

The In-house Magazine of Bharti Enterprises

Volume-I

April-June,1996

Dear Colleagues,

Chairman

Message

The year 1995-96 has been a momentous year for Bharti Group of Companies. Each company/unit made significant improvement in terms of performance and productivity over the previous year. Airtel-the cellular service in New Delhi was launched in September 1995 and moved on to become the largest and finest cellular service in the country.

In addition to the joint venture with Siemens, Bharti Telecom joined hands with well-known Casio of Japan for manufacture of Radio Pagers. Work has also begun to roll-out network for cellular service in Himachal Pradesh. Ludhiana and Gurgaon factories enhanced production and sales maintaining Bharti leadership position of being India's largest manufacturer of telephone terminals. On various counts, the year has been extremely successful for which credit goes to our customers, partners, suppliers/vendors and most of all, the colleagues at Bharti.

The year 1996-97 brings in new challenges. The growth strategy of the Group is twofold - through expansion of existing capacities and by forming strategic alliances with internationally acclaimed companies. The expansion plans are already on the drawing board for Ludhiana and Gurgaon. For Bharti Healthcare, the capacity expansion is well underway. The Group is also going in for formation

of joint ventures in other select areas in the field of telecommunication.

While moving rapidly on the fast track, the Group continues to abide by our value systems and beliefs in high business ethics without compromising on the aggressiveness needed to position



ourselves as a leading player in the Indian Corporate Sector.

Forging ahead towards the 21st century, the Bharti family now has nearly 1500 members. I wish "Bharti Today" all the success in becoming a vehicle for internal communication and in further strengthening the relationships by keeping people in touch. I hope to see your participation in making the in-house journal a success.

I wish you and your family all the best.

Sunil Bharti Mittal Chairman - Bharti Group

urpose

BHARTI ENTERPRISES

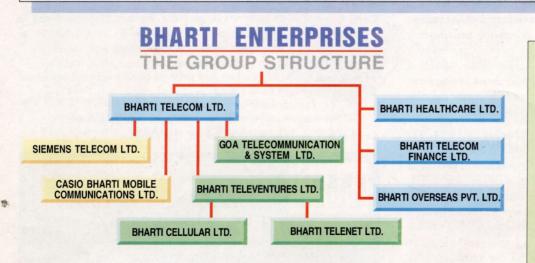
We exist to make a positive impact on society — to make people's lives better

- through high quality products and services. Our focus is to seek out the

best technology in the world and put

it at the service of its ultimate users -

our customers.



The Corporate Board:

Mr. Sunil Bharti Mittal, Chairman & Group Managing Director

Mr. Rakesh B. Mittal, Managing Director

- Mr. Rajan B. Mittal, Jt. Managing Director Mr. Akhil Gupta, Director (Corporate Affairs)
- Mr. K.L. Jain, Director (Commercial)
- Mr. G.K. Agarwal, Director (HRD)

Mr. S. Ratnam, Director (Finance)

"We've Come A Long Way"-A brief history of Bharti Enterprises

'76 - Foundation Laid. '**q1** '76- - Unit to Manufacture Bycycle Parts. '**q**2 -Unit Set up to manufacture Shoddy Yarn. -Unit Set up to Manufacture Stainless Steel Sheets. -Bharti Overseas Set Up. 'Q3 '80 -Main Activity-Import of Metals, Plastics & Light Engg. Goods Etc. '**q**4 -Exclusive Distribution & Marketing of Suzuki Portable Generators on an all India basis. '95 -Mitbrau Range of Push Button Telephones in '83 Technical Assistance from Kingtel, Taiwan. -Bharti Healthcare Established. '84 '85 - Capsule Manufacturing Unit Goes on Stream. '86 - Bharti Telecom Established. - Collaboration signed with Siemens AG. '87 - Ludhiana Unit Goes on Stream. **'89** - Tied up with Takacom Corporation, Japan for manufacture of Telephone answering machines. - Tied up with Lucky '**9**6 '9N Goldstar International Corporation of South Korea for manufacture of cordless Telephones. - Export contract signed with Sprint USA. - Gurgaon Unit established.

