

# REPORT ON CORPORATE GOVERNANCE

In accordance with Part C of Schedule V of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“the Listing Regulations”) 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 place 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 companies in operating practices.

## 2) BOARD OF DIRECTORS

### i) Size and composition of the Board

The current policy is to have an 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, 2017, the Company has 8 Directors with a Non-Executive Chairman and a Non-Executive Vice Chairman. Of the 8 Directors, 7 (i.e.87.50%) are Non-Executive Directors and 4 (i.e.50.00%) are Independent Directors. The composition of the Board is in conformity with Regulation 17(1) of the Listing Regulations and Section 149 of the Companies Act, 2013 (the ‘Act’).

- ii) All the Directors have informed the Company periodically about their directorship and membership on the Board Committees of other public limited companies. As per disclosure received from Director(s), none of the Directors on the Board hold membership in more than ten (10) committees or chairmanship in more than five (5) committees across all the public limited companies in which he/she is a Director.

The composition of the Board, category of directorship, the number of meetings held and attended during the year, the directorships /chairmanship/ committee positions in other public limited companies as on March 31, 2017 are as follows:

Name of Director	Category*	Attendance in Board Meetings		Attendance at the last AGM	Number of Directorships in other Indian public limited companies **	Other Companies			
		Held	Attended			Board Directorship **	Board Chairmanship **	Committee Chairmanship/ Membership ***	
								Chairman	Members
Mr. Manoj G. Tirodkar @ (Chairman) DIN 00298407	NID/NED	8	8	Yes	2	2	2	0	1
Mr N. Balasubramanian (Vice-Chairman) DIN 00288918	ID	8	8	Yes	0	0	0	0	0
Mr. Milind K. Naik (Whole-time Director) DIN 00276884	NID/ED	8	8	Yes	1	1	0	0	1

Name of Director	Category*	Attendance in Board Meetings		Attendance at the last AGM	Number of Directorships in other Indian public limited companies**	Other Companies			
		Held	Attended			Board Directorship**	Board Chairmanship**	Committee Chairmanship/Membership***	
								Chairman	Members
Dr. Anand P. Patkar DIN 00634761	ID	8	7	Yes	0	0	0	0	0
Mr. Charudatta K. Naik DIN 00225472	NID/NED	8	7	Yes	0	0	0	0	0
Mr. Vinod B. Agarwala DIN 01725158	ID	8	8	Yes	2	2	0	2	1
Mr. Vijay M. Vij DIN 02245470	ID	8	8	Yes	2	2	0	1	2
Mrs. Sonali P. Choudhary # DIN 07139326	NID/NED	8	8	Yes	0	0	0	0	0

\* ED – Executive Director, NID – Non- Independent Director, NED- Non- Executive Director, ID- Independent Director

\*\* In Indian Public Limited Companies

\*\*\* In Audit committee and Stakeholders' Relationship Committee in Indian public limited companies (listed and unlisted).

@ Mr. Manoj G. Tirodkar is interested director in Promoter Group Company. All other Directors are Non-Promoter Directors. There are no *inter-se* relationships between our Board members.

# Mrs. Sonali P. Choudhary is the Women Director on the Board.

- iii) Independent Directors are non-executive directors as defined under Regulation 16(1)(b) of the Listing Regulations. The maximum tenure of the Independent Directors is in compliance with the Act. All the Independent Directors have confirmed that they meet the criteria as mentioned under Section 149 of the Act and Regulation 16(1)(b) of the Listing Regulations.

The details of familiarization programmes imparted to independent directors, are available on website of the Company at <http://www.gtlinfra.com/investors/corporate-governance/>

During the year under review, a separate meeting of the Independent Directors was held on March 6, 2017 for transacting the stipulated business and all the Independent Directors were present for this meeting.

- iv) **Number of Board Meetings held and the dates on which held:** The Board of Directors met eight (8) times during the year under review. The maximum time gap between any two consecutive meetings did not exceed one hundred and twenty days. The details of the Board Meetings are as under:

Date of Board Meeting	Board Strength	No. of Directors Present
April 26, 2016	08	08
June 29, 2016	08	07
September 13, 2016	08	07
September 19, 2016	08	08
October 20, 2016	08	08
November 22, 2016	08	08
January 24, 2017	08	08
February 8, 2017	08	08

- v) **Details of equity shares of the Company held by the Directors as on March 31, 2017 are as under:**

Name of Director	Number of Shares
Mr. Manoj G. Tirodkar	5,897,783
Mr. N. Balasubramanian	500,000
Mr. Milind K. Naik	19,000
Dr. Anand P. Patkar	100,000
Mr. Charudatta K. Naik	1,325,900
Mr. Vinod B. Agarwala	459,000
Mr. Vijay M. Vij	63,500
Mrs. Sonali P. Choudhary	67,500

### 3) BOARD COMMITTEES

#### A. Audit Committee:

##### i) Composition:

The Audit Committee of the Board comprises of three Independent Directors namely Mr. N. Balasubramanian, Mr. Vinod B. Agarwala and Mr. Vijay M. Vij and one Non-Independent / Non-Executive Director Mr. Charudatta K. Naik. All the Members of the Audit Committee possess financial/accounting expertise/exposure. The composition of the Audit Committee meets the requirements of Section 177 of the Act, Regulation 18 of the Listing Regulations. Mr. N. Balasubramanian is the Chairman of the Committee.

