

# bharti

**24<sup>TH</sup>  
ANNUAL REPORT  
2008 - 2009**

**BHARTI TELECOM LIMITED**

**BOARD OF DIRECTORS**

**CHAIRMAN**

Mr. Sunil Bharti Mittal

**DIRECTORS**

Mr. Manik Jhangiani — Managing Director

Mr. Akhil Gupta

Ms. Chua Sock Koong

Mr. Paul O'Sullivan

Mr. Rajan Bharti Mittal

Mr. Rakesh Bharti Mittal

Mr. Quah Kung Yang

**COMPANY SECRETARY**

Mr. Rajendra Chopra

**STATUTORY AUDITORS**

S. R. Batliboi & Associates

Chartered Accountants

**INTERNAL AUDITORS**

J. C. Bhalla & Company

Chartered Accountants

**REGISTERED OFFICE**

Plot No. 4, Phase – I,  
Sector – 20, Udyog Vihar,  
Gurgaon, Haryana – 122 016,  
India

**CORPORATE OFFICE**

Aravali Crescent,  
1, Nelson Mandela Road,  
Vasant Kunj, Phase – II,  
New Delhi – 110 070,  
India

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**NOTICE**

**NOTICE** is hereby given that the twenty-fourth annual general meeting of the members of Bharti Telecom Limited will be held on Friday, September 04, 2009 at 11.30 A.M. at Community Centre, DLF Phase – I, Gurgaon, Haryana – 122 002, India to transact the following businesses:

**ORDINARY BUSINESS:**

1. To receive, consider and adopt the audited Balance Sheet of the Company as at March 31, 2009, the Profit & Loss Account and the Cash Flow Statement for the year ended on that date and the reports of the Board of directors and Auditors thereon.
2. To appoint a director in place of Ms. Chua Sock Koong, who retires by rotation and being eligible offers herself for re-appointment.
3. To appoint a director in place of Mr. Paul O'Sullivan, who retires by rotation and being eligible offers himself for re-appointment.
4. To appoint S. R. Batliboi & Associates, Chartered Accountants, Gurgaon, as Statutory Auditors of the Company to hold office from the conclusion of this annual general meeting until the conclusion of next annual general meeting and to authorise the Board of directors to fix their remuneration.

**SPECIAL BUSINESS:**

5. To consider and if thought fit, to pass with or without modification(s), the following resolution as an **Ordinary Resolution**:

**"Resolved that** Mr. Quah Kung Yang, be and is hereby appointed as director liable to retire by rotation."

6. To consider and if thought fit, to pass with or without modification(s), the following resolution as an **Ordinary Resolution**:

**"Resolved that** Mr. Manik Jhangiani, be and is hereby appointed as director not liable to retire by rotation."

7. To consider and if thought fit, to pass with or without modification(s) the following resolution as an **Ordinary Resolution**:

**"Resolved that** pursuant to the provisions of section 269, Schedule XIII and other applicable provisions of the Companies Act, 1956, including any statutory modification or re-enactment thereof, or any other law and subject to such consent(s), approval(s) and permission(s) as may be necessary in this regard and subject to such conditions as may be imposed by any authority while granting such consent(s), permission(s) and approval(s) and as are agreed to by the Board of Directors (hereinafter referred to as the Board, which term shall unless repugnant to the context or meaning thereof, be deemed to include any committee thereof and any person authorised by the Board in this behalf), consent of the members be and is hereby accorded for the appointment of Mr. Manik Jhangiani as Managing Director of the Company, without remuneration for a period of five (5) years with effect from July 22, 2009.

**Resolved further that** subject to section 269, Schedule XIII and other applicable provisions of the Companies Act, 1956 or any amendments thereto, the Board be and is hereby authorized to vary the terms and conditions of the appointment of Mr. Manik Jhangiani without being required to seek any fresh approval of the members of the Company in this regard.

