

# CORPORATE GOVERNANCE

Our values pave the way for our business.

## Corporate Governance

### Corporate Governance Compliance Report

In terms of Clause 49 of the Listing Agreement (Clause 49) entered into with the Stock Exchanges, the Corporate Governance Compliance Report is provided hereunder.

#### 1. Company's philosophy on Code of Governance

The Company's Philosophy on the Code of Governance as adopted by its Board of Directors:

- 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	ED/ NED/NID/ID*	Attendance in Board Meetings	Attendance in last AGM	Other Board		
					Directorship **	Committee Chairmanship ***	Committee Membership (Including Chairmanship) ***
1.	Mr. Manoj Tirodkar, Chairman#	NED/NID	6	Present	2	-	1
2.	Mr. Balasubramanian N., Vice Chairman	NED/ID	6	Present	3	1	1
3.	Mr. Prakash Ranjalkar	ED/NID	5	Present	-	-	-
4.	Dr. Anand Patkar	NED/ID	6	Present	-	-	-
5.	Mr. Charudatta Naik	NED/NID	4	Present	2	-	-
6.	Mr. Deepak Vaidya @	NED/ID	1	Absent	5	3	5
7.	Mr. Prakash Samant @@	NED/ID	4	Present	1	-	1
8.	Mr. Vishwas Pathak	NED/ID	5	Present	1	-	-
9.	Mr. Vivek Kulkarni	NED/ID	2	Absent	2	-	-
10.	Mr. Vinod Agarwala \$	NED/ID	5	N.A.	1	-	1
11.	Mr. Vijay Vij \$	NED/ID	5	N.A.	1	1	1
12.	Mr. Satya Pal Talwar \$\$	NED/ID	3	N.A.	11	5	9

All the Directors are Non-Promoter Directors. There are no inter-se relationships between our Board Members.

\* 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 Committees of Indian Public Limited Companies.

# Related to promoter

@ Resigned as Director w.e.f. January 14, 2010

@@ Deceased on January 2, 2010

\$ Appointed as Additional Director w.e.f. July 20, 2009

\$\$ Appointed as Additional Director w.e.f. August 13, 2009

**Details of Board Meetings held during the year ended March 31, 2010:**

Date of Board Meeting	29.04.09	20.07.09	13.08.09	16.10.09	14.01.10	28.01.10
Board Strength	9	11	12	12	10	10
No. of Directors Present	8	8	11	11	6	8

**3. Audit Committee**

The composition of the Audit Committee meets the requirement of Section 292A of the Companies Act, 1956 and Clause 49 of the Listing Agreement. All the Members of the Audit Committee possess financial/accounting expertise.

**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			
		29.04.09	20.07.09	16.10.09	28.01.10
1.	Mr. Balasubramanian N, Chairman \$	Present	Present	Present	Present
2.	Mr. Prakash Samant, Member \$*	Present	Present	N.A.	N.A.
3.	Mr. Vishwas Pathak, Member *	Present	Present	N.A.	N.A.
4.	Dr. Anand Patkar, Member *	Present	Present	N.A.	N.A.
5.	Mr. Charudatta Naik, Member **	N.A.	N.A.	Present	Present
6.	Mr. Vinod Agarwala, Member**	N.A.	N.A.	Present	Present
7.	Mr. Vijay Vij, Member **	N.A.	N.A.	Present	Present

\$ Appointed as Chairman w.e.f. August 13, 2009

\$\* Ceased to be Chairman w.e.f. August 13, 2009

\* Ceased to be Member w.e.f. August 13, 2009

\*\* Appointed as Member w.e.f. August 13, 2009

**4. Nomination & Remuneration Committee**
**Brief description of terms of reference:**

- Frame Company's policies for Board and Directors with the approval of the Board of Directors.
- 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 attended								
		29.04.09	20.07.09	16.09.09	23.09.09	26.09.09	07.10.09	23.11.09	9.12.09	30.12.09
1.	Mr. Prakash Samant, Chairman*	Present	Present	Present	Present	Present	Present	Present	Present	Present
2.	Mr. Balasubramanian N., Member **	Present	Present	Present	Present	Present	Present	Present	Present	Present
3.	Mr. Deepak Vaidya, Member \$	Present	Absent	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.
4.	Mr. Charudatta Naik, Member \$\$	N.A.	N.A.	Present	Present	Present	Absent	Present	Present	Present
5.	Mr. Vishwas Pathak, Member \$\$	N.A.	N.A.	Absent	Absent	Absent	Absent	Absent	Present	Absent

