

Corporate Governance



Corporate Governance Compliance Report

The equity shares of the Company got listed on both Bombay Stock Exchange Limited and National Stock Exchange of India Limited on November 9, 2006. Accordingly, in terms of Clause 49 of the Listing Agreement (Clause 49) entered into with the said Stock Exchanges, the Corporate Governance Compliance Report is provided hereunder:

1. Company's philosophy on Code of Governance

- Ensure that the quantity, quality and frequency of financial and managerial information, which the management shares with the Board, fully places the Board Members in control of the Company's affairs.
- Ensure that the Board exercises its fiduciary responsibilities towards shareowners and creditors, thereby ensuring high accountability.
- Ensure that the extent to which the information is disclosed to present and potential investors is maximized.
- Ensure that the decision-making is transparent and documentary evidence is traceable through the minutes of the meetings of the Board / Committees thereof.
- Ensure that the Board, the Management, the Employees and all concerned are fully committed to maximizing long-term value to the shareowners and the Company.
- Ensure that the core values of the Company are protected.
- Ensure that the Company positions itself from time to time to be at par with any other world-class company in operating practices.

2. Board of Directors

Details of Directors

Sr. No.	Name of Director	NPD*	ED/NED/ ID*	Attendance in Board Meetings		Attendance in last AGM	Other Board		
				Held	Attended		Directorship **	Committee Chairmanship ***	Committee Membership (Including Chairmanship) ***
1	Manoj Tirodkar, Chairman	NPD	NED/NID	7	7	Absent	1	0	1
2	Prakash Ranjalkar	NPD	ED/NID	7	5	Present	0	0	0
3	Anand Patkar \$	NPD	NED/ID	4	4	N.A.	0	0	0
4	Balasubramanian N. \$	NPD	NED/ID	4	4	N.A.	4	1	1
5	Charudatta Naik	NPD	NED/NID	7	3	Present	1	0	0
6	Deepak Vaidya	NPD	NED/ID	7	4	Absent	8	4	6
7	G. V. Desai	NPD	NED/ID	7	7	Present	1	1	1
8	Lee Sek Hong (Michael Lee) @	NPD	NED/ID	6	1	Present	0	0	0
9	Prakash Samant	NPD	NED/ID	7	7	Present	1	0	1
10	S.S. Dawra	NPD	NED/ID	7	3	Present	3	0	3
11	Vishwas Pathak	NPD	NED/ID	7	6	Present	2	0	0
12	Vivek Kulkarni \$	NPD	NED/ID	4	3	N.A.	1	0	0

* NPD - Non-Promoter Director; ED - Executive Director; NED - Non-Executive Director; ID - Independent Director; NID - Non Independent Director.

** In Indian Public Limited Companies.

*** In Audit Committee and Shareholders'/Investors' Grievance Committee of Indian Public Limited Companies.

@ Resigned as Director w.e.f. January 28, 2008

\$ Inducted as Additional Directors w.e.f. October 8, 2007.

Details of Board Meetings held during the year ended March 31, 2008:

Date of Board Meeting	03.05.07	24.07.07	31.07.07	08.10.07	19.10.07	22.11.07	31.01.08
Board Strength	9	9	9	12	12	12	11
No. of Directors Present	7	6	6	10	8	8	9

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3. Audit Committee

Brief description of terms of reference:

- Review the financial reporting process and disclosure of its financial information.
- Review with the Management the annual / quarterly financial statements before submission to the Board for approval.
- Review with the Management, the performance of Statutory Auditors, Internal Auditors and the adequacy of internal control systems.
- Review the Company's accounting policies.
- Look into reasons for substantial defaults, if any, in payment to depositors, shareowners and creditors.
- Recommend the appointment, re-appointment and replacement or removal of Statutory Auditors and fixation of Audit Fee.
- Approval of payment to Statutory Auditors for any other services rendered by them.
- Other functions as required by applicable Regulations.

Composition of Committee and Attendance of Members:

Sr. No.	Name of Director and position	Meetings/Attendance			
		03.05.07	31.07.07	19.10.07	31.01.08
1.	Prakash Samant, Chairman @	Present	Present	Present	Present
2.	G.V. Desai, Member*\$	Present	Present	N.A.	N.A.
3	Charudatta Naik, Member*	Present	Present	N.A.	N.A.
4.	Vishwas Pathak, Member	Present	Absent	Present	Present
5.	Balsubramanian N., Member**	N.A.	N.A.	Present	Present
6.	Anand Patkar**	N.A.	N.A.	Present	Present

@ Appointed as Chairman w.e.f. October 8, 2007

* Ceased to be Members w.e.f. October 8, 2007.

\$ Ceased to be Chairman w.e.f. October 8, 2007.

** Appointed as Members w.e.f. October 8, 2007

4. Nomination & Remuneration Committee

Brief description of terms of reference:

- Frame Company's policies on Board of Directors with the approval of the Board.
- Make recommendations for the appointments on the Board.
- Recommend compensation payable to the Executive Directors.
- Administer and supervise Employees Stock Option Schemes.
- Perform such other functions consistent with applicable regulatory requirements.

