bharti

BHARTI AIRTEL LIMITED

Regd. & Corporate Office: Bharti Crescent, 1, Nelson Mandela Road,
Vasant Kunj, Phase II, New Delhi - 110 070
CIN: L74899DL1995PLC070609 **Phone:** +91-11-4666 6100 **Fax:** +91-11-4166 6137
Email id: compliance.officer@bharti.in **Website:** www.airtel.com

airtel

Notice of Postal Ballot / Electronic Voting (e-voting)

Dear member(s)

Pursuant to the provisions of Section 110 of the Companies Act, 2013 read with the Companies (Management and Administration) Rules, 2014 and other applicable laws, rules and regulations, if any, Bharti Airtel Limited (the Company) hereby seeks your approval by way of special resolution(s) through postal ballot / e-voting in respect of the following special business(es).

Detailed explanatory statement setting out the material facts concerning each resolution and instructions for e-voting are annexed to the postal ballot notice.

Item No. 1

Implementation of the ESOP Scheme 2005 through ESOP Trust and related amendment in the ESOP Scheme 2005

To consider and, if thought fit, to give assent or dissent to the following resolution as a Special Resolution:

"Resolved that pursuant to the applicable provisions of the SEBI (Share Based Employee Benefits) Regulations, 2014, the Companies Act, 2013 and any other applicable laws, rules and regulations for the time being in force, if any, approval of the members of the Company be and is hereby accorded for implementation of the Bharti Airtel Employee Stock Option Scheme 2005 (the ESOP Scheme 2005) through Bharti Airtel Employees' Welfare Trust (the ESOP Trust).

Resolved further that the following new clause 6.8 be inserted in the ESOP Scheme 2005 after the existing clause 6.7:

(i) The ESOP Scheme 2005 shall be implemented through Bharti Airtel Employees' Welfare Trust (the ESOP Trust);

(ii) The ESOP Trust is authorised to continue to hold the existing shares, acquire new shares from the secondary market and to transfer, appropriate or otherwise dispose of such shares and to do all such acts, deeds, matters and things as may be incidental or ancillary in this regard.

Resolved further that for the purpose of giving effect to the above resolution, the Board of Directors of the Company (hereinafter referred to as the Board and includes the HR & Nomination Committee or any other committee of directors duly authorised by the Board), be and is hereby authorised to do all such acts, deeds, matters and things as may be considered necessary or expedient in this regard."

Item No. 2

Authorisation to the ESOP Trust for secondary acquisition of shares and provision of money for acquisition of such shares

To consider and, if thought fit, to give assent or dissent to the following resolution as a Special Resolution:

"Resolved that pursuant to the provisions of Section 67 and other applicable provisions, if any of the Companies Act, 2013, the Companies (Share Capital and Debentures) Rules, 2014, the SEBI (Share Based Employee Benefits) Regulations, 2014 and other applicable laws, rules and regulations for the time being in force, if any, approval of the members of the Company be and is hereby accorded:

- For acquisition of upto 10,899,159 (Ten million eight hundred ninety nine thousand and one hundred fifty nine) fully paid up equity shares of Rs. 5/- each (representing 0.27% of the paid up share capital of the Company, hereinafter referred as "Equity Shares") from the secondary market from time to time, in one or more tranches by the Bharti Airtel Employees' Welfare Trust (the ESOP Trust) for implementation of the ESOP Scheme 2005, at such price and on

such terms and conditions as may be decided by the ESOP Trust. In case of any corporate action such as right issue, bonus issue, corporate restructuring, reduction of share capital, buy back of shares, split or consolidation of shares of the Company or like events, the number of Equity Shares to be acquired from secondary market by the ESOP Trust shall be adjusted appropriately.

- The Company to provision such sums of money as may be required for acquisition of above referred Equity Shares to the ESOP Trust for implementation of the ESOP Scheme 2005 in one or more tranches, subject to the overall limits prescribed under Rule 16 of the Companies (Share Capital and Debentures) Rules, 2014.

Resolved further that for the purpose of giving effect to the above resolution, the Board of Directors of the Company (hereinafter referred to as the Board and includes the HR & Nomination Committee or any other committee of directors duly authorised by the Board), be and is hereby authorised to do all such acts, deeds, matters and things as may be considered necessary or expedient in this regard."

Registered Office:
Bharti Crescent,
1, Nelson Mandela Road,
Vasant Kunj, Phase II,
New Delhi - 110 070, India.