\* Appointed as Chairman w.e.f. August 13, 2009

\*\* Ceased to be Chairman w.e.f. August 13, 2009

\$ Ceased to be Member w.e.f. August 13, 2009

\$\$ Appointed as Member w.e.f. August 13, 2009

**Remuneration Policy:** The Policy Dossier approved by the Board at its meeting held on August 11, 2006 contains Compensation Policy (criteria on making payments) for Directors, which has been posted on the website of the Company, *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	Sitting fees (Rs.)	Total (Rs.)	Stock Options	No. of shares held	Service Contract/ Notice period/ Severance fees
1.	Mr. Manoj Tirodkar	-	-	-	-	190,000	190,000	Nil	59,65,283	Retirement by Rotation
2.	Mr. Balasubramanian N.	-	-	-	-	220,000	220,000	Nil	5,00,000	Retirement by Rotation
3.	Mr. Prakash Ranjalkar	18,00,000	22,34,865	-	3,96,540	-	44,31,405	Nil	64,52,400	^
4.	Dr. Anand Patkar	-	-	-	-	75,000	75,000	Δ 1,00,000	1,00,000	Retirement by Rotation
5.	Mr. Charudatta Naik	-	-	-	-	120,000	120,000	# 1,75,000	13,25,900	Retirement by Rotation
6.	Mr. Deepak Vaidya*	-	-	-	-	15,000	15,000	Ψ 1,30,000 ΨΨ 1,30,000	NIL	Retirement by Rotation
7.	Mr. Prakash Samant**	-	-	-	-	95,000	95,000	Nil	4,00,000	Retirement by Rotation
8.	Mr. Vishwas Pathak	-	-	-	-	70,000	70,000	Nil	110,000	Retirement by Rotation
9.	Mr. Vivek Kulkarni	-	-	-	-	20,000	20,000	+ 2,00,000	NIL	Retirement by Rotation
10.	Mr. Vinod Agarwala	-	-	-	-	60,000	60,000	♣ 2,00,000	4,59,000	Hold Office up to the date of ensuing AGM
11.	Mr. Vijay Vij	-	-	-	-	75,000	75,000	♣ 2,00,000	63,500	Hold Office up to the date of ensuing AGM
12.	Mr. Satya Pal Talwar	-	-	-	-	30,000	30,000	♣ 2,00,000	NIL	Hold Office up to the date of ensuing AGM

\* Resigned as Director w.e.f. January 14, 2010 due to Company's retirement policy.

\*\* Deceased on January 2, 2010.

^ The tenure of office of Mr. Prakash Ranjalkar is for a period of 3 years with effect from April 1, 2007 and can be terminated by either party by giving 3 months notice in writing. There is no provision for payment of severance fee.

Δ Granted on March 11, 2008 at a conversion price of Rs.33.60 per share. (Pending for exercise out of 2,00,000 Warrants)

- # Granted on October 9, 2007 at the rate of Rs.19.90 per share on account of Corporate Action namely Right Issue (Pending for exercise out of 5,00,000 options)
- Ψ Granted 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 (Pending for exercise out of 2,00,000 options)
- ΨΨ Granted on October 9, 2007 at the rate of Rs.19.90 per share on account of Corporate Action namely Rights Issue. (Pending for exercise out of 2,00,000 options)
- + Granted on March 11, 2008 at a conversion price of Rs.33.60 per share.
- ♣ Granted on November 23, 2009 at a conversion price of Rs.24.37 per share.

The other relevant details of share option, including exercise period, vesting period, etc., are covered elsewhere in the report.

