

## Report on Corporate Governance

In accordance with Clause 49 of the Listing Agreement with the Bombay Stock Exchange Limited (BSE) and the National Stock Exchange of India Limited (NSE), the report on compliance of corporate governance at GTL Infrastructure Limited is given as under:

### 1. Company's Philosophy on Corporate Governance

The Company's Philosophy on Corporate Governance as adopted by its Board of Directors is to:

- 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

#### a) Size and composition of the Board

The current policy is to have a appropriate mix of executive and independent directors to maintain the independence of the Board, and separate its functions of governance and management. As on March 31, 2011, the Company has 10 Directors with a non-executive Chairman and a non-executive Vice Chairman. Of the 10 Directors, 9 (i.e.90%) are non-executive Directors and 7 (i.e.70%) are independent Directors. The composition of the Board is in conformity with Clause 49 of the Listing Agreement entered into with the stock exchanges.

The Board believes that the current size is appropriate and periodically evaluates the need for change in its composition and size.

All the Directors have informed the Company periodically about their Directorship and Membership on the Board Committees of other companies. As per disclosure received from Director(s), none of the Directors on the Board holds Membership in more than ten (10) Committees or Chairmanship in more than five (5) Committees.

The details of the composition, category of directorship, the number of meetings attended and the directorships in other companies of the Directors of the Company are as follows.

Name of Director	Category	Attendance		Number of Directorships in other Indian public limited companies	Number of Committee positions held in other Indian public limited companies	
		At the Board Meetings	At the last AGM		Chairman	Members
Mr. Manoj Tirodkar	Chairman, Non-Independent, Non-Executive Director	7	Yes	2	-	1
Mr. N Balasubramanian	Vice-Chairman, Independent Director	8	Yes	4	1	-
Mr. Prakash Ranjalkar	Executive Director	8	Yes	-	-	-
Dr. Anand Patkar	Independent Director	8	Yes	-	-	-
Mr.Charudatta Naik	Non-Independent / Non-Executive Director	7	Yes	2	-	-
Mr.Vivek Kulkarni	Independent Director	2	No	1	-	-
Mr.Vishwas Pathak	Independent Director	6	Yes	2	-	-
Mr.Vinod Agarwala	Independent Director	6	Yes	1	-	2
Mr.Vijay Vij	Independent Director	8	Yes	2	1	-
Mr.Satya Pal Talwar	Independent Director	5	Yes	10	4	4

Note:

- All Directors are Non-Promoter Directors.
- Mr. Manoj Tirodkar is related to Promoter.
- There are no inter-se relationships between our Board members.
- As required by Clause 49 of the Listing Agreement, the disclosure includes memberships / chairmanship of audit committee and investor grievance committee in Indian public limited companies (listed and unlisted).

**b) Number of Board Meetings held and the dates on which held**

The Board of Directors met eight (8) times during the year under review as against the minimum requirement of four (4) meetings. The maximum time gap between any two consecutive meetings did not exceed four (4) months. The details of the Board Meetings are as under:

Date of Board Meeting	Board Strength	No. of Directors Present
April 29, 2010	10	9
June 27, 2010	10	8
July 19, 2010	10	8
July 28, 2010	10	8
November 1, 2010	10	9
December 16, 2010	10	8
January 28, 2011	10	8
March 1, 2011	10	7

**3. Board Committees**

**i) Audit Committee**

- i) Composition: The Audit Committee of the Board comprises three independent directors namely Mr. N. Balasubramanian, Mr. Vinod Agrawala, Mr. Vijay Vij and one non-executive/non-independent director Mr. Charudatta Naik. All the Members of the Audit Committee possess financial/accounting expertise/exposure. The composition of the Audit Committee meets the requirements of Clause 49 and Section 292A of the Companies Act, 1956.

Mr. Ravikumar Vemulakonda is the Secretary to the Audit Committee.

- ii) Terms of Reference: The terms of reference of the Audit Committee are as under:

1. Oversight / Review of the Company's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible.
2. Recommending to the Board, the appointment, re-appointment and, if required, the replacement or removal of the statutory auditor and the fixation of audit fees.
3. Approval of payment to statutory auditors for any other services rendered by the statutory auditors.
4. Reviewing, with the management, the annual financial statements before submission to the Board for approval, with particular reference to:
  - a. Matters required to be included in the Director's Responsibility Statement to be included in the Board's Report in terms of clause (2AA) of section 217 of the Companies Act, 1956.
  - b. Changes, if any, in accounting policies and practices and reasons for the same.
  - c. Major accounting entries involving estimates based on the exercise of judgment by management.
  - d. Significant adjustments made in the financial statements arising out of audit findings.
  - e. Compliance with listing and other legal requirements relating to financial statements.
  - f. Disclosure of any related party transactions.
  - g. Qualifications in the draft audit report.
5. Reviewing, with the management, the quarterly financial statements before submission to the Board for approval.
6. Reviewing, with the management, the statement of uses / application of funds raised through an issue (public issue, rights issue, preferential issue, etc.), the statement of funds utilized for purposes other than those stated in the offer document/prospectus/notice and the report submitted by the

monitoring agency monitoring the utilisation of proceeds of a public or rights issue, and making appropriate recommendations to the Board to take up steps in this matter.

