



Brightstar Telecommunications India Limited

(Erstwhile Beetel Teletech Limited)

CIN: U32204HR1999PLC042204

Regd. Office: 1st Floor, Plot No. 16, Udyog Vihar Phase IV, Gurgaon 122015, Haryana, India

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NOTICE

Notice is hereby given that an Extra Ordinary General Meeting (EGM) of the members of Brightstar Telecommunications India Limited (hereinafter to be referred as the "Company") will be held on Friday, the 29th day of March 2019 at 11:30 AM at RnB Select The Clover, 37A, Sushant Lok - I, Block-B, (Behind Starz School), Gurugram-122002 to transact the following businesses:

SPECIAL BUSINESS:

1. **To consider change in designation of Mr. Sanjeev Chhabra from Whole Time Director (WTD) To Managing Director (MD)**

To consider and if thought fit, to pass with or without modification, the following resolution as a **Special Resolution:**

"RESOLVED THAT pursuant to the provisions of Section 196, 197, 198, 203 and other applicable provisions of the Companies Act, 2013 (including statutory modification or re-enactment thereof for the time being in force) and Companies (Appointment and Remuneration of Managerial Personnel) Rules 2014, read with Schedule V of the Companies Act, 2013 and Articles of Association of the Company and subject to the approval of the Central Government or other Government authorities/agencies, if any, and in terms of the Special Resolution passed by members in the 19th Annual General Meeting with respect to the appointment of Mr. Sanjeev Chhabra as Whole Time Director, consent of Shareholders be and is hereby accorded to change the designation of Mr. Sanjeev Chhabra from Whole Time Director to Managing Director of the Company with effect from 28th January 2019 for the remaining period of his tenure of five years originally commencing from 25th September 2018, subject to review of his tenure by Board of Directors from time to time."

"RESOLVED FURTHER THAT any Director or Secretary of the Company be and is hereby severally authorized to do all such acts, deeds and things which are necessary to carry out the aforesaid resolution and to seek such approval/ consent from the government departments, if required, in this regard and make

necessary filings relating to the change in designation of Mr. Sanjeev Chhabra from Whole Time Director to Managing Director with the Registrar of Companies and submission of any other necessary documents with the appropriate regulatory authorities, as may be required from time to time."

2. **To consider fixation/ revision in the remuneration of Mr. Sanjeev Chhabra (appointed as Whole Time Director wef 25th September 2018 & re-designated as Managing Director wef 28th January 2019) with effect from 1st January 2019.**

To consider and if thought fit, to pass with or without modification, the following resolution as a **Special Resolution:**

"RESOLVED THAT pursuant to the provisions of Section 196, 197, 198, 203 and other applicable provisions, if any, of the Companies Act, 2013 and the rules made thereunder (including any statutory modification(s) or re-enactment thereof for the time being in force) read with Schedule V of the Companies Act, 2013 & Articles of Association of the Company and subject to the approval of Central Government or other Government authorities/agencies, if any, as may be required, approval of the Shareholders be and is hereby accorded to pay annual remuneration by way of fixed pay of INR 120,25,000, performance linked variable pay of INR 64,75,000 (actual payment of which may decrease or increase, depending on the performance review & approval by the board/ committee) and other benefits/ perquisites of INR 2,63,259 with effect from 1st January 2019 (upto a maximum period of maximum 3 years) to Mr. Sanjeev Chhabra, who was appointed as Whole Time Director vide special resolution dated 25th September 2018 and re-designated as Managing Director with effect from 28th January 2019."

"RESOLVED FURTHER THAT any Director or Secretary of the company be and is hereby severally authorized to do all such acts, deeds and things which are necessary to carry out the aforesaid resolution and to seek such approval/ consent from the government departments,

if required in this regard and make necessary filings relating to the revision/ fixation of remuneration of Mr. Sanjeev Chhabra, Managing Director with the Registrar of Companies and submission of any other necessary documents with the appropriate regulatory authorities, as may be required from time to time."