#### 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 like 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.

- |   |   |  |
|---|---|--|
| i) Name of Non-Executive Director heading the Committee   | : | Mr. Manoj G. Tirodkar                        |
| ii) Name and Designation of Compliance Officer            | : | Mr. Ravikumar Vemulakonda, Company Secretary |
| iii) Number of shareholders complaints received so far    | : | NIL  |
| iv) Number resolved to the : satisfaction of shareholders | : | NIL  |
| v) Number of pending complaints                           | : | NIL  |

#### 6. General Meetings

Location and time of Company's last three AGM's with details of special resolutions passed:

Date	June 20, 2007	June 13, 2008	July 10, 2009
Time	12.00 noon	12.00 noon	12.30 p.m.
Venue	Vishnudas Bhav Natyagruh, Sector 16A, Vashi, Navi Mumbai – 400 703	Vishnudas Bhav Natyagruh, Sector 16A, Vashi, Navi Mumbai – 400 703	Vishnudas Bhav Natyagruh, Sector 16A, Vashi, Navi Mumbai – 400 703
Details of Special Resolutions passed in the AGM	<ol style="list-style-type: none"> <li>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.</li> <li>2. Adoption of 'GTL Infrastructure Limited-Employees Stock Option Scheme (ESOS 2005)' with certain modification under Section 81 (1A) of the Companies Act, 1956.</li> </ol>	<ol style="list-style-type: none"> <li>1. Raising of the Foreign equity investment limit upto 74% (direct &amp; indirect) of the paid-up capital.</li> <li>2. Raising of funds by issue of Equity/Convertible instruments through various means (including through QIP) upto 250 Crores Equity Shares.</li> <li>3. Raising of funds through Qualified Institutional Placement (QIP) upto 100 Crores Equity Shares.</li> </ol>	<ol style="list-style-type: none"> <li>1. Raising of Funds by issue of Equity/Convertible/Non Convertible Instruments through Qualified Institutional Placement (QIP) upto 100 Crore Equity Shares.</li> <li>2. Adoption of 'GTL Infrastructure Limited – Employees Stock Option Scheme 2005' with certain modifications.</li> </ol>

Postal Ballot: During the year, the shareholders of the Company passed the resolutions through postal ballot. Detailed procedure followed by the Company is provided hereunder:

1. The Board of Directors of the Company ('the Board') in its Meeting held on April 29, 2009 sought the approval of the shareholders through postal ballot for the under mentioned Ordinary/Special Resolutions.

The Notice of the Postal Ballot dated April 29, 2009, Postal Ballot Form and self-addressed pre-paid postage envelope were sent to the Shareholders. The last date for receipt of the Postal Ballot Form from the Shareholders was July 20, 2009.

Mr. Chetan Joshi (Practicing Company Secretary), Scrutinizer appointed by the Board of Directors of the Company for conducting the postal ballot process, submitted his report dated July 21, 2009 to the Company and based on the said report, results of Postal Ballot were declared on July 23, 2009 as under:

Resolution U/s	No. of Valid Ballots Received	No. of Invalid Ballots received	Votes cast in favour	Votes cast in against
293(1)(a)	833	10	752,824,069 (99.97%)	190,295 (0.03%)
293(1)(a)	804	39	752,808,603 (99.97%)	200,505 (0.03%)
372A	802	41	752,971,914 (100.00%)	36,698 (0.00%)

2. The Board of Directors of the Company in its Meeting held on January 28, 2010 sought the approval of the shareholders through postal ballot for the following Special Resolution.

The Notice of the Postal Ballot dated January 28, 2010, Postal Ballot Form and self-addressed pre-paid postage envelope were sent to the Shareholders. The last date for receipt of the Postal Ballot Form from the Shareholders was March 9, 2010.

Mr. Chetan Joshi (Practicing Company Secretary), Scrutinizer appointed by the Board of Directors of the Company for conducting the postal ballot process, submitted his report dated March 11, 2010 to the Company and based on the said report, results of Postal Ballot were declared on March 12, 2010 as under:

Resolution U/s.	No. of Valid Ballots Received	No. of Invalid Ballots received	Votes cast in favour	Votes cast in against
372A	5643	137	79,06,13,835 (99.98%)	1,35,023 (0.02%)

The Company is proposing to pass the following resolution through Postal Ballot:

1. Ordinary Resolution under the provisions of Section 293(1)(a) of the Companies Act, 1956 for mortgaging and charging all movable and immovable properties of the Company in favour of the Lenders etc., for securing any sums of money borrowed or to be borrowed by the Company by way of debentures, bonds, loans or any other instrument or any other credit facilities availed / to be availed aggregating Rs. 25,000 Crore.