7. Reviewing, with the management, performance of statutory and internal auditors and adequacy of the internal control systems.
8. Reviewing the adequacy of internal audit function, if any, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit.
9. Discussion with internal auditors any significant findings and follow up there on.
10. Reviewing the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the Board.
11. Discussion with statutory auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern.
12. To look into the reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders (in case of non payment of declared dividends) and creditors.
13. To review the functioning of the Whistle Blower mechanism, in case the same is existing.
14. To review on quarterly / annual basis the uses / applications of funds raised through an issue (public issue, rights issue, preferential issue, etc.), and make appropriate recommendations to the Board.
15. Approval of appointment of CFO (i.e., the whole-time Finance Director or any other person heading the finance function or discharging that function) after assessing the qualifications, experience & background, etc. of the candidate.
16. To review the CEO / CFO certificates.
17. To carry out any other function as required by the Listing Agreement of the stock exchanges, Companies Act and other regulations.
18. To review the following information:
  - a) the management discussion and analysis of financial condition and results of operations;
  - b) Statement of significant related party transactions (as defined by the audit committee), submitted by management;
  - c) Management letters / letters of internal control weaknesses issued by the Statutory Auditors;
  - d) Internal audit reports relating to internal control weaknesses; and
  - e) The appointment, removal and terms of remuneration of Chief Internal Auditor.

iii) The Audit Committee invites such of the executives, as it considers appropriate (particularly the head of finance function), representatives of the Statutory Auditors and representatives of the Internal Auditors to be present at its meetings.

iv) The previous Annual General Meeting of the Company was held on August 25, 2010 and was attended by Mr. N. Balasubramanian, Chairman of the Audit Committee.

v) Number of Audit Committee Meetings held and the dates on which held

The Audit Committee met five (5) times during the year under review as against the minimum requirement of four (4) meetings. The details of attendance of each Member at the Audit Committee meetings held during the year are as under:

Name of the Committee Member	Category	No. of meetings during the year 2010-2011	
		Held	Attended
Mr. N. Balasubramanian, Chairman	Independent Director	5	5
Mr. Vinod Agarwala	Independent Director	5	4
Mr. Vijay Vij	Independent Director	5	5
Mr. Charudatta Naik	Non- Independent, Non Executive Director	5	4

vi) Five (5) Audit Committee Meetings were held during the year. The dates on which the said meetings were held are as follows:

29th April, 2010; 28th July, 2010; 1st November, 2010; 28th January, 2011 and 1st March, 2011.

The necessary quorum was present for all the meetings.

## II) Nomination & Remuneration Committee

- a. Composition: The Nomination & Remuneration Committee of the Board comprises three independent directors namely Mr. Vijay Vij, Mr. N. Balasubramanian, Mr. Vishwas Pathak and one non-executive/non-independent director Mr. Charudatta Naik.

Mr. Ravikumar Vemulakonda is the Secretary to the Nomination & Remuneration Committee.

- b. Terms of Reference: The terms of reference of the Nomination & Remuneration Committee are as under:

- 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

- c. Number of Nomination & Remuneration Committee Meetings held and the dates on which held

The Nomination & Remuneration Committee met three times during the year under review. The details of attendance of each Member at the Nomination & Remuneration Committee meetings held during the year are as under:

Name of the Committee Member	Category	No. of meetings during the year 2010-2011	
		Held	Attended
Mr. Vijay Vij, Chairman	Independent Director	-	-
Mr. N. Balasubramanian (Chairman upto January 27, 2011)	Independent Director	3	3
Mr. Charudatta Naik	Non- Independent, Non Executive Director	3	3
Mr. Vishwas Pathak	Independent Director	3	3

Mr. Vijay Vij is appointed as the Chairman of the Nomination & Remuneration Committee with effect from 28th January, 2011.

- d. Three Nomination & Remuneration Committee Meetings were held during the year. The dates on which the said meetings were held are as follows:  
29th April, 2010; 4th May, 2010 and 16th December, 2010.

The necessary quorum was present for all the meetings.

- e. **Remuneration Policy:** The Company's Remuneration Policy 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)

f. Details of the Remuneration for the year ended March 31, 2011:

i. Executive Directors

Name of the Director and period of appointment	Salary (₹ Lakh)	Benefits Perquisites and Allowances (₹ Lakh)	Performance Linked Incentive (₹ Lakh)	Total Remuneration (₹ Lakh)	Stock Options Held
Mr. Prakash Ranjalkar (w.e.f. April 1, 2010 for a period of 3 years)	18.00	23.96	3.97	45.93	Nil

The above figures do not include Company's contribution towards Provident Fund, Gratuity payable as per the rules of the Company and leave encashment at the end of the tenure.

