



Gujarat Pipavav Port Limited

ANNUAL REPORT 2021-22





Dear Members,

On behalf of the Board of Directors, I am pleased to present the Annual Report of Gujarat Pipavav Port Limited for the Financial Year 2021-22. It comprises Standalone as well as the Consolidated financial statement for the year ended 31st March 2022.

The year was a challenging one for your Company due to Cyclone "Tauktae" when it made landfall 30 kms west of Pipavav. Thanks to the stupendous all-round precautionary measures undertaken by the employees, the Port Infrastructure did not suffer any major damage considering the impact the cyclone made in the entire region. Thereafter, the team at the port moved swiftly to restore the facility, and partial operations commenced within two weeks with an emergency 11mw mobile power pack to provide power supply. Once the grid power supply was restored in July 2021, the port became fully operational. This act of dedication and profound commitment by our team on the ground reflects their strong character and will be remembered in the years ahead. On behalf of the

Board of Directors I place on record our sincere appreciation for our employees.

Meanwhile, the ongoing Global Supply Chain disruption has led to congestion at various ports. This has had an impact on your Company's Container volume due to skip calls by the shipping lines. Though, the number of skip calls have been progressively reducing and your Company is now witnessing gradual improvement in Container volumes on a month-on-month basis. Even though about 12% of the world's container shipping capacity is still estimated to be stuck in congestion at various ports globally, the shipping lines on their part have been adding new containers into the trade. These efforts by the shipping lines have resulted into much improved availability of containers.

Taking into account all these factors, your Company has managed a decent performance by reporting a Standalone Net Profit of Rs. 1,932.37 million, a decrease of about 12% compared to the previous year.

Your Company had declared an Interim Dividend of Rs. 1.60 per share in November 2021 and it has been paid. In accordance with past practice, the Board of Directors continue to recommend the entire distributable profit by way of Dividend. The Board is pleased to recommend the same amount of Final Dividend per share as last year of Rs. 2.40 per share for approval in the forthcoming Annual General Meeting (AGM). Including the amount of Interim Dividend per share, the total dividend amount for 2021-22 would be Rs. 4.00 per share.

As has been widely reported in the media, the second edition of the Global Port Performance Index (CPPI) developed by the World Bank and S&P Global Market Intelligence has ranked your Company as the Most Efficient Port of India and Globally the Port has been ranked at number 26. In fact, Pipavav is the only Indian port ranked amongst the Top 40 Ports in the world. This is indeed a proud moment for all of us and it is also a strong testimony and endorsement of the fantastic work being carried out by our team. The faster turnaround of vessels helps in slow steaming. Consequently, your Company is not only helping the shipping lines in saving on their fuel cost, but it is also contributing towards a Greener Environment through reduced emissions. The Company would continue its endeavors in making Pipavav a more efficient Port.

As part of your Company's initiative on making Pipavav 'Gujarat's Green Gateway', it has reached another milestone by commissioning of 1,000 kWp capacity rooftop solar power plant. This small but important step will help in replacing about 10% of the port's total energy consumption with Green Power and will help in reducing its carbon footprint by about 1100 Tons per year. The initiative is also Pipavav's contribution to the parent company's commitment to achieve net-zero greenhouse emissions by the Year 2040.

Your Port is already connected to the electrified Western Dedicated Freight Corridor and on its part the Company has been promoting the DFC route to the shipping lines and to the trade. As a part of this promotion exercise, the Company's Associate Pipavav Railway Corporation Limited (PRCL) has started operating Container freight trains to and from Pipavav to a few Inland Container Depots (ICDs) and it plans to gradually expand connectivity to other ICDs as well. While the commissioning of this electric route has certainly reduced the inland transit time of containers, the major shift of long-distance cargo from Road to Railways will happen only when some of the financial benefit is passed on by the Railways to the trade. The Railways are gaining from running double stack trains. These trains are being run on Electric instead of Diesel and the reduction in transit time has resulted in faster turnaround times of the freight trains, which helps in better utilization of the rolling stock and therefore increased revenue. If some portion of all these benefits is shared with the trade by reducing the rail freight and making it competitive with Road, it will not only help in better utilization of this mammoth rail infrastructure, it will also reduce the inland logistics cost thus making Indian trade more competitive and will be a major contribution in reduction of the carbon footprint by the country.

The new shed of 10,000 sq. mtrs. for Fertiliser storage inside the port has been commissioned and the capex to upgrade the Liquid Berth infrastructure on the waterfront to be able to handle partially loaded Very Large Gas Carriers (VLGCs) is progressing well. Meanwhile the rail evacuation of LPG from the port is gaining good traction with customers due to reduced logistics costs and the reach to the extended hinterland. This goes on to demonstrate the Company's efforts of championing the cause of shifting cargo from Road to Rail which is being appreciated by customers and provides a strong value proposition.

In its constant endeavor of serving customers better, the Company continues to identify areas of improvement and is investing accordingly. Your Company continues to be debt-free but in order to be able to incur major capital expenditure and as a prudent measure, it is awaiting the Extension of its Concession Agreement from the Gujarat Maritime Board (GMB), the port regulatory authority. The Company continues to be in regular dialogue with GMB for an early clarification in the matter. This clarity is crucial not only for the Company for deciding on its long-term growth plans but it is also important for its stakeholders.

The Covid cases are once again seeing an increase in the country and is a constant reminder of the importance to observe precautions and protocol. Inflation due to the increase in fuel cost and commodity prices continue to be a concern for the growth of the country. The Zero Covid tolerance policy in China results in sudden lockdowns in that country thus impacting sailing schedules of shipping lines. Ocean freight rates continue to be on the higher side and are likely to remain at these levels for the remaining part of the calendar year 2022. These risks and uncertainties coupled with rising interest rates is likely to impact the country's growth rate. But the long-term growth story of the country continues to remain promising.

On behalf of the Board of Directors, I take this opportunity to thank our Shareholders for their faith in the Company during these challenging times.

The Board of Directors join me in expressing their sincere appreciation to Customers for their support particularly during the Cyclone. The Company's vendor partners have contributed in ensuring rapid restoration of the facility and making it operational post the Cyclone.

The Associate Company PRCL has continued to play a crucial role in ensuring efficient rail connectivity to and from the port. PRCL has also started running freight trains thus strengthening the rail evacuation. Rail connectivity is critical to the Port and the Board of Directors thank PRCL and Indian Railways for their strong and continued support to the Port.

I reiterate my appreciation to our team and colleagues for their dedication and commitment. Also for getting the Company an international recognition in a challenging year. I along with my colleagues on the Board would like to thank them for their efforts.

I also thank Gujarat Maritime Board, the State Government and the Central Government for their assistance and support.

India continues to be a promising country and your Company is ready to effectively and meaningfully play its part in providing an efficient and well-run Green Gateway of Gujarat.

With Best Wishes,

Tejpreet S Chopra
Chairman

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BOARD OF DIRECTORS

Mr. Tejpreet Singh Chopra Chairman
 Mrs. Avantika Singh Aulakh, IAS
 Nominee Gujarat Maritime Board
 Mrs. Hina Shah
 Mr. Jonathan Richard Goldner (from 11th November 2021)
 Mr. Julian Bevis
 Mr. Keld Pedersen
 Mr. Maarten Degryse
 Ms. Monica Widhani
 Mr. Pradeep Mallick (upto 29th July 2021)
 Mr. Samir Chaturvedi
 Mr. Soren Brandt
 Mr. Timothy John Smith
 Mr. Jakob Friis Sorensen Managing Director

CHIEF FINANCIAL OFFICER

Mr. Santosh Breed

COMPANY SECRETARY & COMPLIANCE OFFICER

Mr. Manish Agnihotri

STATUTORY AUDITORS

Price Waterhouse Chartered Accountants LLP
 (Firm Regn. No. 012754N/N-500016)
 Mumbai

REGISTRAR & SHARE TRANSFER AGENTS

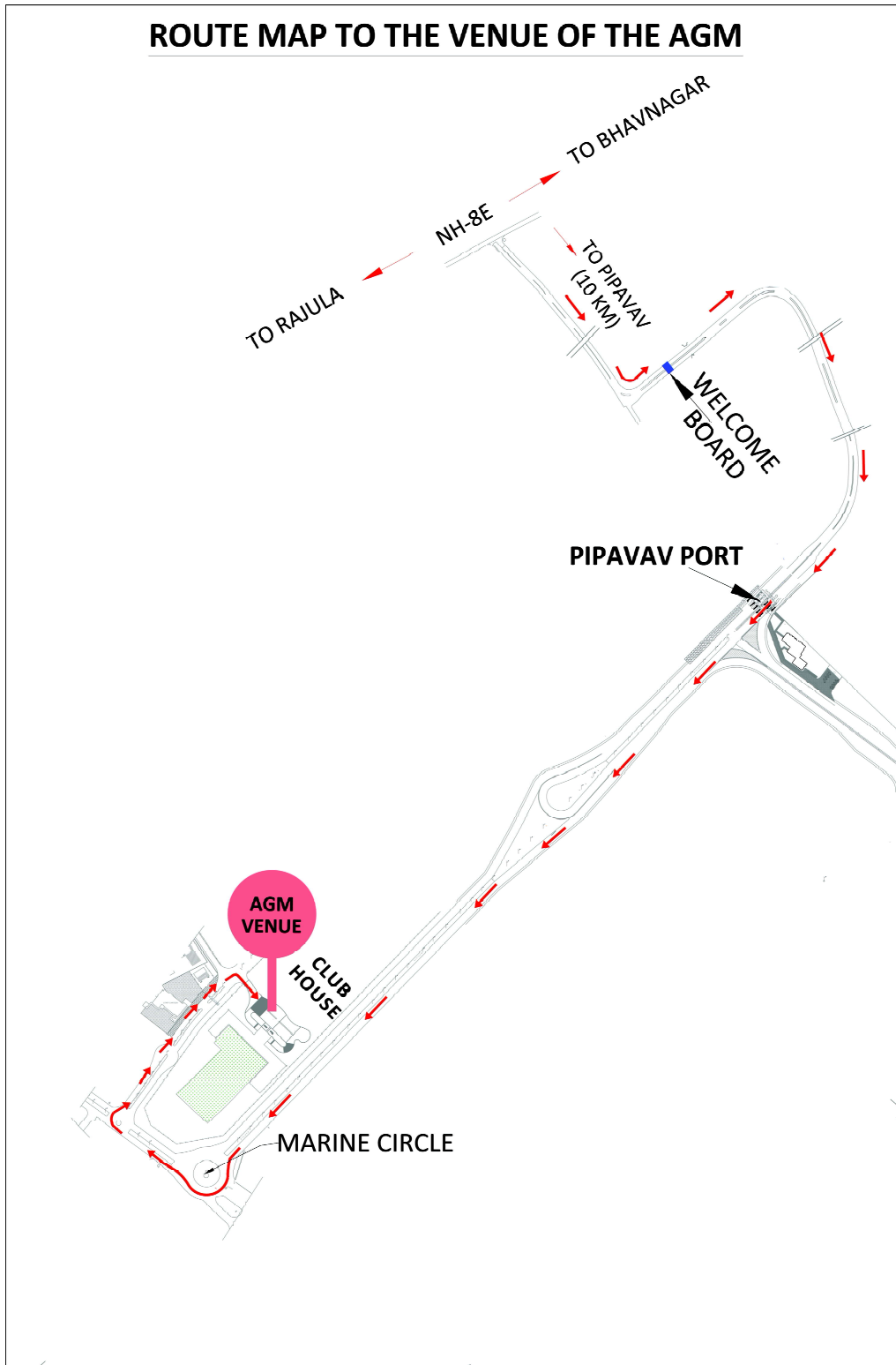
KFin Technologies Limited
 Selenium Tower B, Plot 31-32, Financial District,
 Nanakramguda, Serilingampally Mandal,
 Hyderabad 500 032

REGISTERED OFFICE

Pipavav Port, At Post Ramapara- 2 Via Rajula,
 District Amreli, Gujarat 365 560
 CIN: L63010GJ1992PLC018106
 Website: www.pipavav.com
 Tel: 02794 242400 Fax: 02794 242413

CORPORATE OFFICE

501-502, Godrej Two
 Pirojshanagar,
 Vikhroli East, Mumbai 400079



NOTICE is hereby given that the 30th Annual General Meeting of the Members of Gujarat Pipavav Port Limited (CIN:L63010GJ1992PLC018106) ('the Company') will be held on Wednesday 3rd August 2022 at 12.00 PM IST at its Registered Office at Pipavav Port, At Post Rampara-2 via Rajula, District Amreli- 365 560 to transact the following business:

ORDINARY BUSINESS

1. To receive, consider and adopt:
 - a. the Audited Standalone Financial Statements of the Company for the financial year ended 31st March 2022, along with the Reports of the Board of Directors and Auditors thereon; and
 - b. the Audited Consolidated Financial Statements of the Company for the financial year ended 31st March 2022, along with the Auditors Report thereon.
2. To declare a final dividend of Rs. 2.40 per equity share and to confirm the interim dividend of Rs. 1.60 per equity share already paid during the year, for the financial year ended 31st March 2022.
3. To appoint a Director in place of Mr. Soren Brandt (DIN: 00270435) who retires by rotation and being eligible, offers himself for re-appointment.
4. To appoint a Director in place of Mr. Maarten Degryse (DIN: 08925380) who retires by rotation and being eligible, offers himself for re-appointment.

SPECIAL BUSINESS

5. **Appointment of Mr. Jonathan Richard Goldner (DIN: 09311803) as Director of the Company**

To consider and if thought fit, pass with or without modification (s) the following as an **Ordinary Resolution**:

RESOLVED THAT Mr. Jonathan Richard Goldner (DIN: 09311803) who was appointed as an Additional Director of the Company with effect from 11th November 2021 and who is eligible for appointment be and is hereby appointed as Director of the Company, liable to retire by rotation.

By Order of the Board of Directors
For **Gujarat Pipavav Port Limited**

Manish Agnihotri
Company Secretary
ACS 12045

Registered Office:
Pipavav Port, At Post Rampara-2 via Rajula
District Amreli, Gujarat 365 560
CIN: L63010GJ1992PLC018106
Skodsborg, Denmark
18th May 2022

Notes:

- a) **A MEMBER ENTITLED TO ATTEND AND VOTE AT THE ANNUAL GENERAL MEETING (“AGM” or “Meeting”) IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF AND A PROXY NEED NOT BE A MEMBER OF THE COMPANY.**

Proxies in order to be effective, must be received by the Company, duly filled, stamped and signed, at its Registered Office not less than 48 hours before the Meeting.

Proxies submitted on behalf of limited companies, societies, etc., must be supported by appropriate resolutions / authority, as applicable, issued on behalf of the nominating organisation.

A person can act as proxy on behalf of Members not exceeding fifty (50) and holding in the aggregate not more than 10% of the total share capital of the Company carrying voting rights. In case a proxy is proposed to be appointed by a Member holding more than 10% of the total share capital of the Company carrying voting rights, then such proxy shall not act as a proxy for any other person or Member.

- b) The Statement setting out material facts pursuant to Section 102 of the Companies Act, 2013 (“the Act”) and Secretarial Standards on General Meetings issued by the Institute of Company Secretaries of India, concerning the Special Business in the Notice regarding the Appointment of Director, is annexed hereto and forms part of the Notice.
- c) The Route Map for the venue of the meeting is included in the Annual Report.
- d) The Register of Directors’ and Key Managerial Personnel and their shareholding maintained under Section 170 of the Companies Act, 2013, the Register of Contracts or Arrangements in which the Directors are interested under Section 189 of the Companies Act, 2013 will be available for inspection by the Members at the AGM.
- e) Corporate Members intending to send their authorised representative to attend the AGM are requested to send a duly certified copy of their Board Resolution authorising their representative to attend and vote at the AGM.
- f) In case of joint holders attending the Meeting, only such joint holder who is higher in the order of names will be entitled to vote.
- g) Members / Proxies / Authorised Representatives should bring the enclosed Attendance Slip, duly filled in, for attending the Meeting. Copies of the Annual Report or Attendance Slips will not be distributed at the Meeting.
- h) Relevant documents referred to in the accompanying Notice and the Statement, are open for inspection by the Members at the Registered Office of the Company on all working days, except Saturdays and Sundays, during business hours up to the date of the Meeting.
- i) The Register of Members and Share Transfer Books of the Company will remain closed from Thursday 28th July 2022 to Wednesday 3rd August 2022 (both days inclusive).
- j) If the Final Dividend recommended by the Board of Directors is approved at the AGM, the payment of such dividend will be made on 5th August 2022, within the stipulated time limit as under:
- (i) To all Beneficial Owners in respect of shares held in dematerialized form as per the data as may be made available by the National Securities Depository Limited (NSDL) and the Central Depository Services (India) Limited (CDSL) as of the close of business hours on 27th July 2022.
- (ii) To all Members holding shares in physical form after giving effect to share transfer requests received as of the close of business hours on 27th July 2022.
- k) SEBI has mandated the submission of Permanent Account Number (PAN), email address, mobile number, bank account details and nomination by holders of physical securities. Any service request to the Company’s Registrar and Transfer Agents Kfin Technologies Limited (Kfin) shall be entertained by Kfin only upon completion of these requirements. The holders of shares in physical form also need to ensure to link their PAN to Aadhar to avoid freezing of their respective folios.
- l) Members holding shares in physical form are requested to consider converting their holding to dematerialised form to eliminate all risks associated with physical shares and for ease in portfolio management. Members can contact Kfin for assistance in this regard.
- m) Members who have not updated their bank details with the DP are requested to do so in order to enable the Company to

execute NEFT/ Electronic Transfer of Dividend amount to their bank account to eliminate all risks associated with physical dividend warrants.

- n) In order to support the 'Green Initiative', Members who have not yet registered their email address are requested to register it with their Depository Participants if the shares are held in electronic mode and with Kfin if the shares are held in physical form. As part of Green Initiative, it will enable the Company to send Annual Report in electronic form by email.
- o) The Annual Report 2021-22 of the Company along with the Notice convening the AGM is being circulated in electronic mode to the Members whose email address is registered with Kfin/ Depositories unless the Member has asked for a physical copy of the Report. The Members who have not yet registered their email address, the physical copies are being sent to them. The Annual Report along with the Notice will also be made available on the Company's website www.pipavav.com
- p) Members desirous of getting any information about the Accounts of the Company are requested to write to the Company at least seven days in advance of the Meeting, so that the information can be kept ready at the Meeting.
- q) **Voting Options:**

Remote E-voting: In compliance with the provisions of Section 108 of the Companies Act, 2013 ("the Act"), Rule 20 of the Companies (Management and Administration) Rules, 2014 and Regulation 44 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Members are provided with the facility to cast their vote electronically, through the remote e-voting services provided by Kfin, on all resolutions set forth in this Notice.

Voting at AGM: The Members who have not casted their vote electronically can exercise their voting rights at the AGM. The Company will make necessary arrangements in this regard at the venue.

PROCEDURE FOR REMOTE E-VOTING AND E-VOTING AT THE AGM

- (i) In compliance with the provisions of Section 108 of Act, Rule 20 of the Companies (Management and Administration) Rules, 2014 read with Regulation 44 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and as per SEBI's circular no. SEBI/HO/CFD/CMD/CIR/P/2020/242 dated December 9, 2020 regarding the E-voting facility required to be provided by the listed companies, the Members are provided with the facility to cast their vote electronically, through Remote E-voting by Kfin on all resolutions set forth in this Notice convening the AGM.
- (ii) The Remote E-voting shall commence from **Sunday 31st July 2022 (9.00 a.m. IST)** and ends on **Tuesday 2nd August 2022 (5.00 p.m. IST)**. During this period, the Members of the Company holding shares in physical form or in dematerialized form, as on the Cut-off date being Wednesday 27th July 2022, may cast their vote by electronic means. The Remote E-voting module shall be disabled by Kfin for voting thereafter. Once the vote on a resolution is cast by the Member, the Member shall not be allowed to change it subsequently. Members who have not cast their votes during Remote E-voting, shall be eligible to cast their vote during the AGM.
- (iii) Any person, who acquires shares of the Company and becomes a Member after the AGM Notice has been sent and is holding shares as of the Cut-off date i.e. 27th July 2022, may obtain the login ID and password by sending a request to Kfin. However, if he/she is already registered with NSDL/CDSL for Remote E-voting then he/she can use his/her existing User ID and password for casting the vote.
- (iv) Mr. Himanshu Kamdar (Membership No. FCS 5171, CP No. 3030) and in case of his inability Mr. Jayesh Shah (Membership No. 5637, CP No. 2535) of Rathi and Associates, Practicing Company Secretaries, has been appointed as the Scrutinizer to scrutinize the E-voting process in a fair and transparent manner.
- (v) The Scrutinizer shall unblock the votes in presence of at least two witnesses not in employment of the Company and make a Scrutinizer's Report of the votes cast in favour or against, if any, forthwith to the Company Secretary or to such other person as may be authorised by the Chairman. The Company shall also submit the Scrutinizer's Report to the Stock Exchanges within Forty-eight hours of conclusion of the AGM.
- (vi) The Results declared along with the Scrutinizer's Report will be available on the Company's website www.pipavav.com and on Kfin website and shall be intimated to BSE Limited and the National Stock Exchange of India Limited.
- (vii) The resolution(s) shall be deemed to have been passed on the date of the AGM subject to receipt of the requisite number of votes in favour of the Resolution(s).

