



Narendra H. Kale

Chairman's speech

Accelya Solutions India Limited

2009

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Narendra H. Kale, Chairman's speech, 2009

Ladies and Gentlemen,

It gives me a great pleasure to welcome you all to the 23rd Annual General Meeting of Kale Consultants Limited. The Director's report, Auditors report and audited accounts with notes thereon are with you for some time and request your kind permission to take them as read..

This year we have to report that your company has delivered on the promises it made last year. It has now has a customer base of more than 100 clients globally. It crossed revenue level of Rs. One billion and profits of over Rs. Hundred million. These are important numbers that we promised we would deliver on and we did. This is more remarkable in the light of slowdown, recessionary trends and the impact on the travel and airlines sector.

There has been significant negative impact both on the passenger side as well as cargo side of the airlines operations. We had to draw upon every possible source of innovation, imagination and customer relationships to ensure that not only our revenues are protected where possible but also explore and get additional revenue sources. Tough conditions many a times bring with them opportunities in a hidden form. Whether it is to reduce costs or seek imaginative revenue streams and new revenue models. This new determination has seen both revenue and profit growths as well as new customer acquisitions, profit growths as well as new customer acquisitions.

However, the slowdown is for real and we have to trade cautiously, yet optimistically in coming year. A conscious effort by the company has ensured that we are not over dependent on a particular geography there by spreading the risks. The key investments made by the company in IPR as well as platform based BPOs is a critical differentiator for us in the minds of the customer. We are also building stronger relationships with customers due to our flexibility of sharing the risks and rewards with the customer. The SaaS –software as a service is one such example by which we share the customer business changes.

Significant operational highlights of the year under review are

Financial:

- Revenue growth to Rs. 1036 Million
- Profit before tax to Rs. 108 Million
- EPS to 7.4
- Growth for the annuity type of revenues to Rs. 857.85 Million and



- Number of clients growth to 100+ clients.

Your company's unique ability of offering value proposition as well as flexible revenue model is demonstrated in these numbers. Your company is now making conscious investments in the Logistics practice to enable it to harness opportunities presented in the Indian logistics industry as well as global alliances in the industry.

The spread of Kale customers across five continents and thirty countries is a testimony to your company's global acceptance and aspirations. Your company has signed multiyear contract with Kuwait's luxury airline- Watania, Far east giant Cathay Pacific and moved 18 new customers to the APEX solution. Now American, United, AirFrance-KLM, Continental, Delta, Northwest are some of the biggest airlines in the world appear in the list of prestigious clients of your company.

Your company's plans to focus on the quality solutions have another feather in its cap- PCI DSS- certification from Payment Card Industry Data Security Standards benchmark. We are the first KPOs in India to initiate and achieve this certification.

All this would not be possible without our colleagues who have taken up our dreams to provide world class pioneering products from India and put them on world software map and made them come true. We admire and salute their spirit and would provide them with an environment fostering innovation, quality and leadership.

I thank all of our stakeholders- Clients, Colleagues and Corporate stockholders, business partners, Bankers, RBI, NASSCOM, and various government authorities for the constant encouragement and support throughout the year. I also like to record the appreciation for the efforts of all the Kale'ites- for their total dedication and hard work. I am sure that with this continued support the company would see more recognition, awards, profitability, partnerships and prosperity in time to come.

Thank You,

Narendra H. Kale
Chairman, Kale Consultants Limited