For and on behalf of the Board of Directors
Brightstar Telecommunications India Limited

Sd/-

Neeraj Manchanda

Company Secretary

Date: 22.02.2019

Place: Gurugram

Membership No.: ACS 20060

NOTES:

1. **A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE ON POLL AT THE MEETING ON HIS BEHALF AND THE PROXY NEED NOT BE A MEMBER. A PROXY DULY SIGNED AND STAMPED SHOULD BE DELIVERED TO THE REGISTERED OFFICE OF THE COMPANY NOT LATER THAN 48 HOURS BEFORE THE COMMENCEMENT OF THE MEETING, TO BE EFFECTIVE;**
2. Members/Proxies should bring their attendance slips attached herewith, duly filled-in and signed for attending the Meeting;
3. Corporate members are requested to send to the registered office of the Company, a duly certified copy of the board resolution, pursuant to Section 113 of the Companies Act, 2013 authorizing their representatives to attend and vote at the general meeting;
4. An explanatory statement pursuant to Section 102 of the Companies Act, 2013 relating to Special Business(es) to be transacted at this meeting is annexed hereto;
5. All documents referred to in the accompanying Notice and the Explanatory Statement shall be open for inspection at the registered office of the Company during normal business hours (10.00 am to 5.00 pm) on all working days, up to the date of EGM of the Company;
6. Members are requested to intimate immediately any change in their address, including e mail addresses to the Company;
7. Route map of the venue of meeting is attached herewith.

PROCEDURE FOR REMOTE E-VOTING

- I. Pursuant to provisions of Section 108 of the Companies Act, 2013 and Rule 20 of the Companies (Management and Administration) Rules, 2014, as

amended by the Companies (Management and Administration) Amendment Rules, 2015, the Company is pleased to provide members facility to exercise their right to vote at EGM by electronic means and the business may be transacted through e-Voting Services. The facility of casting the votes by the members using an electronic voting system from a place other than venue of the EGM ("remote e-voting") will be provided by National Securities Depository Limited (NSDL).

- II. The Company has approached NSDL for providing e-voting services through their e-voting platform. In this regard, members de-mat account/ folio number has been enrolled by the Company for their participation in e-voting on resolution placed by the Company on e-Voting system. Notice of the EGM of the Company inter alia indicating the process and manner of e-Voting process along with printed attendance slip and proxy Form can be downloaded from the link <https://www.evoting.nsdl.com> or www.brightstarcorp.in.
- III. The e-voting period commences on 25th March 2019 (9:00 am) and ends on 28th March 2019 (5:00 pm). During this period shareholders of the Company, may cast their vote electronically. The e-voting module shall also be disabled for voting thereafter. Once the vote on a resolution is cast by the shareholder, the shareholder shall not be allowed to change it subsequently.
- IV. The voting rights of members shall be in proportion to their shares of the paid-up equity share capital of the Company as on the cut-off date of 22nd March 2019. Any person, who acquires shares of the Company and become member of the Company after dispatch of the notice and holding shares as of the cut-off date i.e. 22nd March, 2019, may obtain the login ID and password by sending a request at evoting@nsdl.co.in. The facility for voting through remote e-voting / Poling Paper shall be made available at the EGM and the members attending the meeting who have not cast their vote by remote e-voting shall be able to exercise their right at the meeting through ballot paper.
- V. The procedure to login to e-Voting website consists of two steps as detailed hereunder:
Step 1: Log-in to NSDL e-Voting system
 1. Visit the e-Voting website of NSDL. Open web browser by typing the following URL: [https://](https://www.evoting.nsdl.com)

www.evoting.nSDL.com/.