The instructions for Remote E-voting are as under:

- i. Pursuant to SEBI circular no. SEBI/HO/CFD/CMD/CIR/P/2020/242 dated December 9, 2020 on “e-Voting facility provided by Listed Companies”, e-Voting process has been enabled to all the individual demat account holders, by way of single login credential, through their demat accounts / websites of Depositories / DPs in order to increase the efficiency of the voting process.
- ii. Individual demat account holders would be able to cast their vote without having to register again with the e-Voting service provider (ESP) thereby not only facilitating seamless authentication but also providing ease and convenience of participating in e-Voting process. Shareholders are advised to update their mobile number and e-mail ID with their DPs to access e-Voting facility.
- iii. The remote e-Voting period commences from **Sunday 31st July 2022 (9.00 a.m. IST)** and ends on **Tuesday 2nd August 2022 (5.00 p.m. IST)**.
- iv. The voting rights of Members shall be in proportion to their shares in the paid-up equity share capital of the Company as on the cut-off date.
- v. Any person holding shares in physical form and non-individual shareholders, who acquire shares of the Company and become Member after sending the Notice and hold shares as of the cut-off date, may obtain the login ID and password by sending a request at evoting@Kfintech.com. However, if he / she is already registered with Kfintech for remote e-Voting then he /she can use his / her existing User ID and password for casting the vote.
- vi. In case of Individual Shareholders holding securities in demat mode and who acquire shares of the Company and become Member of the Company after sending the Notice and hold shares as of the cut-off date may follow steps mentioned below under “Login method for remote e-Voting for Individual shareholders holding securities in demat mode.”
- vii. Details of the process and manner for remote e-Voting is explained herein below:

Step 1 : Access to Depositories e-Voting system in case of individual shareholders holding shares in demat mode.

Step 2 : Access to Kfintech e-Voting system in case of shareholders holding shares in physical mode and non-individual shareholders holding in demat mode.

Details on Step 1 are mentioned below:

- l) **Login method for remote e-Voting for Individual shareholders holding securities in demat mode.**

Type of shareholders	Login Method
Individual Shareholders holding securities in demat mode with NSDL.	<p>1. User already registered for IDeAS facility:</p> <ol style="list-style-type: none"> I. Visit URL: https://eservices.nsdl.com II. Click on the “Beneficial Owner” icon under “Login” under ‘IDeAS’ section. III. On the new page, enter User ID and Password. Post successful authentication, click on “Access to e-Voting” IV. Click on company name or e-Voting service provider and you will be re-directed to e-Voting service provider website for casting the vote during the remote e-Voting period. <p>2. User not registered for IDeAS e-Services</p> <ol style="list-style-type: none"> I. To register click on link : https://eservices.nsdl.com II. Select “Register Online for IDeAS” or click at https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp III. Proceed with completing the required fields. IV. Follow steps given in points 1

Type of shareholders	Login Method
	<p>3. Alternatively by directly accessing the e-Voting website of NSDL</p> <ol style="list-style-type: none"> I. Open URL: https://www.evoting.nsdl.com/ II. Click on the icon “Login” which is available under ‘Shareholder/Member’ section. III. A new screen will open. You will have to enter your User ID (i.e. your sixteen digit demat account number held with NSDL), Password / OTP and a Verification Code as shown on the screen. IV. Post successful authentication, you will be requested to select the name of the company and the e-Voting Service Provider name, i.e. KFintech. V. On successful selection, you will be redirected to KFintech e-Voting page for casting your vote during the remote e-Voting period.
<p>Individual Shareholders holding securities in demat mode with CDSL</p>	<ol style="list-style-type: none"> 1. Existing user who have opted for Easi / Easiest <ol style="list-style-type: none"> I. Visit URL: https://web.cdslindia.com/myeasi/home/login or URL: www.cdslindia.com II. Click on New System Myeasi III. Login with your registered user id and password. IV. The user will see the e-Voting Menu. The Menu will have links of ESP i.e. KFintech e-Voting portal. V. Click on e-Voting service provider name to cast your vote. 2. User not registered for Easi/Easiest <ol style="list-style-type: none"> I. Option to register is available at https://web.cdslindia.com/myeasi/Registration/EasiRegistration II. Proceed with completing the required fields. III. Follow the steps given in point 1 3. Alternatively, by directly accessing the e-Voting website of CDSL <ol style="list-style-type: none"> I. Visit URL: www.cdslindia.com II. Provide your demat Account Number and PAN No. III. System will authenticate user by sending OTP on registered Mobile & Email as recorded in the demat Account. IV. After successful authentication, user will be provided links for the respective ESP, i.e KFintech where the e- Voting is in progress.
<p>Individual Shareholder login through their demat accounts / Website of Depository Participant</p>	<ol style="list-style-type: none"> I. You can login using the login credentials of your demat account through your DP registered with NSDL /CDSL for e-Voting facility. II. Once logged-in, you will be able to see e-Voting option. Once you click on e-Voting option, you will be redirected to NSDL / CDSL Depository site after successful authentication, wherein you can see e-Voting feature. III. Click on options available against company name or e-Voting service provider – Kfintech and you will be redirected to e-Voting website of KFintech for casting your vote during the remote e-Voting period without any further authentication.

Important note: Members who are unable to retrieve User ID / Password are advised to use Forgot user ID and Forgot Password option available at respective websites.

Helpdesk for Individual Shareholders holding securities in demat mode for any technical issues related to login through Depository i.e. NSDL and CDSL.

Login type	Helpdesk details
Securities held with NSDL	Please contact NSDL helpdesk by sending a request at evoting@nsdl.co.in or call at toll free no.: 1800 1020 990 or 1800 22 44 30
Securities held with CDSL	Please contact CDSL helpdesk by sending a request at helpdesk.evoting@cdslindia.com or contact at 022- 23058738 or 022-23058542-43

Details on Step 2 are mentioned below:

II) Login method for e-Voting for shareholders other than Individual's shareholders holding securities in demat mode and shareholders holding securities in physical mode.

(A) Members whose email IDs are registered with the Company/ Depository Participants (s), will receive an email from KFintech which will include details of E-Voting Event Number (EVEN), USER ID and password. They will have to follow the following process:

- i. Launch internet browser by typing the URL: <https://evoting.kfintech.com/>
- ii. Enter the login credentials (i.e. User ID and password). In case of physical folio, User ID will be EVEN (E-Voting Event Number) xxxx, followed by folio number. In case of Demat account, User ID will be your DP ID and Client ID. However, if you are already registered with KFintech for e-voting, you can use your existing User ID and password for casting the vote.
- iii. After entering these details appropriately, click on "LOGIN".
- iv. You will now reach password change Menu wherein you are required to mandatorily change your password. The new password shall comprise of minimum 8 characters with at least one upper case (A- Z), one lower case (a-z), one numeric value (0-9) and a special character (@,#,\$, etc.). The system will prompt you to change your password and update your contact details like mobile number, email ID etc. on first login. You may also enter a secret question and answer of your choice to retrieve your password in case you forget it. It is strongly recommended that you do not share your password with any other person and you take utmost care to keep your password confidential.
- v. You need to login again with the new credentials.
- vi. On successful login, the system will prompt you to select the "EVEN" and click on "Submit"
- vii. On the voting page, enter the number of shares (which represents the number of votes) as on the Cut-off Date under "FOR/ AGAINST" or alternatively, you may partially enter any number in "FOR" and partially "AGAINST" but the total number in "FOR/ AGAINST" taken together shall not exceed your total shareholding as mentioned herein above. You may also choose the option ABSTAIN. If the Member does not indicate either "FOR" or "AGAINST" it will be treated as "ABSTAIN" and the shares held will not be counted under either head.
- viii. Members holding multiple folios/demat accounts shall choose the voting process separately for each folio/ demat accounts.
- ix. Voting has to be done for each item of the notice separately. In case you do not desire to cast your vote on any specific item, it will be treated as abstained.
- x. You may then cast your vote by selecting an appropriate option and click on "Submit".
- xi. A confirmation box will be displayed. Click "OK" to confirm else "CANCEL" to modify. Once you have voted on the resolution(s), you will not be allowed to modify your vote. During the voting period, Members can login any number of times till they have voted on the Resolution(s).
- xii. Corporate/Institutional Members (i.e. other than Individuals, HUF, NRI etc.) are also required to send scanned certified true copy (PDF Format) of the Board Resolution/Authority Letter etc., authorizing its representative to attend the AGM on its behalf and to cast its vote through remote e-voting together with attested specimen signature(s) of the duly authorised representative(s),

to the Scrutinizer at email id hsk@rathiandassociates.com with a copy marked to evoting@kfintech.com. The scanned image of the above-mentioned documents should be in the naming format "Corporate Name_Even No."

- (B) Members whose email IDs are not registered with the Company/Depository Participants(s), and consequently the Annual Report, Notice of AGM and e-voting instructions cannot be serviced, will have to follow the following process:
- i. Members who have not registered their email address and in consequence the Annual Report, Notice of AGM and e-voting instructions cannot be serviced, may temporarily get their email address and mobile number registered with KFintech, by accessing the link: <https://ris.kfintech.com/clientservices/mobilereg/mobileemailreg.aspx>. Members are requested to follow the process as guided to capture the email address and mobile number for sending the soft copy of the notice and e-voting instructions along with the User ID and Password. In case of any queries, member may write to einward.ris@kfintech.com.
 - ii. Alternatively, a Member may send an e-mail request at the email id einward.ris@kfintech.com along with scanned copy of the signed copy of the request letter providing the email address, mobile number, self-attested PAN copy and Client Master copy in case of electronic folio and copy of share certificate in case of physical folio for sending the Annual report, Notice of AGM and the e-voting instructions.
 - iii. The Members who have not cast their vote through remote e-voting shall be eligible to cast their vote through voting system available during the AGM.
 - iv. A Member can opt for only single mode of voting i.e., through Remote e-voting or voting at the AGM. If a Member casts votes by both modes, then voting done through Remote e-voting shall prevail and vote at the AGM shall be treated as invalid.
 - v. In case of any query and/or grievance, in respect of voting by electronic means, Members may refer to the Help & Frequently Asked Questions (FAQs) and E-voting user manual available at the download section of <https://evoting.kfintech.com> (KFintech Website) or contact in case of any query at evoting@kfintech.com or call KFintech's toll free No. 1-800-309-4001 for any further clarifications.
 - vi. The Members, whose name appear in the Register of Members / list of Beneficial Owners as on Wednesday 27th July 2022, being the cut-off date, are entitled to vote on the Resolutions set forth in this Notice. A person who is not a Member as on the cut-off date should treat this Notice for information purposes only. Once the vote on a resolution(s) is cast by the Member, the Member shall not be allowed to change it subsequently.
 - vii. In case a person has become a Member of the Company after dispatch of AGM Notice but on or before the cut-off date for E-voting, he/she may obtain the User ID and Password in the manner as mentioned below:
 - (a) If the mobile number of the member is registered against Folio No./ DP ID Client ID, the member may send SMS: MYEPWD <space> E-Voting Event Number+ Folio No. or DP ID Client ID to 9212993399
 1. Example for NSDL:
 2. MYEPWD <SPACE> IN12345612345678
 3. Example for CDSL:
 4. MYEPWD <SPACE> 1402345612345678
 5. Example for Physical:
 6. MYEPWD <SPACE> XXXX1234567890
 - (b) If e-mail address or mobile number of the member is registered against Folio No. / DP ID Client ID, then on the home page of <https://evoting.kfintech.com/>, the member may click "Forgot Password" and enter Folio No. or DP ID Client ID and PAN to generate a password.
 - (c) Members who may require any technical assistance or support before or during the AGM are requested to contact KFintech at toll free number 1-800-309-4001 or write to them at evoting@kfintech.com.

OTHER INFORMATION FOR THE MEMBERS

1. As per Regulation 40 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended, securities of listed companies can be transferred only in dematerialised form with effect from April 1, 2019, except in case of request received for transmission or transposition of securities. Members holding shares in physical form are requested to consider

converting their holding to dematerialised form to eliminate all risks associated with physical shares and for ease in portfolio management. The Members can contact KFin for assistance in this regard.

2. Effective 1st April 2020, the dividend amount is taxable in the hands of shareholders and the Company is required to deduct tax at source before payment of dividend amount to the shareholders. The shareholders may refer to the tax rates applicable to them and in case no tax is deductible then they need to submit the relevant Declaration Form in Form 15G/ 15H to ensure that no tax is deducted. In case lower tax is deductible then too they need to submit the necessary documents. These Declaration Forms should be submitted to KFin on einward.ris@kfintech.com failing which the applicable tax amount shall be deducted. The Shareholders can update their PAN and Bank details with the Depositories if the shares are held in dematerialised form and with KFin if the shares are held in physical form.
3. The Company has been receiving requests for crediting the TDS amount deducted on Dividend paid to a particular shareholder. This request is received at a date subsequent to deposit of TDS with the authorities and at times even after the filing of TDS Returns. In order to comply with TDS related formalities in a timely manner the Company must receive these intimations latest by 27th July 2022 considering that the Dividend payment date is 5th August 2022. Thereafter, the Company will not be able to accept these requests for crediting the TDS amount in the name of a particular shareholder.
4. The details of Unclaimed/Unpaid Dividend of the Members until the Company's AGM held on 13th August 2021 have been displayed under the Investors Section on the Company's website www.pipavav.com These have been also submitted to IEPF on its website www.iepf.gov.in
5. For redressal of investor grievances, Members can write to the Company on investorrelationinppv@apmterminals.com

STATEMENT SETTING OUT MATERIAL FACTS UNDER SECTION 102 OF THE COMPANIES ACT, 2013

Item no. 5

The Board of Directors based on the recommendation of the Nomination Remuneration Committee approved the appointment of Mr. Jonathan Richard Goldner (DIN: 09311803) as Additional Director of the Company with effect from 11th November 2021. Pursuant to the provisions of Section 161 of the Companies Act, 2013, Mr. Goldner holds the office of Director upto the date of the Annual General Meeting and is eligible for being appointed as Director of the Company liable to retire by rotation. The Company has received consent from Mr. Goldner to act as a Director of the Company in terms of Section 152 of the Companies Act, 2013 and a declaration that he is not disqualified from being appointed as a Director in terms of Section 164 of the Companies Act, 2013. Also, in terms of Section 160 of the Companies Act, 2013, the Company has received a notice in writing from a Member proposing the candidature of Mr. Goldner to be appointed as a Director.

Mr. Goldner is currently the Head of Terminals for APM Terminals Asia Region effective September 2021. Prior to this, he served as Chief Commercial Officer and was a member of APM Terminals' Senior Management Team. He joined A.P. Moller-Maersk in 1997 and has worked in different countries such as the U.S., China, Denmark, and the Netherlands in various operational and commercial leadership positions. He was responsible for DAMCO in East China, APM Terminals Tacoma, APM Terminals Commercial in North and Latin America, and for Commercial Strategy and Pricing for APM Terminals globally. Mr. Goldner attended Texas A&M University, has his Third Officers License, and received his MBA Degree from Columbia University, New York.

A brief profile of Mr. Goldner in terms of Regulation 36 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 is provided at the end of this Notice.

The Board of Directors believe that Mr. Goldner's knowledge and experience of Terminals and Shipping in the Asia Region will be of immense value to the Company and hence recommend the Resolution for your approval.

Except Mr. Jonathan Richard Goldner and his relatives, none of the Directors, Key Managerial Personnel or their relatives are concerned or interested in the proposed Ordinary Resolution as set out in Item No. 5 of this Notice. This Explanatory Statement may also be regarded as Disclosure under Regulation 36 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015. The Board recommends the resolution set out at item no .5 in the Notice for approval by the members.

Profile of the Directors being appointed / re-appointed as required under Regulation 36 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

Particulars	Mr. Soren Brandt	Mr. Maarten Degryse	Mr. Jonathan Richard Goldner
Date of Birth	12th July 1953	25th August 1978	18th February 1975
Date of Appointment	6th August 2020	12th November 2020	11th November 2021
Qualification	Shipping & Logistics Professional	Graduate in Business Administration and Masters in International Relations and Trade	Shipping Professional and MBA
Experience (in years)	Over 50 Years	Over 20 Years	Over 25 Years
Expertise in specific functional areas	Business Management	Finance	Business Management
Disclosure of Relationship between the Directors inter-se	None. He represents the Promoter APM Terminals Mauritius Limited	None. He represents the Promoter APM Terminals Mauritius Limited	None. He represents the Promoter APM Terminals Mauritius Limited
Directorships in other Public Listed companies in India	None	None	None
Membership of Committees held in other Public Listed companies in India	None	None	None
Shares held in the Company	Nil	Nil	Nil
Terms and conditions of appointment	He is Non-Executive Non-Independent Director representing the Promoter Company.	He is Non-Executive Non-Independent Director representing the Promoter Company.	He is Non-Executive Non-Independent Director representing the Promoter Company.
Details of remuneration sought to be paid	Nil	Nil	Nil
Remuneration last drawn	NA	NA	NA
Number of Meetings of the Board attended during the year	4	4	2
Other Directorships, Membership/ Chairmanship of Committees of other Boards	Gateway Terminals India Private Limited.	None	Gateway Terminals India Private Limited.

DIRECTORS' REPORT

**To
The Members,
Gujarat Pipavav Port Limited**

The Directors of Gujarat Pipavav Port Limited ('the Company') have pleasure in submitting their 30th Annual Report to the Members of the Company together with the Audited Standalone and Consolidated Statement of Accounts for the financial year ended 31 March 2022.

1. FINANCIAL STATEMENTS & RESULTS:

a. STANDALONE FINANCIAL RESULTS:

(INR Million)

Particulars	For the year ended 31 March 2022	For the year ended 31 March 2021
Operating Income	7,435.38	7,334.63
Less: Total Operating Expenditure	3,309.78	3,113.42
Operating Profit	4,125.60	4,221.21
Add: Other Income	285.87	442.00
Profit before Interest, Depreciation, Tax and Exceptional Item	4,411.47	4,663.21
Less: Interest	47.66	63.10
Less: Depreciation	1,292.71	1,334.50
Profit before exceptional items and tax	3,071.10	3,265.61
Less: Exceptional items	46.09	-
Profit Before Tax	3,025.01	3,265.61
Less: Taxes	1,092.64	1,081.63
Profit for the year after Tax	1,932.37	2,183.98
Total comprehensive income for the year	1,935.97	2,180.77

b. OPERATIONS:

The Company is engaged in Port Development and Operations at Pipavav Port, in Saurashtra Region of Gujarat State. It has a 30-year Concession vide Agreement dated 30 September 1998 from Gujarat Maritime Board (GMB). The Port located in Southwest of Gujarat handles Containers, Dry Bulk, Liquid, and RORO vessels. The performance details are as follows:

Particulars	For the year ended 31 March 2022	For the year ended 31 March 2021
Dry Bulk Cargo (Mn MT)	4.19	3.13
Liquid Cargo (Mn MT)	0.81	0.69
Containers (In TEUs)	627,747	748,722
RORO (No. of Cars)	23,874	11,017

The last financial year was a challenging one for the Company due to the Tropical Cyclone Tauktae in May 2021. Though the port's own infrastructure facility did not suffer major damage thanks to the extraordinary efforts of the Company employees in securing the assets, but the disruption of main grid power supply had impacted the port operations. The Company had hired mobile power supply system and started partial operations by end of May 2021 and upon resumption of the grid power supply in July 2021, the Port Operations got back to normal. The Cyclone had caused damage to the captive jetty of neighbouring industries and the Company extended them support by handling their dry bulk cargo from the port. The captive jetty is now operational.

c. REPORT ON PERFORMANCE OF SUBSIDIARIES, ASSOCIATES AND JOINT VENTURE COMPANIES:

The Company holds 38.8% shares in Pipavav Railway Corporation Limited (PRCL) and the salient features in Form AOC-1 are mentioned in Annexure B. In view of the provisions of Section 2(6) of the Companies Act, 2013 ('the Act'), PRCL is an Associate Company and pursuant to the provisions of Section 129 of the Act, the Company is required to consolidate PRCL's annual accounts into its own accounts. A snapshot of the Consolidated Accounts is as follows:

(INR Million)

Particulars	For the year ended 31 March 2022	For the year ended 31 March 2021
Operating Income	7,435.38	7,334.63
Less: Total Operating Expenditure	3,309.78	3,113.42
Operating Profit	4,125.60	4,221.21
Add: Other Income	285.87	404.00
Profit before Interest, Depreciation, Tax and Exceptional Item	4,411.47	4,625.21
Less: Interest	47.66	63.10
Less: Depreciation	1,292.71	1,334.50
Profit before share of net profits of investments	3,071.10	3,227.61
Add: Share of Net Profit of Associate Company accounted for using the Equity Method	40.92	73.55
Profit before exceptional items and tax	3,112.02	3,301.16
Less: Exceptional items	46.09	-
Profit before tax	3,065.93	3,301.16
Less: Taxes	1,092.64	1,081.63
Profit for the year after Tax	1,973.29	2,219.53
Total comprehensive income for the year	1,976.85	2,216.45

d. DIVIDEND:

The Board of Directors in their Meeting held on 11th November 2021 declared Interim Dividend of Rs. 1.60 per share and it has been paid. The Board is pleased to recommend a Final Dividend of Rs. 2.40 per share on the Company's outstanding Equity Share Capital.

The Dividend is subject to the approval by the Members at the Annual General Meeting to be held on 3 August 2022 and will be paid on 5 August 2022, within the stipulated time limit to all Members whose Names appear in the Register of Members, as of the close of business hours on 27 July 2022. The final dividend if approved by the Members would involve a cash outflow of Rs. 1,160.26 Million. The Dividend Distribution Tax, if applicable, would be borne by the Member.