The tenure of office of Mr. Prakash Ranjalkar is for a period of 3 years w.e.f. April 1, 2010 be terminated by either party giving the other party three (3) months' notice or the Company paying three (3) months' salary in lieu thereof. There is no provision for payment of severance fees.

ii. Non-Executive Directors

Name of Director	Sitting Fees (₹ in Lakh)	Stock Options		
		Allotment Date	Grant Price (in ₹)	No. of Stock Options Held
Mr. Manoj Tirodkar	2.40	--	--	--
Mr. N Balasubramanian	2.90	04-05-2010	30.52	500,000
Dr. Anand Patkar	1.40	11-03-2008	33.60	100,000
		04-05-2010	30.52	300,000
Mr. Charudatta Naik	2.35	09-10-2007	19.90	175,000
Mr. Vishwas Pathak	1.20	04-05-2010	30.52	100,000
Mr. Vivek Kulkarni	0.20	11-03-2008	33.60	200,000
Mr. Vinod Agarwala	1.20	23-11-2009	24.37	200,000
		04-05-2010	30.52	300,000
Mr. Vijay Vij	1.65	23-11-2009	24.37	200,000
		04-05-2010	30.52	300,000
Mr. Satya Pal Talwar	0.90	23-11-2009	24.37	200,000
		04-05-2010	30.52	300,000

Note:

- Other relevant details of stock options are covered elsewhere in this Annual Report.
- Each option underlie equal number of equity share of face value of ₹ 10/-.
- Apart from above, the Company does not have any other pecuniary relationship or transaction with the Directors.
- Details of shares of the Company held by the Directors as on March 31, 2011 are as under:

Name of Director	Number of Shares
Mr. Manoj Tirodkar	5,965,283
Mr. N Balasubramanian	500,000
Mr. Prakash Ranjalkar	6,452,400
Dr. Anand Patkar	100,000
Mr. Charudatta Naik	1,325,900
Mr. Vishwas Pathak	Nil
Mr. Vivek Kulkarni	Nil
Mr. Vinod Agarwala	459,000
Mr. Vijay Vij	63,500
Mr. Satya Pal Talwar	Nil

### III) Shareholders'/Investors' Grievance Committee

The Company has a Shareholders'/Investors' Grievance Committee of Directors to look in to the redressal of complaints of investors such as transfer or credit of shares, non-receipt of dividend/notices/annual reports etc.

- a. **Composition:** The Shareholders'/Investors' Grievance Committee of the Board comprises two independent directors' namely Dr. Anand Patkar, Mr. Vishwas Pathak, and one non-executive/non-independent director Mr. Manoj Tiroadkar.

Mr. Ravikumar Vemulakonda is the Secretary to the Shareholders' / Investors' Grievance Committee.

- b. **Terms of Reference:** The terms of reference of the Shareholders'/Investors' Grievance Committee are as under:

- 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;
- Review the certificate of the Practicing Company Secretary regarding timely action on transfer, sub-division, consolidation, renewal, exchange or endorsement of calls / allotment monies;
- Oversee the performance of the Registrar and Share Transfer Agent and recommend measures for overall improvement in the quality of investor services;
- 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;
- 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
- To carry out any other function as required by the Listing Agreement of the stock exchanges, Companies Act and other Regulations.

- c. One meeting of the Shareholders'/Investors' Grievance Committee was held during the year on March 1, 2011.

- d. The composition of the Shareholders'/Investors' Grievance Committee and the details of meetings attended by its members are given as under:

Name	Category	Number of Meetings during the year 2010-2011	
		Held	Attended
Dr. Anand Patkar	Independent Director	1	1
Mr. Vishwas Pathak	Independent Director	1	1
Mr. Manoj Tiroadkar	Non- Independent, Non-Executive Director	1	-

### 4. Subsidiary Monitoring Framework

Subsidiary of the Company is managed by its Board. The Company monitors performance of subsidiary inter alia, by the following means:

- (a) Financial statements, in particular the investments made by the subsidiary are reviewed quarterly by the Audit Committee of the Company.
  - (b) All minutes of Board meetings of the subsidiary are placed before the Company's Board regularly.
  - (c) A statement containing all significant transactions and arrangement entered into by the subsidiary is periodically placed before the Company's board.
- The Company has appointed Mr. Vijay Vij, Independent Director of the Company as a Director on the Board of subsidiary.

### 5. General Body Meetings

#### i) General Meetings

##### a) Annual General Meetings:

Financial Year	Date	Time	Venue
2007-08	June 13, 2008	12.00 noon	Vishnudas Bhawe Natyagruh, Sector 16A, Vashi, Navi Mumbai – 400 703
2008-09	July 10, 2009	12.30 p.m.	
2009-10	August 25, 2010	11.00 a.m.	

At the Annual General Meeting of the Company held on June 13, 2008, the following Special Resolutions were passed with requisite majority:

- Approval for raising of the foreign equity investment limit up to 74% (direct & indirect) of the paid-up capital.
- Approval for raising of funds by issue of equity/convertible instruments through various means including through Qualified Institutional Placement (QIP) upto 250 Crores equity shares.
- Approval for raising of funds through QIP up to 100 Crores equity shares.