The Company Secretary acts as the secretary to the Audit Committee.

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

- Oversight 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.

- Recommendation for appointment, remuneration and terms of appointment of auditors of the Company
- Approval of payment to statutory auditors for any other services rendered by the statutory auditors;
- Reviewing, with the management, the annual financial statements and auditor's report thereon before submission to the Board for approval, with particular reference to:
  - o Matters required to be included in the Director's Responsibility Statement to be included in the Board's Report in terms of clause (c) of sub - section 3 of section 134 of the Act.
  - o Changes, if any, in accounting policies and practices and reasons for the same.
  - o Major accounting entries involving estimates based on the exercise of judgment by management.
  - o Significant adjustments made in the financial statements arising out of audit findings.
  - o Compliance with listing and other legal requirements relating to financial statements.
  - o Disclosure of any related party transactions.
  - o Modified Opinion(s) in the draft audit report.
- Reviewing, with the management, the quarterly financial statements before submission to the Board for approval.
- 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;
- Reviewing and monitoring the auditor's independence and performance, and effectiveness of audit process;
- Approval or any subsequent modification of transactions of the Company with related parties;
- Scrutiny of inter-corporate loans and investments;
- Valuation of undertakings or assets of the Company, wherever it is necessary;
- Evaluation of internal financial controls and risk management systems;
- Reviewing, with the management, performance of statutory and internal auditors, adequacy of the internal control systems;
- 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;
- Discussion with internal auditors of any significant findings and follow up there on;
- 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;
- 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;
- 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;
- To review the functioning of the whistle blower mechanism;
- Approval of appointment of Chief Financial Officer after assessing the qualifications, experience and background, etc. of the candidate;
- Carrying out any other function as is mentioned in the terms of reference of the audit committee.

- To review the following information:
  - o the management discussion and analysis of financial condition and results of operations;
  - o Statement of significant related party transactions (as defined by the audit committee), submitted by management;
  - o Management letters / letters of internal control weaknesses issued by the Statutory Auditors;
  - o Internal audit reports relating to internal control weaknesses; and
  - o The appointment, removal and terms of remuneration of Chief Internal Auditor.
  - o Statement of deviations:
    - a. Quarterly statement of deviation(s) including report of monitoring agency, if applicable, submitted to stock exchange(s) in terms of Regulation 32(1).
    - b. Annual statement of funds utilized for purposes other than those stated in the offer document/prospectus/notice in terms of Regulation 32(7).

**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 September 21, 2016 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 on April 26, 2016, September 12, 2016, November 21, 2016, January 24, 2017 and March 29, 2017. The necessary

quorum was present for all the meetings. The details of attendance of each Member at the Audit Committee meetings held during the year are as under:

Name	Category	Number of meetings during the year 2016-2017	
		Held	Attended
Mr. N. Balasubramanian (Chairman)	Independent, Non-Executive	5	5
Mr. Vinod B. Agarwala	Independent, Non-Executive	5	5
Mr. Vijay M. Vij	Independent, Non-Executive	5	5
Mr. Charudatta K. Naik	Non-Independent, Non-Executive	5	4

## B. Nomination & Remuneration Committee:

**i) Composition:** The Nomination & Remuneration Committee of the Board comprises of two Independent Directors namely Mr. Vijay M. Vij and Mr. N. Balasubramanian, and one Non-Independent / Non-Executive Director, Mr. Charudatta K. Naik. Mr. Vijay M. Vij is the Chairman of the Committee.

The Company Secretary acts as the secretary to the Nomination & Remuneration Committee.

**ii) Terms of Reference:** The terms of reference of the Nomination & Remuneration Committee are as under:

- Formulation of the criteria for determining qualifications, positive attributes and independence of a director and recommend to the Board of Directors a policy relating to, the remuneration of the directors, key managerial personnel and other employees;
- Formulation of criteria for evaluation of performance of independent directors and the board of directors;
- Devising a policy on diversity of Board of Directors;
- Identifying persons who are qualified to become directors and who may be appointed in senior management in accordance with the criteria laid down, and recommend to the Board of Directors their appointment and removal;

- Whether to extend or continue the term of appointment of the independent director, on the basis of the report of performance evaluation of independent directors;
  - Administer and supervise Employees Stock Option Schemes including allotment of shares arising out of conversion of Employees Stock Option Scheme(s) or under any other employee compensation scheme;
  - Formulate suitable policies and systems for implementation, take appropriate decisions
- and monitor implementation of the following Regulations:
- a. SEBI (Prohibition of Insider Trading) Regulations, 2015 and
  - b. SEBI (Prohibition of Fraudulent and Unfair Trade Practices relating to the Securities Market) Regulations, 2003.
- Perform such other functions consistent with applicable regulatory requirements.