Composition of Committee and Attendance of Members:

Sr. No.	Name of Director and position	Meetings/Attendance				
		03.05.2007	05.10.2007	09.10.2007 (Adjourned Meeting of 05.10.2007)	25.01.2008	11.03.2008
1.	Balsubramanian N., Chairman @*	N.A.	N.A.	Present	Present	Present
2	Prakash Samant **	Present	Present	Present	Present	Present
3.	G.V.Desai, Member ***	Present	Present	N.A.	N.A.	N.A.
4.	Lee Sek Hong (Michael Lee)***	Present	Present	N.A.	N.A.	N.A.
5.	Deepak Vaidya*	N.A.	N.A.	Absent	Present	Present

@ Appointed as Chairman of the Committee w.e.f. October 8, 2007

* Appointed as Members w.e.f. October 8, 2007

** Ceased to be Chairman w.e.f. October 8, 2007

*** Ceased to be Members w.e.f. October 8, 2007

- Remuneration Policy: The Policy Dossier approved by the Board at its meeting held on August 11, 2006, inter alia, provides for the following:

Executive Directors:

- Salary and commission not to exceed limits prescribed under the Companies Act, 1956.
- Remunerate from time to time depending upon the performance of the Company, individual Director's performance and prevailing Industry norms.
- No sitting fees.
- No Employee Stock Option Scheme for Promoter Directors.

Non-Executive Directors:

- Eligible for commission based on time, efforts and output given by them.
- Sitting fees and commission not to exceed limits prescribed under the Companies Act, 1956.
- Eligible for Employee Stock Option Scheme (other than Promoter Directors).

Details of remuneration to all the Directors:

Sr. No.	Name of Director	Salary (Rs.)	Benefits (Rs.)	Bonus/ Commission (Rs.)	Performance linked incentives (along with Criteria)	Sitting fees (Rs.)	Total (Rs.)	Stock Options	Service Contract/ Notice period/ Severance fees/ Pension
1.	Manoj Tirodkar	-	-	-	-	210,000	210,000	Nil	Retirement by Rotation
2.	Charudatta Naik	-	-	-	-	55,000	55,000	# 5,00,000 @5,00,000 \$ 3,25,000 ♣5,00,000	Retirement by Rotation
3	Deepak Vaidya	-	-	-	-	55,000	55,000	@2,00,000 ♣2,00,000	Retirement by Rotation
4	G.V. Desai	-	-	-	-	90,000	90,000	@2,00,000 ♣2,00,000	Retirement by Rotation
5	*Lee Sek Hong (Michael Lee)	-	-	-	-	15,000	15,000	■ 2,00,000 ♣ 2,00,000	Retirement by Rotation
6.	Prakash Ranjalkar	18,00,000	29,40,400	-	NIL	-	4,740,400	## 4,80,000 @29,00,000 \$\$ 3,12,000 ♣29,00,000	^
7	Prakash Samant	-	-	-	-	110,000	110,000	@2,00,000 ♣2,00,000	Retirement by Rotation
8	S.S. Dawra	-	-	-	-	30,000	30,000	@2,00,000 ♣2,00,000	Retirement by Rotation
9	Vishwas Pathak	-	-	-	-	225,000	225,000	@2,00,000 ♣2,00,000	Retirement by Rotation
10.	Anand Patkar	-	-	-	-	55,000	55,000	Δ2,00,000	Retirement by Rotation
11.	Vivek Kulkarni	-	-	-	-	35,000	35,000	Δ2,00,000	Retirement by Rotation
12.	Balasubramanian N.	-	-	-	-	135,000	135,000	Δ5,00,000	Retirement by Rotation

* Resigned as Director w.e.f. January 28, 2008.

^ 3 years w.e.f. April 1, 2007 / Notice period 3 months / NA/NA

Allotted on November 26, 2005 at the rate of Rs.10 per share, out of which 1,75,000 options got converted into equity shares on February 23, 2007 and 1,75,000 options got converted into equity shares on January 25, 2008.

@ Allotted on February 12, 2007 at the rate of Rs.29.81 per share and re-priced to Rs.19.90 on October 9, 2007 on account of Corporate Action namely Right Issue.

\$ Allotted on October 9, 2007 at the rate of Rs.10 per share on account of Corporate Action namely Right Issue, out of which 1,75,000 options got converted into equity shares on January 25, 2008

♣ Allotted on October 9, 2007 at the rate of Rs.19.90 per share on account of Corporate Action namely Right Issue.

■ Allotted on February 12, 2007 at the rate of Rs.29.81 per share and re-priced to Rs.19.90 on account of Corporate Action namely Right Issue. However, the same has lapsed on 11.3.08 due to resignation.

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Allotted on November 26, 2005 at the rate of Rs.10 per share, out of which 1,68,000 options got converted into equity shares on February 23, 2007.

\$\$ Allotted on October 9, 2007 at the rate of Rs.10 per share on account of Corporate Action namely Right Issue, out of which 1,68,000 options got converted into equity shares on January 25, 2007.

Δ Allotted on March 11, 2008 at a conversion price of Rs.33.60 per share.

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Notes:

1. Each Option underlie equal number of equity share of face value of Rs 10/-
2. Apart from above, the Company does not have any other pecuniary relationship or transactions with the Directors.