At the Annual General Meeting of the Company held on July 10, 2009, the following Special Resolutions were passed with requisite majority:

- Approval for raising of funds by issue of equity / convertible / non convertible instruments through QIP up to 100 Cr. equity shares.
- Adoption of 'GTL Infrastructure Limited – Employees Stock Option Scheme 2005' with certain modifications.

At the Annual General Meeting of the Company held on August 25, 2010, the following Special Resolutions were passed with requisite majority:

- Appointment of Mr. Prakash Ranjalkar as a whole-time director of the Company for a period of 3(Three) years with effect from April 1, 2010.
- Amendment to the Articles of Association of the Company as per section 31 of the Companies Act, 1956.

**b) Extraordinary General Meetings:**

No Extraordinary General Meeting of the Members was held during the year 2010-2011.

**ii) Postal Ballot**

On September 9, 2010, the following Ordinary Resolution was passed through postal ballot procedure:

- 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 ₹ 25,000 Cr.

This Ordinary Resolution was passed with requisite majority with 99.72% votes cast in favour and 0.28% votes cast against.

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 September 7, 2010.

On December 22, 2010, the following Special Resolutions were passed through postal ballot procedure:

- Special Resolution under the provisions of Section 81(1A) of the Companies Act, 1956 for issue of securities to Qualified Institutional Buyers.  
This Special Resolution was passed with requisite majority with 99.75% votes cast in favour and 0.25% votes cast against.
- Special Resolution under the provisions of Section 81 of the Companies Act, 1956 for issue of securities such as GDR, ADR, FCCB, equity shares, preference shares, QIP etc to residents and / or non residents in the domestic and / or international markets.  
This Special Resolution was passed with requisite majority with 99.75% votes cast in favour and 0.25% votes cast against.
- Special Resolution for sponsored GDS/ADS offerings under GDR / ADR regulations and two-way fungibility scheme.  
This Special Resolution was passed with requisite majority with 99.75% votes cast in favour and 0.25% votes cast against.
- Special Resolution for foreign holding upto 74% (direct and indirect) of the paid up equity share capital of the Company (including the FII / Sub-account holding upto the sectoral cap / statutory limit as applicable to the Company and / or the NRI holding upto 24%) or such other limits as may be permitted from time to time by the concerned authorities.  
This Special Resolution was passed with requisite majority with more than 99.99% votes cast in favour and less than 0.01% votes cast against.

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 December 21, 2010.

**6. Disclosures**

- a) The necessary disclosures in respect to transactions with related parties are given in the notes to the Accounts. None of these transactions have potential conflict with the interest of the Company at large.
- b) 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 2008-09, 2009-10 and 2010-11 respectively: NIL
- c) The Company does not have any whistle blower policy. However, no personnel have been denied access to the senior management.
- d) The Company has fulfilled the following non-mandatory requirements as prescribed in Annexure I-D to the Clause 49 of the Listing Agreement with the stock exchanges:
  - i) 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.
  - ii) The Company has constituted a Nomination and Remuneration Committee and the full details of the same are available elsewhere in this Annual Report.
  - iii) The Company is publishing quarterly un-audited financial results in the newspapers and is also displaying it on the Company's website [www.gtlinfra.com](http://www.gtlinfra.com), apart from displaying in stock exchange website. Accordingly, it does not envisage sending the same separately to the households of the shareholders.
  - iv) The Company endeavors to maintain a regime of unqualified statements.



- v) **Training of Board Members:** All new Directors inducted in the Board are provided with policy dossier containing policies and procedures followed by the Company. Detailed presentation is made to the members of the Board / Committees by executive directors and senior management personnel providing insight of business strategy, business model, clientele, business prospects, nature of transaction etc. This provides a good opportunity for the Directors to understand the Company's business model and strategy.
- vi) **Mechanism for evaluating non-executive Board Members:** Broad guidelines are given in the policy dossier on the functioning of the Board of Directors.

## 7. Means of Communication

- **Quarterly Results:** The Company's quarterly financial statements are generally published in the Free Press Journal (English language) and in Mumbai Navashakti (local language). The financial statements are also displayed on the website of the Company.
- **Website where displayed:** <http://www.gtlinfra.com>
- **Official news releases and presentations:** The Company displays official news releases, presentations made to institutional investors or to the analysts and other coverage in the above website.

## 8. General Shareholder Information:

The Company is registered in the State of Maharashtra, India. The Corporate Identity Number (CIN) allotted to the Company by the Ministry of Corporate Affairs (MCA) is L74210MH2004PLC144367.