The Ludhiana Unit

The Ludhiana Unit holds the pride of being the flagship manufacturing unit of Bharti Telecom. Commercial production at Ludhiana was started in June '87. With a modest production capacity of 200,000 telephone instruments in 1989, the unit has reached a capacity of One Million telephone instruments today . As we gear up to produce 1.5 Million telephone instruments during 1996-97, planning is underway to increase production



capacity to 3 Million telephone instruments per annum by the year 2000.

During 1994-95, we excelled over government preferred public sector, I.T.I. and became the overall

largest supplier to DoT/MTNL in the country, besides being a major player in the open market. In a highly competitive market where telephone instrument prices keep crashing every year, this manufacturing unit has successfully faced the challenges by continuous improvement in overall productivity.

Located in the industrial hub of Punjab - the land of hardworking and vibrant people, a number of cultural functions/celebrations are a part of the annual routine at the Ludhiana Unit-the most important being the Annual Day Celebrations on the Baisakhi Day in April, every year.

- 1 Gurgaon Unit goes on stream.
- Govt. invited Cellular Mobile Telephone Bids.
 Joint Venture Formed with CGE, EMTEL, Millicom & MSI & Bharti Cellular was formed.
- Provided Technical Assistance for manufacture of Electronic Push Button Telephones in Uganda.
- **94** Entered into a strategic alliance with Casio, Japan, for assembly & marketing of Casio Radio Pagers in India.
- 5 Formed Siemens Telecom Limited-a Joint Venture with Siemens to market telephone terminals under SIEMENS and BEETEL brand names.
 - Acquired Goa Telecommunications & Systems Ltd., an existing profit making company to manufacture wireless Telecom Transmission Equipments.
 - Formed a Consortium with STET, Italy, to bid for Basic
 & Cellular Services. Licence already granted for Himachal Pradesh (Cellular).
 - Cellular service 'AirTel' commercially launched by BCL in Delhi.
 - Launch of Casio Bharti Mobile Communications.
 - Bharti Telenet bids successfully for operating Cellular Services in Himachal Pradesh & Basic Telecom Services in the state of Madhya Pradesh.

Achievements 95-96

- Stepped up telephone production from 2,600 to an average of 4,000 per day, resulting in an increased annual capacity from 600,000 in 1994-95 to 900,000 during 1995-96.
- Introduced the Euroset 802 and Euroset 812 2 new models of telephone instruments.
- Development of new strategies for further improvement in performance:
 - Emphasis on employee training and development
 - Strengthening the vendor base
 - Enhancement of product and process quality through focus on
 - + RFT (Right First Time)
 - + 'Q' Factor, and

BHARTI

ENTERPRISES

+ preventive and corrective action on field feed back

Key contact person: Mr. G.K. Gupta, GM (Works)

The HRD Vision

- To man the organisation with professionals and work-force matching world class competencies and skills and managing the business to provide maximum customer satisfaction and quality at the optimum cost.
- To permeate an organisation culture that fosters urge in employees to learn and surpass one's own standards and accept growing challenges.
- To inculcate organisational values of honesty, integrity, fairness, concern and respect for individuals as well as highest standard of ethics in all our relations with customers, suppliers, JV partners, employees, community and government.



Bharti Today

Cellular phone service is one of the most exciting telecom applications around the world, with increasing urbanization and the rapidly accelerating pace of business.

Bharti recognised the potential of this service in India and set up Bharti Cellular. Bharti Cellular is a consortium of some of the world's leading names in cellular telephony:

Compagnie Generale Des Eaux of France (the world's largest utilities company with presence in mobile telephony through *SFR*, the nationwide telephone operator in France and *Talkland*, one of UK's leading cellular service providers)

- Mobile Systems International the world's foremost network planner
- Emtel the pioneer of cellular telephony in Mauritius
- STET-Italy
- Bharti Telecom India's pioneering telecom company



Bharti Cellular

Ericsson).