## 7. Disclosures

### i) Disclosures on materially significant related party transactions 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. In any case disclosures regarding the transactions with related parties are given at Sr. No.15 of Schedule 'P' to the Balance Sheet as at March 31, 2010 forming part of this Annual Report.

### ii) Details of non-compliance by the Company, penalties, and 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.

There has been no instance of non-compliance by the Company on matters related to Capital Markets during the last three years.

### iii) Whistle Blower Policy: The Company does not have any Whistle Blower Policy. However, no personnel has been denied access to the Senior Management.

### iv) 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:** 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 are available elsewhere in this report.
- **Shareholders Rights:** The Company is publishing quarterly un-audited financial results in the newspapers and is also displaying it on the Company's website [www.gtilinfra.com](http://www.gtilinfra.com), apart from displaying in stock exchange website. Accordingly, it does not envisage sending the same separately to the households of the shareholders.



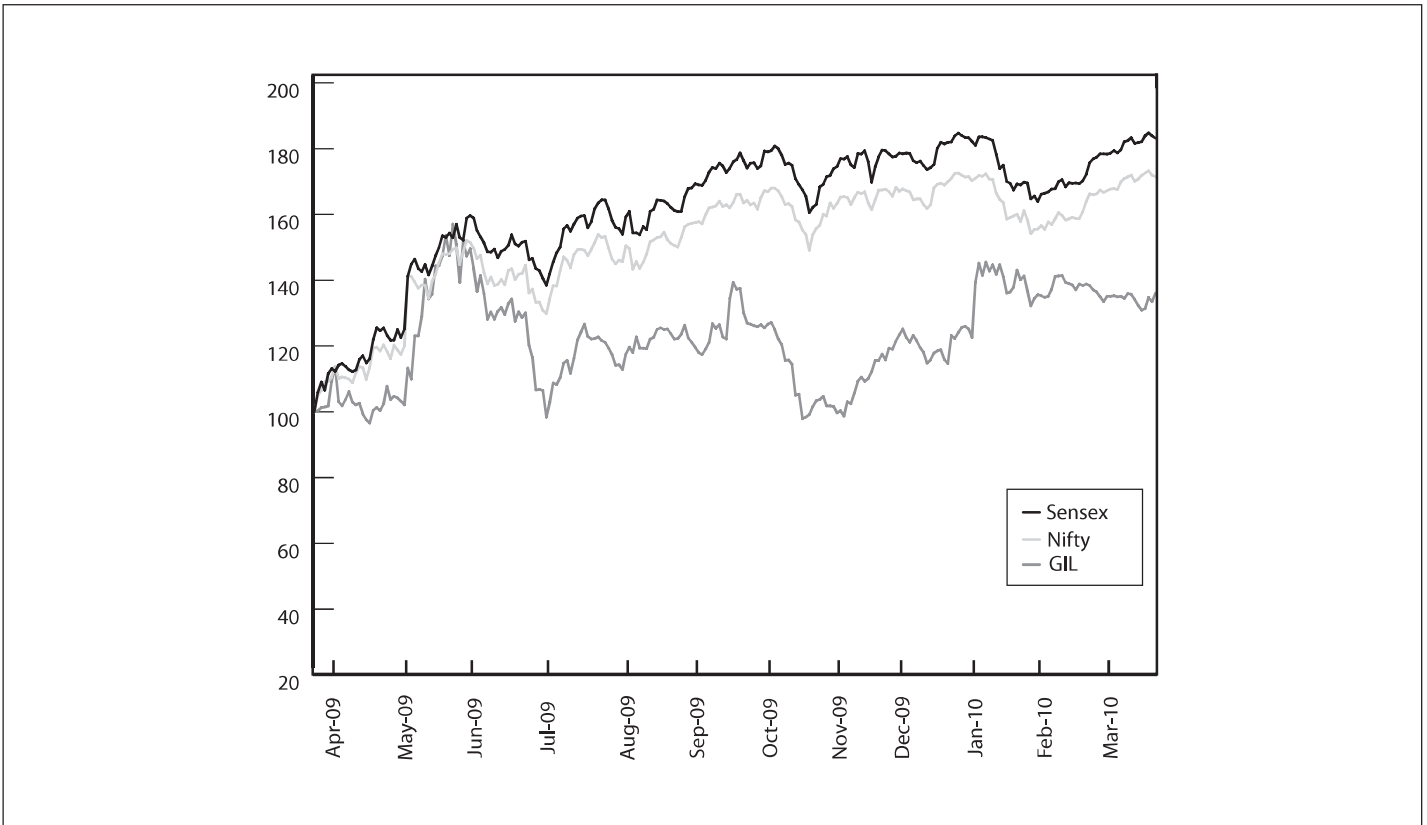
**ix Market Price Data**

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 (Rs.)	Low (Rs.)	Volume (Nos.)	High (Rs.)	Low (Rs.)	Volume (Nos.)
Apr-2009	35.10	29.75	26,055,818	35.00	29.70	41,026,458
May-2009	44.45	30.85	54,255,559	44.40	30.85	90,520,299
Jun-2009	48.30	39.30	89,029,459	48.30	39.20	158,675,258
Jul-2009	40.10	30.35	38,847,912	40.10	30.25	82,491,812
Aug-2009	38.60	34.70	34,213,026	38.60	34.70	61,611,857
Sep-2009	42.80	36.10	51,160,025	42.85	36.10	87,075,998
Oct-2009	42.20	30.20	29,857,148	42.30	30.10	55,793,990
Nov-2009	35.45	30.30	41,433,167	35.55	30.35	73,787,511
Dec-2009	38.45	35.30	30,438,319	38.50	35.25	54,348,586
Jan-2010	44.70	37.50	70,257,050	44.75	37.60	151,731,603
Feb-2010	44.00	40.60	18,211,814	44.00	40.65	36,738,963
Mar-2010	42.70	40.35	14,869,356	42.70	40.25	34,130,818

[Source: This information is compiled from the data available from the website of BSE & NSE]

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