2. Once the home page of e-Voting system is launched, click on the icon "Login" which is available under 'Shareholders' section.
 3. A new screen will open. You will have to enter your User ID, your Password and a Verification Code as shown on the screen. Alternatively, if you are registered for NSDL eservices i.e. IDEAS, you can log-in at <https://eservices.nSDL.com/> with your existing IDEAS login. Once you log-in to NSDL eservices after using your log-in credentials, click on e-Voting and you can proceed to Step 2 i.e. Cast your vote electronically.
 4. Your User ID details will be as per details given below:
 - a) For Members who hold shares in de-mat account with NSDL: 8 Character DP ID followed by 8 Digit Client ID (For example if your DP ID is IN300*** and Client ID is 12***** then your user ID is IN300***12*****).
 - b) For Members who hold shares in de-mat account with CDSL: 16 Digit Beneficiary ID (For example if your Beneficiary ID is 12***** then your user ID is 12*****).
 - c) For Members holding shares in Physical Form: EVEN Number followed by Folio Number registered with the company (For example if folio number is 001*** and EVEN is 110422 then user ID is 110422001***).
 5. Your password details are given below:
 - a) If you are already registered for e-Voting, then you can use your existing password to login and cast your vote.
 - b) If you are using NSDL e-Voting system for the first time, you will need to retrieve the 'initial password' which was communicated to you. Once you retrieve your 'initial password', you need to enter the 'initial password' and the system will force you to change your password.
 - c) How to retrieve your 'initial password'?
 - i. If your email ID is registered in your de-mat account or with the company, your 'initial password' is communicated to you on your email ID. Trace the email sent to you from NSDL from your mailbox. Open the email and open the attachment i.e. a .pdf file. Open the .pdf file. The password to open the .pdf file is your 8 digit client ID for NSDL account, last 8 digits of client ID for CDSL account or folio number for shares held in physical form. The .pdf file contains your 'User ID' and your 'initial password'.
 - ii. If your email ID is not registered, your 'initial password' is communicated to you on your postal address.
 6. If you are unable to retrieve or have not received the "Initial password" or have forgotten your password:
 - a) Click on "Forgot User Details/ Password?" (If you are holding shares in your de-mat account with NSDL or CDSL) option available on www.evoting.nSDL.com.
 - b) "Physical User Reset Password?" (If you are holding shares in physical mode) option available on www.evoting.nSDL.com.
 - c) If you are still unable to get the password by aforesaid two options, you can send a request at evoting@nSDL.co.in mentioning your de-mat account number/folio number, your PAN, your name and your registered address.
 7. After entering your password, tick on Agree to "Terms and Conditions" by selecting on the check box.
 8. Now, you will have to click on "Login" button.
 9. After you click on the "Login" button, Home page of e-Voting will open.
- Step 2: Cast your vote electronically on NSDL e-Voting system.
1. After successful login at Step 1, you will be able to see the Home page of e-Voting. Click on e-Voting. Then, click on Active Voting Cycles.
 2. After click on Active Voting Cycles, you will be able to see all the companies "EVEN" in which you are holding shares and whose voting

cycle is in active status.

3. Select "EVEN" of the Company, which is 110422.
 4. Now you are ready for e-Voting as the Voting page opens.
 5. Cast your vote by selecting appropriate options i.e. assent or dissent, verify/modify the number of shares for which you wish to cast your vote and click on "Submit" and also "Confirm" when prompted.
 6. Upon confirmation, the message "Vote cast successfully" will be displayed.
 7. You can also take the printout of the votes cast by you by clicking on the print option on the confirmation page.
 8. Once you confirm your vote on the resolution, you will not be allowed to modify your vote.
- VI. Institutional shareholders (i.e. other than individuals, HUF, NRI etc.) are required to send scanned copy (PDF/JPG Format) of the relevant Board Resolution/ Authority letter etc. with attested specimen signature of the duly authorized signatory(ies) who are authorized to vote, to the Scrutinizer by e-mail to partner@groverahuja.in with a copy marked to evoting@nsdl.co.in. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential. Login to the e-voting website will be disabled upon five unsuccessful attempts to key in the correct password. In such an event, you will need to go through the "Forgot User Details/Password?" or "Physical User Reset Password?" option available on www.evoting.nsdl.com to reset the password.
- VII. Ms. Sanchita Bhardwaj, Practicing Company Secretary on behalf of M/s. GA & Associates, Companies Secretaries LLP has been appointed as the Scrutinizer to scrutinize the voting and remote e-voting process in a fair and transparent manner. Please note that a member may participate in the EGM even after exercising his right to vote through remote e-voting but shall not be allowed to vote again at the EGM. A person, whose name is recorded in the register of members or in the register of beneficial owners maintained by the depositories as on the cut-off date only shall be entitled to avail the facility of remote e-voting as well as voting at the EGM through ballot paper.

VIII. The Chairman shall, at the EGM, at the end of discussion on the resolutions on which voting is to be held, allow voting with the assistance of scrutinizer, by use of ballot paper for all those members who are present at the EGM but have not cast their votes by availing the remote e-voting facility. The Scrutinizer shall after the conclusion of voting at the general meeting, will first count the votes cast at the meeting and thereafter unblock the votes cast through remote e-voting in the presence of at least two witnesses not in the employment of the Company and shall make, not later than three days of the conclusion of the EGM, a consolidated scrutinizer's report of the total votes cast in favour or against, if any, to the Chairman or a person authorized by him in writing, who shall countersign the same and declare the result of the voting forthwith. The results declared along with the report of the Scrutinizer shall be placed on the website of the Company www.brightstarcorp.in and on the website of NSDL immediately after the declaration of result by the Chairman or a person authorized by him in writing.

IX. Login id and password can be used by members exclusively for e-voting on the resolutions placed by the Companies in which members are the shareholders. It is strongly recommended to the members not to share their password with any other person and take utmost care to keep it confidential.

In case of any queries, members may refer to the Frequently Asked Questions (FAQs) for members and e-voting user manual for members available at the downloads sections of <https://www.evoting.nsdl.com> or contact NSDL at the following toll free no.: 1800-222-990.