**iii) Number of Nomination & Remuneration Committee Meetings held and the dates on which held:** The Nomination & Remuneration Committee met Three (3) times during the year under review on April 21, 2016, September 12, 2016, and January 24, 2017. The necessary quorum was present for all the meetings. The details of attendance of each Member at the Nomination & Remuneration Committee meetings held during the year are as under:

Name	Category	Number of meetings during the year 2016-2017	
		Held	Attended
Mr. Vijay M. Vij (Chairman)	Independent, Non-Executive	3	3
Mr. N. Balasubramanian	Independent, Non-Executive	3	3
Mr. Charudatta K. Naik	Non-Independent, Non-Executive	3	2

**iv) Performance evaluation criteria for Independent**

**Directors:** The Nomination and Remuneration Committee specified down the evaluation criteria for performance evaluation of Independent Directors. Following are the major criteria applied for performance evaluation:

- Attendance and Participation
- Pro-active and positive approach with regard to Board and Senior Management particularly the arrangements for management of risk and steps needed to meet challenges from the competition
- Maintaining confidentiality
- Acting in good faith and in the interest of the company as a whole
- Exercising duties with due diligence and reasonable care
- Openness to ideas, perspectives and opinions and ability to challenge old practices and throwing up new ideas for discussion

- Capacity to effectively examine financial and other information on operations of the company and the ability to make positive contribution thereon.

**v) Remuneration of Directors :**

- (a) Pecuniary Relationship of Non-Executive Directors: The Company has no pecuniary relationship or transaction with its Non-Executive Directors other than payment of sitting fees for attending Board and Committee meetings.
- (b) The Policy Dossier approved by the Board of Directors contains compensation policy for Directors, (including criteria for making payments to non- executive directors) which has been uploaded on the website of the Company at <http://www.gtlinfra.com/investors/corporate-governance/> *inter-alia*, provides for the following:
  - **Executive Directors:**
    - o Salary and commission not to exceed limits prescribed under the Act and / or as approved by the Central Government as the case may be.

- o Remunerate from time to time depending upon the performance of the Company, individual Director's performance and prevailing Industry norms.
- o No sitting fees.
- o No Employee Stock Option Scheme for Promoter Directors.
- **Non-Executive Directors:**
  - o Eligible for commission based on time, efforts and output given by them.
  - o Sitting fees and commission not to exceed limits prescribed under the Act.
  - o Eligible for Employee Stock Option Scheme (other than Promoter and Independent Directors).

**(c) Details of Remuneration paid to Directors:**

**(i) Executive Director:** Details of remuneration of Executive Director for the financial year ended March 31, 2017 is as under:

Name of the Director and period of appointment	Salary (₹ Lakh)	Benefits Perquisites and Allowances (₹ Lakh)	Leave Encashment & Company's Contribution to PF (₹ Lakh)	Performance Linked Incentive (₹ Lakh)	Stock Options Held
Milind Naik#	20.09	27.20	2.41 *	NIL	NIL

# Mr. Milind Naik was re-appointed as Whole-time Director for further period of three (3) years w.e.f. from July 21, 2014, upon expiry of his term on July 20, 2014. The Company has submitted an application to the Central Government for payment of remuneration to him not exceeding ₹ 1.26 Cr. p.a., as approved by the Members in the Annual General Meeting held on September 16, 2014. The approval is still awaited.

\* Amount mentioned in Leave Encashment & Company's Contribution to PF & Gratuity column is towards Company's contribution to Provident Fund only. Since the provision of leave encashment and gratuity has been made for the Company as whole, separate figure for him is not available.

The agreement with Whole-time Director is for period of 3 years. Further, either party to the agreement is entitled to terminate the agreement by giving not less than three (3) months' notice in writing to the other party or payment of three (3) months' salary in lieu thereof. There is no separate provision of payment of severance fees.

**(ii) Non-Executive Directors**

Name	Sitting Fees* (₹ in Lakh)
Mr. Manoj G. Tirodkar	13.25
Mr. N Balasubramanian #	24.00
Dr. Anand P. Patkar #	16.50
Mr. Charudatta K. Naik	17.00
Mr. Vinod B. Agarwala #	23.25
Mr. Vijay M. Vij #	17.50
Mrs. Sonali P. Choudhary	16.25

\* Excluding Swachha Bharat Cess Tax

# Directors were appointed as Independent Directors from September 16, 2014 to September 15, 2019 and they are not liable to retire.