The Company has a Dividend Distribution Policy, which is available on the website <https://www.apmterminals.com/en/pipavav/investors/governance>

e. TRANSFER TO RESERVES:

The Board of Directors have not recommended any transfer of profit to reserves during the year under review. Hence, the entire amount of profit has been carried forward to the Statement of Profit and Loss.

f. REVISION OF FINANCIAL STATEMENT:

The Company has not carried out any revision in its financial statements in any of the three preceding financial years as per the requirement under Section 131 of the Act.

g. DEPOSITS:

The Company has not accepted or renewed any amount falling within the purview of provisions of Section 73 of the Companies Act 2013 (“the Act”) read with the Companies (Acceptance of Deposit) Rules, 2014 during the year under review. Hence, the requirement for furnishing of details of deposits which are not in compliance with Chapter V of the Act is not applicable.

h. DISCLOSURES UNDER SECTION 134(3)(I) OF THE COMPANIES ACT, 2013:

Except as disclosed elsewhere in this report, no material changes and commitments which could affect the Company’s financial position, have occurred between the end of the financial year of the Company and date of this report.

i. DISCLOSURE OF INTERNAL FINANCIAL CONTROLS:

The Internal Financial Controls with reference to financial statements as designed and implemented by the Company are adequate considering the nature of its business and the scale of operations. During the year under review, no material or serious observation has been made by the Statutory Auditors and the Internal Auditors of the Company regarding inefficiency or inadequacy of such controls. Wherever suggested by the auditors, the control measures have been further strengthened and implemented.

j. DISCLOSURE OF ORDERS PASSED BY REGULATORS OR COURTS OR TRIBUNAL:

No adverse orders have been passed by any Regulator or Court or Tribunal which can have impact on the Company’s status as a Going Concern and on its future operations.

k. PARTICULARS OF CONTRACT OR ARRANGEMENT WITH RELATED PARTIES:

The transactions/contracts/arrangements entered by the Company with related party(ies) as defined under the provisions of Section 2(76) of the Companies Act, 2013, during the financial year under review, are in the ordinary course of business and at arms’ length. Therefore, they are exempt from the provisions of Section 188 of the Companies Act, 2013. But all such transactions have prior approval of the Audit Committee as per the requirement under SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

The related party transaction with Maersk Line A/S regarding Income from Port Operations is a material transaction as per SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. The Contract with Maersk Line A/S has been approved by the shareholder’s by way of Postal Ballot on 16 March 2020, pursuant to Regulation 23(4) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. The details of Related Party Transactions are mentioned in Note 38(b) of the financial statements. The link for the Policy on Related Party Transactions is <https://www.apmterminals.com/en/pipavav/investors/governance>

l. PARTICULARS OF LOANS, GUARANTEES, INVESTMENTS AND SECURITIES:

The Company has neither provided nor accepted any loans, guarantees and securities. The Company does not have any investments except 38.8% shareholding in its Associate Company PRCL.

Further, the Company is engaged in the business of providing infrastructural facilities and is therefore exempt from the provisions of Section 186 of the Companies Act, 2013.

m. DISCLOSURE UNDER SECTION 43(a)(ii) OF THE COMPANIES ACT, 2013:

The Company has not issued any shares with differential rights and hence no information as per provisions of Section 43(a)(ii) of the Act read with Rule 4(4) of the Companies (Share Capital and Debenture) Rules, 2014 is included in the report.

n. DISCLOSURE UNDER SECTION 54(1)(d) OF THE COMPANIES ACT, 2013:

The Company has not issued any sweat equity shares during the year under review and hence the provisions of Section

54(1)(d) of the Act read with Rule 8(13) of the Companies (Share Capital and Debenture) Rules, 2014 are not applicable.

o. DISCLOSURE UNDER SECTION 62(1)(b) OF THE COMPANIES ACT, 2013:

The Company does not have any Employees Stock Option Scheme and hence the provisions of Section 62(1)(b) of the Act read with Rule 12(9) of the Companies (Share Capital and Debenture) Rules, 2014 are not applicable.

p. DISCLOSURE UNDER SECTION 67(3) OF THE COMPANIES ACT, 2013:

During the year under review, there were no instances of non-exercising of voting rights in respect of shares purchased directly by employees under a scheme pursuant to Section 67(3) of the Act read with Rule 16(4) of Companies (Share Capital and Debentures) Rules, 2014.

2. OUTLOOK:

Just as the global economy was slowly recovering from the Covid impact, a new challenge of the Russia- Ukraine conflict struck the world. The war against Ukraine and the economic sanctions against Russia are hitting the global economies causing the food and fuel crisis. The countries in the Middle East and Africa region were heavily dependent on wheat from Russia and Ukraine and countries like India importing majority of its fuel requirement have been adversely impacted by the increase in the fuel cost. While the Central banks across the globe maintained lower interest rates to assist economic growth, the conflict has caused inflationary pressure thus requiring the Central banks to initiate the reversal of lower interest rate regime. But the speed and the quantum of reversal will determine the scale of the overall global economic growth considering that this reversal also has a risk of the economies getting into recession. The spike in global oil prices triggered by the conflict also underscores the necessity for the nations to achieve the energy security through the renewable means.

During the previous year, the IMF had expected the global growth to stabilise at 4.2% in the year 2022. That projection for the year 2022 is now lowered to 3.6% and it expects the growth to decline to about 3.3% beyond the year 2023. But this growth forecast could get impacted by the unknown factors like worsening of the war, escalation of sanctions on Russia, sharp deceleration in the Chinese economy due to lockdowns, emergence of a new virus strain causing a flare up in the pandemic and prolonged inflationary pressures driven by the high fuel, food and commodity price.

As far as India is concerned, the forecast by various agencies about India's GDP growth for the financial year 2023 is that it is likely to be around 8%. The high crude oil price is stoking the inflation in the country and may require the Reserve Bank to focus on controlling the inflation rather than reviving the economic growth post the pandemic. The vaccination programme rolled out by the country has been a success with a large part of the country's adult population completing the two doses of vaccine. Further, the Government has now opened up precautionary dose for all above 18 years of age. All these measures are helping the citizens to get back to their normal routine and will steadily help the country recover from the impact of pandemic.

The disruption in the global supply chain due to the impact of Covid caused congestion at certain ports in the US and Europe. Though the congestion in the US and Europe ports has reduced to a certain extent, China's zero Covid Policy triggering lockdowns in the country's key manufacturing hubs has been impacting its port operations, causing delays in handling of the vessels. These disruptions have resulted into abnormal increase in the ocean freight rates and have caused shortage of containers. The situation of availability of containers has improved to a great extent but based on the feedback from the shipping lines, the disruption in the global supply chain and the delays in the sailing schedules of the vessels is likely to continue in short to medium term though the severity is likely to be much lower than what the trade witnessed during last year. The reason being the opening up of the economies and people getting back to their normal schedules has caused reduction in demand for goods in the US and Europe compared to last year when the demand was largely driven by the stimulus packages of the Governments in those countries.

The ports on the West Coast of India have seen year on year growth of about 14% at 13.91 Million TEUs as compared to 12.25 Million TEUs in the previous year. As far as the Company is concerned, it has been adversely impacted by the global supply chain disruptions through the skip calls by the shipping lines having berthing windows at Pipavav, in order to maintain their

overall sailing schedules. This has caused reduction in the container volume at the port by 16% during the financial year ended 31st March 2022. The imports into the country have slowed down while the exports are picking up. The Company has taken measures like addition of three new services during the year. As part of promoting the Western Dedicated Freight Corridor (DFC), the Company along with its Associate Company, Pipavav Railway Corporation Limited (PRCL) is developing rail products for the shipping lines. The Company has been seeing a steady increase in container volume on a Quarter-on-Quarter basis in a consistent manner and hopes to improve upon its Container volume as the number of skip calls reduce in the coming months.

Since the time the Western Dedicated Freight Corridor has become operational between various ICDs in North India to the ports in Gujarat, the inland transit time for the containers has certainly reduced, as was expected. But the trade has not seen any material shift in cargo from Road to Rail as yet. The real benefit from DFC will happen to the trade only when the Railways announce the freight rates and pass on the benefit to the trade for running double stack electric trains. That would clearly quantify the financial benefit to the trade vis-à-vis moving the cargo by road, it will reduce the inland logistics cost and will commence the much awaited shift of cargo from Road to Rail. The Government's announcement of freight rates on DFC route will not only provide an economical and sustainable inland logistics solution to the country but it will consistently improve the utilisation levels of this massive rail infrastructure. On its part, the Company has been taking several measures to promote DFC rail operations with its customers.

With reference to the Company's Dry Bulk business, the additional warehouse of 10,000 sq. mtrs for storage of Fertiliser has been commissioned. This facility was essential because at times when the cargo remained stored for a longer period of time due to non-availability of Railway Wagons, the Company had to refuse the cargo because of lack of covered storage facility. This additional warehouse facility would not only increase the overall storage capacity at the port but it would also provide operational flexibility for segregation of different types of fertiliser cargo.

As far as the Liquid Cargo business is concerned, the value proposition of the LPG Rail siding inside the port is now being appreciated by the LPG customers due to lower cost of evacuation and for the reach to the extended hinterland. This has helped the Company to increase the cargo volume. In order to strengthen the value proposition on the waterfront, work is in progress for upgradation of the existing Liquid berth for handling partially loaded Very Large Gas Carrier (VLGC) vessels.

As far as RoRo business is concerned the Car exports is seeing some recovery albeit on a small base. As per the media reports, the Tatas are evaluating the purchase of Ford's plant in Gujarat. The Company is keeping a close watch on the developments and is also evaluating other business opportunities.

3. RISKS AND AREAS OF CONCERN:

The Company has been adversely impacted by disruptions in the global supply chain leading to congestion earlier on the Trans-Atlantic and Trans-Pacific routes and now at the Far East ports. As a result, the Company has been facing skip calls from the shipping lines that have booked berthing windows at the port. This is an area of concern, but it is beyond the control of the Company as well as the shipping lines. The Company hopes that this situation improves, and the shipping lines are able to get back to their scheduled calls with better reliability for their customers.

4. MATTERS RELATED TO DIRECTORS AND KEY MANAGERIAL PERSONNEL:

a. BOARD OF DIRECTORS & KEY MANAGERIAL PERSONNEL:

Ms. Hina Shah (DIN: 06664927) has her second consecutive tenure as an Independent Director upto 29 July 2023. Mr. Tejpreet Singh Chopra (DIN: 00317683) has his second consecutive tenure as an Independent Director upto 29 July 2025. Mr. Samir Chaturvedi (DIN: 08911552) has been appointed as an Independent Director upto 11 November 2025. Ms. Monica Widhani (DIN: 07674403) has been appointed as an Independent Director upto 11 August 2026. The Company has obtained Shareholder's approval by way of Remote E-voting for her appointment.

Mr. Pradeep Mallick (DIN: 00061256) had his second consecutive tenure as an Independent Directors upto 29 July 2021 and has vacated the office of Director.

In accordance with the provisions of the Act, none of the Independent Directors is liable to retire by rotation. The Managing Director of the Company is also not liable to retire by rotation.

Pursuant to the provisions of Section 152 of the Companies Act, 2013, Mr. Soren Brandt (DIN:00270435) and Mr. Maarten Degryse (DIN: 08925380) are liable to retire by rotation at the ensuing Annual General Meeting and being eligible, offer themselves for re-appointment. Your Directors recommend their re-appointment.

Pursuant to the provisions of Section 161 of the Companies Act, 2013, Mr. Jonathan Richard Goldner (DIN: 09311803) was appointed Additional Director of the Company on 11 November 2021. Mr. Goldner holds the office of Director upto the ensuing Annual General Meeting and being eligible, offers himself for Appointment as a Director of the Company liable to retire by rotation. Your Directors recommend the appointment of Mr. Jonathan Richard Goldner as Director.

b. DECLARATION BY INDEPENDENT DIRECTORS:

The Company has received declaration from all the Independent Directors under Section 149(6) of the Companies Act, 2013 confirming that they continue to fulfil the criteria of independence as required under Section 149 of the Companies Act, 2013 and Regulation 16 of the Listing Regulations. There has been no change in the circumstances affecting their status as Independent Directors of the Company.

The details regarding the appointment of Independent Directors and their tenure have been mentioned hereinabove.

The Company has been regularly conducting Familiarisation Programmes for its Independent Directors and has posted its details on the website

<https://www.apmterminals.com/en/pipavav/investors/independent-directors>

In the opinion of the Board, the Independent Directors possess requisite integrity, expertise, and experience for acting as an Independent Director of the Company.

The Independent Directors of the Company are exempt from undertaking the online proficiency test as required under Rule 6(4) of the Companies (Appointment and Qualification of Directors) Rules, 2014.

5. DISCLOSURES RELATED TO BOARD, COMMITTEES AND POLICIES:

a. BOARD MEETINGS:

The Board of Directors met four times during the year ended 31 March 2022 in accordance with the provisions of the Companies Act, 2013 and rules made thereunder. The particulars of the meetings held and attended by each Director during the financial year 2022 are given in the Corporate Governance Report which forms part of this Annual Report.

b. DIRECTOR'S RESPONSIBILITY STATEMENT:

In terms of Section 134(5) of the Companies Act, 2013, in relation to the audited financial statements of the Company for the year ended 31 March 2022, the Board of Directors hereby confirm that:

- a. in preparation of the annual accounts, the applicable accounting standards have been followed along with proper explanation relating to material departures;
- b. such accounting policies have been selected and applied consistently and the Directors made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as at 31 March 2022 and of the profit of the Company for that period;
- c. proper and sufficient care was taken for maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- d. the annual accounts of the Company have been prepared on a Going Concern basis;

- e. internal financial controls have been laid down by the Company and that such internal financial controls are adequate and operating effectively;
- f. proper systems have been devised to ensure compliance with the provisions of all applicable laws and that such systems are adequate and operating effectively.

c. NOMINATION AND REMUNERATION COMMITTEE:

The Nomination and Remuneration Committee, a Sub-committee of Directors has been constituted by the Board in accordance with the requirements of Section 178 of the Act. The composition of the Committee is as follows:

- 1. Mr. Samir Chaturvedi, Chairman, Independent Director
- 2. Mr. Tejpreet Singh Chopra, Independent Director; and
- 3. Mr. Jonathan Richard Goldner, Non- Independent Non-Executive Director

The Board has in accordance with the provisions of sub-section (3) of Section 178 of the Companies Act, 2013, formulated the policy setting out the criteria for determining qualifications, positive attributes, independence of a Director and policy relating to remuneration for Directors, Key Managerial Personnel and other members of Senior Management.

Major criteria defined in the policy framed for appointment of and payment of remuneration to the Directors of the Company, is as under:

- a) While appointing a Director, it shall always be ensured that the candidate possesses appropriate skills, experience and knowledge in one or more fields of finance, law, management, sales, marketing, administration, research, corporate governance, technical, operations or other disciplines related to the Company's business.
- b) In case of appointment as an Executive Director, the candidate must have the relevant technical or professional qualification and experience as considered necessary based on the job description of the position. In case no specific qualification or experience is prescribed or thought necessary for the position then, while recommending the appointment, the HR Department shall provide the job description to the Committee and justify that the qualification, experience and expertise of the recommended candidate is satisfactory for the relevant position. The Committee may also call for an expert opinion on the appropriateness of the qualification and experience of the candidate for the position of the Executive Director.
- c) In case of appointment as a Non-Executive Director, the candidate must have a post graduate degree, diploma or a professional qualification in the field of his practice/ profession/ service and shall have not less than five years of working experience in such field as a professional in practice, advisor, consultant or as an employee. Provided that the Board may waive the requirement of qualification and/ or experience under this paragraph for a deserving candidate.
- d) The Board, while making the appointment of a Director, shall also try to assess from the information available and from the interaction with the candidate that he is a fair achiever in his chosen field and that he is a person with integrity, diligence and an open mind.
- e) While determining the remuneration of Executive Directors, Key Managerial Personnel and members of Senior Management, the Board shall consider following factors:
 - i) Criteria/ norms for determining the remuneration of such employees prescribed in the HR Policy.
 - ii) Existing remuneration drawn.
 - iii) Industry standards, if the data in this regard is available.
 - iv) The job description.
 - v) Qualifications and experience levels of the candidate.

- vi) Remuneration drawn by the outgoing employee, in case the appointment is to fill a vacancy on the death, resignation, removal etc. of an existing employee.
- vii) The remuneration drawn by other employees in the grade with matching qualifications and seniority, if applicable.
- f) The remuneration payable to the Executive Directors, including the Performance Bonus and value of the perquisites, shall not exceed the permissible limits as mentioned within the provisions of the Companies Act, 2013. They shall not be eligible for any sitting fees for attending any meetings.
- g) The Non-Executive Directors shall not be eligible to receive any remuneration from the Company. However, Non-Executive Independent Directors shall be paid sitting fees for attending the meeting of the Board or committees thereof and commission, as may be decided by the Board/ Shareholders from time to time. They shall also be eligible for reimbursement of out of pocket expenses for attending Board/ Committee Meetings. The Non-Executive Non-Independent Director representing Gujarat Maritime Board and two of the five Non-Executive Non-Independent Director representing APM Terminals shall be eligible for sitting fee for attending the Board and Committee Meetings as applicable and for reimbursement of out of pocket expenses for attending the Meetings.

d. AUDIT COMMITTEE:

The Audit Committee, a Sub-committee of Directors was constituted by the Board pursuant to the provisions of Section 177 of the Companies Act, 2013. The composition of the Audit Committee is in conformity with the provisions of the said section. The Audit Committee comprises:

1. Mr. Samir Chaturvedi, Chairman, Independent Director
2. Mrs. Hina Shah, Independent Director
3. Ms. Monica Widhani, Independent Director
4. Mr. Maarten Degryse, Non- Independent Non-Executive Director

The scope and terms of reference of the Audit Committee is in accordance with the Companies Act, 2013 and it reviews the information as required under SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

During the year under review, there were no instances of recommendation by the Audit Committee not being accepted by the Board of Directors of the Company.

The Company Secretary acts as Secretary of the Committee.

e. STAKEHOLDERS RELATIONSHIP COMMITTEE:

During the year under review, pursuant to Section 178 of the Companies Act, 2013, the Stakeholder's Relationship Committee comprised the following Directors:

1. Mr. Tejpreet Singh Chopra, Chairman, Independent Director
2. Mrs. Hina Shah, Independent Director
3. Mr. Jakob Friis Sorensen, Managing Director

The Company Secretary acts as Secretary of the Stakeholder's Relationship Committee.

f. VIGIL MECHANISM POLICY FOR THE DIRECTORS AND EMPLOYEES:

The Board of Directors of the Company has, as per the requirements under Section 178(9) of the Companies Act, 2013 read with Rule 7 of the Companies (Meetings of Board and its Powers) Rules, 2014, framed the Whistle Blower Policy of the Company and the link of the policy on the website is <https://www.apmterminals.com/en/pipavav/investors/governance>

The Policy provides a formal mechanism for all employees of the Company to make disclosure about suspected fraud. It

provides a designated phone number to directly report an instance. The Policy encourages its employees to immediately raise his/her concern to the respective Manager or to Head of HR whenever they notice any contravention with the Company's Code of Conduct, the Code for Prevention of Insider Trading or fraud or any unethical behaviour. In case the concerned person is not comfortable in reporting the matter to his/her Manager or to the Manager's Manager or to the Head of HR, he/she can also report to the Chief Compliance Officer of the parent Company. The policy also provides direct access to the Chairman of Audit Committee through his personal email id. During the year under review, no complaints have been reported for any fraud.

As part of APM Terminals the Company shares the distinctive set of the Group's Core Values that drive the way we do business. The Company is committed to adhere to the highest standards of ethical, moral and legal conduct of business operations, the Group's commitment to the UN Global Compact and our commitment to our people, customers and communities.

g. RISK MANAGEMENT POLICY:

The Board of Directors of the Company has designed Risk Management Policy and Guidelines to avoid events, situations or circumstances which may lead to negative consequences on the Company's businesses. It defines a structured approach to manage uncertainty and to make use of these in decision making pertaining to the business and corporate functions. Key business risks and their mitigation is considered in the annual/strategic business plans and in periodic management reviews. The Company has Risk Management Committee, a sub-committee of Directors comprising:

1. Mr. Julian Bevis, Chairman, Non- Independent Non-Executive Director
2. Mr. Soren Brandt, Non- Independent Non-Executive Director
3. Mr. Samir Chaturvedi, Independent Director
4. Mr. Jakob Friis Sorensen, Managing Director

h. CORPORATE SOCIAL RESPONSIBILITY POLICY:

As per the provisions of Section 135 of the Act read with Companies (Corporate Social Responsibility Policy) Rules, 2014, the Board of Directors has constituted a Corporate Social Responsibility (CSR) Committee, a sub-committee of Directors comprising:

1. Mrs. Hina Shah, Chairperson, Independent Director
2. Mr. Soren Brandt, Non- Independent Non-Executive Director
3. Mr. Jakob Friis Sorensen, Managing Director

The Board of Directors of the Company has approved CSR Policy based on the recommendation of the CSR Committee. The Company has initiated activities in accordance with the said Policy and the details are presented in Annexure A.

The CSR Policy of the Company is available on the web-site <https://www.apmterminals.com/en/pipavav/investors/governance>

During the year ended 31 March 2022 the Company was required to spend Rs. 68.76 Million towards the CSR activities and the Company has spent the entire budget amount. The Company's focus area of CSR activities are Education, Health, Safety & Environment, Women Empowerment, Skill Development and Rural Development Projects.

i. ANNUAL EVALUATION OF DIRECTORS, COMMITTEE AND BOARD:

The Independent Directors held their meeting to evaluate the performance of each Non- Independent Director and also of the entire Board as a whole. Each Board member's attendance, participation and contribution of his expertise was evaluated. All Independent Directors were present for the Meeting. The Board also carried out the evaluation of each individual Director and various Board Committees did their respective Committee evaluation.