By order of the Board
For Bharti Airtel Limited

Mukesh Bhavnani
Group General Counsel and Company Secretary

Date: October 30, 2014

CS Membership Number: A3378
Address: Bharti Airtel Limited
Bharti Crescent, 1, Nelson Mandela Road,
Vasant Kunj, Phase II, New Delhi - 110 070

Notes:

1. The explanatory statement pursuant to Section 102 of the Companies Act, 2013 setting out material facts is annexed hereto.

2. Please read the instructions / notes printed overleaf the Postal Ballot Form before exercising the vote.

Explanatory Statement
Pursuant to Section 102 of the Companies Act, 2013

Item No. 1 & 2

The Company's Employee Stock Option Scheme 2005 (ESOP Scheme 2005 or the Scheme), as approved by the members in their meeting held on September 06, 2005, is presently being implemented through Bharti Airtel Employees' Welfare Trust (the ESOP Trust) by way of equity shares acquired by the ESOP Trust through secondary market. To implement the Scheme, the ESOP Trust acquires shares from secondary market and transfers the shares so acquired to the employee(s) upon valid exercise of stock options. Due to restrictions imposed by SEBI vide Circular No. CIR/CFD/DIL/3/2013 dated January 17, 2013, generally restricted all the ESOP Trusts from acquiring further shares from the secondary market for the purpose of implementation of ESOP Schemes.

On October 28, 2014, SEBI promulgated the SEBI (Share Based Employee Benefits) Regulations, 2014 (the ESOP Regulations). Under the ESOP Regulations, companies are now explicitly permitted to acquire its own shares from secondary market through a trust for the purpose of implementation of its ESOP schemes. Such acquisition of shares is subject to compliance of conditions of the ESOP Regulations and approval of the members by way of special resolution.

The Company proposes to continue implementation of the ESOP Scheme 2005 through the ESOP Trust by way of secondary acquisition. The Company believes that the implementation of ESOP Scheme through secondary acquisition is in the best interests of the Company and its shareholders and will enable the Company to retain quality talent, also it will not cause any loss to the existing shareholders from dilution in their shareholding besides being easier and efficient in implementation and therefore less cumbersome.

There is no other change in the ESOP Scheme 2005 or in the terms and conditions of stock options granted under the existing ESOP Scheme 2005.

As on October 30, 2014, the ESOP Trust holds 678,109 equity shares against 11,577,268 unexercised live stock options (both vested and unvested) under the ESOP Scheme 2005. The Company will require an additional 10,899,159 equity shares for the purpose of implementation of the ESOP Scheme 2005. These additional shares are proposed to be acquired through the ESOP Trust from the secondary market. To acquire the above referred equity shares from the secondary market, the Company will be required to make provision of money to the ESOP Trust of an amount equivalent to the market value of the shares and incidental costs subject to the overall limits prescribed under Rule 16 of the Companies (Share Capital and Debentures) Rules, 2014.

Under the provisions of the Companies Act, 2013 and the ESOP Regulations, approval of the members by way of special resolution is required for acquisition by a company of its own shares from the secondary market and for making any provision of money towards acquisition of such shares.

Relevant disclosures under Rule 16 of the Companies (Share Capital and Debentures) Rules, 2014 are as follows:

1. **The class of employees for whose benefit the scheme is being implemented and money is being provided for purchase of or subscription to shares.**

   Selected permanent employees and directors (including managing director and whole time directors but excluding independent directors) of the Company, its holding and subsidiary companies, as may be determined by the HR & Nomination Committee from time to time.

2. **The particulars of the trustee (proposed) in whose favour such shares are to be registered.**

   Name of the Trustees: Mr. Srikanth Karra, Mr. S. Balasubramanian and Mr. Rajendra Chopra.

3. **The particulars of trust and name, address, occupation and nationality of trustees and their relationship with the promoters, directors or key managerial personnel, if any.**

   Name and address of the Trust: Bharti Airtel Employees' Welfare Trust, Bharti Crescent, 1, Nelson Mandela Road, Vasant Kunj, Phase II, New Delhi – 110 070.

   Details of Trustees:

Name of Trustees	Address	Occupation	Nationality
Mr. Srikanth Karra	N - 1/46, DLF Phase II, Gurgaon – 122 002, Haryana	Service	Indian
Mr. S. Balasubramanian	Uniworld Gardens, Tower 2, Flat 201, Sohna Road, Sector 47, Gurgaon – 122 018, Haryana	Service	Indian
Mr. Rajendra Chopra	House No. 559, Second Floor, Sector 15, Part – I, Gurgaon – 122 001, Haryana	Service	Indian

The Board (including a committee thereof) at its sole discretion may add, remove, change all or any of the aforesaid trustees at any time.