5. Shareholders'/Investors' Grievance Committee

Brief description of terms of reference:

1. Look into the redressal of Shareholders' and Investors' complaints/grievances in respect of transfer of shares, non receipt of Balance Sheet, non receipt of declared dividends, etc.;
2. Review the certificate of the Practicing Company Secretary regarding timely action on transfer, sub-division, consolidation, renewal, exchange or endorsement of calls / allotment monies;
3. Oversee the performance of the Registrar and Share Transfer Agent and recommend measures for overall improvement in the quality of investor services;
4. Ascertain whether the Registrars & Share Transfer Agents (RTA) are sufficiently equipped with infrastructure facilities such as adequate manpower, computer hardware and software, office space, documents handling facility etc. to serve the shareholders / investors;
5. Recommend to the Board, the appointment, reappointment, if required, the replacement or removal of the Registrar and Share Transfer Agent and the fixation of their fees; and
6. To carry out any other function as required by the Listing Agreement of the Stock Exchanges, Companies Act and other Regulations.
 - Name of Non-Executive Director heading the Committee : Mr. Manoj Tirodkar
 - Name and Designation of Compliance Officer : Mr. D.S. Gunasingh, Company Secretary
 - Number of shareholders' complaints received so far : 151
 - Number resolved to the satisfaction of shareholders : 151
 - Number of pending complaints : Nil

6. General Meetings

Location and time of GIL's last three AGMs with details of special resolutions passed:

Date	September 30, 2005	September 27, 2006	June 20, 2007
Time	11.00 a.m.	12.30 p.m.	12.00 noon
Venue	Electronic Sadan I, TTC Industrial Area, MIDC, Mahape, Navi Mumbai 400 710.	Vishnudas Bhawe Natyagruh, Sector 16A, Vashi, Navi Mumbai - 400 703	Vishnudas Bhawe Natyagruh, Sector 16A, Vashi, Navi Mumbai - 400 703
Details of Special Resolutions passed in the AGM		<ol style="list-style-type: none"> 1. Issue of equity shares under Section 81 (1A) of the Companies Act, 1956 ("Act"). 2. Investments in securities, extending loans, giving guarantees and providing securities under Section 372A of the Act. 3. Adoption/Ratification of 'GTL Infrastructure Limited- Employees Stock Option Scheme (ESOS 2005)' along with amendment under Section 81 (1A) of the Companies Act, 1956. 4. Payment of commission to Non-Executive Directors of the Company. 	<ol style="list-style-type: none"> 1 Re-Appointment of Mr. Prakash Ranjalkar as a Whole-time Director for a period of three years with effect from April 1, 2007 and fixing of his remuneration under Sections 198, 269, 309 and schedule XIII of the Companies Act 1956 2. Adoption of 'GTL Infrastructure Limited-Employees Stock Option Scheme (ESOS 2005)' with certain modification under Section 81 (1A) of the Companies Act, 1956

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- Special resolutions that were put through postal ballot last year; details of voting pattern:
Not applicable as no special resolution was put through postal ballot in the last year.
- Person who conducted the postal ballot exercise: N.A.
- Whether special resolutions are proposed to be conducted through postal ballot:
Yes, shall be conducted as per the provisions of the Companies Act, 1956.
- The procedure for postal ballot:
Shall be as per the provisions of the Companies Act, 1956 and rules made thereunder.

7. Disclosures

- Disclosure on materially significant related party transactions of the Company, that may have potential conflict with the interests of the Company at large:
The Company does not have any material related party transactions, which may have potential conflict with its interests at large. In any case disclosures regarding the transactions with related parties are given in the notes to the Accounts.
- Details of non-compliance by the Company, penalties, strictures imposed on the Company by the Stock Exchanges or SEBI or any Statutory Authority, on any matter related to Capital Markets during the last three years:
Nil
- Details of Compliance with mandatory requirements and adoption of the non-mandatory requirements:
The Company has complied with all mandatory requirements of Clause 49 of the Listing Agreement.

Disclosure on Non Mandatory requirements:

- **The Board**
Has a Non Executive Chairman. The expenses incurred by him in the performance of his duties are reimbursed. No policy has been laid down on tenure of Independent Directors.
- **Remuneration Committee**
The Company has constituted a Nomination and Remuneration Committee and the full details of the same is available elsewhere in this report.
- **Shareholders' Rights**
The Company is publishing quarterly audited financial results in the newspapers and is also displaying it on the Company's website www.gtlinfra.com, apart from displaying in stock exchange website. Accordingly it does not envisage to send the same separately to the households of the shareholders.
- **Audit Qualifications**
The Company endeavours to maintain a regime of unqualified statements.
- **Training of Board Members**
Prior to the appointment of the Directors, an invitation letter giving the background of the Company is sent to the Directors. On receiving their consent another letter containing the information on the terms of appointment; time commitment expected; powers & duties; special duties / arrangement attaching to the position; circumstances in which the office of the Director become vacant; expectation regarding involvement with Committee work; remuneration and expenses; superannuation arrangements; disclosure of Directors' interest which might affect their independence; and insider trading policy, code of conduct etc. is given to the Directors. Arrangements are also made for a presentation / facility visit by the Directors, either before or after their joining the Board. The Directors shall also be invited for the Business Conference of the Middle and Senior Management to enable the Company to get their input on the strategy, risk and working of the operations of the Company. The Company has also constituted a Risk Management Committee of Directors for monitoring risks.
- **Mechanism for evaluating Non-Executive Board Members**
No policy has been laid down by the Company.
- **Whistle Blower Policy**
The Company does not have any Whistle Blower Policy. However any employee, if he / she so desires, has free access to meet or communicate with the Senior Management and report any matter of concern.