The Board also evaluated the quality, content and timeliness of the information flow between the Board and the Management including the board papers and other documents.

j. INTERNAL CONTROL SYSTEMS:

The Company has adequate internal control systems commensurate to the size of its business, the nature of business and its complexities and these controls are operating satisfactorily. The adequacy and functioning of these internal controls is reviewed by the Internal Auditors from time to time and wherever necessary the corrective measures are taken. The Internal Auditors report directly to the Audit Committee of the Company.

Internal control systems consisting of policies and procedures are designed to ensure reliability of financial reporting, timely feedback of achievement of operational and strategic goals, compliance with policies, procedure, applicable laws and regulations and that all assets and resources are acquired economically, used efficiently and protected adequately.

k. DISCLOSURE UNDER SECTION 197(12) OF THE COMPANIES ACT, 2013 AND OTHER DISCLOSURES AS PER RULE 5 OF COMPANIES (APPOINTMENT & REMUNERATION) RULES, 2014:

In terms of the requirement under Section 197(12) of the Act, the Median Employee's Remuneration of the Company is Rs. 0.57 Million. The Managing Director's remuneration was Rs. 66.79 Million. The ratio of Managing Director's remuneration to Median Remuneration of employees is 117.20

The percentage increase in remuneration of the Key Managerial Personnel (KMPs) i.e. Managing Director, Chief Financial Officer and Company Secretary is 16%, 7% and 8% respectively. The average increase for KMPs works out to approximately 10%.

The percentage increase in the median remuneration of employees in the financial year is 10%.

The Company has a total of 482 permanent employees on its rolls.

The Company follows the global practice of its parent regarding the Performance Appraisal System:

- a. Alignment to Business Goals by ensuring that there is a clear line from Business Objectives through Team Objectives and Individual Objectives.
- b. Engage & motivate our people through clear expectations, alignment and holding each other accountable for the deliverables that matter most.
- c. Ensure clarity and transparency of how contributions support us in delivering on the Objectives of our business.

The remuneration of KMPs has also been determined based on their performance against the respective objectives vis-à-vis the Company's objectives.

The Company's Market Capitalization has reduced by ~21% based on the closing price as of 31 March 2022 compared to 31 March 2021. The Net Worth is Rs. 20,324.20 Million compared to Rs. 20,321.99 Million as of the previous year.

The Annual Report as per Section 136 of the Companies Act, 2013 is being sent to the Members excluding the information on employees' particulars under Rule 5 of the Companies (Appointment & Remuneration) Rules, 2014. Any Member who is interested in a copy of the employees' particulars may write to the Company Secretary. The details will also be available for inspection by the Members at the Registered Office of the Company during the business hours on working days upto the date of the Company's forthcoming Annual General Meeting.

The Company has paid Commission of Rs. 3.89 Million to its Independent Directors pursuant to the shareholder's approval obtained in the Annual General Meeting held on 11 August 2016.

l. PAYMENT OF REMUNERATION / COMMISSION TO DIRECTORS FROM HOLDING OR SUBSIDIARY COMPANIES:

The Directors are not paid remuneration/commission from any other Company.

m. DIVIDED DISTRIBUTION POLICY:

Dividend is the Company's primary distribution of profits to its Shareholders. The Company's objective is to sustain a steady and consistent distribution of profits, by way of Dividend, to its Shareholders while considering the following:

(a) The circumstances under which the shareholders can or cannot expect dividend

The Company shall endeavour to pay Dividend to its shareholders in a steady and consistent manner except the following circumstances:

- (i) During no growth or weak growth in the trade requiring the Company to retain its earnings to be able to absorb unfavourable market conditions and for meeting the business requirements;
- (ii) To meet its funding requirements for expansion and growth;
- (iii) The Company's Joint Venture with Indian Railways, Pipavav Railway Corporation Limited requires equity infusion from its shareholders.

During such times the Company may decide to retain the earnings instead of distributing to the shareholders. The distribution of Dividend can be by way of Interim Dividend and/or by way of Final Dividend.

(b) The financial parameters that will be considered while declaring dividend

The Company shall consider the following parameters while declaring dividend:

- a. Current year's profit:
 - i. after setting off carried over previous losses, if any;
 - ii. after providing for depreciation in accordance with the provisions of Schedule II of the Act;
 - iii. after transferring to reserves such amount as may be prescribed or as may be otherwise considered appropriate by the Board at its discretion.
- b. The profits for any previous financial year(s):
 - i. after providing for depreciation in accordance with law;
 - ii. remaining undistributed; or
- c. out of (i) or (ii) or both.

In computing the above, the Board may at its discretion, subject to provisions of the law, exclude any or all of (i) extraordinary and exceptional income, generated from activities other than regular business (ii) extraordinary charges (iii) exceptional charges (iv) one off charges on account of change in law or rules or accounting policies or accounting standards (v) provisions or write offs on account of impairment in investments (long term or short term) (vi) noncash charges pertaining to amortization or ESOP or resulting from change in accounting policies or accounting standards.

(c) Internal and External factors that would be considered for declaration of dividend

The Company's Board shall always consider various Internal and External factors while considering the quantum for declaration of dividend such as the overall Economic scenario of the country, the Export Import trade of the country, the statutory and regulatory provisions, the Company's own performance, its profitability, its growth plans, the performance and funding requirements of its joint venture Rail Company and such other factors as may be deemed fit by the Board.

(d) Policy as to how the retained earnings will be utilised

The retained earnings would mainly be utilised for the purpose of the Company's growth plans, the funding requirements of its joint venture Rail Company and for all such activities that in the Board's opinion shall enhance

the shareholder's value.

(e) Provisions with regard to various classes of shares

The Company currently has only one class of shares namely Equity shares. In case the Company issues any other class of shares, this Policy shall be modified suitably for stipulating the parameters for distribution of dividend to all classes of shares.

The link for the Dividend Policy on the Company website is <https://www.apmterminals.com/en/pipavav/investors/governance>

6. AUDITORS AND REPORTS

The matters related to Auditors and their Reports are as under:

a. OBSERVATIONS OF STATUTORY AUDITORS ON ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2022:

There are no Audit Observations on the Standalone and Consolidated Financial Statements of the Company for the year ended 31 March 2022.

b. SECRETARIAL AUDIT REPORT FOR THE YEAR ENDED 31 MARCH 2022:

Provisions of Section 204 read with Section 134(3) of the Companies Act, 2013, mandates to obtain Secretarial Audit Report from a Practicing Company Secretary. Accordingly, M/s Rathi and Associates, Company Secretaries have issued the Secretarial Audit Report for the year ended 31 March 2022.

c. STATUTORY AUDITORS:

Pursuant to the provisions of Section 139 of the Companies Act, 2013 and the Companies (Audit and Auditors) Rules, 2014, M/s Price Waterhouse Chartered Accountants LLP (Firm Regn. No. 012754N/N-500016) are Re-appointed as Statutory Auditors of the Company for a period of five years in the Annual General Meeting held on 6 August 2020.

d. COST AUDITORS:

The Company is engaged in providing Port Services and as per Notification dated 31 December 2014 issued by the Ministry of Corporate Affairs pursuant to Section 148 of the Companies Act, 2013 the Company is not required to appoint Cost Auditors.

e. DISCLOSURES UNDER THE SEXUAL HARASSMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION AND REDRESSAL) ACT, 2013:

The Company has adopted a policy on prevention, prohibition and redressal of sexual harassment at workplace and has also established an Internal Complaints Committee, as stipulated by The Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 and Rules thereunder. During the year under review, no complaints in relation to such harassment at workplace have been reported.

f. FRAUD REPORTING:

During the year under review, there were no instances of material or serious fraud falling under Rule 13(1) of the Companies (Audit and Auditors) Rules, 2014, by officers or employees reported by the Statutory Auditors of the Company during the course of the audit.

7. OTHER DISCLOSURES:

Other disclosures as per provisions of Section 134 of the Act read with Companies (Accounts) Rules, 2014 are furnished as under:

a. CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGO:

The Company is engaged in the business of developing and operating a Port, Cargo handling incidental to Water Transport.

Considering the nature of business activity, the particulars regarding conservation of energy and technology absorption as required under the provisions of Section 134(3) (m) of the Companies Act, 2013 read with Rule 8 of the Companies (Accounts) Rules, 2014 are not applicable and have not been included.

As part of its Green Initiative the Company has installed solar panels over its new warehouse of 10,000 sq. mtrs. The Company is currently in the process of coordinating with the State's utility company for commissioning of the facility. Once commissioned it will contribute 1 MW of Green Power to the Company's requirements.

The foreign exchange earning was Rs. 2,031.36 Million and outgo was Rs. 180.78 Million during the period under review.

b. CHANGE IN SHARE CAPITAL:

The Company has not made any issue of shares during the year and its Share Capital for the year ended 31 March 2022 remains unchanged.

c. ABSTRACT OF ANNUAL RETURN ON THE WEBSITE:

Pursuant to the provisions of Section 134(3)(a) of the Companies Act, 2013, Extract of the Annual Return for the year ended 31s March 2022 made under the provisions of Section 92(3) of the Act is attached as Annexure C to this Report. The same is available on <https://www.apmterminals.com/en/pipavav/investors/financial-results>

d. SERVICE OF DOCUMENTS THROUGH ELECTRONIC MEANS

Subject to the applicable provisions of the Companies Act, 2013, all documents, including the Notice and Annual Report shall be sent through electronic transmission in respect of members whose email IDs are registered in their demat account or have been provided by the members. The physical copy of annual report will be dispatched all shareholders without a registered email.

e. COMPLIANCE WITH SECRETARIAL STANDARDS

The Company is in compliance with the mandatory Secretarial Standards.

f. UNCLAIMED AND UNPAID DIVIDENDS, AND TRANSFER OF SHARES TO INVESTOR EDUCATION AND PROTECTION FUND (IEPF)

The Members who have not yet received/claimed their dividend entitlements are requested to contact the Company's Registrar and Transfer Agents.

Pursuant to Section 124 of the Companies Act, 2013 read with the Investor Education Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016 ("Rules"), all dividends remaining unpaid or unclaimed for a period of seven years and also the shares in respect of which the dividend has not been claimed by the shareholders for seven consecutive years or more are required to be transferred to Investor Education Protection Fund in accordance with the procedure prescribed in the Rules. For the financial 2021-22 no dividend amount is due for transfer to IEPF.

g. CORPORATE GOVERNANCE

The report on Corporate Governance along with the report by the Statutory Auditors regarding compliance with the conditions of Corporate Governance has been furnished and forms a part of the Annual Report.

h. MANAGEMENT DISCUSSION AND ANALYSIS REPORT

The Management Discussion and Analysis report has been separately furnished and forms a part of the Annual Report.

i. BUSINESS RESPONSIBILITY AND SUSTAINABILITY REPORTING

In compliance with the Regulation 34(2)(f) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Business Responsibility and Sustainability Report for the financial year ended 31st March, 2022 forms a part of the Annual Report.

- j. The provisions of Insolvency and Bankruptcy Code, 2016 are not applicable. The provisions of one time settlement are not applicable.

8. ACKNOWLEDGEMENT AND APPRECIATION:

Your Directors thank Customers, Shareholders, Suppliers, Bankers, Business Partners/Associates and the Central and State Government and Gujarat Maritime Board for their continued support and encouragement to the Company. Apart from Covid, during the year in May 2021 the Company's port facility was impacted by Cyclone Tauktae. But the extraordinary efforts by the Company employees prior to cyclone in securing the assets from damages ensured that the port facility did not suffer major damages. The humongous restoration work carried out after the cyclone ensured that the Port could commence partial operations within two weeks' time. Your Directors wish to place on record their sincere appreciation of the commitment and enthusiasm of all employees.

For and on behalf of the Board

TEJPREET SINGH CHOPRA
CHAIRMAN
DIN: 00317683

Date: 18 May 2022
Place: Skodsborg, Denmark

Registered Office

Pipavav Port,
At Post Rampara-2 via Rajula,
District Amreli 365560
CIN L63010GJ1992PLC018106
Tel No. 02794 242400 Fax No. 02794 242413
Email investorrelationinppv@apmterminals.com
Website www.pipavav.com

DISCLOSURE FOR RATIO OF REMUNERATION OF EACH DIRECTOR TO THE MEDIAN EMPLOYEE'S REMUNERATION AND OTHER DETAILS AS PER RULE 5 OF THE COMPANIES (APPOINTMENT & REMUNERATION) RULES, 2014

Median Remuneration: Rs. 0.57 Million

Managing Director's Remuneration: Rs. 66.79 Million

The remuneration is paid to the Managing Director only and accordingly the ratio of Managing Director's Remuneration to Median Remuneration of Employees is: 117.20

The percentage increase in remuneration of each Director, Chief Financial Officer, Chief Executive Officer, Company Secretary or Manager, if any, in the financial year:

Name of Director/ KMP	Percentage increase in remuneration
Mr. Jakob Friis Sorensen, Managing Director	16%
Mr. Santosh Breed, CFO	7%
Mr. Manish Agnihotri, Company Secretary and Compliance Officer	8%

The percentage increase in the median remuneration of employees in the financial year: 10%

The number of permanent employees on the rolls of the Company: 482

The Company follows the global practice of its parent regarding the Performance Appraisal System:

- Alignment to Business Goals by ensuring that there is a clear line from Business Objectives through Team Objectives and Individual Objectives.
- Engage & motivate our people through clear expectations, alignment and holding each other accountable for the deliverables that matter most.
- Ensure clarity and transparency of how contributions support us in delivering on the Objectives of our business.

Average percentile increase already made in the salaries of employees other than the managerial personnel in the last financial year and its comparison with the percentile increase in the managerial remuneration and justification thereof and point out if there are any exceptional circumstances for increase in the managerial remuneration: 10% Average percentile increase for employees other than Managerial Personnel and increase for the Managerial Personnel is 8%.

Statement pursuant to Rule 5(2) and 5(3) of Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 (for the year ended March 31, 2021)

The Annual Report is being circulated without the Statement. In case any Member requires a copy of the Statement then they can write to the Company for sending the statement.

Affirmation that the remuneration is as per the remuneration policy of the Company

The remuneration paid by the Company is based on its Remuneration Policy which is aligned with the parameters laid out globally by the parent company APM Terminals.

ANNEXURE A

Annual Report on CSR Activities

1. Brief Outline on CSR Policy of the Company

The CSR Policy of the Company has the following Core Focus Areas:

- Education
- Health & Environment Sustainability
- Socio Economic Development and Social Business Projects
- Women Empowerment

The policy is available on the Company's website and can be accessed through the link:

<https://www.apmterminals.com/en/pipavav/investors/governance>

2. Composition of CSR Committee

Sl. No.	Name of Director	Designation /Nature of Directorship	Number of meetings of CSR Committee held during the year	Number of meetings of CSR Committee attended during the year
1	Mrs. Hina Shah	Chairperson- Independent Director	3	3
2	Mr. Soren Brandt*	Non Executive Non Independent Director	3	3
3	Mr. Jakob Friis Sorensen	Managing Director	3	3

3. Provide the web-link where Composition of CSR committee, CSR Policy and CSR projects approved by the board are disclosed on the website of the company

The Composition of CSR Committee and of CSR Policy is available on the Company's website and can be accessed through the link: <https://www.apmterminals.com/en/pipavav/investors/governance>

The details of CSR Projects approved by the Board and being carried out are available on the Company's website and can be accessed through the link: <https://www.apmterminals.com/en/pipavav/CSR/csr>

4. Provide the details of Impact assessment of CSR projects carried out in pursuance of sub-rule (3) of rule 8 of the Companies (Corporate Social responsibility Policy) Rules, 2014, if applicable (attach the report).

Not applicable. The Company did not have CSR obligation of Rs 10 Crore or more in pursuance of Section 135(5) of the Companies Act, 2013 in the three immediately preceding financial years.

5. Details of the amount available for set-off in pursuance of sub-rule (3) of rule 7 of the Companies (Corporate Social responsibility Policy) Rules, 2014, and the amount required to be set off for the financial year, if any

Not applicable. The Company has not spent in excess of its CSR obligation.

6. Average Net Profit of the Company as per Section 135(5):

Rs. 3,437.9 Million

7(a) Two percent of Average Net Profit of the Company as per Section 135(5):

Rs. 68.76 Million

(b) Surplus arising out of the CSR projects or programmes or activities of the previous financial years:

None

(c) Amount required to be set off for the financial year, if any:

None

(d) Total CSR obligation for the financial year (7a+7b-7c)

Rs. 68.76 Million

8(a) CSR amount spent or unspent for the financial year:

Total Amount Spent for the Financial Year (in Rs.)	Amount Unspent (in Rs.)				
	Total Amount transferred to Unspent CSR Account as per section 135(6)		Amount transferred to any fund specified under Schedule VII as per second proviso to section 135(5)		
	Amount	Date of transfer	Name of the Fund	Amount.	Date of transfer
Rs. 68.76 Million	Nil	NA	NA	Nil	NA

(b) Details of CSR amount spent against ongoing projects for the financial year:

Not applicable

(c) Details of CSR amount spent against other than ongoing projects for the financial year:

(1)	(2)	(3)	(4)	(5)		(6)	(7)	(8)	
Sl. No.	Name of the Project	Item from the list of activities in schedule VII to the Act	Local area (Yes/ No)	Location of the project		Amount spent for the project (in Rs. Million)	Mode of implementation - Direct (Yes/No)	Mode of implementation - Through implementing agency	
				State	District			Name	CSR registration number
1.	Mobile Science and Maths lab, supply of educational equipment, teaching learning support, extension activities, adult literacy, up gradation of school infrastructure online and distance education, digital education, activity-based teaching and learning, covid prevention and vaccination awareness etc.	Education	Yes	Gujarat	Amreli	8.49	No	Swadeep	CSR00000116
2.	Medical support to the surrounding villages through advance life support ambulance, mobile health unit, port medical centre, construction of check dams and protection wall, pond deepening community tree plantation, kitchen garden, safety & environment, and mental health awareness activities	Health, Safety & Environment	Yes	Gujarat	Amreli	20.27	Yes & with NGO	VRTI	VRTI: CSR00001027 EMRI: CSR00001420.

(1)	(2)	(3)	(4)	(5)		(6)	(7)	(8)	
Sl. No.	Name of the Project	Item from the list of activities in schedule VII to the Act	Local area (Yes/ No)	Location of the project		Amount spent for the project (in Rs. Million)	Mode of implementation - Direct (Yes/No)	Mode of implementation - Through implementing agency	
				State	District			Name	CSR registration number
3.	Improving health & nutritional status of children, adolescents & mothers; Skill & entrepreneurship development followed by placement and formation of Women Self Help Groups and village level electrical repair camps.	Women Empowerment & Skill Development	Yes	Gujarat	Amreli	7.00	No	Swadeep, VRTI, BAIF and Ambuja Cement Foundation	Swadeep & VRTI: mentioned above BAIF: CSR00000259 Ambuja Cement Foundation: CSR00006913
4.	Integrated livestock development, mobile vet clinic, maintenance of RO enabled water ATMs, fisheries as a livelihood, sustainable agriculture development programme, women self-help groups and farmers producer company etc.	Socio Economic Development	Yes	Gujarat	Amreli	22.18	No	BAIF, VRTI, SWADEEP, CSPC	BAIF, VRTI & Swadeep: mentioned above CSPC: CSR00002590
5.	Supporting district administration in Covid mitigation with need based medical supplies and equipment, awareness for Covid prevention, mask making and distribution, cyclone relief work and mental health awareness.	Disaster & Relief Management	Yes	Gujarat	Amreli	7.46	Yes	NA	

(d) Amount spent in Administrative Overheads: Rs. 3.36 Million

(e) Amount spent on Impact Assessment, if applicable: Not applicable

(f) Total amount spent for the financial year (8b+8c+8d+8e): Rs. 68.76 Million

(g) Excess amount for set-off, if any: Nil

9(a) Details of Unspent CSR amount for the preceding three financial years: Nil

(b) Details of CSR amount spent in the financial year for ongoing projects of the preceding financial year(s): Nil

10. In case of creation or acquisition of capital asset, furnish the details relating to the asset so created or acquired through CSR spent in the financial year

One mobile Science and Maths Lab for children, One Advance life support Ambulance and One Mobile Health Unit have been acquired and are being operated by providing the services to the villages in the vicinity.

11. Specify the reason(s), if the company has failed to spend two percent of the average net profit as per Section 135(5)

Not applicable. The Company has spent the entire amount.

Jakob Friis Sorensen
Managing Director

Hina Shah
Chairperson, Corporate Social Responsibility Committee

ANNEXURE B
FORM AOC-1
Part B Associates and Joint Ventures
Statement pursuant to Section 129(3) of the Companies Act, 2013 related to Associate Companies and Joint Ventures

Name of Associates or Joint Ventures	Pipavav Railway Corporation Limited
1. Latest audited Balance Sheet Date	31 st March 2022
2. Date on Which the Associate or Joint Venture was associated or acquired	28 th March 2001
3. Shares of Associate or Joint Ventures held by the Company on the year end	
Number	76,000,010
Amount of Investment in Associates or Joint Venture	Rs. 830 Million
Extent of Holding (in percentage)	38.8%
4. Description of how there is significant influence	Based on the Company's shareholding and voting power
5. Reason why the associate/joint venture is not consolidated	The share of profit has been consolidated in the Consolidated Profit & Loss Account
6. Net worth attributable to shareholding as per latest audited Balance Sheet	Rs. 2,940.67 Million
7. Profit or Loss for the year	
i. Considered in Consolidation	Rs. 40.92 Million
ii. Not Considered in Consolidation	Nil
8. Contribution to the overall performance of the Company during the period under report	The contribution is by way of providing a Rail link to the Port which is used by the rail operators for evacuation of cargo to and from the Port located at Pipavav, Gujarat.