The logo for Bharti Telecom Limited, featuring the word "bharti" in a stylized, lowercase font. The letters are bold and have a slight shadow effect, giving it a three-dimensional appearance. The logo is positioned in the bottom right corner of the page.

**RESOLVED FURTHER THAT** the Board be and is hereby authorised to do all such acts, deeds, matters and things as may be deemed necessary or incidental to give effect to above resolution."

By Order of the Board  
for **Bharti Telecom Limited**

**Regd. Office:**

Plot No. 4, Phase -1,  
Sector – 20, Udyog Vihar,  
Gurgaon, Haryana – 122 016, India

**Date: July 22, 2009**

**Rajendra Chopra**  
**Company Secretary**

**NOTES:**

1. A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE ON A POLL INSTEAD OF HIMSELF/HERSELF AND SUCH PROXY NEED NOT BE A MEMBER OF THE COMPANY. PROXIES, IN ORDER TO BE EFFECTIVE, MUST BE RECEIVED AT THE CORPORATE OFFICE OF THE COMPANY AT ARAVALI CRESCENT, 1, NELSON MANDELA ROAD, VASANT KUNJ, PHASE -II, NEW DELHI 110 070, INDIA NOT LATER THAN FORTY – EIGHTY HOURS BEFORE THE COMMENCEMENT OF THE MEETING. **A PROXY FORM IS APPENDED WITH THE ADMISSION SLIP.**
2. Explanatory statement pursuant to the provisions of Section 173 of the Companies Act, 1956 is annexed hereto.
3. The register of members and share transfer books of the Company will remain closed from Saturday, August 29, 2009 to Friday, September 04, 2009, both days inclusive, in terms of the provisions of the Companies Act, 1956. The shareholding of those members whose names will appear in the register of members on the close of the day on Friday, August 28, 2009 will be considered for the purpose of voting at the annual general meeting.
4. The notice of the annual general meeting will be sent to those members whose names appear on the register of members as on Friday, July 31, 2009.
5. The Company has appointed M/s. Karvy Computershare Private Limited as its registrar and share transfer agent. Members are requested to send all correspondence concerning registration of transfers, transmissions, sub-division, consolidation of shares or any other share related matters and/or change in address, furnishing of details of their bank accounts or updation thereof to Company's registrars **Karvy Computershare Private Limited, at 17-24, Vittal Rao Nagar, Madhapur, Hyderabad 500 081, Andhra Pradesh.**
6. Corporate members are requested to send a duly certified copy of the board resolution/power of attorney authorising their representative to attend and vote at the annual general meeting.
7. Members/proxies are requested to bring duly filled admission/attendance slips sent herewith along with the copies of annual report at the meeting.
8. Statutory registers and documents referred to in the accompanying notice and explanatory statement, if any, are open for inspection at the registered office of the Company on all working days (Monday to Friday) between 11.00 a.m. and 1.00 p.m. upto the date of annual general meeting and will also be available at the meeting.
9. Members, who wish to obtain any information on accounts, are requested to send their queries at least 10 days before the annual general meeting to the Company Secretary at the Corporate Office of the Company at Aravali Crescent, 1, Nelson Mandela Road, Vasant Kunj, Phase – II, New Delhi – 110 070, India.

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10. For security and safety of the shareholders, no article/baggage including water bottles and tiffins will be allowed at the venue of the meeting. The members/attendants are strictly requested to not to bring any article / baggage etc. at the venue of the meeting.

**EXPLANATORY STATEMENT**

(Pursuant to the provisions of Section 173 (2) of the Companies Act, 1956)

**Item No. 5**

The Board of directors has appointed Quah Kung Yang as an additional director w.e.f September 18, 2008. In terms of section 260 of the Companies Act, 1956, Kung Yang will hold office till the ensuing annual general meeting of the Company and is required to be appointed as director liable to retire by rotation at the annual general meeting.