AirTel also makes available to its customers a range of worldclass cellular phone handsets, from renowned makes like Siemens, Nokia, Ericsson and Motorola.

over 40% of the world's cellular phone users

make their calls on network systems built by

Key contact persons:

Mr. Anil Nayar, Executive Director Mr. N. Arjun, Director *(Operations)* Mr. Ravi Kaushal, General Manager *(Finance)* Mr. Hemant Sachdev, General Manager *(Marketing)*

The Gurgaon Unit

The Gurgaon Unit, Bharti Telecom's second factory, was set up in 1991 and began commercial production in 1992. In record time, this unit gave Bharti Enterprises two highly coveted distinctions:

 The first company to export telephone instruments to the quality conscious markets in USA, and

The first factory under this category to receive ISO 9002 certification in India The Gurgaon Unit has won accolades for consistent supply of "Zero Defect" products to Sprint Corporation (USA) and has also entered into an OEM contract with Conair Corporation (USA), another telecom giant. This year the factory is gearing up to produce many new models to cater to demand from private telecom operators as well as from the Department of Telecommunications.

Growing at 80% every year, the Gurgaon Unit currently has a capacity to produce 500,000 telephones per year, and plans to grow this even further to 1 million by year end. What's more, the highly motivated manpower strength of 300 is committed to reaching a target of 2 million phones per year by 1999! All this will be made possible by involving each employee in several productivity improvement activities - suggestion schemes, formation of project teams, rewards for Best Worker and Best Executive among others to reach a level of Total Quality Management.

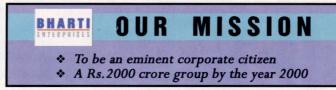
Achievements 95-96

- Commenced business relationship with Conair
- ISO 9002 certification upgraded to 1994 version
- Achieved cost reduction and increased productivity on the Premier model.
- Initiated ten TQM projects
- Celebrated First Annual Day on April 29, 1995, a major step in strong industrial relations

Key contact person: Mr. V.K. Bhalla, V.P. (Works)

WE BELIEVE IN THE PURSUIT OF Excellence in all we do

We strive continually to improve our products and services, our human and community relations and our financial performance. Quality in every aspect of business is our motto.



IN THE

S3 Com Launched

2000,0000000000

After the immense success of S4 mobile phone, STL launched the S3com on February 16 at the New Delhi Hilton. An intelligent operating system and an attractive display make the S3com the most user friendly phone in the market. Other key features of the phone are, Caller Line identification, Short message reception and transmission,

64 character graphic display (the highest you can get), Call Screening and call alternating and conferencing.

Executives Of The Year 95-96 (Ludhiana Unit)

Congratulations to Mr. Surinder Singh, Engineer - PE (PCB) and Mr. R. K. Rajora, Engineer (PGE)

• on being selected Executives Of The Year. In recognition of their outstanding performance, Mr. Singh received the "Beetel" Trophy and a Certificate of Appreciation and Mr. Rajora received a Certificate of Appreciation.



ongratulations to Mr. Suresh Nand- Office Assistant, Corporate Office, for an award of Rs. 500 on suggesting the name 'Bharti Today', which was selected out of over 25 entries.

Launch of the First Cell Shop in the Country

(November 11, 1995)

Revolutionising the concept of cellular retailing, AirTel, Delhi's first cellular phone

service launched its first franchised shop "AirTel Connect" at Lajpat Nagar, New Delhi. The first of its kind, AirTel Connect stocks the entire range of cellular handsets along with accessories and brings the consumer closer to AirTel. Subscribers can even collect their SIM card from AirTel Connect!

Following the success of this concept, two more outlets were opened in Connaught Place and Yusuf Sarai.

Best Worker Award

For his high productivity and commitment to the job, Mr. Ranjit Singh, Tech. - PE (C/LESS) was given the BestWorker Award which carries a cash award of Rs. 1000 and a certificate of appreciation. Hearty Congratulations!

9th Annual Day at G-Tel

Goa Telecommunications & Systems Ltd. celebrated its 9th Annual Factory Day on April 18, 1996. After starting the day with the Satya Narayan Pooja, several employees and their families provided entertainment with a variety programme. The large gathering was addressed by Mr. Rakesh B. Mittal (Vice Chairman cum Managing Director), Mr. G.K. Agarwal (Director-HRD) and Mr. Y.G.P. Raikar (Vice President-Works). Mr. H.S. Manhas, who has joined the Board of G-Tel as Director, was also present. Prizes were distributed to employees who completed 10 years of service. The highlight of the event was the selection of Mr. Pedro Alberquerque, Assistant (Production) in the Bay Wiring Section who received the Best Worker Of The Year 1995-96 Award.