EXPLANATORY STATEMENT PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013.

ITEM NO. 1 & 2

Mr. Sanjeev Chhabra was appointed as Whole-Time Director of the Company by way of shareholders' resolution dated 25th September 2018 and based on the recommendation of Nomination & Remuneration Committee of the Company, Board in its meeting held on 28th January 2019 had re-designated him as Managing Director of the Company, subject to the confirmation of shareholders and other regulatory approvals, if required.

Board of Directors recommends to the Shareholders the change in designation of Mr. Sanjeev Chhabra as Managing

Director w.e.f. 28th January 2019. Further, the Board also recommends to the Shareholders to approve the annual remuneration of Mr. Sanjeev Chhabra by way of fixed pay of INR 120,25,000, performance linked variable pay of INR 64,75,000 (actual payment of which may decrease or increase, depending on the performance review & approval by the board/ committee) and other benefits/ perquisites of INR 2,63,259 with effect from 1st January 2019 (for a period of maximum 3 years).

Annexure forming part of the explanatory statement as required to be given pursuant to Part II of Schedule V of the Companies Act, 2013:

I. General Information: -

- a. Nature of Industry: - Brightstar is a value-added distribution house that partners with leading brands and creates and market products in the IT, Telecom and Enterprise Solution domain.
- b. Date or expected date of commencement of commercial production: Existing/ ongoing Company;
- c. In case of new Companies, expected date of commencement of activities as per project approved by financial institutions appearing in the prospectus: Not applicable
- d. Financial Performance based on given indicators:

(Figures in Mn.)

| Particulars | Financial Year ended 31 March 18 (audited) | Financial Year ended 31 March 17 (audited) |
|---------------------------------------|--|--|
| Gross Sales | 39,730.23 | 37,017.81 |
| Other Income | 28.07 | 17.59 |
| Loss before tax | (528.37) | (545.91) |
| Loss for the year (after tax) | (588.78) | (520.31) |
| Total comprehensive loss for the year | (601.32) | (525.34) |

- e. Export performance and Net Foreign Exchange Outgo: Foreign Exchange inflow of Rs. 73.02 (Million) and Foreign Exchange outgo- Rs 7980.98 (Million)
- f. Foreign Investments or Collaborations: Investment in wholly owned subsidiary in Singapore

II. Information about the appointee: -

- a. Background details: Sanjeev Chhabra is an ICT

industry veteran, having a career in sales & distribution spanning over 2 decades. In the past, he worked with several renowned corporates, including Ingram Micro, XO Infotech Ltd, SES Technologies Ltd and Microtek International Ltd. He has been with the Company for last 10 years and was serving as Whole Time Director from July 2018 onwards. He has been one of the core team members in the management of the Company. He has been a solid contributor to the business in various life stages of evolution of the Company.

He has been instrumental in the business growth of the company and enhanced shareholder value. He is an estimable leader and dedicated team player capable of evoking highest levels of team engagement. Since his joining, as a business head, he, in the past 10 years has created path-breaking record in client acquisition across the globe and has closely worked with the management team to bring operational improvements, strategic growth and sustainability. He is a self-starter and has transformed the business from box-selling to value added distribution to services led approach. He holds the degree of BE in Electronics and PG Diploma in Marketing.

- b. Past Remuneration (as Whole-Time Director, approved from 12th July 2018 to 31st December 2018): Shareholders approved the remuneration of Rs. 93,28,951, comprising of fixed remuneration of Rs. 37,49,994/-, variable remuneration of Rs. 25,00,013/- (which was based on Sanjeev Chhabra's annual appraisal), fixed bonus of Rs. 3,000,000/- and other benefits of Rs. 78,944.
- c. Recognition or Awards: None.
- d. Job Profile and his suitability: He worked very closely with the management team to bring in operational improvement and strategic growth for the Company. He has been a solid contributor to the business, journeying along various life stages of evolution of the Company. He is responsible for day to day operations and management of the company. Mr. Sanjeev Chhabra worked with several renowned corporates, including Ingram Micro, XO Infotech Ltd, SES Technologies Ltd and Microtek International Ltd. He is a professional holding dual qualification. He has a technical degree i.e. BE in Electronics as well as a management/ marketing qualification i.e. Post-Graduation Diploma in Marketing.