8. Means of Communication

- **Quarterly results:**
The Company's quarterly financial statements are generally published in Free Press Journal/Business Standard (English language) and in Mumbai Lakshadweep/Navashakti (local language). The financial statements are also displayed in the website of the Company.

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- **Website where displayed:**
http://www.gtlinfra.com.
- Whether it also displays official news releases: The Company displays official news releases, presentations made to institutional investors or to the analysts and other coverage in the above websites.

9. Management Discussions and Analysis Report

In line with the requirements of Clause 49, the Management Discussion and Analysis is also provided under various heads in this Annual Report.

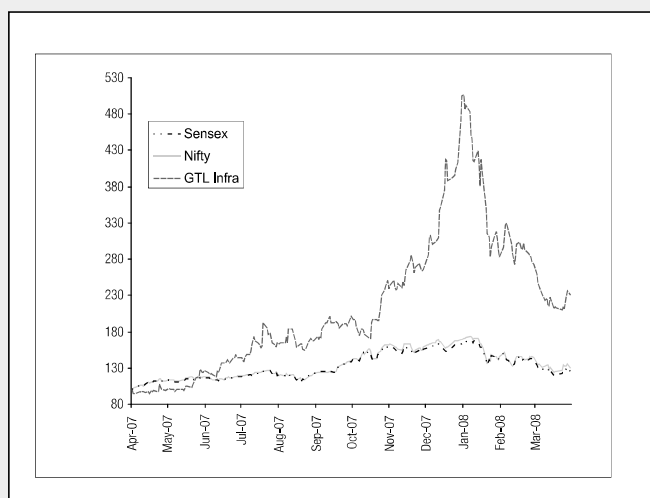
10. General shareholder information

- i. AGM: Date, time and venue** Date: June 13, 2008; Time: at 12.00 noon; Venue: Vishnudas Bhawe Natyagruh, Sector 16A, Vashi, Navi Mumbai - 400 703.
- ii. Financial Calendar for F.Y.2008-09**
- | | |
|---|--------------------------------|
| First Quarter Results | On or before July 31, 2008. |
| Second Quarter Results | On or before October 31, 2008. |
| Third Quarter Results | On or before January 31, 2009. |
| Fourth Quarter & Audited Annual Results | On or before June 30, 2009. |
- iii. Dates of book closure** June 12, 2008.
- iv. Dividend Payment** No dividend has been declared.
- v. Listing on Stock Exchanges** Equity shares listed at Bombay Stock Exchange Limited (BSE) and National Stock Exchange of India Limited (NSE).
Foreign Currency Convertible Bonds (FCCB) issued by the Company during the year are listed on Singapore Exchange Securities Trading Limited
BSE listing fees Rs.5,66,250/- paid on April 16, 2008.
NSE listing fees Rs.4,92,500/- paid on April 17, 2008.
Singapore Exchange Securities Trading Limited fees SGD 500.00 paid on March 18, 2008.
- vi. Listing Fees for 2008-09**
- vii. Stock Codes:**
- | Stock Exchange/News Agency | | Stock Code |
|--|-----------------|----------------|
| Bombay Stock Exchange Limited (BSE) | : Equity Shares | : 532775 |
| National Stock Exchange of India Limited (NSE) | : Equity Shares | : GTLINFRA |
| Singapore Exchange Securities Trading Limited | : FCCB | : 032920845 |
| Equity ISIN | | : INE221H01019 |
| FCCB ISIN | | : XS0329208457 |
- viii. Market Price Data**

Monthly high and low of closing quotations and volume of shares on Bombay Stock Exchange Limited (BSE) and National Stock Exchange of India Limited (NSE) are given below:

Month	BSE			NSE		
	High	Low	Volume	High	Low	Volume
	(Rs.)	(Rs.)	(No.)	(Rs.)	(Rs.)	(No.)
Apr-2007	36.80	32.00	7,264,654	36.60	32.10	7,092,040
May-2007	43.65	33.45	10,373,952	43.55	33.55	11,076,943
Jun-2007	50.45	40.00	21,458,183	50.50	40.00	24,096,428
Jul-2007	59.05	31.90	25,088,997	59.15	31.95	34,896,064
Aug-2007	37.10	31.15	13,443,265	37.15	31.10	23,517,053
Sep-2007	40.55	34.15	17,323,386	40.60	34.20	26,131,990
Oct-2007	50.50	34.35	66,153,767	50.50	34.30	68,874,699
Nov-2007	57.70	48.00	58,213,062	57.55	47.85	68,071,250
Dec-2007	94.55	56.85	129,006,432	94.50	56.60	200,838,472
Jan-2008	102.20	57.00	75,418,196	101.85	56.50	129,551,219
Feb-2008	66.60	55.00	16,160,170	66.35	54.70	24,084,348
Mar-2008	52.30	42.45	19,601,696	52.40	42.35	24,003,677

ix. Performance in comparison to broad based indices such as BSE Sensex & NSE Nifty.



x. Registrar and Share Transfer Agents

GTL Limited - Investor Services Centre, Electronic Sadan II, TTC Industrial Area, MIDC, Mahape, Navi Mumbai - 400 710.