Kung Yang is presently the Vice President (Business Management), International Group in SingTel, overseeing new investment opportunities as well as existing investments in the region including Indonesia, India, Thailand, Philippines, Bangladesh, Taiwan, China and Sri Lanka. Prior to joining the International Group, he was the Chief Financial Officer of C2C, a SingTel joint venture in a regional submarine cable network, providing city-to-city connectivity on a wholesale basis to telecommunication service providers.

Kung Yang joined SingTel in 1992 and has held various positions, both in Singapore and in the region, in the areas of Corporate Finance, Tax, International Finance and Global Business prior to his current portfolio.

Kung Yang is a Fellow member of the Institute of Chartered Accountants in England and Wales, a member of the Institute of Certified Public Accountants of Singapore and a graduate of the University of Kent at Canterbury, England.

The Company has received notice under section 257 of the Companies Act, 1956 from a member proposing the candidature of Kung Yang as director of the Company. Keeping in view the rich experience of Quah Kung Yang, the Board considers that his appointment would be in the best interest of the Company and therefore, recommends the resolution set out in item no. 5 for your approval.

Except Quah Kung Yang, no other director is, in any way, concerned or interested in the resolution.

**Item No. 6 & 7**

Devendra Khanna has resigned from the Board of directors and the position of managing directorship w.e.f. July 22, 2009. The Board of directors has appointed Manik Jhangiani as an additional director and managing director of the Company w.e.f July 22, 2009. In terms of section 260 of the Companies Act, 1956, Manik will hold office upto the ensuing annual general meeting of the Company and is required to be appointed as director not liable to retire by rotation at the annual general meeting. Brief terms of appointment of Manik Jhangiani are as under:

- Manik Jhangiani is appointed as Managing Director w.e.f July 22, 2009 for a term of 5 years.
- In terms of Article 145 of the Articles of Association of the Company, Manik shall not whilst holding such office be subject to retirement by rotation.
- Manik shall not be entitled to any remuneration while holding the office of Managing Director. However, he shall be entitled to reimbursement of all legitimate expenses as may be incurred by him in performance of his duties.

Manik is an Accounts & Economics graduate from Rutgers University and a Certified Public Accountant (CPA) from the State of New York.

Prior to joining Bharti Enterprises, Manik was the Chief Financial Officer of Coca-Cola Hellenic based in Athens, Greece. Manik had joined The Coca-Cola Company in 1998 as an International Audit Manager based in Atlanta, USA. In 2000, he was appointed to the position of Corporate Director-Audit for Coca-Cola Hellenic, one of the largest bottling operations for The Coca-Cola System. In 2002, he was promoted to the role of Corporate Controller and was subsequently elevated to the position of CFO in 2004. In 2008, he took on the additional responsibility for the Strategy function.

Prior to working with The Coca-Cola System, Manik was with Colgate-Palmolive where he was Group Financial Director for the Nigerian operations. Manik has also worked with Bristol-Myers Squibb Company and Deloitte & Touche, based in New York, U.S.A.

The Company has received notice under section 257 of the Companies Act, 1956 from a member proposing the candidature of Manik Jhangiani as director of the Company. Keeping in view the rich experience of Manik Jhangiani, the Board considers that his appointment as a director and managing director would be in the best interest of the Company and therefore, recommends the resolutions as set out in item no. 6 and 7 of the notice for your approval.

Except Manik Jhangiani, no other director is, in any way, concerned or interested in the resolution.

This may also be taken as a communiqué to the members of the Company under section 302 of the Companies Act, 1956.

**Regd. Office:**

Plot No. 4, Phase -1,  
Sector - 20, Udyog Vihar,  
Gurgaon, Haryana - 122 016, India.

**Date: 22 July, 2009**

By Order of the Board  
for **Bharti Telecom Limited**

**Rajendra Chopra**  
Company Secretary

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**DIRECTORS' REPORT**

Dear Shareholders,

The directors take pleasure in presenting the twenty-fourth annual report on the business and operations of the Company together with audited financial statements and accounts for the year ended March 31, 2009.