Promoting a Cultural Spirit

(SAARC-Trade Festival, Jan. 9-14, 1996)

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AirTel was involved with the cultural program that formed a part of the South Asian Association for Regional Co-operation (SAARC) Trade Festival '96 Commencing with a much appreciated performance by Ustad Nusrat Fateh Ali Khan. The packed Hamsadhuani Hall at Pragati Maidan also

witnessed four days of spell-binding programs by renowned folk artists from Bhutan, Bangladesh, Sri Lanka and Nepal. Maestros of Indian classical music, Ustad Allah Rakha Khan, Ustad Zakir Hussain and Pandit Vishwa Mohan Bhatt concluded this cultural bonanza.

Manager Of The Year 95-96

(Ludhiana Unit)

Congratulations to Mr. Pavitar Singh, Sr. Manager (PGE), on being awarded the "Beetel"Trophy and Certificate of Appreciation.

Priya Show (27-28 May & 3-4 June '95)

AirTel treated its subscribers to an exclusive screening of three of Hollywood's blockbuster movies to mark the first formal interaction of consumers with AirTel personnel and a display of various handsets.

Siemens Telecom Sets up Service Centre For Mobile Phones

Dr. Haubs, Director - Overseas Sales at Siemens AG, inaugurated the brand new Service Centre of Siemens Telecom Ltd. in New Delhi on March 13, 1996. The service centre, located at 101-C, Kundan House (behind NAFED Bldg.) Ashram Chowk, New Delhi, aims to provide a single-visit solution to customers and distributors who may have any after sales problem with their phones or mobile handsets.

Sponsorship of Pro-ams Golf Tournament 28th-29th Oct. 1995

ACTOR TO TOTAL

AirTel co-sponsored the "Business Today" Pro-ams of Golf Championship '95, wherein CEOs of business houses and professionals teamed together and competed at the Delhi Golf Club.



Wisitex '96

AirTel participated in the 7-day Wisitex '96 exhibition with a team of 6 sales executives to assist the visitors.

Jazz Time For Airtel Customers September 1995

AirTel sponsored an evening of fusion music, a melange of east and west by the internationally acclaimed Mynta Surya, for AirTel's customers in Delhi at the Taj Palace Hotel.

Bharti Telenet Bridging Distances

Bharti Telenet Limited is a joint venture between Bharti Telecom Limited, STET International SpA, Italy & STET International Netherlands NV (both associates of TELECOM ITALIA, one of the largest Cellular & Basic Network Service operator in Europe).

BhartiTelenet Limited has won the licence to operate GSM Mobile Cellular Services in the picturesque state of Himachal Pradesh. Himachal Pradesh has witnessed a boom in tourism in recent years as well as the mushrooming of a large number of medium and small scale industries - creating a good potential demand for our Mobile Telephone services.

Additionally, in April 1996 the company successfully bid for providing basic telecom services in Madhya Pradesh. Being India's largest state, with an area of 443,000 sq. kms and a population base of 66 million, Madhya Pradesh offers enormous potential for Bharti Telenet. What's more, the present fixed line telephone penetration in the state is only 0.3% is ample proof that plenty of opportunity exists.

Key contact persons:

products by

Mr. V. Dayal, Director (Operations) Col. O.P. Aurora, General Manager (Operations)

Goa Telecommunication & Systems

G-TEL is one of the recent acquisitions of Bharti Enterprises. Until March 1995 the company was a state-owned enterprise manufacturing telecommunications equipment for rural applications.

Having recently entered into alliances with ITALTEL of Italy & ECI Telecom of Israel, G-TEL plans to make substantial investments to manufacture state-of-the-art telecom transmission equipments:

Within one short year of joining the Bharti Family, G-TEL has chalked up several notable achievements.

- More than 50% increase in production of 3 CH and 8 CH
 Open Wire Carrier Systems, over the previous year
- Commercially manufactured and delivered 10 CH Digital UHF radios to DoT
- Entered the arena of Optic Fibre Line Terminating Equipment (OLTE), based on PDH technology, in collaboration with ITALTEL of Italy. Overcame stiff competition from wellentrenched manufacturers and booked orders for over 200 OLTE terminals of 140 and 565 Mbps worth Rs. 9 crores appox.
- Made a mark in the field of high-tech telecom transmission

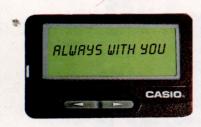
successfully bidding for OLTE terminals, based on SDH technology, in collaboration with ECITelecom Ltd. of Israel. An order worth approx Rs. 10 crores is expected shortly. SDH is the current technology used extensively for building a backbone network to provide a range of multi-media services (e.g. telecom services, cable TV and computer networking) on a single cable pair.