GTL Limited is registered with the Securities and Exchange Board of India (SEBI) as a Category II Share Transfer Agent.

xi. Share transfer system in physical form.

The Company has in place a proper and adequate share transfer system. GTL Limited has been appointed to ensure that the share transfer system in physical form is maintained.

xii. Distribution of Shareholding as on March 31, 2008.

a. Distribution of Shareholding according to the size of holding:

No. of Shares	No. of Shareowners	% of Shareowners	Share Amount (Rs.)	% to Total
Upto 500	166,447	85.83%	26,064,958	3.55%
501 - 1000	14,694	7.58%	11,800,434	1.61%
1001 - 2000	6,887	3.55%	10,023,318	1.36%
2001 - 3000	2,228	1.15%	5,512,184	0.75%
3001 - 4000	828	0.43%	2,926,800	0.40%
4001 - 5000	829	0.43%	3,874,050	0.53%
5001 - 10000	1,060	0.54%	7,799,623	1.06%
10001 & ABOVE	954	0.49%	666,262,361	90.74%
TOTAL	193,927	100.00%	734,263,728	100.00%

b. Distribution of shares by shareholder category:

Category	Nos. of Shareowners	Nos. of Shares Held	Voting Strength
Promoters-Bodies Corporate	4	353,855,248	48.19%
Directors, their Relatives	13	6,919,124	0.94%
Bodies Corporate (Domestic) / Trusts	3,002	42,455,078	5.78%
Banks	15	262,147	0.04%
Mutual Funds	3	314	0.00%
Financial Institutions (FIs)	8	35,946,761	4.90%
Foreign Institutional Investors (FIIs)	21	13,817,210	1.88%
Non-Resident Individuals (NRIs) / Foreign Corporate Bodies / Overseas Corporate Bodies (OCBs) / Foreign Banks	1,067	199,682,783	27.19%
Resident Individuals	189,794	81,325,063	11.08%
TOTAL:	193,927	734,263,728	100.00%

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c. Top 10 Shareholders;

Name(s) of shareowners	Category (As per Depository)	Shares	%
GTL Ltd (Promoter)	Domestic Company	274,180,692	37.34%
Technology Infrastructure Limited	Other Foreign Body	172,395,700	23.48%
Global Holding Corporation Pvt Ltd (GHC) (Promoter Group)*	Domestic Company	79,674,556	10.85%
Infrastructure Development Finance Company Limited	Financial Institution	32,978,135	4.49%
Somerset Emerging Opportunities Fund	Other Foreign Body	18,523,755	2.52%
Bennett, Coleman and Company Limited	Domestic Company	8,820,000	1.20%
Dynamic Power Global Growth Class	Foreign Institutional Investors	6,873,200	0.94%
Manoj Gajanan Tirodkar	Director	6,002,783	0.82%
Goodman and Company Investment Counsel Ltd. A/c. DPF India Opportunities Fund	Foreign Institutional Investors	3,715,600	0.51%
Life Insurance Corporation of India	Financial Institution	2,014,518	0.27%

*GHC has set-up two wholly owned Subsidiaries namely GAH International Pte. Ltd. and GHC International Ltd. on June 5, 2007 and January 7, 2008 respectively, which are treated as part of the Promoters/Group.

xiii. Dematerialization of shares and liquidity

95.09% (excluding 4.82% which is in the process of listing/crediting in demat account) of the Company's shares are held in electronic form as on April 18, 2008.

xiv. Outstanding FCCBs, Warrants and ESOS conversion date and likely impact on equity

- a. Foreign Currency Convertible Bonds (FCCBs)
 - i. Consequent to the de-merger, out of 8000 FCCBs issued by GTL Limited, 5794 FCCBs of the face value CHF 10,000 got split between GTL Limited and the Company into CHF 9029.13 and CHF 970.87 respectively on the Appointed Date. Between the Appointed Date (01.10.05) and the Record Date (14.06.06) 1037 FCCBs got converted. Out of the balance 4757 FCCBs, 3179 FCCBs got converted during the year 2006-07 leaving balance of 1578 as at 31.03.2007. All the balance 1578 FCCBs got converted into 5,713,220 equity shares during the year 2007-08 leaving nil balance at the end of the year.
 - ii. FCCB 2007: During the year the Company has issued fresh 3000 FCCBs of the face value of USD 100,000 amounting to USD 300 Million on 28.11.07 at the conversion price of Rs.53.04 per share. If all the outstanding FCCBs are converted into equity shares, the total share capital would go up by Rs. 2,222,850,680 (on account of issue of 222,285,068 new equity shares). Out of 3000 FCCBs issued 315 FCCBs got converted into 23,339,930 equity shares leaving balance of 2685 FCCBs at the end of year 2007-08.
- b. Convertible Warrants

During the year the Company has issued 26,36,50,000 convertible warrants at a conversion price of Rs.40 per share. Out of 26,36,50,000 Warrants, 35,441,060 warrants got converted into 35,441,060 equity shares leaving balance of 228,208,940 warrants at the end of year 2007-08
- c. Employees' Stock Option Plans (ESOPs)

