

AXIS-IT&T LTD.

CHAIRMAN'S SPEECH

Dear Shareholders,

It gives me great pleasure to welcome you to this the Eighteenth Annual General Meeting of Axis-IT&T Ltd.

The current year has seen tremendous changes in our company which have contributed enormously to our strong growth this year.

As you are, no doubt, aware the company along with its Promoters and some other shareholders had entered into a Share Purchase Agreement with Tayana Software Solutions Pvt. Ltd. (TSSL) on 11.01.2008 wherein it was agreed that TSSL will acquire 60.59% from the promoters and other parties subject to SAST Regulations. TSSL has since acquired 60.83% stake in the company, including shares acquired through an Open offer to the Public, making your company its subsidiary. The transaction was completed on 28.04.08.

TSSL is a Private Limited Company incorporated in Bangalore. It operates in the wireless telecom domain offering both product solutions and services for GSM network operators worldwide. The company has several international telecom operators as its clients.

TSSL is part of the Jupiter Group and the acquisition of the majority control in your company by the Jupiter Group is a part of the long-term strategy of the group to build a powerful franchise of Aerospace, Engineering & Communications related business closely aligned to one another to become the first choice partners to aerospace & engineering majors worldwide.

Since the change in Management control, your company has invested in new offices in the US & UK to accommodate a larger number of employees & has concurrently strengthened its business development team. It has also recruited an experienced person to head its operations in the UK.

These new initiatives have already started yielding results and the company, on a consolidated basis, has been showing significant improvement in its results on a month-on-month basis as compared to the previous year. The management is confident that the company will be profitable on a consolidated basis and will, this year, have more than 50% increase in revenues over the previous year.

OPERATIONS:

In engineering design, the company continues to focus on the Mechanical Engineering Domain. The Axis IT&T Group has at present over 200 engineers deployed globally in the engineering services domain who specialize in offering the following services:

- Product Design / Machinery Design
- Modeling / Detailing
- Analysis
- Reverse Engineering.

We are one of three preferred suppliers of engineering services to Caterpillar India and our Engineering Services Team continues to cater to the rapid 'ramp-up' needs of Caterpillar. We have established a development and training centre in Chennai to cater to the need for persons trained in CAT process standard as well as adherence to CAT quality standards.

The feedback from Caterpillar has been most positive and we have seen progressive improvements in both our efficiency and in our quality of delivery.

Extensive efforts in business development during the year, have been successful in Axis-IT&T identifying and working with several new clients in the US & Europe with the potential to outsource significant engineering project work. Repeat orders are expected from these clients enabling the company to increase its headcount in the next one year.

The rapid increase in work flow to Axis-IT&T emanating from its success in business development during the year resulted in it logging over 9500 hours of billable work in July '08, which is an all time high for the company.

Our software group provides development and testing services to software product companies to develop new and enhanced products. The company also collaborates with other organizations to develop customized software tools. The company focuses on building strong ties with its customers, enabling it to provide dependable, high-value, quality service.

During the year the Software Group continued to nurture its relationship with Intervoice and has had its contract with Intervoice renewed for a further period. This bears eloquent testimony to the performance of our Software Development Team. Since Axis-IT&T works as a virtual extension of the Intervoice teams in the US, this relationship is expected to continue for a long term and to be further enhanced.

Our support teams in HR, Finance & Systems have continued to provide the requisite logistical support to our delivery and business development teams.

We believe in a participative management style and hold regular meetings to both consult with & inform our employees on various developments.

I would like to take this opportunity to thank all you shareholders for reposing your trust in us and giving us your support. I would like to assure you that we will strive our utmost to give you good returns in the coming years.

S. Ravi Narayanan
Chairman

Date : 18th September, 2008