The equity shares so acquired are proposed to be registered in the name of all or any of the trustees of the trust, who will hold the equity shares for and on behalf of the ESOP Trust. An appropriate declaration and other documents in this regard are proposed to be taken from such trustee(s).

None of the trustees are related to the promoters, directors or key managerial personnel of the Company.

4. Any interest of key managerial personnel, directors or promoters in such scheme or trust and effect thereof.

The key managerial personnel and directors are interested in the ESOP scheme 2005 only to the extent of stock options granted / to be granted to them, if any.

5. The detailed particulars of benefits which will accrue to the employees from the implementation of the scheme.

Upon exercise of stock options, the eligible employees, will be entitled to equivalent number of equity shares of the Company, at a pre-determined exercise price, as per the terms of grant.

6. The details about who would exercise and how the voting rights in respect of the shares to be purchased or subscribed under the scheme would be exercised.

In line with the requirements of the ESOP Regulations, neither the ESOP Trust nor any of its trustees will exercise voting rights in respect of the equity shares of the Company held by the ESOP Trust.

The special resolutions set out under item No. 1 and 2 seek authorisation from the members to (i) implement the ESOP Scheme 2005 through ESOP Trust by way of secondary acquisition (ii) authorise secondary acquisition of upto 10,899,159 equity shares by the ESOP Trust and (iii) provision of money for acquisition of the above referred equity shares by the ESOP Trust from secondary market for implementation of the ESOP Scheme 2005.

None of the directors or key managerial personnels of the Company including their relatives are, in any way, concerned or interested, financially or otherwise, in the proposed resolutions except to the extent of options granted to them under the ESOP Scheme 2005.

The Board recommends the resolutions set out under item No. 1 and 2 for approval of the members as special resolutions through Postal Ballot / e-voting.

Copy of the revised ESOP Scheme 2005 incorporating the proposed amendments, will be available for inspection on all working days (Monday to Friday) between 11.00 a.m. and 1.00 p.m. at the registered office of the Company.

Registered Office:
Bharti Crescent,
1, Nelson Mandela Road,
Vasant Kunj, Phase II,
New Delhi - 110 070, India.

By order of the Board
For Bharti Airtel Limited

Mukesh Bhavnani
Group General Counsel and Company Secretary

Date: October 30, 2014

CS Membership Number: A3378
Address: Bharti Airtel Limited
Bharti Crescent, 1, Nelson Mandela Road,
Vasant Kunj, Phase II, New Delhi - 110 070

Encl.:
1. Postal Ballot Form
2. Self-addressed postage pre-paid envelope

BHARTI AIRTEL LIMITED

Regd. & Corporate Office: Bharti Crescent, 1, Nelson Mandela Road,
Vasant Kunj, Phase II, New Delhi - 110 070
CIN: L74899DL1995PLC070609 **Phone:** +91-11-4666 6100 **Fax:** +91-11-4166 6137
Email id: compliance.officer@bharti.in **Website:** www.airtel.com

POSTAL BALLOT FORM

Serial No.....

1 Name of the shareholder(s) including joint-holders, if any :

2 Registered address of the sole/ first named shareholder :

3 Registered Folio No. /DP-ID-Client ID No.* (*Applicable to investors holding shares in dematerialized form) :

4 No. of Shares held :

5 I / we hereby exercise my / our vote in respect of the Special Resolution(s) to be passed through postal ballot / e-voting for the business(s) enumerated below by recording my / our assent or dissent to the said resolutions by placing tick (✓) mark at the appropriate box below:

Sl. No.	Description of Resolution(s)	No. of shares for which votes cast	I / we assent to the resolution (For)	I / we dissent to the resolution(Against)
1.	Implementation of the ESOP Scheme 2005 through ESOP Trust and related amendment in the ESOP Scheme 2005			
2.	Authorisation to the ESOP Trust for secondary acquisition of shares and provision of money for acquisition of such shares			

Place: .....

Date: .....

(Signature of the shareholder)

Note: Please read carefully the instructions printed overleaf before exercising the vote.