 Signed MoU with Alcatel-Telettra for manufacturing Digital Microwave Radios (DMRs).

Key contact person: Mr. Y. G. Pai Raiker, V. P. (Works)

Casio Bharti Mobile Communications

On 1st February 1996, Bharti Telecom Ltd., Casio Computer Co. Ltd. and Mitsui & Co. Ltd. announced the launch of a new joint venture company - 'Casio Bharti Mobile Communications Ltd.'. The newly established company will locally manufacture a range of innovative and technologically advanced Casio pagers, using stateof-the-art technology and equipment.



The manufacturing plant for the new project, to be set up near Delhi, is expected to be in full operation within the next year. The plant has an initial annual capacity of 500,000 pagers, with plans for expansion by 1999. Casio Bharti Mobile Communications Ltd. will also subsequently expand into the market

for other mobile communications equipment.

Casio started pager manufacturing in 1987 and in a short span of

The company also ranks amongst the top pager manufacturers in the world, with significant market share in several countries of the Asia-Pacific region as well as North America. In India, Casio is introducing its latest model - IP 620. A result of Casio's dedicated R&D efforts, the IP 620 is equipped with several unique and user friendly features that have made Casio pagers the preferred choice of the experienced user, worldwide.

time, it has become Japan's leading pager manufacturer.

Mitsui & Co. is Japan's premier and one of the world's largest integrated trading corporations. The company maintains a global trading and logistics network encompassing 842 subsidiaries and associated companies in 90 countries across the globe. It is now aggressively targeting the Indian market and has a high level of confidence in its future activities in India.

Key contact persons: Mr. Y. Tagami, MD Mr. Sanjay Bahl, GM (Marketing)

WE BELIEVE IN GROWTH AND BUILDING OUR ORGANIZATION FOR THE LONG TERM

Bharti Today

Siemens Telecom Pioneering Innovations

Siemens is today the acknowledged world leader in the communication Industry. More than 145 years as a pioneer in the field has given it a strong base to meet the different communication needs of countries around the world. Siemens has decisively shaped the development of wolrdwide communication networks in every technological phase. Some 85 million subscribers in 9 countries are currently connected to Siemens Telephone Exchanges.

On March 27, 1995, a Joint Venture Agreement was signed between Siemens Ltd. and Bharti Telecom Ltd. to form "Siemens Telecom Ltd" for marketing and servicing a wide range of consumer telecom products such as Corded Electronic Push Button Telephones (Euroset 802), Feature Phones (Euroset 812), Feature Phones with Digital Answering Machines (Euroset 832/830), Cordless Telephones, Fax Machines, Small EPABX and the latest GSM Cellular Phones. In addition, this company markets and services existing/new models of "Beetel" range of products manufactured by Bharti Telecom.

TEAM WORK IS OUR WAY OF LIFE

We believe in working in partnership with our employees and with our customers, suppliers & other members of society. Trust and respect are the foundation of our team approach.

Bharti Telecom

India's first push-button telephones. India's first answering machines. India's first cordless telephones...In many ways, Bharti Telecom ushered in the telecom revolution into the country.

The company's pioneering efforts were rewarded with the country's first (and so far, only) ISO-9002 accreditation for all its telecom

terminal manufacturing facilities. Now, Bharti Telecom is carrying the revolution further. It is exporting telephone instruments to Sprint & Conair, USA amongst others.

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Using its access to global technology, experience, expertise and cost efficient manufacturing processes, Bharti Telecom is making a pioneering effort to make India a strong sourcing base for telephones, for requirements around the globe.