With a view to enable its employees to participate in the future growth and success, the Company introduced Employee Stock Option Scheme 2005 (ESOS 2005) in the F.Y. 2005-06. The shareholders have authorised issue of shares, not exceeding 5% of the issued equity capital of the Company, to its employees in the form of stock options. As on March 31, 2008 a total of 77 employees (Previous Year 45) hold 1,77,62,500 stock options (Previous Year 85,22,500) as set out in the Annexure to the Directors' Report. As per the Scheme, during the year, 661,500 Options got converted into 661,500 equity shares of the Company.

xv. Plant Locations:

The Company does not have plants. The main activities of the Company are conducted from Electronic Sadan I, TTC Industrial Area, MIDC, Mahape, Navi Mumbai 400 710.

xvi. Address for correspondence

Registered Office
GTL Infrastructure Limited
 Electronic Sadan No. I, MIDC,
 TTC Industrial Area, Mahape,
 Navi Mumbai - 400710 INDIA
 Tel: +91-22-39112300

Investor Correspondence

All shareholders complaints/queries in respect of their shareholdings may be addressed to the ISC of GTL Limited, Electronic Sadan No. II, MIDC, TTC Industrial Area, Mahape, Navi Mumbai - 400710 INDIA.

Contact Persons: Mr. Nagaraajan Iyer, General Manager, Investor Service Centre & Mr. Divesh R Sawant - Manager Shares & Systems
Tel.: +91-22-27612929 / 27684111 Extn. Nos. 2232-2235 FAX: +91-22-27680171.

Website: www.gtlinfra.com

Email: gilshares@gtlinfra.com

Queries relating to Financial Statements, company performance etc. may be addressed to :

Mr. Pinakin Gandhi

GTL Infrastructure Limited, 412, Janmabhoomi Chambers, 29, W. H. Marg, Ballard Estate, Mumbai 400 038.

Tel : +91-22-22613010 Fax +91-22-22619649 Email : pinaking@gtlinfra.com

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Auditors' Certificate on Corporate Governance

To the Members of
GTL Infrastructure Limited

We have examined the compliance of conditions of corporate governance by GTL Infrastructure Limited, for the year ended on March 31, 2008, as stipulated in Clause 49 of the Listing Agreement of the said Company with the Stock Exchanges.

The compliance of conditions of corporate governance is the responsibility of the management. Our examination was limited to procedures and implementation thereof, adopted by the Company, for ensuring the compliance of the conditions of the Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.

In our opinion and to the best of our information and according to the explanations given to us, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in the abovementioned Listing Agreement.

We state that no investor grievances are pending for a period exceeding one month against the Company as per the records maintained by the Shareholders'/ Investors' Grievance Committee.

We further state that such compliance is neither an assurance as to the future viability of the Company nor the efficiency or effectiveness with which the management has conducted the affairs of the Company.

For **BANSI S. MEHTA & CO.**
Chartered Accountants

PARESH H. CLERK
Partner
Membership No. 36148

PLACE : MUMBAI
DATED : April 18, 2008

Certificate of Practicing Company Secretary on Secretarial Compliance

To
The Board of Directors,
GTL Infrastructure Limited.

We have examined the registers, records, books and papers of GTL Infrastructure Limited ("the Company") as required to be maintained under the Companies Act, 1956 ("the Act"), the rules made thereunder and also the provisions contained in the Memorandum and Articles of Association of the Company ("the requirements") for the year ended March 31, 2008. Based on our examination as well as information and explanation furnished by the Company to us and the records made available to us, we hereby report that:

1. The requisite statutory registers and other records required under the Act and the Rules made thereunder have been maintained in accordance with the Act either in physical or electronic mode as applicable;
2. The requisite forms, returns and documents required under the Act and the Rules made thereunder to be filed with the Registrar of Companies and other authorities have been duly filed as per the requirements of the Act;
3. The requirements relating to the meetings of Directors and its Committee(s) thereof and of the Shareholders as well as relating to the minutes of the proceedings have been duly complied with;
4. There were only 3 (three) retirements of Directors who were re-elected in the last Annual General Meeting;
5. Due disclosures under the requirements of the statutes have been made by the Company. The Company has also complied with the requirements in pursuance of the disclosures made by its Directors;
6. The Company has complied with the provisions of Section 293(1)(a) and 293(1)(d) of the Act in respect of monies borrowed from financial institutions and banks and falling within the purview of those sections;
7. The Company has complied with the provisions of section 372A in respect of investments made during the financial year ending on March 31, 2008;
8. The Company has, wherever required, obtained the necessary approvals of the Board, Committee thereof, shareholders or any other authorities as per the requirements of the Act;
9. The Company has not defaulted in any of the provisions given under Section 274 (1) (g) of the Act, which would otherwise disqualify the Directors of the Company from acting as a Director of any other Company. It may be stated that the Company has not accepted any Fixed Deposits. The Annual Returns and the Annual Reports have been filed as required under the Act;
10. The issue and allotment of Equity Shares / Convertible Warrants / FCCBs is/are in conformity with the requirements of the Act;
11. The Company has complied with the requirements of the Act, FEMA, RBI Regulations and other allied Rules and Regulations in respect of the Foreign Direct Investment received by it;
12. The Company has allotted options under the Employees' Stock Option Scheme (ESOS) for its employees and during the year under review, the Company has complied with the relevant provisions of Employee Stock Option Scheme and Employee Stock Purchase Scheme Rules, 2002 of the Central Government, till listing of its equity shares and SEBI (Employees Stock Option Scheme and Employees Stock Purchase Scheme) Guidelines, 1999 thereafter, in respect thereof.