ANNEXURE C
FORM NO. MGT 9
EXTRACT OF ANNUAL RETURN
As on the financial year ended on 31st March 2022

[Pursuant to section 92(3) of the Companies Act, 2013 and rule 12(1) of the Companies (Management and Administration) Rules, 2014]

I. REGISTRATION AND OTHER DETAILS:

CIN	:	L63010GJ1992PLC018106
Registration Date	:	5 th August 1992
Name of the Company	:	Gujarat Pipavav Port Limited
Category / Sub-Category of the Company	:	Company having Share Capital
Address of the Registered office and contact details	:	Pipavav Port, At Post Rampara-2 via Rajula, District Amreli, Gujarat 365560 Tel: 02794 242400 Fax: 02794 242413 Email: investorrelationinppv@apmterminals.com
Whether listed company	:	Yes
Name, Address and Contact details of Registrar and Transfer Agent, if any:	:	KFin Technologies Limited Selenium Tower B, Plot 31-32, Financial District, Nanakramguda, Serilingampally Mandal, Hyderabad- 500032 Tel: 040 67162222 Email: murthy.psrch@kfintech.com

II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY:

All the business activities contributing 10 % or more of the total turnover of the company shall be stated:-

Name and Description of main products / services	NIC Code of the Product / service	% to total turnover of the company
Cargo handling incidental to Water Transport	52242	100%

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES:

Name and address of the Company	CIN / GLN	Holding / subsidiary / associate	% of shares held	Applicable section
APM Terminals Mauritius Limited C/o Maersk (Mauritius) Limited MFD Building, Freeport Zone 5, Mer Rouge, Port Louis, Mauritius	NA	Holding	44.01%	2(87)(i)
Pipavav Railway Corporation Limited B-1202 (B-Wing) 12th Floor Statesman House 148, Barakhamba Road Connaught Place New Delhi-110001	U45200DL2000PLC151199	Associate	38.8%	2(6)

IV. SHARE HOLDING PATTERN (Equity Share Capital Breakup as percentage of Total Equity):
(i) CATEGORY-WISE SHARE HOLDING:

Category of Shareholders	No. of Shares held at the beginning of the year				No. of Shares held at the end of the year				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
A. Promoters									
(1) Indian									
a) Individual/HUF									
b) Central Govt									
c) State Govt(s)									
d) Bodies Corporate									
e) Banks / FI									
f) Any other									
Sub-total(A)(1):									
(2) Foreign									
a) NRIs - Individuals									
b) Other – Individuals									
c) Bodies Corporate	212,738,931		212,738,931	44.01	212,738,931		212,738,931	44.01	--
d) Banks / FI									
e) Any other									
Sub-total (A)(2):	212,738,931		212,738,931	44.01	212,738,931		212,738,931	44.01	--
Total shareholding of Promoter (A) = (A)(1)+(A)(2)	212,738,931		212,738,931	44.01	212,738,931		212,738,931	44.01	--
B. Public Shareholding									
(1) Institutions									
a) Mutual Funds	111,033,115	0	111,033,115	22.97	95,626,145	0	95,626,145	19.78	-3.19
b) Banks / FI	3,532,937	0	3,532,937	0.73	2,664,035	0	2,664,035	0.55	-0.18
c) Central Govt									
d) State Govt(s)									
e) Venture Capital Funds									
f) Insurance Companies									
g) FIs	103,353,903	0	103,353,903	21.38	110,143,831	0	110,143,831	22.78	1.40
h) Foreign Venture Capital Funds									
i) Others (specify)	15,774,537	0	15,774,537	3.26	14,393,960	0	14,393,960	2.98	-0.28
Sub-total (B)(1):	233,694,492	0	233,694,492	48.34	222,827,971	0	222,827,971	46.09	-2.25
(2) Non-Institutions									
a) Bodies Corporate	3,968,584	28,000	3,996,584	0.83	2,704,872	28,000	2,732,872	0.57	-0.26
b) Individuals									
i) Individual shareholders holding nominal share capital upto Rs. 1 lakh	18,326,761	290,302	18,617,063	3.85	25,964,513	265,202	26,229,715	5.43	1.58
ii) Individual shareholders holding nominal share capital in excess of Rs 1 lakh	10,737,802	66,322	10,804,124	2.23	12,296,754	66,322	12,363,076	2.56	0.33

Category of Shareholders	No. of Shares held at the beginning of the year				No. of Shares held at the end of the year				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
c) Others(specify)									
Clearing Members	234,350	0	234,350	0.05	850,398	0	850,398	0.18	0.13
Foreign National	5,000	0	5,000	0.00	5000	0	5000	0	--
NBFC	30,000	0	30,000	0.01	30,000	0	30,000	0.01	--
Non Resident Indians	845,384	212,600	1,057,984	0.22	1,128,671	212,600	1,341,271	0.28	
Non Resident Non Repatriation	2,257,082	0	2,257,082	0.47	4,286,850	0	4,286,850	0.89	0.42
Trusts	4,300	0	4,300	0	33,826	0	33,826	0.01	0.01
d) Qualified Foreign Investor	0	0	0	0	0	0	0	0	0
Sub-total(B)(2):	36,409,263	597,224	37,006,487	7.65	473,00,884	572,124	47,873,008	9.90	2.25
Total Public Shareholding (B)=(B)(1)+ (B)(2)	270,103,755	597,224	270,700,979	55.99	270,128,855	572,124	270,700,979	55.99	--
Total A+B	482,842,686	597,224	483,439,910	100.00	482,867,786	572,124	483,439,910	100.00	--
C. Shares held by custodians against which Depository Receipts have been issued									
Promoter and Promoter Group	0	0	0	0	0	0	0	0	0
Public	0	0	0	0	0	0	0	0	0
Grand Total(A+B+C)	482,842,686	597,224	483,439,910	100.00	482,867,786	572,124	483,439,910	100.00	

(ii) SHAREHOLDING OF PROMOTERS:

Shareholder's Name	Shareholding at the beginning of the year			Shareholding at the end of the Year			% change in share holding during the year
	No. of Shares	% of total Shares of the Company	% of Shares Pledged/ encumbered to total shares	No. of Shares	% of total Shares of the Company	% of Shares Pledged / encumbered to total shares	
APM Terminals Mauritius Ltd	212,738,931	44.01	0	212,738,931	44.01	0	--
Total	212,738,931	44.01	0	212,738,931	44.01	0	--

(iii) CHANGE IN PROMOTERS' SHAREHOLDING (PLEASE SPECIFY, IF THERE IS NO CHANGE):

	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
	No. of shares	% of total shares of the Company	No. of shares	% of total shares of the Company
At the beginning of the year	212,738,931	44.01	212,738,931	44.01
Date wise Increase/ Decrease in Promoters Share holding during the year specifying the reasons for increase/decrease (e.g. allotment/ transfer/ bonus/ sweat equity etc)	Nil	Nil	Nil	Nil
At the End of the year	212,738,931	44.01	212,738,931	44.01

(iv) SHAREHOLDING PATTERN OF TOP TEN SHAREHOLDERS (OTHER THAN DIRECTORS, PROMOTERS AND HOLDERS OF GDRS AND ADRS):

Sr No	Type	Name of the Shareholder	No of Shares	% of total shares of the company	Date	Increase/ Decrease in share holding	Reason	No of Shares	% of total shares of the company
1	Opening Balance	ICICI Prudential Value Fund- Series 20	46,862,663	9.69	31/03/2021			46,862,663	9.69
	Sale				9/4/2021	-6000	Transfer	46,856,663	9.69
	Purchase				7/5/2021	23,915	Transfer	46,880,578	9.70
	Sale				21/5/2021	-554,104	Transfer	46,326,474	9.58
	Sale				28/05/2021	-323,103	Transfer	46,003,371	9.52
	Sale				04/06/2021	-197,841	Transfer	45,805,530	9.47
	Purchase				11/06/2021	67	Transfer	45,805,597	9.47
	Sale				11/06/2021	-559,510	Transfer	45,246,087	9.36
	Purchase				18/06/2021	45,587	Transfer	45,291,674	9.37
	Sale				18/06/2021	-1,346,538	Transfer	43,945,136	9.09
	Sale				30/06/2021	-587,015	Transfer	43,358,121	8.97
	Purchase				02/07/2021	67	Transfer	43,358,188	8.97
	Sale				02/07/2021	-66,328	Transfer	43,291,860	8.95
	Sale				16/07/2021	-189,365	Transfer	43,102,495	8.92
	Purchase				23/07/2021	1,110,437	Transfer	44,212,932	9.15
	Sale				23/07/2021	-1,110,437	Transfer	43,102,495	8.92
	Sale				30/07/2021	-391,710	Transfer	42,710,785	8.83
	Sale				06/08/2021	-1,017,688	Transfer	41,693,097	8.62
	Sale				20/08/2021	-16,745	Transfer	41,676,352	8.62
	Purchase				27/08/2021	2	Transfer	41,676,354	8.62
	Sale				03/09/2021	-1,526,529	Transfer	40,149,825	8.31
	Sale				10/09/2021	-412,031	Transfer	39,737,794	8.22
	Purchase				17/09/2021	11,645	Transfer	39,749,439	8.22
	Sale				17/09/2021	-88,974	Transfer	39,660,465	8.20
	Sale				24/09/2021	-89	Transfer	39,660,376	8.20
	Sale				30/09/2021	-120,308	Transfer	39,540,068	8.18
	Purchase				15/10/2021	117,769	Transfer	39,657,837	8.20
	Sale				15/10/2021	-589,440	Transfer	39,068,397	8.08
	Purchase				22/10/2021	390,391	Transfer	39,458,788	8.16
	Sale				22/10/2021	-888,592	Transfer	3,857,0196	7.98
	Purchase				29/10/2021	201,186	Transfer	38,771,382	8.02
	Sale				29/10/2021	-682,240	Transfer	38,089,142	7.88
	Purchase				05/11/2021	43,766	Transfer	38,132,908	7.89
	Purchase				12/11/2021	9,018	Transfer	38,141,926	7.89
	Purchase				19/11/2021	270,993	Transfer	38,412,919	7.95
	Purchase				26/11/2021	447	Transfer	38,413,366	7.95
	Purchase				03/12/2021	427,463	Transfer	38,840,829	8.03
	Sale				03/12/2021	-34,666	Transfer	38,806,163	8.03
	Purchase				10/12/2021	2,028,368	Transfer	40,834,531	8.45
	Purchase				17/12/2021	190	Transfer	40,834,721	8.45
	Sale				17/12/2021	-159,013	Transfer	40,675,708	8.41
	Purchase				24/12/2021	46,463	Transfer	40,722,171	8.42
	Purchase				31/12/2021	130	Transfer	40,722,301	8.42
	Purchase				07/01/2022	124	Transfer	40,722,425	8.42
	Sale				07/01/2022	-182,658	Transfer	40,539,767	8.39

Sr No	Type	Name of the Shareholder	No of Shares	% of total shares of the company	Date	Increase/ Decrease in share holding	Reason	No of Shares	% of total shares of the company
	Purchase				14/01/2022	223	Transfer	40,539,990	8.39
	Sale				14/01/2022	-191,463	Transfer	40,348,527	8.35
	Purchase				21/01/2022	126	Transfer	40,348,653	8.35
	Sale				21/01/2022	-4990	Transfer	40,343,663	8.35
	Purchase				28/01/2022	147	Transfer	40,343,810	8.35
	Sale				28/01/2022	-73,600	Transfer	40,270,210	8.33
	Purchase				04/02/2022	749	Transfer	40,270,959	8.33
	Sale				04/02/2022	-3,040,604	Transfer	37,230,355	7.70
	Purchase				11/02/2022	207	Transfer	37,230,562	7.70
	Purchase				18/02/2022	7,999	Transfer	37,238,561	7.70
	Purchase				25/02/2022	2,000,477	Transfer	39,239,038	8.12
	Purchase				04/03/2022	483	Transfer	39,239,521	8.12
	Sale				04/03/2022	-585	Transfer	39,238,936	8.12
	Purchase				11/03/2022	170,264	Transfer	39,409,200	8.15
	Sale				11/03/2022	-15	Transfer	39,409,185	8.15
	Purchase				18/03/2022	326,170	Transfer	39,735,355	8.22
	Purchase				25/03/2022	341	Transfer	39,735,696	8.22
	Purchase				31/03/2022	200,426	Transfer	39,936,122	8.26
	Closing Balance				31/03/2022			39,936,122	8.26
2.	Opening Balance	HDFC Trustee Company Limited A/c HDFC Capital Builder	36,917,539	7.64	31/03/2021			36,917,539	7.64
	Sale				18/06/2021	-90,000	Transfer	36,827,539	7.62
	Sale				25/06/2021	-436,000	Transfer	36,391,539	7.53
	Sale				02/07/2021	-258,800	Transfer	36,132,739	7.47
	Sale				09/07/2021	-141,000	Transfer	35,991,739	7.44
	Sale				16/07/2021	-1,121,000	Transfer	34,870,739	7.21
	Purchase				23/07/2021	1,125,000	Transfer	35,995,739	7.45
	Sale				30/09/2021	-100,000	Transfer	35,895,739	7.43
	Purchase				29/10/2021	20,000	Transfer	35,915,739	7.43
	Closing Balance				31/03/2022			35,915,739	7.43
3.	Opening Balance	Government Pension Fund Global	1,986,501	0.41	31/03/2021			1,986,501	0.41
	Purchase				10/12/2021	1,794,824	Transfer	3,781,325	0.78
	Purchase				17/12/2021	780,000	Transfer	4,561,325	0.94
	Purchase				24/12/2021	511,000	Transfer	5,072,325	1.05
	Purchase				31/12/2021	1,303,000	Transfer	6,375,325	1.32
	Purchase				07/01/2022	142,000	Transfer	6,517,325	1.35
	Purchase				14/01/2022	1,124,000	Transfer	7,641,325	1.58
	Purchase				28/01/2022	1,243,000	Transfer	8,884,325	1.84
	Purchase				04/02/2022	994,064	Transfer	9,878,389	2.04
	Purchase				11/02/2022	3,700,000	Transfer	13,578,389	2.81
	Purchase				18/02/2022	1,954,000	Transfer	15,532,389	3.21
	Purchase				25/02/2022	226,287	Transfer	15,758,676	3.26
	Purchase				04/03/2022	100,000	Transfer	15,858,676	3.28

Sr No	Type	Name of the Shareholder	Shareholding at the beginning of the Year		Change in Shareholding (No. of Shares)			Cumulative Shareholding during the Year	
			No of Shares	% of total shares of the company	Date	Increase/ Decrease in share holding	Reason	No of Shares	% of total shares of the company
	Purchase				11/03/2022	100,000	Transfer	15,958,676	3.30
	Purchase				31/03/2022	300,000	Transfer	16,258,676	3.36
	Closing Balance				31/03/2022			16,258,676	3.36
4.	Opening Balance	L&T Mutual Fund Trustee Limited- L&T Emerging Opp	10,840,181	2.24	31/03/2021			10,840,181	2.24
	Sale				14/05/2021	-129,200	Transfer	10,710,981	2.22
	Sale				04/06/2021	-1,097,983	Transfer	9,612,998	1.99
	Sale				31/12/2021	-29,078	Transfer	9,583,920	1.98
	Sale				07/01/2022	-142,322	Transfer	9,441,598	1.95
	Sale				14/01/2022	-214,200	Transfer	9,227,398	1.91
	Sale				31/03/2022	-47,803	Transfer	9,179,595	1.90
	Closing Balance				31/03/2022			9,179,595	1.90
5.	Opening Balance	Schroders Asia Pacific Fund PLC	7,309,118	1.51	31/03/2021			7,309,118	1.51
	Closing Balance				31/03/2022			7,309,118	1.51
6.	Opening Balance	HDFC Life Insurance Co Ltd	6,988,247	1.45	31/03/2021			6,988,247	1.45
	Sale				21/05/2021	-238,247	Transfer	6,750,000	1.40
	Sale				28/05/2021	-152,359	Transfer	6,597,641	1.36
	Sale				04/06/2021	-15,710	Transfer	6,581,931	1.36
	Sale				11/06/2021	-1,581,931	Transfer	5,000,000	1.03
	Sale				20/08/2021	-1,502,653	Transfer	3,497,347	0.72
	Sale				03/09/2021	-997,347	Transfer	2,500,000	0.52
	Closing Balance				31/03/2022			2,500,000	0.52
7.	Opening Balance	Vanguard International Explorer Fund	6,724,221	1.39	31/03/2021			6724221	1.39
	Purchase				24/09/2021	118,825	Transfer	6,843,046	1.42
	Purchase				30/09/2021	170,857	Transfer	7,013,903	1.45
	Sale				19/11/2021	-162,875	Transfer	6,851,028	1.42
	Sale				26/11/2021	-431,259	Transfer	6,419,769	1.33
	Sale				24/12/2021	-153,133	Transfer	6,266,636	1.30
	Sale				31/12/2021	-243,077	Transfer	6,023,559	1.25
	Sale				14/01/2022	-315,504	Transfer	5,708,055	1.18
	Sale				18/02/2022	-719,030	Transfer	4,989,025	1.03
	Closing Balance				31/03/2022			4,989,025	1.03
8.	Opening Balance	Tata Mutual Fund- Tata Hybrid Equity Fund	6,396,400	1.32	31/03/2021			6,396,400	1.32
	Purchase				09/04/2021	113,924	Transfer	6,510,324	1.35
	Purchase				30/04/2021	300,000	Transfer	6,810,324	1.41

Sr No	Type	Name of the Shareholder	Shareholding at the beginning of the Year		Change in Shareholding (No. of Shares)			Cumulative Shareholding during the Year	
			No of Shares	% of total shares of the company	Date	Increase/ Decrease in share holding	Reason	No of Shares	% of total shares of the company
	Purchase				11/06/2021	629,997	Transfer	7,440,321	1.54
	Sale				09/07/2021	-510,000	Transfer	6,930,321	1.43
	Sale				16/07/2021	-390,000	Transfer	6,540,321	1.35
	Purchase				06/08/2021	879,679	Transfer	7,420,000	1.53
	Purchase				27/08/2021	575,500	Transfer	7,995,500	1.65
	Purchase				24/09/2021	50,000	Transfer	8,045,500	1.66
	Purchase				01/10/2021	190,000	Transfer	8,235,500	1.70
	Purchase				28/01/2022	275,229	Transfer	8,510,729	1.76
	Purchase				04/03/2022	1,500,000	Transfer	10,010,729	2.07
	Closing Balance				31/03/2022			10,010,729	2.07
9.	Opening Balance	Schroders Asian Alpha Plus Fund	6,357,956	1.32	31/03/2021			6,357,956	1.32
	Closing Balance				31/03/2022			6,357,956	1.32
10.	Opening Balance	Bajaj Allianz Insurance Company Ltd	6,287,484	1.30	31/03/2021			6,287,484	1.30
	Sale				23/04/2021	-135,000	Transfer	6,152,484	1.27
	Sale				30/04/2021	-86,000	Transfer	6,066,484	1.25
	Sale				07/05/2021	-386,000	Transfer	5,680,484	1.18
	Purchase				27/08/2021	500,000	Transfer	6,180,484	1.28
	Purchase				29/10/2021	200,000	Transfer	6,380,484	1.32
	Purchase				04/02/2022	10,000	Transfer	6,390,484	1.32
	Closing Balance				31/03/2022			6,390,484	1.32

(v) SHAREHOLDING OF DIRECTORS AND KEY MANAGERIAL PERSONNEL:

Sr. No.	For each of the Directors and KMP	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the Company	No. of shares	% of total shares of the Company
1	Mr. Jakob Friis Sorensen, Managing Director				
	At the beginning of the year	--	--	--	--
	Date wise Increase / Decrease in Share holding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus / sweat equity etc)	--	--	--	--
2	Mr. Santosh Breed, Chief Financial Officer				
	At the beginning of the year	80	--	80	---
	Date wise Increase / Decrease in Share holding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus / sweat equity etc)	---	--	---	---
3	Mr. Manish Agnihotri, Company Secretary & Compliance Officer				
	At the beginning of the year	5	--	5	--
	Date wise Increase / Decrease in Share holding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus / sweat equity etc)	--	--	--	--
	At the End of the year	5	--	5	--

(vi) INDEBTEDNESS:

Indebtedness of the Company including interest outstanding/accrued but not due for payment.