Note: Currently, the Company does not have any stock option plans/ schemes.

**C. Stakeholders' Relationship Committee:**

**i) Composition:** The Stakeholders' Relationship Committee of the Board comprises two Independent Directors namely Dr. Anand P. Patkar and Mr. Vinod B. Agarwala and two Non-Independent / Non-Executive Director, Mr. Manoj G. Tirodkar and Mrs. Sonali P. Choudhary. Dr. Anand Patkar is the Chairman of the Committee.

The Company Secretary acts as the secretary to the Stakeholders' Relationship Committee.

**ii) Terms of Reference:** The terms of reference of the Stakeholders' Relationship 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.
- To carry out any other function as required by Securities and Exchange Board of India (Listing Obligations & Disclosure Requirements) Regulations, 2015, Companies Act and other Regulations.

### iii) Number of Stakeholders' Relationship Committee Meetings held and the dates on which held:

The Stakeholders' Relationship Committee met Four (4) times during the year under review on April 26, 2016, September 13, 2016, November 22, 2016 and January 24, 2017. The necessary quorum was present for all the meetings. The details of attendance of each Member at the Stakeholders' Relationship Committee meetings held during the year are as under:

Name	Category	Number of meetings during the year 2016-2017	
		Held	Attended
Dr. Anand P. Patkar (Chairman)	Independent, Non-Executive	4	4
Mr. Vinod B. Agarwala	Independent, Non-Executive	4	4
Mr. Manoj G. Tirodkar	Non-Independent, Non-Executive	4	3
Mrs. Sonali P. Choudhary	Non-Independent, Non-Executive	4	4

iv) **Name and designation of compliance officer:** Mr. Nitesh A. Mhatre, Company Secretary is the Compliance Officer under the Listing Regulations.

### v) Details of shareholders' complaints received during year ended March 31, 2017, number not solved to the satisfaction of shareholders and numbers of pending complaints are as follows:

No. of Complaints received	No. of Complaints resolved	No. of Complaints not solved to the satisfaction of shareholders	No. of Pending Complaints
3	3	0	0

## 4) GENERAL BODY MEETINGS

### A. General Meetings:

#### i) Annual General Meeting:

Financial Year	Date	Time	Venue
2013-14	September 16, 2014	02.00 p.m.	Vishnudas Bhave Natyagraha, Sector 16-A, Vashi, Navi Mumbai 400703
2014-15	September 23, 2015	02:00 p.m.	Marathi Sahitya, Sanskriti & Kala Mandal, Sahitya Mandir Hall, Near Navi Mumbai Sports Association, Sector 6, Vashi, Navi Mumbai 400703
2015-16	September 21, 2016	1.30 p.m.	Vishnudas Bhave Natyagraha, Sector 16-A, Vashi, Navi Mumbai 400703

#### ii) Extra-ordinary General Meeting:

Financial Year	Date	Time	Venue
2016-17	March 16, 2017	11.00 a.m.	Marathi Sahitya, Sanskriti & Kala Mandal, Sahitya Mandir Hall, Near Navi Mumbai Sports Association, Sector 6, Vashi, Navi Mumbai 400703

#### iii) Special Resolutions:

- At the Annual General Meeting of the Company held on September 16, 2014, the following Special Resolutions were passed with requisite majority:
  - Re-appointment of Mr. Milind Naik as a Whole-time Director of the Company for a period of 3 years.
  - Approval of Board of Directors to borrow sums not exceeding ₹ 25,000 Cr.

- Authority to Issue Securities either through public issue or private placement for an amount not exceeding ₹ 4000 Cr.
- b) At the Annual General Meeting of the Company held on September 23, 2015, the following Special Resolutions were passed with requisite majority:
- Approval of material Related Party Transactions with GTL Limited.
  - Approval of material Related Party Transactions with Chennai Network Infrastructure Limited.
- c) At the Annual General Meeting of the Company held on September 21, 2016, no Special Resolutions were passed.
- d) At the Extra-ordinary General Meeting of the Company held on March 16, 2017, the following Special Resolutions were passed with requisite majority:
- To convert Debt into Equity under SDR Scheme and consequently issue and allot equity shares to CDR/ JLF Lenders.
  - To restructure the outstanding Foreign Currency Convertible Bonds.
  - To create, issue, offer and allot Foreign Currency Convertible Bonds/ Equity Shares/ Compulsorily Convertible Preference Shares.
  - To Alter Capital Clause of the Articles of Association of the Company.

**iv) Details of Special Resolutions passed last year through postal ballot and details of voting pattern:**

During the year under review, the Company has not passed any special resolution by postal ballot.