i.	<b>AGM: Date, time and venue</b>	Tuesday the December 27, 2011 at 10.30 a.m. at Vishnudas Bhawe Natyagriha, Sector 16A, Vashi, Navi Mumbai – 400 703.
ii.	<b>Financial Calendar</b>	
	<b>For Financial Year 2011-2012:</b>	
	First Quarter Results: Quarter ended 30-Jun-11	Declared on August 13, 2011
	Second Quarter Results: Quarter ended 30-Sep-11	Declared on November 11, 2011
	Third Quarter Results: Quarter ended 31-Dec-11	Within 45 days of the end of the Quarter
	Fourth Quarter and Audited Annual Results: Quarter ended 31-Mar-12	Within 60 days from the end of the Year
iii.	<b>Dates of book closure</b>	December 26, 2011
iv.	<b>Dividend Payment</b>	No dividend has been declared.
v.	<b>Listing on Stock exchanges</b>	<ul style="list-style-type: none"> <li>• Equity shares listed at BSE and NSE</li> <li>• Foreign Currency Convertible Bonds (FCCB) issued by the Company are listed on Singapore Exchange Securities Trading Limited</li> </ul>
vi.	<b>Listing Fees for 2011-12</b>	<ul style="list-style-type: none"> <li>• BSE/NSE listing fees for the financial year 2011-2012 has been paid</li> <li>• Singapore Exchange Securities Trading Limited Listing fees have been paid</li> </ul>
vii.	<b>Stock Exchange Codes:</b>	
	• BSE - Equity Shares	532775
	• NSE- Equity Shares	GTLINFRA
	• Reuters Code	GTLI.BO & GTLI.NS
	• Bloomberg ticker	GTLI:IN
	• Equity ISIN	INE221H01019
	• Singapore Exchange Securities Trading Limited	FCCB ISIN XS0329208457



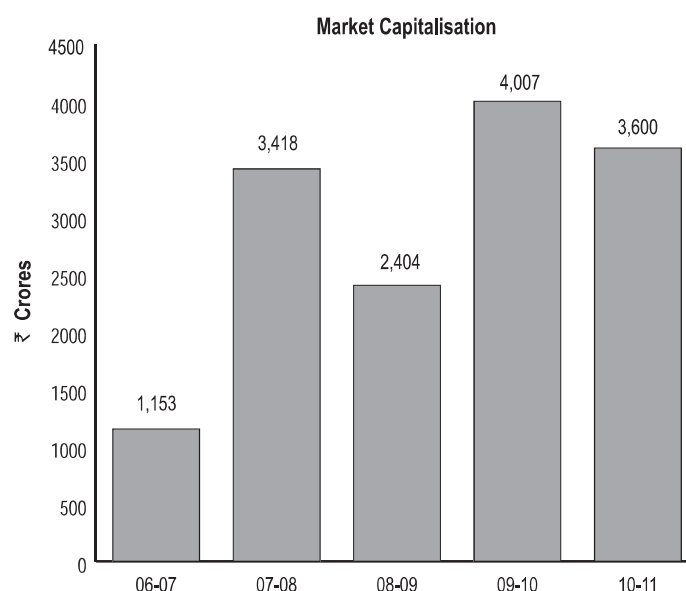
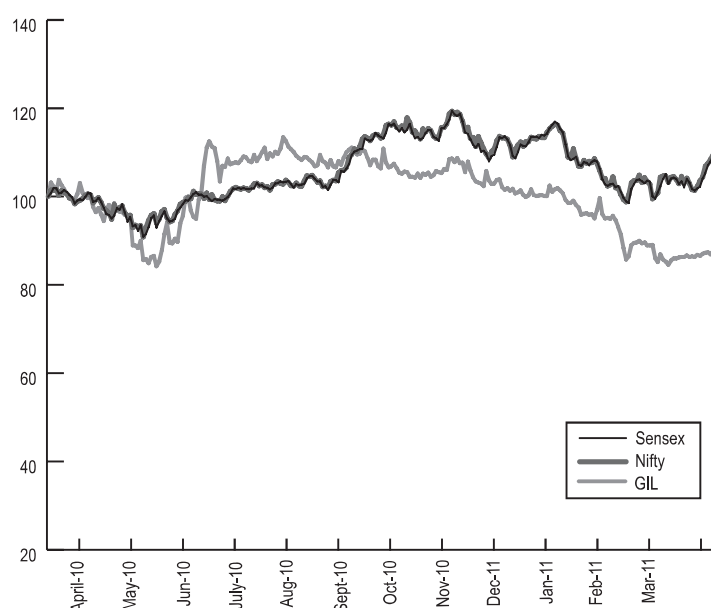
viii **Market Price Data**

Monthly high and low price and volume of shares on BSE and NSE are given below:

Month	BSE			NSE		
	High (₹)	Low (₹)	Volume (Nos.)	High (₹)	Low (₹)	Volume (Nos.)
Apr-2010	44.90	40.60	24,265,832	44.95	40.60	38,509,968
May-2010	44.00	35.55	21,551,808	42.20	35.85	29,406,356
Jun-2010	54.40	35.35	50,702,171	49.40	35.35	113,013,565
Jul-2010	47.75	43.20	24,809,720	47.85	43.10	62,117,730
Aug-2010	48.65	44.65	9,874,096	48.60	37.75	23,458,751
Sep-2010	48.15	42.35	10,660,764	48.15	42.00	30,190,950
Oct-2010	46.90	43.50	4,594,614	46.70	43.95	11,840,773
Nov-2010	47.00	42.35	4,478,699	46.50	42.25	10,056,874
Dec-2010	46.20	40.70	3,096,155	44.55	40.60	7,440,317
Jan-2011	44.10	39.10	2,395,345	44.10	39.70	28,993,000
Feb-2011	41.50	33.50	1,604,394	40.95	33.10	8,230,123
Mar-2011	38.05	34.50	2,202,697	38.20	34.50	8,172,404