E-Voting Particulars

EVEN (Electronic Voting Event Number)	User ID	Password

Notes / Instructions

1. The Postal Ballot / e-voting Notice is being sent to the members, whose names appear in the Register of Members / beneficiary position maintained by the depositories as on Friday, February 13, 2015 and voting rights shall be reckoned on the paid up value of shares registered in the name(s) of the member(s) / Beneficial Owner(s) as on the same date.
2. There will be one Postal Ballot Form / e-voting for every folio / client id irrespective of the number of joint holders. In case of joint holding, the Postal Ballot Form should be completed and signed by the first named shareholder and in his absence by the next named shareholder.
3. Voting rights in the postal ballot / e-voting cannot be exercised by a proxy. However, corporates and institutional shareholders shall be entitled to vote through their authorised representatives with a proof of their authorisation.
4. The Board has appointed Mr. Sanjay Grover of M/s. Sanjay Grover & Associates, Company Secretaries, New Delhi, (C.P. No. 3850) as the Scrutinizer for conducting the postal ballot / e-voting process in a fair and transparent manner.
5. In Compliance with the provisions of Section 108 and 110 and other applicable provisions, if any, of the Companies act, 2013 read with the Companies (Management and Administration) Rules, 2014 and Listing Agreement, the Company is pleased to provide e-voting facility to all the members of the Company. The Company has entered into an agreement with Karvy Computershare Pvt. Ltd. (Karvy) for facilitating e-voting to enable the members to cast their votes electronically instead of dispatching Postal Ballot Form. E-voting is optional.
6. The shareholders can opt for only one mode of voting i.e. through postal ballot or e-voting. If the shareholder decides to vote through postal ballot they are advised not to vote through e-voting and vice versa. In case of voting by both the modes, e-voting of such shareholder will be considered and counted and voting through a valid physical Postal Ballot Form will be treated as invalid.
7. The Scrutinizer's decision on the validity of a postal ballot / e-voting will be final.
8. Members who have registered their e-mail ids for receipt of documents in electronic mode under the Green Initiative of Ministry of Corporate Affairs are being sent Notice of Postal Ballot by e-mail and others are being sent through the permitted mode along with the Postal Ballot Form and self-addressed postage pre-paid envelope. Members who have received Postal Ballot Notice by e-mail and wish to vote through physical Postal Ballot Form may download the Postal Ballot Form from the link https://evoting.karvy.com or from the investor section on the Company's website www.airtel.com.
9. Resolutions passed by the members through Postal Ballot are deemed to have been passed as if the same have been passed at a General Meeting of the members.
10. Upon completion of the scrutiny of the Forms, the Scrutinizer will submit his report to Managing Director and CEO (India and South Asia). The result of the Postal Ballot would be announced by the Managing Director & CEO (India and South Asia) and in his absence, by any person authorised by Managing Director and CEO (India and South Asia) at the Registered Office of the Company situated at Bharti Airtel Limited, Bharti Crescent, 1, Nelson Mandela Road, Vasant Kunj, Phase II, New Delhi - 110 070 within the prescribed time limit. The date of declaration of the results of the postal ballot / e-voting will be taken to be the date of passing of the resolution.
11. The said result along with the Scrutinizer's Report would be displayed at the Registered Office of the Company, intimated to the Stock Exchanges where the Company's shares are listed and published in the newspapers and hosted on www.airtel.com and on https://evoting.karvy.com.
12. All the documents referred to in accompanying notice and explanatory statement shall be open for inspection at the Registered Office of the Company without any fee on all working days (Monday to Friday) between 11.00 a.m. and 1.00 p.m. from the date of dispatch of notice upto the date of declaration of result of postal ballot / e-voting.
13. **PROCESS FOR MEMBERS OPTING FOR VOTING BY BALLOT**

(i) Shareholders are requested to carefully read the instructions printed on the Postal Ballot Form before casting their vote and return the Ballot Form, duly completed in all respect and signed, in the attached self-addressed postage pre-paid envelope, so as to reach the Scrutinizer at Bharti Airtel Limited, Bharti Crescent, 1 Nelson Mandela Road, Vasant Kunj, Phase II, New Delhi - 110 070, India not later than close of working hours on **Friday, April 10, 2015**. The Postal Ballot Forms received after this date will be treated as if reply from the shareholder has not been received. However, envelopes containing Postal Ballot Form, if sent by courier or by registered post or by speed post at the expense of the registered member will also be accepted. The Postal Ballot Form(s) may also be deposited personally.

(ii) The votes should be casted either in favour or against the resolution by putting the tick **[✓]** mark in the column provided for assent or dissent. Postal Ballot Form bearing tick **[✓]** mark in both the column will render the Form invalid.

(iii) Please convey your assent / dissent in the Postal Ballot Form. The assent or dissent received in any other form shall not be considered valid.