**v) Person who conducted the postal ballot exercise:** Not Applicable

**vi) Whether special resolutions are proposed to be conducted through postal ballot:** No special resolution is proposed to be conducted through postal ballot.

**vii) Procedure for postal ballot:** As and when situation arise, postal ballot shall be conducted as per the provisions of the Act and Rules made there under.

**5) MEANS OF COMMUNICATION:**

**i) Quarterly Results:** The Company's quarterly financial results are generally published in the Free Press Journal (English language) and in Mumbai Navshakti (Local language). The financial results are also displayed on the website of the Company.

**ii) Website where displayed:** <http://www.gtlinfra.com>

**iii) Official news releases and presentation:** Press Releases, if any, made by the Company from time to time are displayed on the Company's website. Presentations made to institutional investors or analysts after declaration of the results, if any, are also displayed on the Company's website.

**6) 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) Annual General Meeting:**

Date	: September 21, 2017
Time	: 1.00 P.M.
Venue	: Vishnudas Bhare Natyagraha, Sector 16-A, Vashi, Navi Mumbai 400703, Maharashtra, India.

**ii) Financial Year** : April 1 to March 31

**iii) Dividend Payment** : No Dividend has been recommended.

**iv) Listing on Stock Exchanges** : Equity shares listed at

i) BSE Limited (BSE) - P. J. Tower, Dalal Street, Mumbai 400 023 and

ii) National Stock Exchange of India Limited (NSE) - Exchange Plaza, 5th Floor, Plot No. C/1, G Block, Bandra Kurla Complex, Bandra (East), Mumbai 400 051.

**Foreign Currency Convertible Bonds (FCCB)** listed at Singapore Exchange Securities Trading Limited - 2, Shenton Way, #02-02 SGX Centre 1, Singapore 068804.

**v) Listing Fees for 2017-18** : BSE/NSE listing fees for the financial year 2017-2018 was paid by the Company within the prescribed time.

**vi) Stock Exchange Codes:**

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 Series 'A' - XS0854042537 FCCB Series 'B' - XS0854044822

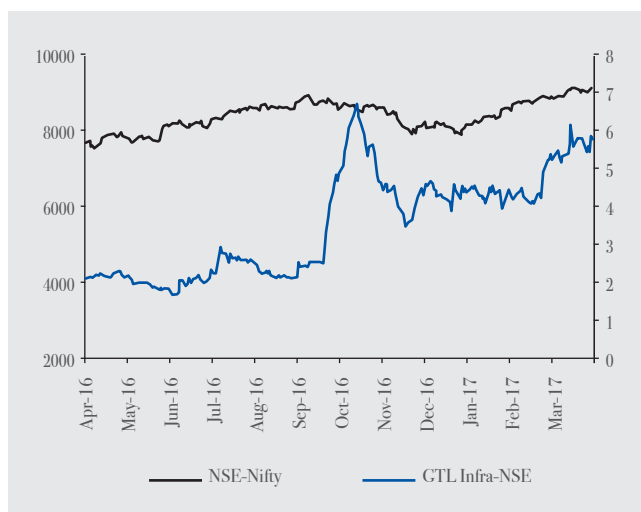
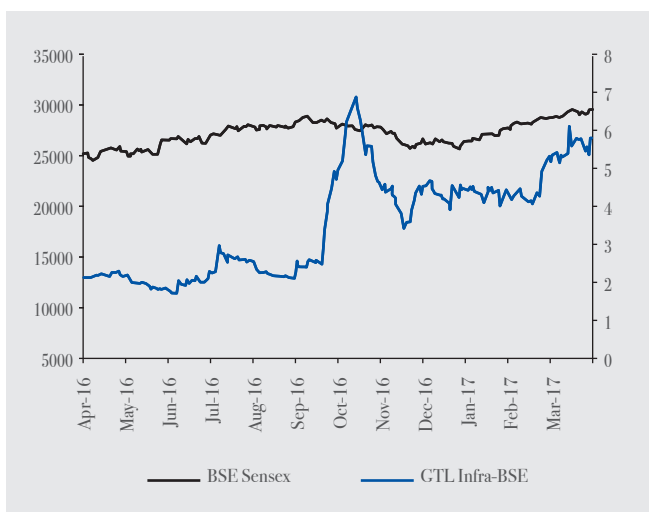


**vii) Market price data:**

High, low (based on daily closing prices) and number of equity shares traded during each month in the year 2016-17 on NSE and BSE:

Month	NSE			BSE		
	High (₹)	Low (₹)	Volume (nos.)	High (₹)	Low (₹)	Volume (nos.)
April 2016	2.30	2.10	11,685,448	2.30	2.14	6,933,837
May 2016	2.20	1.80	17,490,688	2.19	1.81	6,859,446
June 2016	2.35	1.70	32,167,192	2.32	1.71	17,197,956
July 2016	2.95	2.25	66,607,787	2.98	2.25	84,344,623
August 2016	2.50	2.10	17,513,387	2.54	2.10	7,777,149
September 2016	4.90	2.40	233,254,384	4.96	2.37	116,828,089
October 2016	6.70	4.65	222,596,341	6.93	4.66	157,222,949
November 2016	4.60	3.50	97,726,173	4.60	3.45	46,452,123
December 2016	4.70	3.90	61,056,885	4.70	3.93	23,488,799
January 2017	4.55	3.95	69,414,149	4.57	3.99	19,442,203
February 2017	5.25	4.10	62,457,423	5.27	4.09	19,760,356
March 2017	6.15	5.20	119,083,965	6.13	5.17	43,146,881

**viii) Performance of the share price of the Company in comparison to the BSE Sensex and NSE Nifty**



**ix) Registrar and Share Transfer Agents:**

Name and Address	:	GTL Limited (Investor Services Centre) Electronic Sadan II, MIDC, TTC Industrial Area, Mahape, Navi Mumbai – 400 710
Telephone	:	+91-22-27612929 / 27673000      Extn: 2232-35
Fax	:	+91-22-27680171

**x) Share transfer system in physical form:**

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 securities of the Company to Allotment and Transfer Committee of the Board of Directors of the Company, which meets regularly to approve the share transfer 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 Regulation 40(9) of the Listing Regulations and files a copy of the certificate with the Stock Exchanges.

The total number of physical shares transferred during the year under review was 1,568 (Previous year 704).

**xi) Distribution of Shareholding as on March 31, 2017:**
**a. Distribution of equity shareholding as on March 31, 2017:**

No. of Shares	No. of Shareholders	% of Shareholders	Share amount (₹)	% to total amount
Upto 500	123,019	68.60	211,542,790	0.86
501 - 1000	20,704	11.55	179,074,250	0.73
1001 - 2000	12,766	7.12	204,503,680	0.83
2001 - 3000	5,543	3.09	145,645,700	0.59
3001 - 4000	2,470	1.38	90,599,960	0.37
4001 - 5000	3,699	2.06	179,749,180	0.73
5001 - 10000	5,054	2.82	396,817,610	1.61
10001 & ABOVE	6,070	3.38	23,192,900,330	94.28
<b>TOTAL</b>	<b>179,325</b>	<b>100.00</b>	<b>24,600,833,500</b>	<b>100.00</b>

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

Category	No. of Shares Held	% Holding
Promoter & Promoter Group	628,826,075	25.56
Bodies Corporate (Domestic) / Trust / Clearing Members	83,277,482	3.39
Banks	879,895,743	35.77
Mutual Funds	214	0.00
Financial Institutions (FIs)	30,094,886	1.22
Foreign Institutional Investors (FIIs)	75,000	0.00
Non-Resident Individuals (NRIs) / Foreign Corporate Bodies / Overseas Corporate Bodies (OCBs) / Foreign Banks / RFPI - Corporate	404,858,198	16.46
Resident Individuals	433,055,752	17.60
<b>TOTAL:</b>	<b>2,460,083,350</b>	<b>100.00</b>

## c. Top 10 equity shareholders of the Company as on March 31, 2017:

Name(s) of Shareholders	Category	No. of Shares	% holding
CTL Limited (Promoter)	Domestic Company	345,763,466	14.05
Global Holding Corporation Private Limited (Promoter Group)	Domestic Company	283,062,609	11.51
ELM Park Fund Limited	RFPI – Corporate	179,971,057	7.32
Indian Overseas Bank	Banks	161,976,510	6.58
Union Bank of India	Banks	120,754,706	4.91
Bank of India	Banks	107,834,016	4.38
Bank of Baroda	Banks	89,807,214	3.65
Hynos Fund Limited	RFPI-Corporate	88,255,740	3.59
Central Bank of India	Banks	61,250,806	2.49
Andhra Bank	Banks	56,935,410	2.31

**xii) 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 Securities and Exchange Board of India (SEBI). The Shares of the Company are available for trading under the depository systems in India – NSDL & CDSL. 99.98% of the Company’s shares are held in dematerialized form as on March 31, 2017. The Company’s equity shares are among the actively traded shares on the BSE & NSE.

**xiii) Outstanding GDRs/ADRs/Warrants or any Convertible instruments, conversion date and likely impact on equity:**

The details of outstanding convertible instrument are as follows:

Particulars	No. of Series A FCCBs (of US\$ 1,000 each)*	No. of Series B FCCBs (of US\$ 1,000 each)**	Total No. of FCCBs (of US\$ 1000 each)	No. of Equity Shares upon Conversion
FCCBs allotted	111,740	207,546	319,286	-
Converted / cancelled till date	87,572	14,013	101,585	550,796,501
Balance as on April 27, 2017	24,168	193,533	217,701	-

\* Series A Bonds are compulsorily convertible into equity shares on or before November 2, 2017.