Source: This information is compiled from the data available from the websites of BSE & NSE

ix. **GTL Infra's performance in comparison to broad based indices:**



**x. Capital Market Developments**

**Trading Group and Future & Options (F&O) Segment:** The Company's equity shares are listed with BSE under the category 'Group B' and forms part of BSE 500. The Company's equity shares are also listed on NSE and forms part of CNX 500. With effect from 21.08.2008 the Company's equity shares were introduced in the 'Futures & Options Segment (F&O)' and the same was taken out w.e.f. 26.08.2011.

**Average daily traded volumes:** The average daily traded volume in the Company's shares on BSE and NSE in the year ended March 31, 2011 was 630,851 and 1,462,326 shares respectively, as against 2,043,560 and 3,803,004 shares respectively in the previous financial year.

**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. As majority of shares of the Company are held in electronic (demat) form, requests for transfer of shares in physical form are negligible. However, majority of share transfer requests are processed and the share certificates are returned within a period of 15 days from the date of receipt, subject to the documents being valid and complete in all respects. The Board has delegated the authority for approving transfers / transmission etc. of the Company's securities to the Allotment and Transfer Committee of the Company, which meets regularly to approve the share transfers and other related work. A summary of transfer / transmission etc. of securities of the Company so approved by the said committee is placed quarterly at the Board Meetings. The Company obtains from a Company Secretary in Whole-time Practice half-yearly certificate of compliance with the share transfer formalities as required under Clause 47(c) of the Listing Agreement with the stock exchanges and files a copy of the certificate with the stock exchanges.

The total number of physical shares transferred during the year under review were 5646 (Previous year 6867).

**xiii. Distribution of Shareholding as on March 31, 2011:**

**a. Distribution of Shares according to the size of holding:**

No. of Shares	No. of Shareholders	% of Shareholders	Share Amount (₹)	% to Total
Upto 500	143,179	87.10%	220,469,170	2.30%
501 - 1000	11,942	7.27%	96,987,640	1.01%
1001 - 2000	5,070	3.08%	75,375,990	0.79%
2001 - 3000	1,647	1.00%	41,604,620	0.43%
3001 - 4000	559	0.34%	19,810,300	0.21%
4001 - 5000	568	0.35%	26,761,050	0.28%
5001 - 10000	738	0.45%	54,510,900	0.57%
10001 & Above	675	0.41%	9,037,966,370	94.41%
<b>TOTAL</b>	<b>164,378</b>	<b>100.00%</b>	<b>9,573,486,040</b>	<b>100.00%</b>

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

Category	Nos. of Shareholders	Nos. of Shares Held	Voting Strength
Promoters-Bodies Corporate	3	558,528,388	58.34%
Other Directors, their Relatives	14	15,419,124	1.61%
Bodies Corporate (Domestic) / Trusts	2,029	55,722,408	5.82%
Banks	12	261,243	0.03%
Mutual Funds	4	80,314	0.01%
Financial Institutions (FIs)	4	2,816,146	0.29%
Foreign Institutional Investors (FIIs)	38	28,146,931	2.94%
Non-Resident Individuals (NRIs) / Foreign Corporate Bodies / Overseas Corporate Bodies (OCBs) / Foreign Banks	1,013	224,565,264	23.46%
Resident Individuals	161,261	71,808,786	7.50%
<b>TOTAL:</b>	<b>164,378</b>	<b>957,348,604</b>	<b>100.00%</b>

**c. Top 10 Shareholders:**

Name of shareholder	Category	Shares	%
GTL Ltd. (Promoter)	Domestic Company	346,794,892	36.22%
Technology Infrastructure Ltd	Other Foreign Body	222,395,700	23.23%
Global Holding Corporation Pvt. Ltd. (Promoter Group)	Domestic Company	211,733,496	22.12%
Bennett, Coleman and Company Ltd	Domestic Company	8,820,000	0.92%
Societe Generale	Foreign Institutional Investors (FII)	8,176,000	0.85%
Prakash Ranjalkar	Director	6,452,400	0.67%
Manoj Gajanan Tirodkar	Director	5,965,283	0.62%
Cordial Advisory Services Pvt. Ltd.	Domestic Company	5,794,293	0.61%
Incurve Trading Private Ltd	Domestic Company	4,284,859	0.45%
Barclays Capital Mauritius Ltd	Foreign Institutional Investors (FII)	4,058,334	0.42%

**xiv. Dematerialization of shares and liquidity:**

Trading in equity shares of the Company on the stock exchanges is permitted only in dematerialized form as per notification issued by the SEBI. The Shares of the Company are available for trading under both the depository systems in India – NSDL & CDSL. 99.95% of the Company's shares are held in dematerialized form as on March 31, 2011. The Company's equity shares are among the actively traded shares on the BSE & NSE.