(iv) The Postal Ballot Form should be completed and signed by the sole / first named shareholder. In the absence of the first named shareholder, in a joint holding the Form may be completed and signed by the next named shareholder. *(However, where the Form is sent separately by the first named shareholder and the joint holder(s), the vote of the first named shareholder would be treated as valid).*

(v) In case of shares held by companies, trusts, societies etc., the duly completed Postal Ballot Form should be accompanied by a certified true copy of the board resolution / authority letter, with signatures of authorised signatory(ies), duly attested.

(vi) Incomplete, unsigned or incorrectly filled Postal Ballot Forms will be subject to rejection by the Scrutinizer.

(vii) Shareholders are requested to fill the Postal Ballot Form in indelible ink and not in any erasable writing mode.

(viii) Shareholders are requested not to send any other matter along with the Postal Ballot Form in the enclosed self-addressed postage pre-paid envelope. If any extraneous papers are found, the same will be destroyed by the Scrutinizer.

(ix) A shareholder may request for a duplicate Postal Ballot Form, if so required. However, the duly completed duplicate Postal Ballot Form should reach the Scrutinizer not later than the date and time specified in Point No. 13(i) above.

14. **PROCESS FOR MEMBERS OPTING FOR E-VOTING**

A. In case of member receiving the Ballot Form by e-mail:

(i) Launch internet browser by typing the URL: https://evoting.karvy.com

(ii) Enter the login credentials (i.e. User ID and password mentioned overleaf). Your Folio No. / DP ID / Client ID will be your User ID. However, if you are already registered with Karvy for e-voting, you can use your existing User ID and password for casting your vote.

(iii) After entering these details appropriately, click on "LOGIN".

(iv) You will now reach password change Menu wherein you are required to mandatorily change your password. The new password shall comprise minimum 8 characters with at least one upper case (A-Z), one lower case (a-z), one numeric (0-9) and a special character (@, #, $, etc.). The system will prompt you to change your password and update your contact details like mobile number, email ID etc. on first login. You may also enter a secret question and answer of your choice to retrieve your password in case you forget it. *It is strongly recommended that you do not share your password with any other person and that you take utmost care to keep your password confidential.*

(v) You need to login again with the new credentials.

(vi) On successful login, the system will prompt you to select the e-voting Event Number for Bharti Airtel Limited.

(vii) On the voting page enter the number of shares (which represents no. of votes) as on the cut-off date under "FOR / AGAINST" or alternatively, you may partially enter any number in "FOR" and partially in "AGAINST" but the total number in "FOR / AGAINST" taken together should not exceed your total shareholding as mentioned overleaf. You may also choose the option "ABSTAIN" and the shares held will not be counted under either head.

(viii) Members holding multiple folios / demat accounts shall choose the voting process separately for each of the folios / demat accounts.

(ix) Voting has to be done for each item of the notice separately. In case you do not desire to cast your vote on any specific item it will be treated as abstained.

(x) You may then cast your vote by selecting any appropriate option and click on "Submit".

(xi) A confirmation box will be displayed. Click "OK" to confirm else "CANCEL" to modify. Once you confirm, you will not be allowed to modify your vote. **During the voting period, members can login any number of times till they have voted on the resolution(s).**

(xii) Corporate / Institutional Members (i.e. other than individuals, HUF, NRI etc.) are also required to send scanned certified true copy (PDF / JPG Format) of the board resolution / authority letter etc. together with attested specimen signature of the duly authorised representative(s), to the Scrutinizer at e-mail: evoting@karvy.com. They may also upload the same in the e-voting module in their login. The scanned image of the above mentioned documents should be in the naming format "Corporate Name_EVENT No."

(xiii) Once the vote on a resolution is cast by a member, the member shall not be allowed to change it subsequently.

B. In case of member receiving the Ballot Form by post:

(i) User ID and Initial password is provided at the bottom of the Postal Ballot Form.

(ii) Please follow the steps from Sl. No. 14A(i) to 14A(xiii) above, to cast your vote.

C. In case of any query pertaining to e-voting, please visit Help & FAQ's section available at Karvy's website download section on https://evoting.karvy.com or contact Karvy Computershare Pvt. Ltd. at Tel No. 1800 345 4001 (toll free).

D. The period for e-voting starts on Thursday, March 12, 2015 (8:00 a.m.) and ends on Friday, April 10, 2015. E-voting shall be disabled by Karvy at 8:00 p.m. on Friday, April 10, 2015.