\*\* Series B Bonds carry an option to convert these bonds into equity shares at any time up to the close of business on November 2, 2017.

The Company is in process of restructuring its Series B Bonds. If all the balance compulsorily convertible FCCBs, assuming the successful implementation of proposed restructuring, are converted into equity shares of the Company, the total share capital would go up by around 948,741,384 new equity shares of the Company. Further, the Company has excluded such number of convertible securities which are likely to be redeemed in terms of the proposed restructuring of FCCBs approved by the lenders at the time of implementation of the Strategic Debt Restructuring Scheme in above calculation.

**xiv) Equity shares in the Suspense Account:**

The Company has no cases as are referred to in Regulation 34 read with Schedule V of the Listing Regulations.

Members are requested to note that in compliance of Regulation 34 read with Schedule V of the Listing Regulations, the Company has dematerialized all the unclaimed shares into “GTL Infrastructure Limited – Unclaimed Suspense Account” with of the Depository Participant. The voting rights of those members shall remain frozen till the rightful owner claims the shares.

As stipulated under Regulation 34 read with Schedule V of the Listing Regulations, the Company reports the following details of equity shares lying in the suspense account as on March 31, 2017.

Particulars	No. of Shareholders	No. of Shares
Aggregate number of shareholders and the outstanding shares lying in the suspense account as on April 1, 2016	490	49,857
Number of shareholders who approached the Company for transfer of shares from suspense account during the year	-	-
Number of shareholders to whom shares were transferred from suspense account during the year	-	-
Aggregate number of shareholders and the outstanding shares remaining unclaimed as on March 31, 2017	490	49,857

#### xv) 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, 2017, the Company owns Telecom Towers across all 22 telecom circles in India. List of Branch Offices and addresses are provided elsewhere in this Annual Report.

#### xvi) Address for correspondence:

**Registered Office** : GTL Infrastructure Limited, (CIN: L74210MH2004PLC144367)  
 3rd Floor, "Global Vision",  
 Electronic Sadan No. II,  
 MIDC, TTC Industrial Area,  
 Mahape, Navi Mumbai – 400710,  
 Maharashtra, India  
 Tel: +91-22-27673500  
 Fax: +91-22-27673666  
 Website: [www.gtlinfra.com](http://www.gtlinfra.com)  
 Email for Investor Grievances: [gilshares@gtlinfra.com](mailto:gilshares@gtlinfra.com)

### 7) DISCLOSURES:

- a. All the transactions entered into with the Related Parties as defined under the Act and Regulation 23 of the Listing Regulations, during the year under review, were in ordinary course of business and at arms' length basis. 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.

The Board has approved a policy for related party transactions which has been uploaded on the Company's website at following link :  
<http://www.gtlinfra.com/investors/corporate-governance/>

- 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 viz. 2014-15, 2015-16 and 2016-17 respectively: NIL
- c. The Company has adopted a whistle blower policy and has established the necessary vigil mechanism for employees and directors to report concerns about

unethical behaviour. No personnel have been denied access to the Chairman of the Audit Committee. The said policy has been also put up on the website of the Company at following link

<http://www.gtlinfra.com/investors/corporate-governance/>

- d. The Company has complied with Part C of Schedule V of the Listing Regulations.
- e. The Company does not have any subsidiary in terms of Section 2(87) of the Act and Regulation 2(1) (zm) of Listing Regulations. Further, the Company has beneficial interest in a Trust, through which the Company holds investment in its Associate.

The Company has adopted policy for determining 'material' subsidiary, which is uploaded on web link -  
<http://www.gtlinfra.com/investors/corporate-governance/>

- f. The Company is not dealing in commodity and hence disclosure relating to commodity price risk and commodity hedging activities are not applicable. The Company has foreign currency loan and Foreign Currency Convertible Bonds (FCCBs), which pose a foreign currency risk as this is un-hedged.

g. **Non- Mandatory / Discretionary Requirements**

The Company has fulfilled following discretionary requirements as prescribed in Part E of the Schedule II of the Listing Regulations:

- i. The Board has Non-Executive Chairman. The expenses incurred by him in the performance of his duties are reimbursed.
- ii. **Shareholders Rights -**  
Financial Results for the half year / quarter ended September 30, 2016 were published in the Free Press Journal and Navshakti newspapers and were also displayed on the Company's website [www.gtlinfra.com](http://www.gtlinfra.com) and disseminated to the Stock Exchanges (i.e. BSE & NSE) wherein its equity shares are listed, hence the same are not sent to the shareholders separately.
- iii. **Modified opinion(s) in Audit Report –**  
For the F.Y. 2016-17, the Joint Auditors of the Company have issued modified opinion w.r.t. the Company's inability to quantify the amount of property tax on its telecom towers to be ultimately borne by it due to various petitions pending before appropriate authorities, non-receipt of property tax demands, as well as Company's contractual rights to recover such property tax from its customers.
- iv. **Separate post of Chairman and CEO -**  
The Post of Chairman and Whole-time Director are separate.

v. **Reporting of Internal Auditor –**

The Internal Auditor of the Company reports to the Audit Committee.