**xv. Outstanding Warrants or any Convertible instruments, conversion date and likely impact on equity:**

The details are furnished in the Directors' Report under the heading Share Capital.

**xvi. Plant Locations:**

The Company is in the business of providing Telecom Towers on a shared basis to multiple wireless telecom service providers. As of March 31, 2011, the Company owned 15,150 Telecom Towers (including towers under various stages of completion) across all 22 telecom circles in India. List of Branch Offices and addresses are provided elsewhere in this Annual Report.

**xvii. Address for correspondence:**

**Registered Office**  
GTL Infrastructure Limited,  
3rd Floor, "Global Vision",  
Electronic Sadan No. II,  
MIDC, TTC Industrial Area,  
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; GTL Limited (Investor Service Centre), Electronic Sadan No. II, MIDC, TTC Industrial Area, Mahape, Navi Mumbai – 400710, Maharashtra, India.

**Investor Service Centre**

**Contact Persons:** Mr. Jayendra Pai, AVP -Shares & Systems  
GTL Limited (Investor Service Centre), Tel.: +91-22-27612929/27684111–Extn: 2232-35, Fax: +91-22-27680171  
Email: [gilshares@gtlinfra.com](mailto:gilshares@gtlinfra.com) Website: [www.gtlinfra.com](http://www.gtlinfra.com)

**xviii Queries relating to financial statements, the Company's performance etc. may be addressed to: Head – Investor Relations,**

GTL Infrastructure Limited, 412, Janmabhoomi Chambers, 29, W. H. Marg, Ballard Estate, Mumbai 400 038, Maharashtra, India.  
Tel : +91-22-22715000, Fax +91-22-22619649  
Email : [ir@gtlinfra.com](mailto:ir@gtlinfra.com)

**xix Investor Services – complaints, queries and correspondence:**

Particulars	Op.Bal. April 1, 2010	Received	Resolved	Cl.Bal. March 31, 2011
Complaints	Nil	1	1	Nil
Other Correspondence	Nil	94	94	Nil
Total	Nil	95	95	Nil

**xx Compliance Officer:**

Mr. Ravikumar Vemulakonda, Company Secretary, heading the Company Secretariat, Corporate Governance and Compliance of the Company, is the Compliance Officer under the Listing Agreement with the stock exchanges.

**xxi Equity shares in the Suspense Account:**

As stipulated under Clause 5A(II) of the Listing Agreement with the stock exchanges (w.e.f. December 16, 2010), the Company is required to transfer all the unclaimed shares into one folio in the name of 'Unclaimed Suspense Account' and these shares are to be dematerialized and kept with one of the Depository Participants. All corporate benefits accruing on such unclaimed shares are also to be credited to the suspense account. The voting rights of those members shall remain frozen till the rightful owner claims the shares.

In compliance of said clause, the Company has already issued three reminders dated July 13, 2011 August 17, 2011 and September 26, 2011 to the applicable shareholders at their available address on record with the Company.

In response to the reminders, where the shareholders have responded, after proper verification, the share certificates were dispatched to them.

The Company is in the process of opening a Demat Suspense Account with a Depository Participant. The unclaimed shares will be transferred into one folio and dematerialised in the Demat Suspense Account in due course.

Claims/responses received pursuant to dematerialization into the Suspense Account, as stated above, shall be resolved, after proper verification, either by crediting the shares lying in the Demat Suspense Account to the demat account of the shareholder or by issuing share certificate after rematerializing the same depending on the option chosen by the shareholder.

The Company has no cases as are referred to in Clause 5A (I) of the Listing Agreement with stock exchanges.

Details of the unclaimed shares as on March 31, 2011, are as under:

Sr.No.	Particulars	No. of Shareholders	No. of Shares
(i)	Aggregate number of shareholders and the outstanding shares as on April 1, 2010	521	52,888
(ii)	Number of shareholders and shares claimed by the respective shareholders during the year ended March 31, 2011	5	764
(iii)	Number of shareholders to whom shares were transferred during the year ended March 31, 2011.	-	-
(iii)	Aggregate number of shareholders and and shares remaining unclaimed as on March 31, 2011	516	52,124

**xxii Statutory Compliance:**

During the year under review, to the best of our knowledge and belief the Company has complied with all applicable provisions, filed all returns/forms and furnished all relevant particulars as required under the Companies Act, 1956 and allied Acts and Rules, the Securities and Exchange Board of India (SEBI) Regulations and the Listing Agreements with the Exchanges. The Company has voluntarily obtained a certificate of compliance from Mr. Chetan A. Joshi, a Company Secretary in whole-time practice, certifying compliance of the provisions of various applicable regulations and the same is reproduced elsewhere in this annual report.

**xxiii Voting Rights:**

All shares issued by the Company carry equal voting rights. Generally, matters of the general meetings are decided by a show of hands in the first instance. Voting by show of hands operates on the principle of "One Member – One Vote". If majority of shareholders raise their hands in favour of a particular resolution, it is taken as passed, unless a poll is demanded.

The Chairman may order to take a poll on his own motion. Any member or members present in person or proxy and holding shares in the Company, which confer a power to vote on the resolution, can also demand Poll in respect of any resolution.

