

President's Speech

Good evening to you all and thank you for making it to the 10th Anniversary Celebrations. Welcome to you all and we are specially honored by the presence of Honorable Senator Barbara Buono, who has kindly agreed to grace the occasion.

It has been ten short years since your company embarked on charting new courses and breaking barriers. I am proud to say we have been successful and that we are continuing on our path towards adding value and fostering human enterprise for the Industry and Society around us, in general.

2005 has been the year during which Kaizen has taken several incremental, but pivotal steps towards increasing long-term strategic value to our customers and stake-holders. I would take this opportunity to highlight some of them and share my vision for the Company's future here.

For any company in the world, but especially IT based industries, the most important assets are its people. Fostering and creating an environment that encourages the expression of new ideas and innovation, a process for capturing and evaluating them, and finally sharing them across our organization is of prime focus to us at Kaizen. Our objective has always been towards maximizing human capital - we see our success in the success of our people. It is vital to understand and we recognize that the success and growth of Kaizenites will in turn, result in the growth of our clients. Towards this, we have taken significant long-term initiatives this year to add further value to what we do:

- We are re-orienting our business functions under broad Practices, where each employee will have an opportunity to enhance skills, learn from each other and follow industry practices
- We are setting up a new Training Division beginning next year, which will work towards re-honing of employee skills. The training center will also serve in sharing valuable Industry experience of our Sr. Employees with up and coming youngsters from colleges around the tri-state. It will bring in fresh minds, thoughts and in effect, nurture innovation.
- Our technology incubation model currently being practiced in India aims at cultivating and realizing new and creative ideas from college students. FutureConnect-IT program trains young brains and dares them to dream. Kaizen supports them in making their dream a reality, providing guidance, support and putting our organizational strength at their disposal.
- Product based teams are being created within which a team of individuals will drive innovative products and apply their technological skills and prowess. We began as a product based company, we aim to expand and grow further through our products.
- Our strategic project initiatives aim at providing value to our clients by proving them with efficient, cost effective solutions. Our global presence, and talented team of people give our clients an effective platform to build cutting-edge technology products at lowest possible costs.
- We have forayed into engineering services to build synergies between the oldest branch of technology and the newest one.

Kaizen as some of you know is a Japanese term that means continuous improvement, taken from words 'Kai' meaning "continuous" and 'zen' meaning "improvement".

The same Japanese words Kaizen that pronounce as 'Gai San' in Chinese mean:

Gai= is the action to correct.

San= is the action that 'benefits' the society. The quality of benefit that is involved here should be sustained forever, in other words the 'san' is an act that truly benefits the society.

Any action of an individual or a corporate entity should be the one that benefits the society we live in. I would like to borrow the phrase “**Vasudhaiva Kutumbakam**” from our Vedas, meaning, “The Entire World is One Family”. When I say these words, I am talking about our other prime objective - good corporate citizenship and governance.

Corporate citizenship is the business strategy that is shaping the values underpinning our mission and the choices made each day by managers and employees at Kaizen.

Corporate citizenship includes activities such as

- compliance with governance and ethical laws
- endorsing global standards promoting strong philanthropic and volunteer activities

Kaizen is working towards and aligning itself with and integrating 4 core values as part of its business principles.

Transparency:

Kaizen always will be transparent in all its activities minimizing the negative consequences of business activities and decisions on stakeholders - employees, customers, communities, ecosystems, shareholders, and suppliers. We will always operate ethically, prevent environmental harm, enforce good conduct from suppliers, treat employees responsibly, ensure the safety of employees, ensure that marketing statements are accurate, and deliver responsible, high-quality products.

Maximize benefit to our Stake Holders:

Kaizen will contribute to societal and economic well-being by investing resources in activities that benefit shareholders as well as broader stakeholders. Participate voluntarily to help solve social problems (such as education, health, youth development, economic development for low-income communities, and workforce development), ensuring stable employment, paying fair wages, and producing a product with social value.

Be accountable and responsive to key stakeholders:

Kaizen will strive to build relationships of trust that involve becoming more transparent and open about the progress and setbacks businesses experience in an effort to operate ethically. We will put efforts to create mechanisms to include the voice of stakeholders in governance, operate according to a code of conduct, and listen to and communicate with all our stakeholders.

Support strong financial results:

We recognize that our responsibility to return a profit to our investors and benefits to employees must always be considered as part of our obligation to society.

Kaizen will work towards fundamentally aligning and embedding core values – including the values that society expects us to hold as a strategic asset and a tool that establishes the basis of trust and cooperation into transforming the core values into an operating system that will be responsive and accountable to all key stakeholders.

Kaizen will always take an expansive world view that epitomizes that we work in a marketplace but live in a society. Our objective is to build a company that builds new assets, provides a proud work place, creates new information, reduces old risks, and catalyzes new innovations.

This is our aim, our dream and with a team consisting of people like you, I am pretty confident we will build and continue to grow such a company.

Thank you,

Ashok Krish
President