA UK LTD AC	S	34,496	1230.2
590022	EASTER SILK	FIDELITY FUNDS MAURITIUS	B	123,738	310.0
590022	EASTER SILK	NEETA HEMANT ASHAR	S	62,500	310.2
590022	EASTER SILK	MILLENNIUM ENTERPRISES	S	50,000	310.4
532767	GAYATRI PROJ	CITIGROUP GLOBAL MKT MAUR	B	78,806	301.4
524400	ISHIT DRUG I	SAVITA RAJESH AGARWAL	S	19,603	13.3
531687	KARUTURI.COM	P F H ENTERTAINMENT LTD	B	50,000	173.4
532728	MALU PAPER	DIAMANT INVESTMENT AND FI	B	94,049	38.3
532728	MALU PAPER	DIAMANT INVESTMENT AND FI	S	96,888	37.2
523792	MAZDA LTD	HARSHIDDH ONLINE	B	64,406	174.7
523792	MAZDA LTD	HARSHIDDH ONLINE	S	64,406	175.1
511276	MEFCOM AGR I	COSMO CORP SERVICES LTD	B	21,557	94.6
511276	MEFCOM AGR I	COSMO CORP SERVICES LTD	S	36,557	95.0
531453	MOHIT INDUST	SHAISHIL TUSHAR JHAVERI	B	25,000	63.5
531453	MOHIT INDUST	SHAISHIL TUSHAR JHAVERI	S	24,987	63.3
505594	MULTIPL.HOLD	SHRIVALLABH INVESTMENT	B	3,500	38.0
532641	NANDAN EXIM	AMRABATHI INVESTRA PVT LT	S	948,404	6.8
521153	PANTALOO IN	AJAY MULTIPROJECT LTD	B	47,068	376.2
521153	PANTALOO IN	RAASHI INVESTMENTS	B	50,000	375.2
530555	PARAMO COMMU	ITF MAURITIUS DR	S	230,000	210.1
523260	PEARL POLYM	M.R.K OVERSEAS P LTD	B	147,500	23.0
523260	PEARL POLYM	PEARL INT. TOURS AND TRAV	S	148,000	23.0
507490	RANA SUGARS	LOTUS GLOBAL INVESTMENTS	S	450,000	24.0
524194	ROCK HARD PE	MOHMADHUSEN MENON	B	50,284	8.0
526640	ROYALE MHI	SHALIN K PARIKH	B	76,425	80.8
526640	ROYALE MHI	SHALIN K PARIKH	S	76,425	79.4
531898	SANGUINE MD	CHODHARY EKTA SATISH	S	30,000	42.5
531898	SANGUINE MD	SHILPA MILIND DESAI	S	54,387	42.9
517224	SUJANA UNIV	MAVI INVESTMENT FUND LIM I	S	525,000	23.3
514211	SUMEET INDUS	PURSHOTTAM KHANDELWAL	B	314,234	11.4
514211	SUMEET INDUS	PURSHOTTAM KHANDELWAL	S	395,643	11.3
526133	SUPERTEX IND	SUPER INFINCON PVT LTD	S	2,700,000	1.1
532619	UTV SOFTWARE	DECENT FINANCIAL SERVICES	B	185,000	271.5
532619	UTV SOFTWARE	INDO DISTILLATION COMPANY	S	150,000	271.5

Source: BSE

Research Desk (Tel: 91-22-22895000)

Hemindra Hazari

Head of Research

hemindra.hazari@karvy.com

Stock Ratings		Absolute Returns		Stock Ratings		Absolute Returns
Buy	:	> 25%		Market Performer	:	0 - 15%
Out Performer	:	16 - 25%		Under Performer	:	< 0%

Disclaimer

The information and views presented in this report are prepared by Karvy Stock Broking Limited. The information contained herein is based on our analysis and up on sources that we consider reliable. We, however, do not vouch for the accuracy or the completeness thereof. This material is for personal information and we are not responsible for any loss incurred based upon it.

The investments discussed or recommended in this report may not be suitable for all investors. Investors must make their own investment decisions based on their specific investment objectives and financial position and using such independent advice, as they believe necessary. While acting upon any information or analysis mentioned in this report, investors may please note that neither Karvy nor any person connected with any associated companies of Karvy accepts any liability arising from the use of this information and views mentioned in this document.

The author, directors and other employees of Karvy and its affiliates may hold long or short positions in the above-mentioned companies from time to time. Every employee of Karvy and its associated companies are required to disclose their individual stock holdings and details of trades, if any, that they undertake. The team rendering corporate analysis and investment recommendations are restricted in purchasing/selling of shares or other securities till such a time this recommendation has either been displayed or has been forwarded to clients of Karvy. All employees are further restricted to place orders only through Karvy Stock Broking Ltd.

Karvy Stock Broking Limited

Regd Off : 46, Road No 4, Street No 1, Banjara Hills, Hyderabad – 500 034. Tel: 040-23351988, 23354283.
