



Philippe Lesueur

Chairman's speech

Accelya Solutions India Limited

2011

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Philippe Lesueur, Chairman's speech, 2011

It gives me a great pleasure to welcome you all to the 25th 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. As you know I have become Chairman of the Board as a result of the acquisition that Accelya did of Kale Consultants Limited.

I think that it is therefore appropriate that I use this opportunity to share with you a little about Accelya and also our plans for Kale.

Accelya is a business that has been working for the airline industry for the last 30 years. As you know airlines sell their tickets through travel agents all over the world. IATA started a settlement service between airlines and travel agents called " Bank Settlement Processing" or BSP. With this service, the airline gets payment for all tickets sold by hundreds of travel agents as a single cheque every month. Similarly, travel agents need to pay a single cheque for their dues to all airlines. BSP does the work of settling the accounts of the travel agents on one hand and airlines on the other.

Accelya started providing this service on behalf of IATA in Belgium in 1976. Since then we have grown every year and today provide BSP services to 104 countries (out of 171 worldwide). Approximately 180 million tickets are settled by us representing 40% of agent ticket sales globally. Over time we have also added many additional services and solutions for the airline and travel industry, the main one being Sales Audit – very similar to Zero Octa, one of Kale Consultant's subsidiaries. We also provide credit card management, electronic invoicing and business intelligence solutions.

We saw in Kale a company similar to Accelya – focused on airline and travel industry, very knowledgeable about the industry and well respected in the airline community. We found a value system that was similar to ours. We found the product and service portfolio to be complementary and synergistic with us. For all these reasons, we have joined hands with Kale to build a brighter and better future for all of us.

I am very aware of the valuable contribution of Mr. Kale and Mr. Vipul Jain in founding and building this company. I would like to put on record our appreciation for their contribution. Let me assure you that I will work with Mr. Jain and the management team to take the company to the next level.

I see a big future ahead for Kale Consultants Limited. We are slowly but surely being recognized as the leaders in revenue accounting. We are entering new but related fields – Miscellaneous Billing and Commercial Decision Support are two such examples. We are integrating Kale's portfolio with Accelya's portfolio to provide a comprehensive solution to the financial and decision support needs of an airline. We are also orienting the company towards Software as a service (SaaS) and Services generally as a business



model. I believe that all of these efforts will give results in greater annuity revenues, robust and steady growth and enhanced profitability.

During the year, we have taken some steps towards aligning Kale with Accelya's processes and systems. Thus, we have changed the financial year from 1st July to 30th June. We have also fine tuned some of the accounting policies so that they are better aligned to international standards. These have reflected in a one time impact which is included in the results for the financial year 2011.

Moving forward, I believe that you will see good financial performance on both top line and profitability. We believe that there is huge scope for both growth and better margins and will work on strategies to improve both.

I would like to thank the outgoing Board members for their contribution and support and welcome the new members of the Board. I would also like to thank all of our stakeholders- Clients, business partners, Bankers, RBI 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 the future holds some of the best and brightest moments for the company.

Thank You,

Philippe Lesueur
Chairman, Kale Consultants Limited