Key contact persons:

- Mr. H.S. Manhas, Sr. V.P. (Manufacturing)
 Mr. S.C. Agarwal, V.P. (Materials)
 Mr. V.K. Aggarwal, A.V.P. (Projects)
 - Mr. V.S. Bilgi, General Manager (F&A)
 - •Mr. Sudhir Khullar, Jt. General Manager (Legal & Secretarial)



STL started its operation with a wide, ready-made network of over 65 distributors/ dealers and over 1,000 retailers and 55 authorised service franchisees. Over the next 2/3 years STL is targeting at least 3 fold increase in its marketing/

servicing network.

The Joint Venture Agreement not only enables STL to provide state-of-the-art products but also gives them the added advantage of being able to access Siemens' centralized R&D, based in Germany. To the customer, this means immediate availability of technologically superior products, as soon as they are launched elsewhere in the world.

Key contact persons: Mr. B.G. Roy, MD Mr. I.B. Mehra, Director (Marketing)

Bharti Healthcare

Bharti Healthcare was set up to manufacture a vital component of medicines - hard gelatine capsules with the manufacturing facilities provided by Evergreen Packaging Ltd (formerly known as Cherry Burell). The company has established strong credentials in the Indian pharmaceutical industry, with a client base of eminent drug companies including Pfizer, Parke-Davis, Wockhardt, Ranbaxy and Glaxo.

During 1996-97, Bharti Healthcare will increase its existing capacity of 1.30 billion capsules to 3.25 billion capsules and continue to maintain this growth in coming years in order to become the number one Empty Hard Gelatine manufacturer in the country.

Bharti Healthcare has entered into a strategic alliance with Stryker Corporation, USA a fortune 500 company in order to market & service an impressive range of high-tech surgical equipments. Stryker is a leader in the field of surgical equipment and implants. Especially Optical, Endoscopic & Arthroscopic surgical equipment.

Major achievements in 1995-96

- During 1995-96, the Capsule Division achieved a growth of 50% in turnover as compared to the previous year.
- Medical Equipments Division registered a Rs. 7 crore turnover in the very first year of operations!



Key contact person: Mr. S.L. Chawla, GM (Operations)

EMPLOYEES ARE OUR MOST IMPORTANT RESOURCE

We will create an environment that provides each of us the opportunity to realize our full potential.

DET

"UNDERSTAND"

If you don't understand Tell me that you don't understand. Unless you tell me that you don't understand How can I understand, that you don't understand? Do you understand?

- Gopal Dass

Sr. Manager (PGE), Gurgaon Unit

"मंहगाई"

अगर रोके न गये भावों के चढाव तो कछ दशक बाद अखबार में छपेंगे निम्नलिखित बाजार भाव। गेहँ दस पैसा जोडी। चावल बीस पैसा कोडी।। चने दो रूपये के पचास। पांच रूपये किलो घास।। द्ध एक रूपये बूँद। घी डेढ रूपये सँध।। रूपये ग्राम लो आम कच्चे। और एक रूपये में तीन बच्चे।।

- उदय बाबू गूप्ता पद - टेक्नीशियन, विभाग - पेजर

Share **Your Bright Ideas**

Bharti Today is our newsletter. It's a forum for everyone in the Bharti family to communicate in an informal manner. It also aims to share, with our colleagues and families, information about the environment we work in. Your comments and feedback are important for enriching Bharti Today.

So... write to us at Corporate HRD Bharti Enterprises, Qutab Ambience (at Qutab Minar), Old Mehrauli Road, New Delhi-110030. You may like to send articles, information on recent achievements/events in your workplace, suggestions and ideas for making Bharti Today even better.

CUSTOMERS ARE OUR FOCUS

We anticipate, understand and meet our customers' changing needs and expectations.

Think About it...

"Failure Leads To Success!"

What's so bad about failure? Every successful person has goofed up some time or another and many have been outright flops very. early in their careers. But one thing they'll all tell you is that they wouldn't have been successful if it hadn't been for their failures.

Every experience of failure helps us pin-point a weakness and provides an opportunity to improve. While many pay no attention to the warning, others face the challenge and work hard to 'fix' the problem. Learning from mistakes is what makes a winner.

So the next time something goes wrong, don't bury your head in the sand and feel sorry for yourself. Don't even look for a 'scapegoat' to put the blame on. Instead, take a long, hard look at yourself to find the weak spot. It's not that simple, but it works. You'll find yourself bouncing back ... just like a winner should.

Successful people know that failure isn't an end, it's a beginning.

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