**xi. 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.

**xii. 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.

**xiii. Distribution of Shareholding as on March 31, 2010.**
**a. Distribution of Shareholding according to the size of holding:**

No. of Shares	No. of Shareowners	% of Shareowners	Share Amount (Rupees)	% to Total
Upto 500	169,165	85.23%	272,688,670	2.85%
501 – 1000	15,950	8.04%	131,260,070	1.37%
1001 - 2000	7,206	3.63%	108,356,300	1.13%
2001 - 3000	2,319	1.17%	58,647,860	0.61%
3001 - 4000	866	0.44%	31,027,730	0.33%
4001 - 5000	862	0.43%	40,807,500	0.43%
5001 - 10000	1,119	0.56%	83,687,270	0.87%
10001 & ABOVE	1,001	0.50%	8,847,010,640	92.41%
<b>TOTAL</b>	<b>198,488</b>	<b>100.00%</b>	<b>9,573,486,040</b>	<b>100.00%</b>

**b. Distribution of shares by categories of shareholders:**

Category	No. of Shareowners	No. of Shares Held	Voting Strength
Promoters-Directors, their Relatives & Associates	2	511,419,956	53.42%
Other Directors, their Relatives	14	15,422,124	1.61%
Bodies Corporate (Domestic) / Trusts	2,694	42,726,484	4.46%
Banks	17	1,010,387	0.11%
Mutual Funds	12	11,465,714	1.20%
Financial Institutions (FIs)	4	2,816,146	0.29%
Foreign Institutional Investors (FIIs)	29	42,812,633	4.47%
Non-Resident Individuals (NRIs) / Foreign Corporate Bodies/Overseas Corporate Bodies (OCBs) / Foreign Banks	1,305	233,466,212	24.39%
Resident Individuals	194,411	96,208,948	10.05%
<b>TOTAL</b>	<b>198,488</b>	<b>957,348,604</b>	<b>100.00%</b>

**c. Top 10 Shareholders:**

Name(s) of shareholders	Category (As per Depository)	Shares	%
GTL Ltd. (Promoter)	Domestic Company	299,686,460	31.30%
Technology Infrastructure Limited	Other Foreign Body (FDI)	222,395,700	23.23%
Global Holding Corporation Pvt. Ltd.* (GHC) (Promoter Group)	Domestic Company	211,733,496	22.12%
Somerset Emerging Opportunities Fund	Other Foreign Body	13,420,434	1.40%
BCCL	Domestic Company	8,820,000	0.92%
Barclays Capital Mauritius Limited	Foreign Institutional Investors (FII)	8,356,550	0.87%
Societe Generale	Foreign Institutional Investors (FII)	7,740,600	0.81%
Credit Suisse (Singapore) Limited	Foreign Institutional Investors (FII)	7,367,150	0.77%
Prakash Ranjalkar	Director	6,452,400	0.67%
Manoj Gajanan Tirodkar	Director	5,965,283	0.62%

\* GHC along with its Wholly Owned Subsidiaries namely GAH International Pte. Limited and GHC International Limited are treated as part of the Promoters Group.