- e. Remuneration proposed: As provided in the resolution.
- f. Comparative remuneration Profile with respect to the Industry, size of the Company, profile of the position and the person: Though direct comparable data could not be obtained, however, as a normal industry trend, the managerial personnel of companies of comparable size and scale are receiving remuneration above Rs. 25 Mn per annum. The remuneration proposed to be paid to Mr. Sanjeev Chhabra is commensurate with the experience, qualification and responsibilities entrusted to him by the Board and as prevailing in the Industry in his capacity as an experienced professional.

III. Other Information: -

- 1) Reason for Loss / Inadequate profits: -
 - (a) The Company is in the business of distributing IT and mobility products. For mobility products, the Company experienced continued headwinds in the Apple distribution business, which was the major contributor to losses during the year. Most of the losses were in fourth quarter of the fiscal year of 2017-18 as market prices for these products dropped and demand waned, and as a result, the Company was unable to recover the loss before closure of the last year.
- 2) Steps taken for improvement:
 - (a) Simplification of the business structure and focus on existing verticals with a proven track record of profits is the new direction of the Company. To this effect, the Company has aligned its staff to support and grow profitable relationships in verticals such as enterprise, networks, consumer as well as its Harman distribution in mobility.
 - (b) The agreement entered with Harman International Industries for distribution of its entire portfolio last year was successfully implemented and has resulted in positive returns on investment.
 - (c) Last year the Company mentioned its foray into new lines of business including service areas such as Future Price Commitments, Buy Back and Trade In (BBTI), Kingston memory distribution and Device Protection. The efforts into these new business areas did not result in

the returns expected and given the amount of effort and resources required to run such businesses, it was decided that they should be discontinued. The overall expected impact of the discontinuation of these businesses is positive, as the Company can reduce losses as well as devote more time and resources to business that drive higher profits.

- (d) Your Company continues to focus on enhancement of existing portfolio of IT Business as under:

- i) The company entered the Cloud Business last year and continues to devote time and resources to develop this service, which will result in recurring revenue with higher margins.
- ii) Your Company successfully diversified its customer base for distribution of networking products to non-telecom partners.
- iii) Your Company presently has the excess of 60% of market share of major IT related distribution brands in the market and continues to strengthen these relationships with OEM partners.

- 3) Expected timeframe for turnaround and targets: -
Furthermore, the Company had collected the majority of its receivables related to discontinued businesses and as such does not foresee significant ongoing risks related to credit collections, which had negatively impacted profit in the 2017-2018 fiscal year.

While the focus on windup of unprofitable ventures is underway there will also be continued efforts on growing significant revenue with our largest business partners of trusted brands like Polycom, Avaya, Radwin, RAD, Huawei and Harman.

IV. Disclosures: -

- a) Remuneration: Subject to the approval of the Central Government, if any required, as provided in the resolution;
- b) Period of Appointment: Mr. Sanjeev Chhabra was appointed as Whole-Time Director by way of shareholders resolution passed in the Annual General Meeting held on 25th September 2018. Term of his appointment was 5 (five) consecutive years commenced from 25th September 2018,

subject to review of tenure by board of directors. Now he is re-designated as Managing Director with effect from 28th January 2018 for the remaining term of 5 years originally commencing from 25th September 2018, subject to review of his tenure by board of directors, from time to time.

- c) Termination: The appointment may be terminated by either Party by giving two (2) months' notice in writing of such termination or basic salary in lieu of notice period.
- d) Duties and Responsibilities: - Mr. Sanjeev Chhabra shall perform such duties and responsibilities as shall from time to time be entrusted to him by the Board of Directors, subject to superintendence, guidance and control of the Board of Directors.
- e) Others:-
 - a. Age- 44 years
 - b. Date of Appointment on the board of Directors of the Company: - 12th July 2018
 - c. Shareholding in the Company: - Nil
 - d. Relationship with other Directors and other key managerial personnel of the Company: - None

- e. Number of the meetings of the board attended during the year: - His appointment was made on 12th July 2018, and after his appointment, he attended three board meetings of the Company held on 23rd August 2018, 22nd October 2018 & 28th January, 2019.
- f. Other directorships, membership/ chairmanship of committee of other board:
 - Director in Brightstar Telecommunications Singapore Private Limited (Erstwhile Beetel Teletech Singapore Private Limited).

None of the other Directors or Key Managerial Personnel of the Company and their relatives, other than Mr. Sanjeev Chhabra are in any way, personally concerned or interested, financially or otherwise, in this resolution.

For and on behalf of the Board of Directors
Brightstar Telecommunications India Limited

Sd/-
Neeraj Manchanda
Company Secretary
Membership No.: ACS 20060

Date: 22.02.2019

Place: Gurugram

ROUTE MAP FOR EGM