**FINANCIAL PERFORMANCE**

Your Company earned gross income of Rs. 245 thousand during the year. Loss before finance expenses, depreciation and tax is Rs. 566 thousand. Loss before tax for the year is Rs. 601 thousand.

**DIVIDEND**

The Board of directors do not recommend any dividend for the financial year 2008-2009.

**SHARE CAPITAL**

There has been no change in the share capital of the Company since the last Directors' Report and the issued and paid-up share capital of the Company stands at 21,770,036 equity shares of Rs. 10/- each aggregating to Rs. 217,700,360.

**APPOINTMENT OF REGISTRAR AND SHARE TRANSFER AGENT**

The Company has appointed Karvy Computershare Private Limited, having its office at 17-24, Vittal Rao Nagar, Madhapur, Hyderabad 500 081, Andhra Pradesh as its Registrar and Share Transfer Agent.

**FIXED DEPOSITS**

The Company has not accepted any fixed deposits and, as such, no amount of principal or interest was outstanding as of the balance sheet date and is therefore not required to furnish information in respect of outstanding deposits under Non Banking Non Financial Companies (Reserve Bank) Directions, 1956 and the Companies (Acceptance of Deposits) Rules, 1975.

**AUDITORS' REPORT**

The Board has duly considered the Auditors' Report to Accounts, and clarification wherever necessary, is contained in the Notes to Accounts section forming part of the annual accounts.

**AUDITORS**

The Statutory Auditors of the Company, M/s. S. R. Batliboi & Associates, Chartered Accountants, Gurgaon, retire at the conclusion of the ensuing annual general meeting of the Company and have confirmed their willingness and eligibility for re-appointment and have also confirmed that their re-appointment, if made, will be within the limits under Section 224(1B) of the Companies Act, 1956.

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***DIRECTORS***

Ms. Chua Sock Koong and Mr. Paul O'Sullivan are due to retire by rotation at the twenty-fourth annual general meeting and being eligible, have offered themselves for re-appointment. Both Ms. Chua Sock Koong and Mr. Paul O'Sullivan have also given a confirmation to the Company that they are, otherwise, not disqualified to be appointed as director, in terms of section 274(1)(g) of the Companies Act, 1956. The Board recommends their re-appointment.

Since, last Directors' Report, Mr. Francis Heng has resigned from the Board w.e.f September 17, 2008 and Mr. Devendra Khanna has resigned from the position of director and managing director of the Company w.e.f July 22, 2009. Mr. Quah Kung Yang and Mr. Manik Jhangiani have been appointed as additional directors of the Company. Mr. Manik Jhangiani has also been appointed as managing director of the Company w.e.f July 22, 2009. The Board places on record its sincere appreciation for the services rendered by Mr. Devendra Khanna and Mr. Francis Heng during their tenure on the Board.

In terms of provision of section 260 of the Companies Act, 1956, Mr. Quah Kung Yang and Mr. Manik Jhangiani will be holding office till the ensuing annual general meeting of the Company. The Company has received notices from member under section 257 of the Companies Act, 1956 proposing the appointment of Mr. Quah Kung Yang and Mr. Manik Jhangiani as directors. The Board recommends the appointment of Mr. Quah Kung Yang and Mr. Manik Jhangiani as proposed in the resolutions set out in the notice of annual general meeting.

***AUDIT COMMITTEE***

In terms of provisions of Section 292A of the Companies Act, 1956, the Company has a committee of the Board known as 'Audit Committee' consisting of following directors of the Company:

- Mr Rajan Bharti Mittal - (Chairman)
- Mr Akhil Gupta
- Mr. Quah Kung Yang

The Committee has duly complied with all the mandatory requirements as prescribed under section 292A of the Companies Act, 1956.

***STATUTORY STATEMENTS***

Your Company does not carry any manufacturing activity and accordingly the provisions to furnish information as per section 217(I)(e) of the Companies Act, 1956 relating to Conservation of Energy, Research and Development and Technology Absorption are not applicable.

During the year under review, there were nil Foreign Exchange Earnings and Outgo.

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