for **V.RAVIKUMAR & ASSOCIATES,**
Company Secretaries,

V. RAVIKUMAR
Practicing Company Secretary
FCS: 4568 / CP: 5213

Mumbai, April 15, 2008

Certificate of Whole-time Director and Chief Financial Officer on Financial Statements Under Clause 49 of the Listing Agreement

We, Prakash Ranjalkar, Whole-time Director and Shishir Parikh, Chief Financial Officer of GTL Infrastructure Limited hereby certify that:

- a. We have reviewed financial statements and the cash flow statement for the Financial Year ended March 31, 2008 and that to the best of our knowledge and belief:
 - i. these statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
 - ii. these statements together present a true and fair view of the Company's affairs and are in compliance with existing accounting standards, applicable laws and regulations.
- b. There are, to the best of our knowledge and belief, no transactions entered into by the Company during the period which are fraudulent, illegal or violative of the Company's code of conduct.
- c. We are responsible for establishing and maintaining internal controls for financial reporting and that we have evaluated the effectiveness of internal control systems of the Company pertaining to financial reporting and we have disclosed to the auditors and the Audit Committee, deficiencies in the design or operation of such internal controls, if any, of which we are aware and the steps we have taken or propose to take to rectify these deficiencies.
- d. We have indicated to the auditors and the Audit committee that:
 - i. there have been no significant changes in internal control over financial reporting during the year;
 - ii. there have been no significant changes in accounting policies during the year; and
 - iii. there have been no instances of significant fraud of which we have become aware and the involvement therein, if any, of the management or an employee having a significant role in the Company's internal control system over financial reporting.

Place : Navi Mumbai
Dated : April 18, 2008

Prakash Ranjalkar
Whole-time Director

Shishir Parikh
Chief Financial Officer

Declaration of Whole-time Director on Compliance With Code of Conduct Under Clause 49 of the Listing Agreement

This is to confirm that the Company has adopted a Code of Conduct for Directors and Senior Management Personnel, which is displayed on the Company's website.

I confirm that the Company has in respect of the Financial Year ended March 31, 2008 received from each Member of the Board and Senior Management Personnel, a declaration of compliance with the Code of Conduct as applicable to each one of them.

Place : Navi Mumbai
Dated : April 18, 2008

Prakash Ranjalkar
Whole-time Director

Information on Directors' Appointment / Re-appointment

The information on Directors recommended for appointment/re-appointment at the ensuing Annual General Meeting is as under:

Mr. Charudatta Naik, Non Independent Director

Mr. Naik has been a Member of the Board since inception of the Company on February 4, 2004. He retires by rotation in the ensuing Annual General Meeting and is eligible for re-appointment.

Mr. Naik is an engineer in Electronics & Telecom and has an overall experience of 18 years in various telecom and system integration companies. He has played a vital role in introducing Fourth Generation Voice Switches and First Private Feature Transparent Network in India. He is the Whole-time Director and Chief Operating Officer of GTL Limited. He holds 4,85,900 equity shares of the Company. He also holds 18,25,000 options under Employee Stock Option Scheme of the Company.

Mr. S.S. Dawra, Independent Director

Mr. Dawra has been a Member of the Board since August 1, 2006. He retires by rotation in the ensuing Annual General Meeting and is eligible for re-appointment.

Mr. Dawra is a retired I.A.S. officer belonging to the Punjab Cadre. The senior positions held by him includes Secretary in various Ministries of Govt. of India; Principal Secretary to Chief Minister of Punjab; Director of Enforcement (FERA); Chairman, Delhi Metro Rail Corp; Managing Director of Nafed & Markfed; and Secretary of ICAR. In his distinguished service, among other things, he had been responsible in initiating reforms in new pension scheme for Govt Employees, giving impetus to the Delhi Metro Rail Project, introducing new schemes in the area of hydrogen and solar energy and the changeover from FERA to FEMA.

He holds Directorships in HDIL, SPS Steel and Power Limited and Ambience Limited. He is a Member of the Audit Committee of HDIL and a Member of Audit Committee, Shareholders' Grievances' Committee and Remuneration and Compensation Committee of Ambience Limited. In GTL Infrastructure Limited, he is a Member of Business Review Committee of the Board. He does not hold any shares of the Company. He holds 4,00,000 options under Employee Stock Option Scheme of the Company.

Mr. Deepak Vaidya, Independent Director

Mr. Vaidya has been a Member of the Board since August 1, 2006. He retires by rotation in the ensuing Annual General Meeting and is eligible for re-appointment.

Mr. Vaidya is a fellow of the Institute of Chartered Accountants (England & Wales) and holds a degree in Commerce from Bombay University. He has an overall experience of more than 30 years. The assignments handled by him includes Partner of Bombay Office of Schroder Capital Partners Ltd; Consultant to various multinationals for entering Indian market place; Group Executive for Consolidated Home Executive Industries BV, Singapore; and owning and managing a number of businesses including a machine tool workshop and texturising plant in the man-made fibre industry. Mr. Vaidya has worked throughout the Region including Singapore, Indonesia and India. Mr. Vaidya represented Schroder Ventures Funds on a number of investee company boards in India. He was also the Indian representative on the International Advisory Board of the National Association of Securities Dealers. Mr. Vaidya is presently engaged in raising a Private Equity Fund for India under the umbrella of Deeva Capital.