	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year	NIL	NIL	NIL	NIL
i) Principal Amount				
ii) Interest due but not paid				
iii) Interest accrued but not due				
Total (i+ii+iii)				
Change in Indebtedness during the financial year				
• Addition				
• Reduction				
Net Change				
Indebtedness at the end of the financial year	NIL	NIL	NIL	NIL
i) Principal Amount				
ii) Interest due but not paid				
iii) Interest accrued but not due				
Total (i+ii+iii)				

(vii) REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL:
A. Remuneration to Managing Director, Whole-time Directors and/or Manager:
Amt in Rs Mn

Sr. No.	Particulars of Remuneration	Name of MD/ WTD/ Manager Mr. Jakob Friis Sorensen	Total Amount
1	Gross salary		
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	19.87	19.87
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	40.15	40.15
	(c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961	Nil	Nil
2	Stock Option	Nil	Nil
3	Sweat Equity	Nil	Nil
4	Commission	Nil	Nil
	- as % of profit		
	- others, specify		
5	Others, please specify -Performance Bonus	6.77	6.77
	Total (A)	66.79	66.79
	Ceiling as per the Act		96.79

B. Remuneration to Other Directors:
Amt in Rs Mn

Particulars of Remuneration	Name of Directors						Total Amount
1. Independent Directors							
	Mr. Tejpreet Singh Chopra	Ms. Hina Shah	Mr. Pradeep Mallick	Mr. Pravin Laheri, IAS (Retd.)	Mr. Samir Chaturvedi	Ms. Monica Widhani	
Fee for attending board / committee meetings	0.50	1.00	0.25	Nil	0.95	0.50	3.20
Commission	1.65	0.83	0.83	0.28	0.30	Nil	3.89
Others, please specify	Nil	Nil	Nil	Nil	Nil	Nil	Nil
Total (1)	2.15	1.83	1.08	0.28	1.25	0.50	7.09
2. Other Non-Executive Directors							
	Mr. Soren Brandt	Mr. Julian Bevis	GMB Nominee				
Fee for attending board / committee meetings	0.75	0.60	0.10				1.45
Commission	Nil	Nil	Nil				Nil
Others, please specify	Nil	Nil	Nil				Nil
Total (2)	0.75	0.60	0.10				1.45
Total (B)=(1+2)	2.90	2.43	1.18	0.28	1.25	0.50	8.54
Total Managerial Remuneration							8.54
Overall Ceiling as per the Act							19.36

C. Remuneration to Key Managerial Personnel Other than Managing Director/Manager/Whole time Director: Amt in Rs Mn

	Particulars	Key Managerial Personnel			Total
		CEO	Company Secretary	CFO	
1	Gross salary				
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	NA	7.09	9.79	16.88
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961		Nil	Nil	Nil
	(c) Profits in lieu of salary under section 17(3) Income tax Act, 1961		Nil	Nil	Nil
2	Stock Option		Nil	Nil	Nil
3	Sweat Equity		Nil	Nil	Nil
4	Commission		Nil	Nil	Nil
	- as % of profit				
	- others, specify				
5	Others, please Specify- Performance Bonus		1.21	2.32	3.53
	Total		8.30	12.11	20.41

PENALTIES / PUNISHMENT/ COMPOUNDING OF OFFENCES:

Type	Section of the Companies Act	Brief Description	Details of Penalty / Punishment/ Compounding fees imposed	Authority [RD /NCLT/ COURT]	Appeal made, if any (give Details)
A. COMPANY					
Penalty	Nil	Nil	Nil	Nil	Nil
Punishment	Nil	Nil	Nil	Nil	Nil
Compounding	Nil	Nil	Nil	Nil	Nil
B. DIRECTORS					
Penalty	Nil	Nil	Nil	Nil	Nil
Punishment	Nil	Nil	Nil	Nil	Nil
Compounding	Nil	Nil	Nil	Nil	Nil
C. OTHER OFFICERS IN DEFAULT					
Penalty	Nil	Nil	Nil	Nil	Nil
Punishment	Nil	Nil	Nil	Nil	Nil
Compounding	Nil	Nil	Nil	Nil	Nil

SECRETARIAL AUDIT REPORT

[Pursuant to section 204(1) of the Companies Act, 2013 and rule No. 9 of the Companies (Appointment and Remuneration Managerial Personnel) Rules, 2014]

FOR THE FINANCIAL YEAR ENDED 31ST MARCH, 2022

To,
The Members
Gujarat Pipavav Port Limited
Pipavav Port
At Post Rampara 2 via-Rajula, Amreli
Gujarat - 365 560

Dear Sirs,

We have conducted online verification and examination of records, as facilitated by the Company, due to Covid 19 and subsequent lockdown situation for the purpose of the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate governance practice by **Gujarat Pipavav Port Limited** (hereinafter called "**the Company**"). The Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing our opinion thereon.

Based on our verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, we hereby report that in our opinion, the Company has, during the audit period covering the Financial Year ended 31st March, 2022, complied with the statutory provisions listed hereunder and also that the Company has proper Board processes and compliance mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

We have examined the books, papers, minute books, forms and returns filed and other records maintained by Gujarat Pipavav Port Limited (hereinafter called "the Company"), for the Financial Year ended on 31st March, 2022, according to the provisions of:

- i. The Companies Act, 2013 (the Act) and the rules made there under;
- ii. The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;
- iii. The Depositories Act, 1996 and the Regulations and Bye-laws framed there under;
- iv. Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment and Overseas Direct Investment;
- v. The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act') to the extent applicable:
 - a) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
 - b) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011; and
 - c) The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015;
- vi. Provisions of the following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act') were not applicable to the Company under the Financial Year under report:
 - a) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009;
 - b) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009;
 - c) The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) guidelines, 1999;
 - d) The Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021;
 - e) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018;
 - f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993, regarding the Companies Act and dealing with client; and

We further report that, having regard to the compliance system prevailing in the Company and on examination of the relevant documents and records in pursuance thereof, on test-check basis, the Company has complied with other Acts, Laws and Regulations applicable specifically to the Company as per the list given in **Annexure — I**.

We have also examined compliance with the applicable clauses of the Secretarial Standards issued by the Institute of Company Secretaries of India under the provisions of Companies Act, 2013.

During the financial year under report, the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards etc. as mentioned above.

We further report that:

The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. The changes in the composition of the Board of Directors that took place during the year under review were carried in compliance with the provision of the Act.

Adequate notice is given to all Directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

None of the members have dissenting views while carrying out the majority decision during the period under review, hence are not required to be captured and recorded as part of the minutes.

Based on the records and process explained to us for compliances under the provisions of other specific acts applicable to the Company, we report that there are adequate systems and processes commensurate with the size and operations of the Company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

We report that during the year under review, Cyclone Tauktae had hit the coastline of Gujarat State on the night of 17th May, 2021. Though the Company's own infrastructure facility related to the port did not suffer major damage, however, operations at the Port were impacted due to the disruption of main grid power supply. All the employees of the Company were reported to be safe. Due to complete disruption in the power supply and communication link, the Port operations were suspended. The Company hired mobile power supply system and started partial operations by end of May 2021 and upon resumption of the grid power supply in July 2021, the port operations were normalized.

Except above, there was no action/event which had a major bearing on the Company's affairs in pursuance of the above referred laws, rules, regulations, guidelines, standards, etc.

**For RATHI & ASSOCIATES
COMPANY SECRETARIES**

**HIMANSHU S. KAMDAR
PARTNER**

MEM. NO. FCS: 5171

COP NO.: 3030

UDIN: F005171D000343740

**Place: Mumbai
Date: 18/05/2022**

Note: This report should be read with our letter of even date which is annexed as Annexure-II and forms an integral part of this report.

ANNEXURE - I

List of applicable laws to the Company and its plants situated at:

Registered office:

Pipavav Port at Post Rampara 2 via – Rajula
Dist. Amreli, Gujarat - 365 560

Corporate office:

501-502, Godrej Two, Pirojshanagar,
Vikhroli East, Mumbai 400079

Port:

Pipavav Port at Post Rampara2 via - Rajula
Dist. Amreli, Gujarat - 365 560

Under the Major Group and Head

1. Industries (Development & Regulation) Act, 1951;
2. Acts prescribed related to port management and such other ancillary activities;
3. Labour Laws and other incidental laws related to labour and employees appointed by the Company either on its payroll or on contractual basis as related to Wages, Gratuity, Provident Fund, ESIC, compensation etc.;
4. Acts prescribed under prevention and control of Pollution;
5. Acts prescribed under Environmental protection;
6. Acts as prescribed under Direct Tax and Indirect Tax;
7. Land Revenue laws of respective States;
8. Labour Welfare Act of respective States;
9. Local laws as applicable to various offices, port, terminals;
10. Goods and Services Tax Act, 2017.

ANNEXURE – II

To
The Board of Directors of
Gujarat Pipavav Port Limited
Pipavav Port
At Post Rampara 2 via-Rajula, Amreli
Gujarat - 365 560

Our report of even date is to be read along with this letter.

1. Maintenance of Secretarial record is the responsibility of the management of the Company. Our responsibility is to express an opinion on these secretarial records based on our audit.
2. We have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. We believe that the processes and practices that we followed provide a reasonable basis for our opinion.
3. We have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company.
4. Where ever required, we have obtained the Management representation about the compliance of laws, rules and regulations and happening of events etc.
5. The compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of management. Our examination was limited to the verification of procedures on test basis.
6. The Secretarial Audit report is neither an assurance as to the future viability of the company nor of the efficacy or effectiveness with which the management has conducted the affairs of the company.

**For RATHI & ASSOCIATES
COMPANY SECRETARIES**

**HIMANSHU S. KAMDAR
PARTNER
MEM NO. FCS: 5171
COP NO. : 3030**

**Place: Mumbai
Date: 18/05/2022**

MANAGEMENT DISCUSSION AND ANALYSIS

For the year ended 31 March 2022

Introduction

The Company is presenting financial statements as per the requirement under the Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and as amended from time to time.

The following discussion and analysis of the financial performance with respect to operational performance and activity of Gujarat Pipavav Port Limited is intended to provide an analysis of the business and the financial statements for the year under review, with selected comparative information for the year ended 31 March 2021. This section has been prepared by the Management of Gujarat Pipavav Port Limited (referred to as “APM Terminals Pipavav” or “the Port” or “the Company”) and should be read in conjunction with the financial statements and the notes thereon, which follow the section.

The Company holds 38.8% shares in Pipavav Railway Corporation Limited (PRCL) and in view of the provisions of Section 2(6) of the Companies Act, 2013, PRCL is an Associate Company. Pursuant to the provisions of Section 129 of the Act, PRCL’s accounts have been consolidated with the Company’s accounts.

The Company’s financial statements have been prepared on Going Concern basis and on Accrual basis of Accounting under the Historical Cost Convention and in accordance with Indian Accounting Standards.

Background

APM Terminals Pipavav, India’s first private sector port, operates an all-weather port located on the Southwest coast of Gujarat at a distance of 140 kms from Bhavnagar and around 152 nautical miles North-west of Mumbai. The port lies on a strategic international maritime trade route which connects India with the Far East on one side and Middle East, Africa, Europe and the US on the other. The Port’s Container handling capacity is 1.35 Million TEUs. The Bulk Cargo capacity is approximately 4 to 5 Million MT per annum depending on cargo mix and Liquid Cargo capacity is approximately 2 Million MT per annum. The Container as well as Dry Bulk berths are also used for handling the RORO vessels.

APM Terminals is the Lead Promoter and holds 44.01% of the total shareholding of the Company. APM Terminals operates one of the world’s most comprehensive port networks. It is uniquely positioned to help both shipping line and landside customers grow their business and achieve better supply chain efficiency, flexibility and dependability. APM Terminals has a team of 22,000 industry professionals focused on delivering the operational excellence and solutions, businesses require to reach their potential. It operates a network of 76 terminals globally.

Economy & Port Sector

Just as the global economy was slowly recovering from the Covid impact, a new challenge of the Russia- Ukraine conflict struck the world. The war against Ukraine and the economic sanctions against Russia are hitting the global economies causing the food and fuel crisis. The countries in the Middle East and Africa region were heavily dependent on wheat from Russia and Ukraine and countries like India importing majority of its fuel requirement have been adversely impacted by the increase in the fuel cost. While the Central banks across the globe maintained lower interest rates to assist economic growth, the conflict has caused inflationary pressure thus requiring the Central banks to initiate the reversal of lower interest rate regime. But the speed and the quantum of reversal will determine the scale of the overall global economic growth considering that this reversal also has a risk of the economies getting into recession. The spike in global oil prices triggered by the conflict also underscores the necessity for the nations to achieve the energy security through the renewable means.

During the previous year, the IMF had expected the global growth to stabilise at 4.2% in the year 2022. That projection for the year 2022 is now lowered to 3.6% and it expects the growth to decline to about 3.3% beyond the year 2023. But this growth forecast could get impacted by the unknown factors like worsening of the war, escalation of sanctions on Russia, sharp deceleration in the Chinese economy due to lockdowns, emergence of a new virus strain causing a flare up in the pandemic and prolonged inflationary pressures driven by the high fuel, food and commodity price.

As far as India is concerned, the forecast by various agencies about India’s GDP growth for the financial year 2023 is that it is likely to be around 8%. The high crude oil price is stoking the inflation in the country and may require the Reserve Bank to focus on controlling the inflation rather than reviving the economic growth post the pandemic. The vaccination programme rolled out by the country has been a success with a large part of the country’s adult population completing the two doses of vaccine. Further, the Government has now opened up precautionary dose for all above 18 years of age. All these measures are helping the citizens to get back to their normal routine and will steadily help the country recover from the impact of pandemic.

The disruption in the global supply chain due to the impact of Covid caused congestion at certain ports in the US and Europe. Though the congestion in the US and Europe ports has reduced to a certain extent, China's zero Covid Policy triggering lockdowns in the country's key manufacturing hubs has been impacting its port operations, causing delays in handling of the vessels. These disruptions have resulted into abnormal increase in the ocean freight rates and have caused shortage of containers. The situation of availability of containers has improved to a great extent but based on the feedback from the shipping lines, the disruption in the global supply chain and the delays in the sailing schedules of the vessels is likely to continue in short to medium term though the severity is likely to be much lower than what the trade witnessed during last year. The reason being the opening up of the economies and people getting back to their normal schedules has caused reduction in demand for goods in the US and Europe compared to last year when the demand was largely driven by the stimulus packages of the Governments in those countries.

The ports on the West Coast of India have seen year on year growth of about 14% at 13.91 Million TEUs as compared to 12.25 Million TEUs in the previous year. As far as the Company is concerned, it has been adversely impacted by the global supply chain disruptions through the skip calls by the shipping lines having berthing windows at Pipavav, in order to maintain their overall sailing schedules. This has caused reduction in the container volume at the port by 16% during the financial year ended 31st March 2022. The imports into the country have slowed down while the exports are picking up. The Company has taken measures like addition of three new services during the year. As part of promoting the Western Dedicated Freight Corridor (DFC), the Company along with its Associate Company, Pipavav Railway Corporation Limited (PRCL) is developing rail products for the shipping lines. The Company has been seeing a steady increase in container volume on a Quarter-on-Quarter basis in a consistent manner and hopes to improve upon its Container volume as the number of skip calls reduce in the coming months.

Since the time the Western Dedicated Freight Corridor has become operational between various ICDs in North India to the ports in Gujarat, the inland transit time for the containers has certainly reduced, as was expected. But the trade has not seen any material shift in cargo from Road to Rail as yet. The real benefit from DFC will happen to the trade only when the Railways announce the freight rates and pass on the benefit to the trade for running double stack electric trains. That would clearly quantify the financial benefit to the trade vis-à-vis moving the cargo by road, it will reduce the inland logistics cost and will commence the much awaited shift of cargo from Road to Rail. The Government's announcement of freight rates on DFC route will not only provide an economical and sustainable inland logistics solution to the country but it will consistently improve the utilisation levels of this massive rail infrastructure. On its part, the Company has been taking several measures to promote DFC rail operations with its customers.

With reference to the Company's Dry Bulk business, the additional warehouse of 10,000 sq. mtrs for storage of Fertiliser has been commissioned. This facility was essential because at times when the cargo remained stored for a longer period of time due to non-availability of Railway Wagons, the Company had to refuse the cargo because of lack of covered storage facility. This additional warehouse facility would not only increase the overall storage capacity at the port but it would also provide operational flexibility for segregation of different types of fertiliser cargo.

As far as the Liquid Cargo business is concerned, the value proposition of the LPG Rail siding inside the port is now being appreciated by the LPG customers due to lower cost of evacuation and for the reach to the extended hinterland. This has helped the Company to increase the cargo volume. In order to strengthen the value proposition on the waterfront, work is in progress for upgradation of the existing Liquid berth for handling partially loaded Very Large Gas Carrier (VLGC) vessels.

As far as RoRo business is concerned the Car exports is seeing some recovery albeit on a small base. As per the media reports, the Tatas are evaluating the purchase of Ford's plant in Gujarat. The Company is keeping a close watch on the developments and is also evaluating other business opportunities.

Operations Review

Container volume for the year under review was 627,747 TEUs compared to 748,722 TEUs. The overall Container volume has decreased by 16% primarily due to the skip calls by the shipping lines having berthing windows at Pipavav, in order to maintain their overall sailing schedules. The global supply chain disruptions earlier due to the congestions at US and European ports and now at the Chinese ports due to lockdowns continue to impact the sailing schedules of the shipping lines. The addition of three new services during the year is showing steady improvement in container volume quarter on quarter. The imports into the country have slowed down but the exports out of India are improving.

The Dry Bulk cargo volume at West Coast Ports including Pipavav mainly comprise Coal and Fertilizer Imports. The Port handled 4.19 Million MT of Dry Bulk Cargo during the year under review compared to 3.13 Million MT handled during the previous year. The increase of over 33% was mainly due to the handling of cargo of the neighboring Ultra Tech Cements Limited (UTCL). UTCL's captive jetty was severely damaged due to the cyclone. Their captive jetty is now operational but the Company continues to handle some of UTCL's cargo volume.

On Liquid cargo front, the Port handled about 0.81Mn MT during the year under review compared to 0.69 Mn MT in the previous year. The increase of over 17% has been driven by increase in LPG imports. The value proposition of rail evacuation from inside the port is being appreciated by the LPG importers. In order to further strengthen the value proposition, the Company is upgrading its Liquid berth to handle Very Large Gas Carriers (VLGCs).

The Car Export from West Coast Ports continues to be a challenge. The Port handled 23,874 cars during the year under review against 11,017 cars handled in the previous year. The Company expects the Car Exports to improve in the Year 2022. The substantial increase on a smaller base is driven solely by car exports by Honda, after Ford discontinued its operations in Gujarat.

Impact of Cyclone Tauktae on the Company's Operations

As has been widely reported, the Saurashtra region of Gujarat was hit by Cyclone Tauktae on 17th May 2021. All the Company employees were safe and thanks to their efforts in taking extensive precautionary measures, the port infrastructure facility did not suffer any major damage. The main grid power supply and the communication links were completely disrupted due to the cyclone. The Company hired mobile power generating units that helped in commencing the partial operations at the port from 31st May 2021. The main grid power supply commenced from 10th July 2021 and that helped the company to completely normalize the port operations. The Company has been progressively lodging insurance claims with the insurance company towards the repair and restoration cost. As on date the Company has received insurance claim amount of about Rs. 300 Million.

Financial Review

Dividend declared/ recommended and the Dividend Policy

During the year under review, the Board of Directors had declared an Interim Dividend of Rs. 1.60 per share in their Meeting held on 11th November 2021 and it has been paid. The Board now recommends a Final Dividend of Rs. 2.40 per share subject to the approval by the Members in the Company's Annual General Meeting proposed for Wednesday 3rd August 2022.

The Company's Dividend Policy states as follows:

Dividend is the Company's primary distribution of profits to its Shareholders. The Company's objective is to sustain a steady and consistent distribution of profits, by way of Dividend, to its Shareholders while considering the following:

(a) The circumstances under which the shareholders can or cannot expect dividend

The Company shall endeavour to pay Dividend to its shareholders in a steady and consistent manner except the following circumstances:

- (i) During no growth or weak growth in the trade requiring the Company to retain its earnings to be able to absorb unfavourable market conditions and for meeting the business requirements;
- (ii) To meet its funding requirements for expansion and growth;
- (iii) The Company's Joint Venture with Indian Railways, Pipavav Railway Corporation Limited requires equity infusion from its shareholders.

During such times the Company may decide to retain the earnings instead of distributing to the shareholders. The distribution of Dividend can be by way of Interim Dividend and/or by way of Final Dividend.

(b) The financial parameters that will be considered while declaring dividend

The Company shall consider the following parameters while declaring dividend:

- i) Current year's profit:
 - i. after setting off carried over previous losses, if any;
 - ii. after providing for depreciation in accordance with the provisions of Schedule II of the Act;
 - iii. after transferring to reserves such amount as may be prescribed or as may be otherwise considered appropriate by the Board at its discretion.
- ii) The profits for any previous financial year(s):
 - a) after providing for depreciation in accordance with law;
 - b) remaining undistributed; or

- iii) out of (i) or (ii) or both.

In computing the above, the Board may at its discretion, subject to provisions of the law, exclude any or all of (i) extraordinary and exceptional income, generated from activities other than regular business (ii) extraordinary charges (iii) exceptional charges (iv) one off charges on account of change in law or rules or accounting policies or accounting standards (v) provisions or write offs on account of impairment in investments (long term or short term) (vi) noncash charges pertaining to amortization or ESOP or resulting from change in accounting policies or accounting standards.

(c) Internal and External factors that would be considered for declaration of dividend

The Company's Board shall always consider various Internal and External factors while considering the quantum for declaration of dividend such as the overall Economic scenario of the country, the Export Import trade of the country, the statutory and regulatory provisions, the Company's own performance, its profitability, its growth plans, the performance and funding requirements of its joint venture Rail Company and such other factors as may be deemed fit by the Board.

(d) Policy as to how the retained earnings will be utilised

The retained earnings would mainly be utilised for the purpose of the Company's growth plans, the funding requirements of its joint venture Rail Company and for all such activities that in the Board's opinion shall enhance the shareholder's value.

(e) Provisions with regard to various classes of shares

The Company currently has only one class of shares namely Equity shares. In case the Company issues any other class of shares, this Policy shall be modified suitably for stipulating the parameters for distribution of dividend to all classes of shares.

Financial Results

The Company's Revenue from Operations consists of Income from Port Services and other Operating Income. Total Revenue from Operations for the year ended 31 March 2022 of Rs. 7,435.38 Million is a marginal increase of 1% against Rs. 7,334.63 Million during the previous year.

Income from Port Services consists of Income from Marine Services, Container & Cargo Handling, Storage services as well as value-added Port Services. Income from Port Services at Rs. 6,882.97 Million during the year under review was flat as against Rs. 6,835.50 Million for the year ended 31 March 2021.

Other Operating Income comprises incidental Income from Operations and lease rentals from sub-leasing of land to various Port users. Other Operating Income for the year ended 31 March 2022 at Rs. 552.41 Million was higher by over 10% as against Rs. 499.13 Million in the previous year.