**xiv. Dematerialization of shares and liquidity**

99.94% of the Company's shares are held in electronic form as on March 31, 2010.

**xv. Outstanding FCCBs, Warrants and ESOS conversion date and likely impact on equity****a) Foreign Currency Convertible Bonds (FCCBs):**

The Company had issued 3,000 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. Out of 3,000 FCCB's issued, 717 FCCBs got converted into 53,126,120 equity shares leaving balance of 2,283 FCCBs at the end of FY 2009-10. If all the balance 2,283 FCCBs are converted into equity shares, the total share capital would go up by 169,158,948 new equity shares.

**b) Convertible Warrants:**

The Company had issued 263,650,000 Convertible Warrants at a conversion price of Rs. 40 per share on 30.11.07. Out of 263,650,000 Warrants, 217,500,000 Warrants got converted into 217,500,000 Equity Shares and 46,150,000 Warrants got forfeited. Hence no Warrants are outstanding.

**c) Employees' Stock Option Scheme (ESOS):**

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, 2010 a total of 173 Employees (Previous Year 76) hold 11,968,904 Options (Previous Year 16,179,644) as set out in the Annexure to the Directors' Report. As per the Scheme, during the year, 10,686,690 (Previous year 553,056) Options got converted into 10,686,690 Equity Shares of the Company.

**xvi. Plant Locations:**

The Company is in the business of providing Network and Telecom Infrastructure through its telecom/allied Infrastructure erected all across India.

**xvii. Address for correspondence:****Registered Office**

GTL Infrastructure Limited,  
Maestros House,  
MIDC Building No.2, Sector – 2,  
Millennium Business Park, Mahape,  
Navi Mumbai – 400710,  
Maharashtra, INDIA  
Tel: +91-22-39112300  
Fax: +91-22-39137440

**Investor Correspondence**

All shareholders complaints/queries in respect of their shareholdings may be addressed to the Investor Service Centre of GTL Limited, Electronic Sadan No. II, MIDC, TTC Industrial Area, Mahape, Navi Mumbai - 400 710 INDIA.

**Investor Service Centre**

**Contact Persons:** Mr. R. Nagarajan, General Manager, Mr. Divesh R. Sawant, Manager, Shares & Systems.  
Tel.: +91-22-27612929 / 27684111 Extn. Nos. 2232-2235 Fax: +91-22-27680171.

Website: [www.gtlinfra.com](http://www.gtlinfra.com)

Email: [gilshares@gtlinfra.com](mailto:gilshares@gtlinfra.com)

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

Mr. Ashwin Kamat  
GTL Infrastructure Limited,  
412, Janmabhoomi Chambers,  
29, W. H. Marg, Ballard Estate,  
Mumbai 400 038  
Tel : +91-22-22715000  
Fax +91-22-22715332  
Email : [ir@gtlinfra.com](mailto:ir@gtlinfra.com)

## Auditors' Certificate on Corporate Governance

To,

The Members,  
**GTL INFRASTRUCTURE LIMITED.**

We have examined the compliance of conditions of Corporate Governance by GTL INFRASTRUCTURE LIMITED, for the year ended on March 31, 2010, as stipulated in Clause 49 of the Listing Agreement of the said company with 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 Corporate Governance as stipulated in the said Clause. 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, and based on the representations made by the Directors and the Management, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in Clause 49 of the Listing Agreement.

We 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 **Chaturvedi & Shah**  
Chartered Accountants

**R. Koria**  
Membership No. – 35629  
Firm Registration No. 101720W

Mumbai  
Date: April 29, 2010

For **Yeolekar & Associates**  
Chartered Accountants

**S. S. Yeolekar**  
Membership No. – 36398  
Firm Registration No. 102489W

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## Certificate of Practising Company Secretary on Secretarial Compliance

To  
The Board of Directors,  
GTL Infrastructure Limited.

