



ladies and gentlemen

on behalf of the board of directors, i welcome you all to the annual general meeting of your company. under Indian gaap, total revenue grew by 19% to rs 2182.6 million (1835.1m), while earnings before depreciation, interest and taxes witnessed an increase to rs 711.7 million (628.5) - an increase of 13.2% over fiscal 2007. consolidated revenue and earnings were rs 4063.4 million and rs 800.2 million respectively.

### **turbulent global economy; challenges we are facing -**

- unstable currency
- slow down in US economy
- inflationary pressures
- fallout of sub prime and credit crisis on banking, finance and insurance and retail services
- oil shock

### **our response to the challenges-**

- expand in newer geographies like APAC
- focus on domestic market
- deepen relationships with existing clients
- focus on emerging verticals like energy, utilities and transportation
- move toward non- linear revenue model

when ITS companies emerge from this round of restructuring, their cost-cutting drives and new investments will have made them lean, mean and hungry for growth. taking advantage of competencies, domain strengths and existing relationships with customers, Indian ITS companies are fighting back, and winning. US companies are



bound to increase their share of outsourcing in order to offset the effects of the slow down. with approximately 53% share of the global outsourcing market, no country is better placed to capture this opportunity than India.

### **looking ahead-**

let me begin with a paradox. it is this: just as more people than ever before in history are migrating to developed countries in search of work, so much of that work is moving from developed to developing countries. i believe a major beneficiary of both these trends will be India.

as the world's economies integrate further, for the first time ever, things that can be done more effectively in India, for example, will be done in India.

this movement of jobs is leading to increased incomes in developing countries; it is unleashing a new wave of spending power there as they build consumer markets. much of that spending power is going to be in India as middle-class incomes move from 15,000 to 50-60,000 dollars or whatever it might be. this implies that there should be massive growth potential in this market on a scale we don't appreciate right now. India, because of its size, has always been a major economy in the world. when we start to approach the per capita standard of living of the west, we will see the most powerful economy ever.

### **leveraging our strength-**

the mass consumer markets of tomorrow are in India and other developing economies: China, Russia, and Brazil. BRIC report estimates that developing markets will provide about half the growth in demand in the world economy over the next twenty years. so we will see the rise of India as a new or, could we say, restored power. i am excited by the prospect. and i believe the west today has a great opportunity to engage with the new India. i always



remember the Indian character for threat is the same as the one for opportunity; we responded to the threat of famine with our resounding success in green revolution!

today, we are a trillion- dollar economy. the liberalization initiated in the early 1990s has sparked unprecedented growth, opportunity and wealth creation. government revenues have doubled in the past 3 years and consumer demands are rising at a rate faster than the economy's. we are a nation of confident professionals and entrepreneurs. and we are a nation of young people.

at helios and matheson, we have a clear strategy, strong management team, unifying values, good financial foundation and well balanced portfolio of businesses. all of these provide the basis for us to deliver value to you, our shareholders, and to customers, staff and community over the longer term.

may i now thank all of you for the confidence you have reposed in us and look forward to your continued encouragement in the years to come?

chennai  
september 26, 2008

v.ramachandiran  
chairperson

note: these excerpts do not purport to be a record of the proceedings of the  
annual general meeting