Total Expenditure consists of Operating expenses, Employee benefits, Finance Cost, Depreciation and Other expenses. The Company incurred a Total Expenditure of Rs. 4,650.15 Million during the year under review as against Rs. 4,511.02 Million during the previous year. The increase is mainly due to higher Operating expenses and Employee benefits.

Operating Expenses primarily include Equipment Hire charges, Handling expenses, Waterfront Royalty and Other direct costs. Operating expenses were higher by 6% at Rs. 1,465.24 Million during the year under review as against Rs. 1,374.60 Million for 31 March 2021.

Operating Profit amounted to Rs. 4,125.60 Million during the year under review as against Rs. 4,221.21 Million for year ended 31 March 2020, a decrease of about 2%.

Other Income

Other Income consists of Interest on short-term bank deposits, Gain or Loss from foreign exchange and other Miscellaneous Income. The Other Income was Rs. 285.87 Million during the year under review as against Rs. 442.00 Million for the year ended 31 March 2021.

Debt

The Company does not have any fund based facility outstanding and it continues to be debt free.

Net Profit

The Company's Net Profit Rs. 1,932.37 Million during the year under review reduced by over 11% as against Rs. 2,183.98 Million for the year ended 31 March 2021. It can be attributed mainly to the decrease in container volume.

Risk Management and Internal Control

Risk Management and Internal Control are two key aspects of the control framework. The Company's Risk Management Committee is a Sub-committee of the Board of Directors. The Committee is responsible for advising the Board on high-level risk related matters. The Committee oversees the identification, mitigation and monitoring of the Company's material risks and exposures including the risk pertaining to IT security. Wherever necessary it deep-dives to examine the preparedness of the Company Management in dealing with those Risks. The Risk Management Committee Meetings provide a thorough insight to the Committee as well as to the Management in analysing the identified areas for effective mitigation measures. The Risk Register provides a consistent and measurable management assurance metric on the broad risks involved and its impact on Company's objectives. The Risk Register is reviewed by the Audit Committee and Minutes of the Risk Committee are presented to the Audit Committee and to the Board of Directors.

The Audit Committee of the Company has the overall responsibility to provide assurance to the Board about a sound and effective internal control environment in the Company. The Audit Committee reviews the adequacy and integrity of the Company's internal control system. The Company has put in place an internal control framework commensurate to the size of its business and it encompasses both robust internal controls and an efficient, effective internal control monitoring and reporting system. Mukesh M Shah & Co. Chartered Accountants, are the Company's Internal Auditors. The Internal Auditors report directly to the Audit Committee of the Company and they carry out regular review of the effectiveness of the internal control measures and also recommend the areas that require improvement in controls.

The Statutory Auditors have reviewed the adequacy of Internal Financial Controls and have found them in order. The Internal Auditors review on an ongoing basis the Business and Operational Control measures and their adequacy from time to time. Wherever suggested by the Auditors, the improved control measures have been implemented and their functioning is reviewed from time to time.

Health, Safety, Security and Environment (HSSE)

Safety is our most important license to operate. This continues to be a fundamental principle of all ports and terminals with the portfolio of APM Terminals. In accordance with that fundamental principle, the Company is committed to improve Safety performance at its Port on an ongoing basis. APM Terminals has implemented Global Operational Standards for Safety, a set of Minimum Controls developed to manage the Top five risks identified to be related to 90% of the most serious incidents and fatalities namely, Transportation, Suspended loads & lifting, Working at height, Stored energy, and Control of Contractors.

At APM Terminals Safety of our Employees and of our Business Partners is of utmost importance. It is extremely important to ensure that after completion of work everyone returns home safely to be with their families. APM Terminals Pipavav has completed 1193 days of Safe Operations with Zero fatality and Lost Time Incident (LTI) as of 31st March 2022. This achievement is a tribute to support and close cooperation amongst the employees of the Company and by its business partners. A consistent and constant endeavour to improvise upon the safety measures with the responsibility starting from the Top to Bottom by conducting Safety Gemba ensures Constant Care and sends a strong signal to all stakeholders about the Company's commitment towards the Culture of Safety. The Company is committed to ensure Safe and Efficient Operations at Pipavav Port.

During the entire period of Covid during the year ended 31st March 2022 and except for the disruption caused by the Cyclone, the Company has continued to provide uninterrupted Port Services to its customers to ensure continuity in their supply chain and without compromising on the Safety and Security of its frontline employees. The Company is committed to perform its duties towards its customers, its community and towards all its stakeholders.

Corporate Social Responsibility (CSR)

The Company believes in closely working with the communities in the vicinity to determine their requirements and is accordingly implementing the CSR projects that are acceptable to the community and become self-sustainable over a period of time. That is possible only when a need assessment is carried out before commencement of the CSR project.

The Company has formulated policies for social development that are based on the following guiding principles:

- Adopt an approach that aims at achieving a greater balance between social development and economic development;
- Adopt new measures to accelerate and ensure the basic needs of all people including health and sanitation and working towards elimination of barriers for the social inclusion of disadvantaged groups;
- Focus on educating the girl child and the underprivileged by providing appropriate infrastructure, and groom them as future value creators;
- Assist in skill development by providing direction and technical expertise to the vulnerable with special focus on women thereby empowering them towards a dignified and better quality life;

- Promote an inclusive work culture;
- Work towards generating awareness for creating public infrastructure that is barrier free, inclusive and enabling for all including the elderly and the disabled;
- Employee participation is an important part of developing responsible citizenship. Our company encourages and motivates employees to spend time volunteering on issues pertaining to CSR;
- At the time of local or national crisis, to respond to emergency situations & disasters by providing timely help to affected victims and their families.

Our Core Focus Areas are:

- Education
- Health & Environment Sustainability
- Socio Economic Development and Social Business Projects
- Women Empowerment

During the year ended 31 March 2022 some of the key CSR Projects carried out were:

- **Education:** Mobile Science and Maths lab, supply of educational equipment, teaching learning support, extension activities, adult literacy, up gradation of school infrastructure online and distance education, digital education, activity-based teaching and learning, covid prevention and vaccination awareness etc.
- **Health Safety & Environment:** Medical support to the surrounding villages through advance life support ambulance, mobile health unit, port medical centre, construction of check dams and protection wall, pond deepening community tree plantation, kitchen garden, safety & environment, and mental health awareness activities
- **Women Empowerment & Skill Development:** Improving health & nutritional status of children, adolescents & mothers; Skill & entrepreneurship development followed by placement and formation of Women Self Help Groups and village level electrical repair camps.
- **Socio Economic Development:** Integrated livestock development, mobile vet clinic, maintenance of RO enabled water ATMs, fisheries as a livelihood, sustainable agriculture development programme, women self-help groups and farmers producer company etc.
- **Disaster Relief Management:** Supporting district administration in Covid mitigation with need based medical supplies and equipment, awareness for Covid prevention, mask making and distribution, cyclone relief work and mental health awareness.

Outlook

The global growth is dependent upon several unknown factors such as worsening of the Russia- Ukraine conflict, escalation of sanctions on Russia, sharp deceleration in the Chinese economy due to lockdowns, emergence of a new virus strain causing a flare up in the pandemic and prolonged inflationary pressures driven by the high fuel, food and commodity price. The IMF has accordingly reduced the global growth for the Year 2022 to 3.6% from its earlier estimate of 4.2%.

The rising inflation in the country mainly driven by the high fuel costs is likely to pose challenge in reviving the growth as the Reserve Bank of India may require to prioritise controlling the inflation rather than reviving the economic growth. As a result, the increase in interest rates by the Reserve Bank of India will have an impact on the country's GDP growth which is now being estimated to grow at around 8%.

Human Resources/ Industrial Relations

Globally, all entities of AP Moller Maersk Group have to undergo an Employee Engagement Survey and all the Employees are encouraged to participate in the Survey. The survey is conducted in complete confidence by an external agency. The findings from those surveys are shared with the concerned Manager for discussing with their respective teams. The idea is to encourage the employees to speak out their mind and try and make each of the entity a better place to work. APM Terminals Pipavav continues to achieve high scores and has maintained its position amongst the Top Quartile.

The Company has been certified as Great Place to Work for the fourth consecutive year by Trust Index Employee Survey.

Changes in Key Financial Ratios compared to immediately previous financial year

Pursuant to the requirements under the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements)(Amendment) Regulations, 2018, the Company is required to provide details of significant changes i.e. change of over 25% or more compared to the previous year, in key financial ratios along with an explanation. The details are as follows:

- (i) **Debtors Turnover:** Except the storage charges for dry bulk cargo, the Company receives its entire billing before the departure of the vessel. The storage income for dry bulk cargo is paid at the time of evacuation of the cargo, depending upon the number of days cargo has been stored at the Port. The Turnover is around 14.83 days for the year under review, a variance of less than -5%.
- (ii) **Inventory Turnover:** The Company is engaged in the business of port services. The inventory maintained is for the Company's own consumption such as crane spares, fuel etc. The Company does not maintain any inventory for sale therefore, the Inventory Turnover ratio is not applicable
- (iii) **Interest Coverage Ratio:** The Company is debt free, so it does not have any obligations towards interest payment. Therefore, the Interest Coverage Ratio is not applicable
- (iv) **Current Ratio:** As mentioned in point no (i) above, the Company receives all its dues before the departure of vessel. The Company does not maintain any inventory for sale since it is engaged into providing port service. The Company does not have any outstanding debt so there is no current portion of long-term debt. Considering these points, the current ratio is about 3.71 for the period under review, a variance of about 3%
- (v) **Debt Equity Ratio:** As mentioned in point no (iii) above, the Company is debt free. Therefore the debt equity ratio is not applicable
- (vi) **Operating Profit Margin:** The Operating Profit Margin for the year ended 31st March 2022 is at 55.49% as against 57.55% compared to the previous year. The decrease in Margin of about 3.60% is mainly on account of reduction in container volume and the cargo mix handled at the Port.
- (vii) **Net Profit Margin:** The Net Profit Margin for the year ended 31st March 2022 is at 25.99% as compared to 29.78% for the previous year. The decrease in the Margin by over 12% is due to the increase in Operating cost let by higher Dry Bulk cargo volume and reduction in Container volume.
- (viii) **Return on Net Worth:** The Return on Net Worth for the year ended 31st March 2022 is at 9.51%, lower by over 11% compared to the previous year due to the reasons mentioned hereinabove.

Cautionary Statement

Certain statements found in the Management Discussion and Analysis may constitute "forward-looking statements" within the meaning of applicable Securities Laws and Regulations. These forward-looking statements involve known and unknown risks, uncertainties and other factors that are difficult to predict, and which may cause our actual results, performance or achievements to be different from any future results, performance and achievements expressed or implied by these statements.

CORPORATE GOVERNANCE REPORT

The Directors present the Annual Corporate Governance Report of Gujarat Pipavav Port Limited (“the Company” or “APM Terminals Pipavav”) for the year ended 31 March 2022.

The Company’s philosophy on Corporate Governance

The Company strives to follow highest standards of ethics, transparency and integrity as its philosophy on Corporate Governance while conducting business. The Company has adopted Code of Conduct for its Employees including the Managing Director and for its Non-Executive Directors. The code is in line with the Core Values followed by its promoter APM Terminals and shares the distinctive set of core values of the Maersk Group that drives the way we do business. This Code contains guiding principles for our conduct based on those values, for the Group’s commitment to the UN Global Compact, and for our commitment towards our people, customers and communities.

A Code for Prevention of Insider Trading and a Whistle Blower Policy also forms an integral part of Corporate Governance. These codes are in compliance with the requirements of Corporate Governance stipulated under the Securities and Exchange Board of India ‘SEBI’ (Listing Obligations and Disclosure Requirements) Regulations, 2015. A copy of these codes and policies is available on Company’s website <https://www.apmterminals.com/en/pipavav/investors/governance>

Board of Directors

The Company’s Board of Directors currently comprise a total of 12 Directors. 4 Directors including the Chairman of the Board and two Woman Directors are Independent, 1 Non-Executive Non-Independent Director represents Gujarat Maritime Board (GMB), the Port Regulatory Authority. Additionally, 1 Executive Director and 6 Non-Executive Non-Independent Directors represent the Promoters APM Terminals. This composition is in compliance with the requirements stipulated under Regulation 17 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“the Listing Regulations”).

None of the Directors of the Company is a Member of more than 10 Committees or Chairman of more than 5 Committees across the public limited companies in which they hold Directorships.

None of the Directors have any relationship between them.

The Independent Directors of the Company are in compliance with the provisions of Regulation 16(1)(b) of the Listing Regulations and are independent of the Management of the Company.

The name and category of Directors on the Board, their attendance at Board Meetings and at the last Annual General Meeting, number of directorships and committee chairmanship/ membership held by them in Audit Committee and Stakeholders’ Relationship Committee is given below:

Name	Category	No. of Board Meetings attended during the year ended 31 March 2022		Whether attended last AGM	No. of Directorships in other public limited companies \$	No. of Committee positions held in other public limited companies @		Number of shares held as of 31 March 2022
		Held	Attended			Chairman	Member	
Mr. Tejpreet Singh Chopra- Chairman DIN:00317683	Independent Non-Executive	4	4	Yes	3	2	Nil	Nil
Mrs. Hina Shah DIN:06664927	Independent Non- Executive	4	4	Yes	1	Nil	1	Nil
Ms. Monica Widhani DIN: 07674403*	Independent Non-Executive	3	3	Yes	1	1	Nil	Nil
Mr. Samir Chaturvedi DIN: 08911552	Independent Non-Executive	4	4	Yes	Nil	Nil	Nil	Nil

Name	Category	No. of Board Meetings attended during the year ended 31 March 2022		Whether attended last AGM	No. of Directorships in other public limited companies \$	No. of Committee positions held in other public limited companies @		Number of shares held as of 31 March 2022
		Held	Attended			Chairman	Member	
Mr. Pradeep Mallick DIN:00061256#	Independent Non- Executive	1	1	NA	Nil	Nil	Nil	Nil
Mrs. Avantika Singh Aulakh, IAS DIN: 07549438	Independent Non-Executive	4	1	No	8	Nil	Nil	Nil
Mr. Jonathan Richard Goldner DIN: 09311803^	Non- Independent Non-Executive	2	2	NA	Nil	Nil	Nil	Nil
Mr. Timothy John Smith DIN: 08526373	Non- Independent Non-Executive	4	4	Yes	Nil	Nil	Nil	Nil
Mr. Soren Brandt DIN: 00270435	Non- Independent Non-Executive	4	4	No	Nil	Nil	Nil	Nil
Mr. Julian Bevis DIN: 00146000	Non- Independent Non-Executive	4	4	Yes	Nil	Nil	Nil	Nil
Mr. Keld Pedersen DIN: 07144184	Non- Independent Non-Executive	4	4	Yes	Nil	Nil	Nil	Nil
Mr. Maarten Degryse DIN: 08925380	Non- Independent Non-Executive	4	4	Yes	Nil	Nil	Nil	Nil
Mr. Jakob Friis Sorensen DIN: 08593830	Non- Independent Non-Executive	4	4	Yes	1	Nil	Nil	Nil

*Ms. Monica Widhani has been appointed as an Independent Director effective 12th August 2021

#Mr. Pradeep Mallick retired from 30th July 2021 after completion of his tenure as an Independent Director

^Mr. Jonathan Richard Goldner has been appointed as Additional Director from 11th November 2021

\$ Other Directorships do not include Directorships of Private Limited Companies, Alternate Directorships, Directorships in Section 8 Companies and in the Companies incorporated outside India.

@Committee refers to Audit Committee and Stakeholders' Relationship Committee only.

Details of Directorships in Other Listed Companies

Name of the Director	Name of Other Listed Companies & Nature of Directorship	Details of Committees@	
		Chairman	Director
Mr. Tejpreet Singh Chopra	SRF Limited – Independent Director India Energy Exchange Limited- Independent Director Tube Investments of India Limited- Independent Director	Stakeholder Relationship	Audit Committee
Mrs. Avantika Singh Aulakh, IAS	Adani Port & SEZ Limited- Non-Executive Non-Independent Director	Nil	Nil

@Committee refers to Audit Committee and Stakeholders' Relationship Committee only.

Except the Directors and their Nature of Directorships in Other Listed Companies as mentioned hereinabove, none of the other Directors of the Company hold any Directorships in any other Listed Companies.

The Board Composition has been done based on the requirements of expertise by the Company in the areas of Strategic Business Management, Ports and Shipping, Finance and CSR. The competencies of various Directors are as follows:

Name of the Director	Skills/ Expertise/ Competencies
Mr. Tejpreet Singh Chopra- Chairman	Strategic Business Management
Mr. Samir Chaturvedi	Strategic Business Management
Mrs. Hina Shah	CSR activities
Ms. Monica Widhani	Strategic Business Management and Finance
Mr. Pradeep Mallick#	Strategic Business Management and Governance
Mrs. Avantika Singh Aulakh, IAS	Nominee- Port Regulatory Authority
Mr. Jonathan Richard Goldner	Port Business Management
Mr. Julian Bevis	Public Affairs & Port Business Management
Mr. Timothy John Smith	Port Business Management
Mr. Keld Pedersen	Port Business Management
Mr. Soren Brandt	Shipping, IT and Port Business Management
Mr. Maarten Degryse	Finance and Port Business Management
Mr. Jakob Friis Sorensen	Port Business Management

#Mr. Pradeep Mallick completed his tenure as an Independent Director and retired from 30th July 2021

The current composition covers the aspects related to Strategic Business Management, Corporate Social Responsibility (CSR) and Finance.

The Independent Directors fulfil the conditions specified in the Listing Regulations and all Independent Directors are independent of the Management.

The Company conducts Familiarisation Programmes for its Independent Directors on a regular basis. The details of such familiarisation programmes are available on the Company website <https://www.apmterminals.com/en/pipavav/investors/independent-directors>

The Board of Directors met 4 times during the year ended 31 March 2022 on: 27 May 2021, 12 August 2021, 11 November 2021 and 10 February 2022. The details on matters mentioned in Part A of Schedule II of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 are provided to the Directors for consideration at the Board Meetings.

Except the Sitting fee and Commission paid to Independent Directors and Sitting fee to GMB Nominee and to two Non-Independent Non-Executive Directors, the Company does not have any pecuniary relationship with Non- Executive Directors.

None of the Directors hold any shares in the Company.

Various Committees of the Board of Directors

1. Audit Committee

The Audit Committee of the Company is constituted as per Regulation 18 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 read with Section 177 of the Companies Act, 2013. The Committee comprises 4 Non-Executive Directors out of which 3 Directors including the Chairman of the Committee are Non-Executive Independent Directors and 1 Director is Non-Executive Non-Independent Director.

The Audit Committee held discussions with the Statutory Auditors as well as Internal Auditors in absence of Company Management regarding the Company's accounts, its internal control systems and reviewed the quarterly reports of Internal Auditor.

The Audit Committee reviewed the information mentioned in Part C of Schedule II of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. Its Terms of Reference inter alia include the following:

- To monitor the integrity of the financial statements of the company, and any formal announcements relating to the company's financial performance
- To review the company's internal financial controls and the company's internal control and risk management systems
- To monitor and review the effectiveness of the company's internal audit function
- To make recommendations to the board, for it to put to the shareholders for their approval in general meeting, in relation to the appointment, re-appointment and removal of the external auditor and to approve the remuneration and terms of engagement of the external auditor
- To review and monitor the external auditors' independence and objectivity and the effectiveness of the audit process, taking into considerations relevant professional and regulatory requirements
- To develop and implement policy on the engagement of the external auditor to supply non-audit services, taking into account the safeguarding of auditor objectivity and independence
- To review and decide upon matters related to Insider Trading and Disclosure of Unpublished Price Sensitive Information (UPSI) including the adequacy of internal controls and procedures on matters related to Insider Trading and Disclosure of UPSI. Wherever required make recommendations to the Board of Directors on matters related to Insider Trading and Disclosure of UPSI.
- The audit committee shall be provided with sufficient resources to undertake its duties and have access to the services of the company secretariat on all audit committee matters including: assisting the chairman in planning the audit committee's work, drawing up meeting agendas, maintenance of minutes, drafting of material about its activities, collection and distribution of information and provision of any practical support.
- The board shall make necessary funds available to the audit committee to enable it to take independent legal, accounting or other advice when the audit committee reasonably believes it necessary to do so.
- The audit committee shall hear the views of the external auditors before forwarding the annual accounts to the board for approval.
- The audit committee shall hear the views of the internal and external auditors separately at least once every year without the presence of the management.
- Considering the name of the auditor in context of their independence (particularly with reference to any other non audit services), fee and terms of engagement and recommending its name to the board for putting before AGM for appointment.
- Reviewing the audit plan and results of the audit and as to whether auditors have full access to all relevant documents.
- Checking financial fraud particularly fictitious and fraudulent portions of the financial statement. They should put in place an appropriate system to ensure adoption of appropriate accounting policies and principles leading to fairness in financial statements.

- Oversight of the internal audit function in general and with particular reference to reviewing of scope of internal audit plan for the year, reviewing the reports of internal auditors pertaining to critical areas, reviewing the efficacy of internal auditing and reviewing as to whether internal auditors have full access to all relevant documents.
- Oversight of the adequacy of the internal control system through the regular reports of the internal and external auditors. They may appoint external consultants if the need arose.
- Oversight of the financial statements in general and with particular reference to review of annual and quarterly financial statements before issue, review of qualifications in the draft financial statements and discussion of accounting principles. In particular, change in accounting principles and accounting estimates in comparison to previous year, any adoption of new accounting policy, any departure from IND AS and non-compliance with disclosure requirements prescribed should be critically reviewed.
- Serving as a channel of communication between external auditors and the board and also internal auditors and the board.
- Reviewing risk management policies and looking into the reasons of defaults in payment obligations of the company if any.
- Reviewing proposed specific transactions with related parties for making suitable recommendations to the board.
- While the audit committee has the responsibilities and powers set forth in this manual, it is not the duty of the audit committee to plan or conduct audits or to ensure that the company's financial statements are complete and accurate and are in accordance with the generally accepted accounting principles.
- Management is responsible for the preparation, presentation, and integrity of the company's financial statements, for the appropriateness of the accounting principles and reporting policies that are used by the company. The independent auditors are responsible for auditing the company's financial statements and when quoted, for reviewing the company's un-audited interim financial statements.

