

bharti

**28TH ANNUAL REPORT
2012 - 2013**

BHARTI TELECOM LIMITED

BOARD OF DIRECTORS

CHAIRMAN

Mr. Sunil Bharti Mittal

DIRECTORS

Mr. Akhil Gupta

Ms. Chua Sock Koong

Mr. Hui Weng Cheong

Mr. Rajan Bharti Mittal

Mr. Rakesh Bharti Mittal

Ms. Tan Yong Choo

Mr. Sarvjit Singh Dhillon – Managing Director

COMPANY SECRETARY

Mr. Rajendra Chopra

STATUTORY AUDITORS

M/s. S. R. Batliboi & Associates LLP

Chartered Accountants

REGISTERED OFFICE

Airtel Centre, Plot No. 16,

Udyog Vihar, Phase – IV,

Gurgaon, Haryana – 122 001,

India.

CORPORATE OFFICE

Bharti Crescent, 1, Nelson Mandela Road,

Vasant Kunj, Phase – II,

New Delhi – 110 070,

India.

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NOTICE is hereby given that the twenty-eighth annual general meeting of the members of Bharti Telecom Limited will be held on Friday, September 20, 2013 at 11.30 a.m. at "F Block", Community Centre, DLF Phase – I, Gurgaon, Haryana – 122 002, to transact the following businesses:

ORDINARY BUSINESS:

1. To receive, consider and adopt the audited balance sheet of the Company as at March 31, 2013, the statement of profit & loss 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 Mr. Rajan Bharti Mittal, who retires by rotation and being eligible offers himself for re-appointment.
3. To appoint a director in place of Ms. Chua Sock Koong, who retires by rotation and being eligible offers herself for re-appointment.
4. To appoint M/s. S. R. Batliboi & Associates LLP, Chartered Accountants, Gurgaon, (Firm Registration no. 101049W) 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.

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

Regd. Office:

Airtel Centre, Plot No. 16,
Udyog Vihar, Phase – IV,
Gurgaon, Haryana – 122 001, India.
Date: May 01, 2013

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 BHARTI CRESCENT, 1, NELSON MANDELA ROAD, VASANT KUNJ, PHASE - II, NEW DELHI - 110 070, INDIA NOT LESS THAN FORTY – EIGHT HOURS BEFORE THE COMMENCEMENT OF THE MEETING.
A PROXY FORM IS APPENDED WITH THE ADMISSION SLIP.
2. Notice of the annual general meeting will be sent to those members / beneficial owners, whose name will appear in the register of members / lists of beneficiaries received from the depositories as on Friday, August 16, 2013. The shareholding of the members as on Friday, September 13, 2013 will be considered for the purpose of voting at the general meeting.
3. Members, who hold shares in physical form are requested to address all correspondence concerning registration of transfers, transmissions, sub-division, consolidation of shares, issuance of duplicate share certificate or any other share related matters and / or change in address, furnishing of details of their bank accounts or updation thereof to the Company's Registrar and Share Transfer Agent, **Karvy Computershare Private Limited, Plot No. 17-24, Vittal Rao Nagar, Madhapur, Hyderabad 500 081, Andhra Pradesh, India.**

4. 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.
5. Members / proxies are requested to bring duly filled admission / attendance slips sent herewith along with the copies of annual report at the meeting.
6. Statutory registers and documents referred to in the notice are open for inspection at the Corporate Office of the Company at Bharti Crescent, 1, Nelson Mandela Road, Vasant Kunj, Phase – II, New Delhi – 110 070, India, 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.
7. Members, having any question on accounts, are requested to send their queries at least 10 days before the annual general meeting to the Company Secretary at its Corporate Office address to enable the Company to collect the relevant information.
8. 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 / attendees are strictly requested to not to bring any article / baggage etc. at the venue of the meeting.

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

Regd. Office:

Airtel Centre, Plot No. 16,
Udyog Vihar, Phase – IV,
Gurgaon, Haryana – 122 001, India.
Date: May 01, 2013

Rajendra Chopra
Company Secretary

DIRECTORS' REPORT

To the Members,

The directors have pleasure in presenting the twenty-eighth annual report on the business and operations of the Company together with audited financial statements for the year ended March 31, 2013.

FINANCIAL PERFORMANCE AND RESULTS OF OPERATIONS

(₹ 000)

Particulars	For the year ended March 31	
	2013	2012
Gross income	1,806,987	1,811,773
Profit/(loss) before finance expenses, depreciation and tax	1,805,933	1,811,026
Profit/(loss) before tax	1,805,933	1,811,025
Less: Tax expenses	4,841	20,119
Profit/(loss) after tax	1,801,092	1,790,906
Add : Profit brought forward from earlier years	5,297,717	3,506,811
Profit/(loss) carried forward to balance sheet	7,098,809	5,297,717

The Company holds shares in Bharti Airtel Limited. During the year, the Company received a sum of ₹ 1735.45 million as dividend on this investment. A part of this dividend has been utilized during the year for purchase of 2.63 million equity shares of Bharti Airtel Limited. The Company intends to utilize the balance amount for similar purchases at the appropriate time. With the fresh investments, the aggregate holding of the Company in Bharti Airtel Limited has increased from 1,735,453,890 (45.70%) to 1,738,088,892 (45.77%) equity shares of ₹ 5/- each as on March 31, 2013

DIVIDEND

The Board of directors do not recommend any dividend for the financial year 2012-13.

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 continues to stand at ₹ 217,700,360 divided into 21,770,036 equity shares of ₹ 10/- each.

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.

AUDITORS

The Statutory Auditors of the Company, M/s. S. R. Batliboi & Associates LLP, Chartered Accountants, Gurgaon, (Registration Firm no. 101049W) 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.

AUDITORS REPORT

The Board has duly examined the Statutory Auditors' Report to accounts and clarifications, wherever necessary, has been included in the notes forming part of the financial statements.

DIRECTORS

Ms. Chua Sock Koong and Mr. Rajan Bharti Mittal retire by rotation at the forthcoming annual general meeting and being eligible, offer themselves for re-appointment.

The above directors 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. Keeping in view their rich experience, the Board recommends their re-appointment.

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 the following directors of the Company:

- Mr. Rajan Bharti Mittal (Chairman)
- Mr. Akhil Gupta
- Ms. Tan Yong Choo

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

STATUTORY STATEMENTS

The Company does not carry on any manufacturing activity and accordingly the provisions to furnish information as per section 217(1)(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.

PARTICULARS OF EMPLOYEES

There are no employees during the year under review whose particulars are to be provided in terms of section 217(2A) of the Companies Act, 1956 read with Companies (Particular of Employees) Rules, 1975.

DIRECTORS' RESPONSIBILITY STATEMENT

Pursuant to section 217(2AA) of the Companies Act, 1956, the directors to the best of their knowledge and belief confirm:

1. That in the preparation of the annual accounts, the applicable accounting standards have been followed along with proper explanation relating to material departures;
2. That the directors have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the

Company at the end of the financial year ended March 31, 2013 and the statement of profit & loss of the Company for that period;

3. That the directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 1956, for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
4. That the directors had prepared the annual accounts on a going concern basis.

ACKNOWLEDGEMENT

Your directors express their gratitude for the co-operation and support received from various agencies / departments of the Government of India, State Governments, Company's Bankers and Financial Institutions.

On behalf of the Board

Place: New Delhi
Date: May 01, 2013

Sunil Bharti Mittal
Chairman