I 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, 2010. Based on our examination as well as information and explanation furnished by the Company to me and the records made available to me, I 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. 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;
5. 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;
6. The Company has complied with the provisions of Section 372A in respect of investments made during the financial year ending on March 31, 2010;
7. 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;
8. 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;
9. The issue and allotment of Equity Shares / Convertible Warrants / FCCBs is/are in conformity with the requirements of Act;
10. 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.
11. The Company has granted options under the Employee Stock Option Scheme (ESOS) for its employees and during the year under review, the Company has complied with the relevant provisions of SEBI (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999 thereafter, in respect thereof.

**CHETAN A. JOSHI**  
Practising Company Secretary  
ACS: 20829 / CP: 7744

Mumbai, April 29, 2010

## **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, 2010 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 year 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 : Mumbai  
Dated: April 29, 2010

**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, 2010 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 : Mumbai  
Dated: April 29, 2010

**Prakash Ranjalkar**  
Whole-time Director

## INFORMATION ON DIRECTORS RECOMMENDED FOR APPOINTMENT / RE-APPOINTMENT AT THE ENSUING ANNUAL GENERAL MEETING

### Mr. Balasubramanian N., Independent Director

Mr. Balasubramanian has been a Member of the Board since October 8, 2007. He retires by rotation in the ensuing Annual General Meeting and is eligible for re-appointment.

Mr. Balasubramanian is Post Graduate in Science and a Post Graduate 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 holds Directorship in Management Development Institute, Gurgaon, ICICI Venture Funds Management Company Limited, JP Morgan Mutual Fund India Private Limited, Brickwork Ratings India Private Limited, India Infrastructure Finance Company Limited and Global Rural Netco Limited. In GTL Infrastructure Limited, he is Chairman of Audit Committee and Member of Nomination & Remuneration Committee and Allotment & Transfer Committee. He holds 5,00,000 shares of the Company.

### Dr. Anand Patkar, Independent Director

Dr. Patkar has been a Member of the Board since October 8, 2007. He retires by rotation in the ensuing Annual General Meeting and is eligible for re-appointment.

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. He is also the author of the book "Master the Mind Monkey: Experience Your Excellence". In GTL Infrastructure Limited, he is a Member of Shareholders'/Investors' Grievance Committee. He holds 1,00,000 shares & 1,00,000 Options under Employee Stock Option Scheme of the Company.

### Mr. Vivek Kulkarni, Independent Director

Mr. Kulkarni has been a Member of the Board since October 8, 2007. He retires by rotation in the ensuing Annual General Meeting and is eligible for re-appointment.

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) as well as public interest director at the Bombay Stock Exchange Limited. He also Director of Brickwork India Pvt. Ltd., Brickwork Ratings India Pvt. Ltd. and Trigyn Technologies Limited. He is Member of Inspection and Compliance Committee of Bombay Stock Exchange Limited. He does not hold any shares of the Company. He holds 2,00,000 options under Employee Stock Option Scheme of the Company.

### Mr. Vijay Vij, Independent Director

Mr. Vij was appointed as an Additional Director in the Board Meeting held on July 20, 2009 and holds office up to the date of the ensuing Annual General Meeting.

Mr. Vij is a Practicing Chartered Accountant and has an experience of 18 years in almost every facet of taxation, auditing and consulting profession. He is an ardent finance professional and his forte lies in direct taxation, valuations, financial modelling, business consultancy, system implementation, advising on M & A, SEZ / STPI advisory etc. He has effectively handled business restructuring and start up ventures in competitive business environments. He has hands on experience in providing advice on tax efficient entry strategy for India, transfer pricing and tax treaty implications.

He holds Directorship in GTL Limited. He is Chairman of Audit Committee of GTL Limited. In GTL Infrastructure Limited also, he is a Member of the Audit Committee. He holds 63,500 shares and holds 2,00,000 options under Employee Stock Option Scheme of the Company.

**Mr. Vinod Agarwala, Independent Director**

Mr. Agarwala was appointed as an Additional Director in the Board Meeting held on July 20, 2009 and holds office up to the date of the ensuing Annual General Meeting.

