

Dear Shareholders.

On behalf of the Board of Directors of your company and my own self, I take the privilege of welcoming you to the 7<sup>th</sup> Annual General Body meeting of your company.

I presume that you have gone through the Directors' Report, Auditor's Report, Balance Sheet, Profit & Loss Account etc in the Annual Report.

I would like to share with you how your company has been surviving and beating the competition in an extremely competitive environment. Your company's core business of bandwidth selling has become a commodity market and hence there is immense pressure on margins. But your company has adapted to the competitive situation, new technologies and introduced value add services to be ahead of the competition. Your company was also able to reduce costs by negotiating new pricing structure from the suppliers.

Your company has forayed into wireless networking, VoIP services, wifi public hotspots, which I feel will drive the future revenue growth. Your company has also tied up with iPass, a dial-up roaming facility provider.

The future for your company is in wireless networking and wifi hotspots. In the coming years, your company will cover entire cities with its wireless networking. Your company chose Vijayawada as a model city and would cover the entire city with wireless networking by the second quarter of next year. All this growth will be coming through internal accruals. Your company has been investing in Research & Development in wireless technology, identifying and tying up with major suppliers, training manpower to design, execute and implement wireless projects.

Your company is also focusing on educational and hospitality sector along with the traditional IT & ITES sector for future business.

The Board of Directors are confident that the coming year will be bear fruits to all their efforts in the past year and improve the top line of your company.

I take this opportunity to thank all the shareholders, my directors, employees, bankers, Institutions, Auditors for the faith reposed in the company and for all cooperation extended.