He is a Chairman of Strides Arcolab Limited and Director of Orchid Chemicals & Pharmaceuticals Limited, Apollo Hospitals Enterprise Limited, Apollo Gleneagles Hospital Limited, PPN Power Generating Company Limited, Lodhi Property Company Limited (Formerly Hotel Scopevista Limited), Heritage Resorts Private Limited, P I Drugs & Pharmaceuticals Limited and Sequent Scientific Limited. He is Chairman of Shareholders'/Investors' Grievance Committee of Strides Arcolab Limited and is a Member of Audit Committee and Remuneration Committee. He is also Chairman of Audit Committee of Apollo Hospitals Enterprise Limited and is a Member of Remuneration & Nomination Committee. He is a Member of Audit Committee in Orchid Chemicals & Pharmaceuticals Limited. In P I Drugs & Pharmaceuticals Limited, he is a Chairman of Audit Committee and a Member of Remuneration Committee. He is a Chairman of the Audit Committee in Apollo Gleneagles Hospital Limited. In GTL Infrastructure Limited, he is a Chairman of Business Review Committee and is a Member of Nomination & Remuneration Committee and Shareholders'/Investors' Grievance Committee. He does not hold any shares of the Company. He holds 4,00,000 options under Employee Stock Option Scheme of the Company.

Dr. Anand Patkar, Independent Director

Dr. Patkar was appointed as an Additional Director in the Board Meeting held on October 8, 2007. As such he holds office up to the date of the ensuing Annual General Meeting.

Dr. Patkar is a rank holder in Management Studies and has done Ph. D in Management, has handled variety of assignments across all areas of Finance, Corporate Planning, Strategic Management, Mergers and Acquisitions, Collaboration and Joint Ventures, Feasibility Studies, Budgetary Control, HRD, Treasury and Systems in diverse industries. His senior level assignments includes as Group Treasurer and Systems Head of Greaves Limited. He is a Proprietor of a firm Dr. A Patkar Associates. In GTL Infrastructure Limited, he is a Member of Audit Committee and Chairman of Cost & MIS Review Committee of the Board. He holds 2500 equity shares of the Company. He also holds 2,00,000 options under Employee Stock Option Scheme of the Company.

Mr. Vivek Kulkarni, Independent Director

Mr. Kulkarni was appointed as an Additional Director in the Board Meeting held on October 8, 2007. As such he holds office up to the date of the ensuing Annual General Meeting.

Mr. Kulkarni is a gold medalist in engineering from Karnataka University and a MBA from Wharton Business School. He was the IT (Information Technology) Secretary, Govt. of Karnataka, Bangalore. He worked actively in marketing, Bangalore as the undisputed IT capital of India. Prior to IT Secretary, he worked as Finance Secretary, Head of CRISIL Advisory Services, as well as Division Chief of SEBI. He was a faculty at the Boston University, as well as IIT Bangalore. He is charter member of TiE (The Indus Entrepreneurs). He is public interest director at the Bombay Stock Exchange Limited. He is also a Director of Brickwork India Private Limited and Brickwork Ratings India Private Limited. He is a Chairman of Technology Committee of Bombay Stock Exchange Ltd. In GTL Infrastructure Limited he is a Member of Business Review Committee of the Board. He does not hold any shares of the Company. He holds 2,00,000 options under Employee Stock Option Scheme of the Company.

Mr. Balasubramanian N, Independent Director

Mr. Balasubramanian was appointed as an Additional Director in the Board Meeting held on October 8, 2007. As such he holds office up to the date of the ensuing Annual General Meeting.

Mr. Balasubramanian is Postgraduate in Science and a Postgraduate from IIM, Ahmedabad. He served Bank of Baroda in rural and semi-urban branches. His service as Banker includes 5 years term as General Manager in Bank of Baroda at Brussels. He was associated with planning commission in preparing 5 years plan documents, focused on SME Financing as Chairman of the Sub-Committee. He was Instrumental in starting rating agency for SME. He joined SIDBI as Deputy Managing Director and was subsequently promoted as its Chairman and Managing Director. Mr. Balasubramanian has also served IFCI as Chairman for a short stint. He is a Director of Management Development Institute (MDI), Gurgaon, JP Morgan Mutual Fund India Pvt. Ltd., ICICI Venture Funds Management Company Limited, JBF Industries Limited and Stock Holding Corporation of India Limited. He is a Chairman of Audit Committee of Stock Holding Corporation of India Limited. In GTL Infrastructure Limited, he is a Chairman of Nomination & Remuneration Committee and also Risk Management Committee of the Board and a Member of Audit Committee, Allotment & Transfer Committee, Cost & MIS Review Committee, Business Review Committee, Securities Issuance Committee (FCCB 2007) and Securities Issuance Committee (Preference Issue) of the Board. He does not hold any shares of the Company. He holds 5,00,000 options under Employee Stock Option Scheme of the Company.