- h. The Company has complied with all requirements of corporate governance report of sub-paras (2) to (10) of Schedule V of the Listing Regulations.
- i. The Company has complied with corporate governance requirements specified in Regulation 17 to 27 and clauses (b) to (i) of sub-regulation (2) of Regulation 46 of Listing Regulations.
- j. **Code of Conduct for Directors and Senior Management:** In compliance with Regulation 26(3) of the Listing Regulations and the Act, the Company has framed and adopted a Code of Conduct and Ethics ('the Code') for all Board Members and Senior Management of the Company. The members of the Board and Senior Management personnel have affirmed the compliance with the Code of Conduct applicable to them during the year under review. The Annual Report of the Company contains a certificate by the Whole-time Director based on the declarations received from the Independent Directors, Non-Executive Directors and Senior Management. The said Code of Conduct has been uploaded on the website of the Company at following link <http://www.gtlinfra.com/investors/corporate-governance/>

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

### **Mr. Charudatta K. Naik**

Mr. Charudatta Naik has over 28 years of experience in telecom industry spanning across technical support, sales & marketing and business operations. He was also the Chief Operating Officer and Whole-Time Director of GTL Limited where he played a vital role in initiation and establishment of network engineering division of GTL Limited and sale of the Enterprise Solutions division to the global leader Orange Business Services. He has extensive experience in business operations in both domestic and international markets. He serves on the advisory board of Global Foundation, the charitable arm of the Global Group and personally contributes his time to ensure the success of social projects. Mr. Charudatta Naik has earlier worked with companies like Crompton Greaves and Unitel Communications. He is an engineering graduate in electronics & telecom. He is a member of Audit Committee of the Company. Mr. Naik's shareholding in the Company is 1,325,900 equity shares.

### **Mr. Milind K. Naik, Whole time Director**

Mr. Milind Naik has over 32 years of experience in the field of 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 Telcos, EPC in EMS & renewable energy, procurement & logistics, accounts, banking & finance, treasury operations, foreign exchange, 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.

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## **DECLARATION OF WHOLE-TIME DIRECTOR**

Pursuant to the provisions of Regulation 34(3) read with Schedule V(D) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, 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 year ended March 31, 2017.

Place: Mumbai  
Dated: April 27, 2017

**Milind Naik**  
Whole-time Director

# 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** ('the Company'), for the year ended on March 31, 2017, as stipulated in regulations 17 to 27 and clauses (b) to (i) of regulation 46(2) and para C and D of Schedule V of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('the Listing Regulations').

## MANAGEMENTS' RESPONSIBILITY

The compliance of conditions of Corporate Governance is the responsibility of the Management. This responsibility includes the design, implementation and maintenance of internal control and procedures to ensure the compliance with the conditions of the Corporate Governance stipulated in Listing Regulations.

## AUDITORS' RESPONSIBILITY

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

We have examined the books of account and other relevant records and documents maintained by the Company for the purposes of providing reasonable assurance on the compliance with Corporate Governance requirements by the Company.

We have carried out an examination of the relevant records of the Company in accordance with the Guidance Note on Certification of Corporate Governance issued by the Institute of the Chartered Accountants of India (the ICAI), the Standards on Auditing specified under Section 143(10) of the Companies Act 2013, in so far as applicable for the purpose of this certificate and as per the Guidance Note on Reports or Certificates for Special Purposes issued by the ICAI which requires that we comply with the ethical requirements of the Code of Ethics issued by the ICAI.

We have complied with the relevant applicable requirements of the Standard on Quality Control (SQC) 1, Quality Control for Firms that Perform Audits and Reviews of Historical Financial Information, and Other Assurance and Related Services Engagements.

## EMPHASIS OF MATTER

We draw your attention to Point No. 3B(V)(c)(i) of the report on Corporate Governance regarding remuneration paid to a Whole Time Director, which is subject to the approval of Central Government.

Our opinion is not modified in respect of this matter.

## OPINION

Based on our examination of the relevant records and according to the information and explanations provided to us and the representations provided by the Management, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in regulations 17 to 27 and clauses (b) to (i) of regulation 46(2) and para C and D of Schedule V of the Listing Regulations during the year ended March 31, 2017.

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**  
Partner  
Membership No. – 35629  
Place: Mumbai  
Date: April 27, 2017

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

**CA S. S. Yeolekar**  
Partner  
Membership No. – 036398