Any member or members holding shares not less than one-tenth of the total voting power in respect of the resolution, or on which an aggregate sum of not less than fifty thousand rupees has been paid up can demand a poll. On a poll being taken, the decision arrived by poll is final, overruling any decision taken on a show of hands. The person or persons who made the demand may withdraw the demand for poll at any time.

No poll has been demanded in any annual general meeting of the Company, till date.

## 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, 2011, 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  
Firm Reg. No. – 101720W

**R. Koria**  
Membership No. – 35629

Place: Mumbai  
Date: November 23, 2011

For **Yeolekar & Associates**  
Chartered Accountants  
Firm Reg. No. – 102489W

**S. S. Yeolekar**  
Membership No. – 36398

## 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 there under and also the provisions contained in the Memorandum and Articles of Association of the Company ("the requirements") for the year ended March 31, 2011. Based on our examination as well as information and explanation furnished by the Company to me, I hereby report that:

1. The requisite statutory registers and other records required under the Act and the Rules made there under 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, 2011;
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.
9. The Company has not accepted any Fixed Deposits.
10. The Annual Returns and the Annual Reports have been filed as required under 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 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  
Thane, November 23, 2011

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

To  
The Board of Directors,  
GTL Infrastructure Limited,  
Navi Mumbai

We Prakash Ranjalkar -Whole-time Director and Prasanna Bidnurkar - 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, 2011 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 the 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: November 23, 2011

**Prakash Ranjalkar**  
Whole-time Director

**Prasanna Bidnurkar**  
Chief Financial Officer

## **Declaration of Whole-time Director on Compliance with Code of Conduct under Clause 49 of the Listing Agreement**

Pursuant to the provisions of Clause 49 of the Listing Agreement, it is hereby declared that all the Board Members and Senior Management Personnel of GTL Infrastructure Limited have affirmed compliance with the Code of Conduct for Directors and Senior Management for the Financial Year ended March 31, 2011.

Place: Mumbai  
Dated: November 23, 2011

**Prakash Ranjalkar**  
Whole-time Director

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

### Mr. Manoj G. Tirodkar

Mr. Manoj Tirodkar is the Chairman of the Company. He is widely recognised for his efforts towards creating an efficient and environment friendly telecom industry. He has been championing the cause of shared telecom infrastructure model and green telecom. Under his leadership, Global Group of Companies have partnered with leaders in technologies like Qualcomm, Ericsson, Alcatel-Lucent, Nokia Siemens Networks, Huawei, ZTE etc to offer Network services across the world.

A firm believer in corporate social responsibility, Mr. Manoj Tirodkar supports a number of causes through GTL Foundation. He takes keen interest in educating the under privileged children in rural India, improving their health and helping the cause of visually challenged.

Mr. Tirodkar is the winner of CII Young Entrepreneurs Trophy 2001. He also has the honour of becoming the first Indian to win the World Young Business Achiever Award. Business Barons Taylors Nelson Sofres mode had ranked him 13th & 12th Best CEO of India for the year 2000 and 2001. He also received the Telecom Man of the Year Award in 1996.

He holds directorship in GTL Limited and GTL International Limited. He is a member of Shareholders/Investors Grievance Committee and Allotment & Transfer Committee of the Company.

Mr. Tirodkar's shareholding in the Company is 5,965,283 equity shares and 548,041 equity shares are held by his family members / relatives.

### Mr. Charudatta Naik

Mr. Charudatta Naik is a non-executive non-independent Director of the Company. Mr. Charudatta Naik has an experience of over 23 years in the telecom industry spanning across segments such as technical support, sales & marketing and business operations. He is also a whole-time director of GTL Limited. He is also on the advisory board of GTL Foundation, the charitable arm of the Global Group. As a Whole-time Director of GTL Limited, he provides strategic guidance to GTL Limited to enhance the company's growth potential, globally. Mr. Charudatta Naik has earlier worked with companies like Crompton Greaves and Unitel Communications. He is an engineering graduate in electronics & telecom.

He holds directorship in GTL Limited and Global Rural Netco Limited. He is a member of Audit Committee and Nomination & Remuneration Committee of the Company.

Mr. Naik's shareholding in the Company is 1,325,900 equity shares and Nil equity shares are held by his family members / relatives.

### Mr. Milind Naik

Mr. Milind Naik is having over 26 years experience in the field of accounts, banking & finance, treasury operations, foreign exchange, telecom turnkey project implementation, manufacturing of steel structures for telecom, transmission, wind energy and infrastructure industries, R & D and manufacturing of energy management solutions (EMS) for telecom operator's, EPC in EMS & renewable energy, procurement & logistics, taxation and administration. In the past he has worked with Syndicate Bank, Bank of India and Saraswat Co-op Bank Ltd before joining Global Group in 1984. Before joining the Company, he worked as a Managing Director of Global Towers Ltd., a Global Group Company. He has enormous experience within the country as well as abroad.

Mr. Naik's shareholding in the Company is 19,000 equity shares and Nil equity shares are held by his family members / relatives.