Mr. Agarwala is Advocate & Solicitor, Mumbai. He is also Solicitor, Supreme Court of England & Wales and Advocate of Supreme Court of India. He practices in Mumbai for the last 35 years. Mr. Agarwala specializes in Corporate Laws, Securities Laws, Project Finance, Property Law, FDI and Commercial Laws. He is a Partner in Vigil Juris, Solicitors and Advocates, Mumbai.

He holds Directorships in Suditul Trading and Investment Company Private Limited, Delta Galil Textiles (India) Private Limited, Yes Façade Systems Private Limited, Datamagic Websolutions Private Limited, SBM Chemicals & Instruments Private Limited and Supreme Infrastructure India Limited. He is Member of Investor Grievances Committee and Remuneration Committee of Supreme Infrastructure India Limited. In GTL Infrastructure Limited, he is a Member of Audit Committee. He holds 4,59,000 shares of the Company. He also holds 2,00,000 options under Employee Stock Option Scheme of the Company.

**Mr. Satya Pal Talwar, Independent Director**

Mr. Talwar was appointed as an Additional Director in the Board Meeting held on August 13, 2009 and holds office up to the date of the ensuing Annual General Meeting.

Mr. Talwar, was Deputy Governor of Reserve Bank of India with more than 40 years of operational and policy formulation experience in Commercial and Central Banking. He was Chairman, RBI Services Board, Reserve Bank of India (2001-05), Deputy Governor, Reserve Bank of India (1994-2001), Chairman and Managing Director of Bank of Baroda (1993-1994), Chairman and Managing Director of Union Bank of India (1990-1993), Chairman and Managing Director of Oriental Bank of Commerce (1988-1990).

He held other positions earlier, such as Chairman, Indian Banks Association (IBA); Director, SEBI; Director, IDBI; Director, SIDBI; Director, Oriental Insurance Co., Director, IBU International Finance Limited, Hong Kong; Director, Master Card International (Asia Pacific Regional Board, Singapore); Member, Advisory Committee, Ministry of Corporate Affairs, Government of India, New Delhi; Member, Court of Jawaharlal Nehru University.

He holds Directorships in Housing Development and Infrastructure Limited, Reliance Life Insurance Company Limited, Reliance General Insurance Company Limited, Crompton Greaves Limited, Videocon Industries Limited, Reliance Communications Limited, Reliance Infratel Limited, A.B. Hotels Limited, Kalpataru Power Transmission Limited, Reliance Communications Infrastructure Limited, Uttam Galva Steels Limited, HDIL Investment Advisor Private Limited and Hotel Queens Road Private Limited.

He is Chairman of Audit Committee in Crompton Greaves Limited, Videocon Industries Limited, Reliance Communications Limited, Housing Development & Infrastructure Limited and Reliance Infratel Limited. He is Member of Audit Committee in Reliance Life Insurance Company Limited, Reliance General Insurance Company Limited and Reliance Communication Infrastructure Limited. He is also Member of Investor Grievance Committee in Reliance Communications Limited. He does not hold any shares of the Company. He holds 2,00,000 options under Employee Stock Option Scheme of the Company.

**Mr. Prakash Ranjalkar, Whole time Director**

Mr. Prakash Ranjalkar is one of the key driving forces behind GTL Infrastructure Ltd. He is the Whole-time Director and heads the company's business and geographic operations. He is responsible for executing business strategy and ensuring operational excellence.

With his strategic vision and rich experience of over 21 years in the telecom space, Prakash charted a defining growth path for GTL Infrastructure Ltd., and in a short time span, catapulted the organization to being a leader in the shared telecom Infrastructure space.

Since becoming Wholetime Director in January 2005, Mr. Ranjalkar has instituted several programs to make Global Group's core vision of "Employee Entrepreneurship" DNA of GIL. "Employee Entrepreneurship" has engaged each employee as part owner to the growth and success of the organization.

Ranjalkar holds a Bachelor's Degree in Electronics & Telecom Engineering. Prior to joining the Global Group he has been associated with Lucent Technologies, Crompton Greaves Limited and The National Radio & Electronics Company Ltd. (NELCO). He does not hold any options under Employee Stock Option Scheme of the Company and holds 64,52,400 shares of the Company.