The audit committee shall have powers including the following:

- Seeking information from any employee of the company;
- Securing the advice and attendance of outsiders with relevant expertise if considered necessary.
- Authority to investigate into any matter and it shall have full access to information and records of the company and external professional advice.

The Audit Committee Meeting is attended by the Managing Director, CFO, Statutory Auditors and the Internal Auditors. The Company Secretary acts as Secretary of the Committee. The Minutes of Audit Committee Meeting are submitted to the Board of Directors for reference.

The details of Audit Committee Meetings held during the year and attended by Directors are as

Name	Category	No. of Committee Meetings during the year ended 31 March 2022	
		Held	Attended
Mr. Pradeep Mallick, Chairman [^]	Independent Non- Executive	1	1
Mr. Samir Chaturvedi, Chairman [*]	Independent Non- Executive	4	4
Mrs. Hina Shah	Independent Non- Executive	4	4
Ms. Monica Widhani [#]	Independent Non- Executive	2	2
Mr. Maarten Degryse	Non- Independent Non- Executive	4	4

[^]Mr. Pradeep Mallick ceased to be Member of the Committee after completion of his tenure as an Independent Director from 30th July 2021

^{*}Mr. Samir Chaturvedi was appointed Chairman of the Committee effective 11th August 2021

[#]Ms. Monica Widhani was appointed Member of the Committee from 12th August 2021

The Members of Audit Committee have requisite financial, legal and management expertise. During the year 4 Audit Committee Meetings were held on: 26 May 2021, 11 August 2021, 10 November 2021 and 9 February 2022. The necessary quorum was present at the Meetings.

The Chairman of Audit Committee provides an overall update to the Board of Directors about discussions and decisions made in the Audit Committee Meeting. All recommendations made by the Audit Committee to the Board of Directors have been agreed and approved by the Board of Directors in the respective meetings.

2. Nomination and Remuneration Committee

In view of the requirements under Regulation 19 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 read with Section 178 of the Companies Act, 2013, the Company has constituted Nomination and Remuneration Committee.

The Committee's role is as per Part D of Schedule II of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. The Committee also has its Policy which contains the following:

- Process for the selection and appointment of Directors and Key Managerial Personnel;
- Criteria for determining remuneration of the Directors, Key Managerial Personnel and other employees of the Company;
- Board Diversity and criteria for the independence, positive attributes, qualifications and experience of directors;
- Training of independent directors; and
- Performance evaluation of directors.

The Nomination and Remuneration Committee of the Company comprises total 3 Non-Executive Directors out of which 2 Directors including the Chairman of the Committee are Independent Non-Executive Directors and 1 Director is Non-Independent Non-Executive. The details of the Meetings held during the financial year are as follows:

Name	Category	No. of Committee Meetings during the year ended 31 March 2022	
		Held	Attended
Mr. Pradeep Mallick, Chairman#	Independent Non- Executive	1	1
Mr. Tejpreet Singh Chopra	Independent Non- Executive	1	1
Mr. Samir Chaturvedi*	Independent Non- Executive	NA	NA
Mr. Timothy John Smith@	Non- Independent Non- Executive	1	1
Mr. Jonathan Richard Goldner \$	Non- Independent Non- Executive	NA	NA

#Mr. Pradeep Mallick ceased to be Member of the Committee after completion of his tenure as an Independent Director from 30th July 2021

*Mr. Samir Chaturvedi was appointed Member of the Committee from 30th July 2021

@Mr. Timothy John Smith ceased to be Member of the Committee from 11th November 2021

\$Mr. Jonathan Richard Goldner was appointed Member of the Committee from 11th November 2021

The Nomination and Remuneration Committee held its Meeting on 20 April 2021.

The Board has approved the Nomination and Remuneration Committee Policy that provides for Evaluation of Non-Executive Directors including Independent Directors. It provides for the Evaluation of Chairman of the Board, Individual Directors and the Committees of the Board. Accordingly, the Evaluation exercise was carried out internally and was led by a Member of the Nomination and Remuneration Committee. The evaluation process focused on various aspects such as Composition of the Board and various Committees, Degree of fulfilment of their responsibilities, Effectiveness of the Board/Committee process, information and functioning, Board/Committee Culture and Dynamics, Quality of relationship between the Board/Committees and Management, Attendance and Contribution by Individual Directors and their Guidance and Support to the Management.

The Independent Directors are evaluated on five criteria as follows:

- (i) Ethics and Values
- (ii) Knowledge and Proficiency
- (iii) Diligence
- (iv) Behavioural traits; and
- (v) Efforts for Personal Development

Remuneration Policy

The remuneration payable to the Executive Directors, including the performance incentive and value of the perquisites, shall not exceed the permissible limits mentioned within the provisions of the Companies Act, 2013. They shall not be entitled to any sitting fees.

The Non-Executive Independent Directors shall be paid sitting fees for attending the meeting of the Board or committees thereof and commission, as may be decided by the Board/ Shareholders from time to time.

Two of the Non-Executive Non-Independent Directors representing the Promoters shall be paid sitting fees only for attending the meeting of the Board or committees thereof. They are retired from the Group but continue to represent the Promoters on the Company's Board. The other Non-Executive Non-Independent Directors representing the Promoters shall not be paid sitting fee or commission.

The Non- Executive Non- Independent Director representing Gujarat Maritime Board (GMB) shall be paid sitting fee for attending Board Meeting.

A sitting fee is paid to the Directors at Rs. 100,000 per meeting per Director for the Audit Committee Meeting and for the Board Meeting. For the other Committee Meetings, the sitting fees is Rs. 50,000 per meeting per Director.

Directors Remuneration

Name	Sitting Fees for attending Board and Committee Meetings during year ended 31 March 2022	Commission Paid	Total amount Paid
Mr. Tejpreet Singh Chopra, Chairman	Rs. 0.50 Mn	Rs. 1.65 Mn	Rs. 2.15 Mn
Mrs. Hina Shah	Rs. 1.00 Mn	Rs. 0.83 Mn	Rs. 1.83 Mn
Mr. Pradeep Mallick#	Rs. 0.25 Mn	Rs. 0.83 Mn	Rs. 1.08 Mn
Mr. Pravin Laheri, IAS (Retd.)*	NA	Rs. 0.28 Mn	Rs. 0.28 Mn
Mr. Samir Chaturvedi	Rs. 0.95 Mn	Rs. 0.30 Mn	Rs. 1.25 Mn
Ms. Monica Widhani@	Rs. 0.50 Mn	--	Rs. 0.50 Mn
Mr. Soren Brandt	Rs. 0.75 Mn	--	Rs. 0.75 Mn
Mr. Julian Bevis	Rs. 0.60 Mn	--	Rs. 0.60 Mn
GMB Nominee	Rs. 0.10 Mn	--	Rs. 0.10 Mn

Mr. Pradeep Mallick retired from 30th July 2021 after completion of his tenure as an Independent Director

*Mr. Pravin Laheri, IAS (Retd.) retired from 30th July 2020 after completion of his tenure as an Independent Director

@Ms. Monica Widhani was appointed as Director from 12th August 2021

Managing Director

Name	Salary (Rs. Million)	Perquisites & Allowances (Rs. Million)	Performance Bonus (Rs. Million)	Total Amount (Rs. Million)
Mr. Jakob Friis Sorensen	19.87	40.15	6.77	66.79

Out of the total remuneration, the components of Salary, Perquisites & Allowances is fixed component and the amount of Performance Bonus is a variable component depending upon evaluation of performance. The criteria for performance evaluation include the Safety Culture within the Company, Capability Development, Strategic Transformation, Leadership, Customer Strategy and Project Development. The Notice Period of the Managing Director is two months. The Company does not have a Policy for Stock Options for its employees.

3. Stakeholders Relationship Committee

The Company has constituted Stakeholders Relationship Committee as per Regulation 20 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 read with Section 178 of the Companies Act, 2013. The role of the Committee is as specified in Part D of Schedule II of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

The Committee comprises 3 Directors out of which 2 Directors including the Chairman are Independent Non-Executive Directors and the third Member of the Committee is Managing Director of the Company. The details of the Stakeholders Relationship Committee Meeting are:

Name	Category	No. of Committee Meetings during the year ended 31 March 2022	
		Held	Attended
Mr. Pradeep Mallick- Chairman*	Independent Non-Executive	NA	NA
Mr. Tejpreet Singh Chopra- Chairman#	Independent Non-Executive	1	1
Ms. Hina Shah	Independent Non-Executive	1	1
Mr. Jakob Friis Sorensen	Managing Director	1	1

*Mr. Pradeep Mallick ceased to be Member of the Committee after completion of his tenure as an Independent Director from 30th July 2021

#Mr. Tejpreet Singh Chopra was appointed Chairman of the Committee on 14th January 2022

The Committee had its meeting on 14 January 2022.

The details of complaints received, cleared/ pending during the year ended 31 March 2022 are given below:

	Nature of Complaint	Opening	Received	Replied	Pending
1	Status of applications lodged for Public Issue	0	0	0	0
2	Non-receipt of Dividend	0	4	4	0
3	Non-receipt of Annual Report	0	0	0	0
4	Non-receipt of Refund order	0	0	0	0
5	Non-receipt of Securities	0	1	1	0
6	Non-receipt of Securities after Transfer	0	0	0	0
	TOTAL	0	5	5	0

There were no pending requests for share transfer/dematerialisation of shares as of 31 March 2022

The contact details of the Compliance Officer of the Company are:

- (a) Name & Designation of Compliance Officer : Mr. Manish Agnihotri,
Company Secretary & Compliance Officer
- (b) Email Id for correspondence : manish.agnihotri@apmterminals.com;
investorrelationinppv@apmterminals.com

4. Corporate Social Responsibility (CSR) Committee

The CSR Committee formed by the Company under Section 135 of the Companies Act, 2013, formulates the policy and recommends to the Board to undertake various activities mentioned under Schedule VII of the Companies Act, 2013. It also meets to review the progress made by the Company on various CSR activities. The Company has dedicated human resources for undertaking and monitoring all the CSR activities and provide update to the CSR Committee.

The Committee comprises 3 Directors out of which 1 Director who is also the Chairperson is Independent Non-Executive Director, 1 Non-Independent Non-Executive Director and the third Member of the Committee is the Managing Director of the Company. The details of CSR Committee Meetings held during the year and attended by Directors are:

Name	Category	No. of Committee Meetings during the year ended 31 March 2022	
		Held	Attended
Mrs. Hina Shah- Chairperson	Independent Non-Executive	3	3
Mr. Soren Brandt	Non-Independent Non-Executive	3	3
Mr. Jakob Friis Sorensen	Managing Director	3	3

The CSR Committee held its meetings on 31 May 2021, 21 September 2021 and 16 December 2021.

5. Risk Management Committee

In accordance with the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements)(Amendment) Regulations, 2018 the Company has constituted Risk Management Committee comprising of Directors. The Committee reviews the potential risk areas and steps to mitigate those risks. The Minutes of the Risk Management Committee Meeting are presented to the Audit Committee and to the Board of Directors.

The Risk Committee comprises 4 Directors out of which 2 Directors are Non-Independent Non- Executive Directors, 1 Director is Independent Non- Executive and fourth is the Managing Director of the Company. The details of the Committee Meetings are:

Name	Category	No. of Committee Meetings during the year ended 31 March 2022	
		Held	Attended
Mr. Julian Bevis- Chairman	Non-Independent Non-Executive	4	4
Mr. Soren Brandt	Non-Independent Non-Executive	4	4
Mr. Samir Chaturvedi*	Independent Non-Executive	3	3
Mr. Jakob Friis Sorensen	Managing Director	4	4

*Mr. Samir Chaturvedi was appointed Member of the Committee from 17th June 2021

The Risk Committee held its Meetings on 8 April 2021, 8 July 2021, 25 October 2021 and 12 January 2022.

Independent Directors' Meeting

The Independent Directors held their Meeting on 10 February 2022. The meeting was attended by all four Independent Directors of the Company. The Independent Directors in their meeting discussed inter alia about performance of the Non-Independent Directors and of the entire Board of Directors, the Performance of the Chairman of the Company, the quality, quantity and timeliness of the flow of information between the Company Management and the Board of Directors in order to facilitate the Board to effectively and reasonably perform its duties.

Code of Conduct:

The Company has adopted a Code of Conduct for all employees including the Managing Director and for the Non-executive Directors. As an annual practice, the Company receives confirmation of compliance of the Code from all its employees and from Non-executive Directors. The Code of Conduct for Employees and for Non-executive Directors is available on the Company's website <https://www.apmterminals.com/en/pipavav/investors/governance>

Whistle Blower Policy – Vigil Mechanism

The Company has a Whistle Blower Policy that provides a formal mechanism for all employees to make disclosure about suspected fraud or unethical behaviour. It provides a designated phone number to directly report an instance. The Policy encourages its employees to immediately raise his/her concern to the respective Manager or to Head of HR whenever they notice any contravention of the Company's Code of Conduct or fraud or any unethical behaviour. In case the concerned person is not comfortable in reporting the matter to his/her Manager or to the Manager's Manager or to the Head of HR, he/she can also report to the Compliance Officer of the parent Company.

The policy also provides direct access to the Chairman of Audit Committee through his personal email id. The policy is available on the Company's website <https://www.apmterminals.com/en/pipavav/investors/governance>

The Company has constituted an Internal Complaints Committee as per the provisions of The Sexual Harassment of Women at Workplace (Prevention, Prohibition & Redressal) Act, 2013 and the Rules made thereunder for reporting the instances related to Sexual Harassment and deal with them in a timely manner. There were no complaints received during the year.

As part of APM Terminals, the Company shares the distinctive set of the Group's Core Values that drive the way we do business. The Company is committed to adhere to the highest standards of ethical, moral and legal conduct of business operations, the Group's commitment to the UN Global Compact and our commitment to our people, customers and communities.

Subsidiary Companies

The Company does not have any subsidiary.

Related Party Transactions

All transactions entered into with the Related Parties as defined under the Companies Act, 2013 and Regulation 23 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 during the year ended 31 March 2022 were in the ordinary course of business and on an arm's length pricing basis. The details are included in the Notes to financial statements of the Annual Report. These transactions do not attract the provisions of Section 188 of the Companies Act, 2013. All the transactions have prior approval of the Audit Committee as per the requirement under the Listing Regulations. The related party transaction with Maersk Line A/S in connection with Income from Port Operations is a material transaction as per the Listing Regulations. This contract for 3 years period from 1st April 2020 to 31st March 2023 has been approved by the shareholders through Postal Ballot on 16th March 2020. The policy of Related Party Transaction is available on the Company's website <https://www.apmterminals.com/en/pipavav/investors/governance>

6. Details of General Meetings

Location and time of meetings held during last 3 years

Meeting	Date	Time	Venue
AGM	8 August 2019	2:00 PM	Pipavav Port, At Post Rampara-2 via Rajula, District Amreli- 365560
AGM	6 August 2020	2:00 PM	Through Video Conferencing or Other Audio Visual Means
AGM	13 August 2021	2:00 PM	Through Video Conferencing or Other Audio Visual Means

All resolutions were passed as follows:

- (i) For the meeting held on 8 August 2019, through remote e-voting facility from Monday 5 August 2019 at 9:00 AM to Wednesday 7 August 2019 at 5:00 PM and later at the venue of the meeting
- (ii) For the meeting held on 6 August 2020, through remote e-voting facility from Monday 3 August 2020 at 9:00 AM to Wednesday 5 August 2020 at 5:00 PM and on the date of the meeting the Remote E-voting facility was available until 15 minutes from the conclusion of the meeting.
- (iii) For the meeting held on 13 August 2021, through remote e-voting facility from Tuesday 10 August 2021 at 9:00 AM to Thursday 12 August 2021 at 5:00 PM and on the date of the meeting the Remote E-voting facility was available until 15 minutes from the conclusion of the meeting.

The details of Special Resolutions approved in the Annual General Meetings held during last three years are as follows:

Date of the Meeting	Particulars of Special Resolution Approved
8 August 2019	No Special Resolution was proposed for approval
6 August 2020	No Special Resolution was proposed for approval
13 August 2021	Payment of Commission to Independent Directors of the Company for the financial years commencing from 2021-22 to 2025-26.

The following resolutions have been approved by the Members by way of Remote E-voting only during the financial year. In view of the Covid restrictions and country-wide lockdown the Ministry of Corporate Affairs and the Securities & Exchange Board of India had exempt the companies from printing and dispatch of physical ballots:

Matter approved on 20 September 2021:

Special Resolution: Appointment of Ms. Monica Widhani (DIN: 07674403) as an Independent Director for a period of five consecutive years commencing from 12th August 2021 to 11th August 2026

Particulars	No. of Remote E-voting confirmations	No. of Shares Voted
Remote E-voting confirmations received	683	420,817,472
Total	683	420,817,472
Less: Invalid Remote E-voting	0	0
Net Valid Remote E-voting confirmation	683	420,817,472
Remote E-voting confirmation with assent for the Resolution	628	420,784,801
Percentage of Assent		100#
Remote E-voting confirmation with dissent for the Resolution	55	32,671
Percentage of Dissent		0

* includes such shareholders who have casted votes partly in favour and partly against the resolution

#Rounded off to nearest decimal

The resolution was approved by requisite majority.

The Postal Ballot exercise was carried out by Mr. Himanshu S. Kamdar, Partner, Rathi & Associates, Practicing Company Secretaries.

7. Disclosures

(i) Strictures and Penalties

No strictures or penalties have been imposed on the Company by the Stock Exchanges or by the Securities and Exchange Board of India (SEBI) or by any statutory authority on any matters related to capital markets during the last three years.

(ii) Compliance with Accounting Standards

The Company has followed the Indian Accounting Standards notified u/s 133 of the Companies Act, 2013 [Companies (Accounts) Rules, 2014] in the preparation of its financial statements. The significant accounting policies that have been consistently applied are mentioned in the Notes to Financial Statements.

(iii) Internal Controls

The Company has put in place an internal control framework commensurate to the size of its business and it encompasses both robust internal controls, and an efficient and effective internal control monitoring and reporting system. The Audit Committee reviews the adequacy and integrity of the Company's internal control system.

(iv) CEO and CFO Certification

The CEO and CFO certificate stating that the financial statements do not contain any untrue statement and represent true and fair view of the Company's affairs and affirmation of Code of Conduct by the Board of Directors and Senior Management of the Company, is enclosed as part of the Annual Report.

(v) Share Transfer System

The process of Share transfers is handled by the Company's Registrar and Transfer Agents KFin Technologies Limited. The Company encourages its Members holding shares in physical form to convert them into demat mode for safety and security.

(vi) Outstanding GDRs/ADRs/Warrants or any Convertible Instruments, conversion date and likely impact on equity

The Company has neither issued any such instruments nor are they outstanding during the year under review.

(vii) Details of Commodity Price Risks and Hedging activities

The Company does not have any exposure towards the Commodity price risks and the Hedging activities, considering the nature of the Company's business of Port Development and Operations.

(viii) Compliances under mandatory requirement and non mandatory requirements

The Company does comply with the mandatory requirements mentioned in Schedule II Part A of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. With regards to the Discretionary Requirements mentioned in Part E, the reporting by Internal Auditors of the Company is directly to the Audit Committee.

(ix) Non-compliance of Corporate Governance with reasons

There are no Non-compliances of Corporate Governance.

(x) Disclosures of the Compliance with requirements specified in Regulation 17 to 27 and Regulation 46(2)(b) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

The Company is in compliance with various requirements specified under Regulation 17 to 27 and Regulation 46(2)(b) to (i) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

As per the requirements under Regulation 24A of SEBI (Listing Obligations and Disclosure Requirements)(Amendment) Regulations, 2018, the Annual Secretarial Compliance Report has been submitted to the Stock Exchanges within stipulated period.

(xi) Details of Directors to be re-appointed

Pursuant to the provisions of Section 152 of the Companies Act, 2013, Mr. Soren Brandt (DIN:00270435) and Mr. Maarten Degryse (DIN: 08925380) are liable to retire by rotation at the ensuing Annual General Meeting and being eligible, offer themselves for re-appointment. Your Directors recommend their re-appointment.

Mr. Jonathan Richard Goldner (DIN: 09311803) was appointed as an Additional Director of the Company on 11th November 2021 and holds the office of Director until the forthcoming Annual General Meeting. Being eligible he offers himself for Appointment as Director of the Company. Your Directors recommend the appointment of Mr. Jonathan Richard Goldner.

None of the Company's Independent Directors have resigned from the Company before the expiry of their tenure.

Mr. Pradeep Mallick (DIN: 00061256) retired after completion of his tenure as an Independent Director from 30 July 2021.

Amongst the four Independent Directors, Mrs. Hina Shah (DIN: 06664927) holds the office of Director upto 29 July 2023, Mr. Tejpreet Singh Chopra holds the office of Director upto 29 July 2025, Mr. Samir Chaturvedi holds the office of Director upto 11th November 2025 and Ms. Monica Widhani holds the office of Director upto 11th August 2026.

(xii) Disclosure of Demat Suspense Account / Unclaimed Suspense Account and Undelivered Share Certificates as per Schedule V of the Listing Regulations

The Company does not have any demat Suspense Account/ Unclaimed Suspense Account. The Company does not hold any undelivered share certificates.

(xiii) List of credit ratings obtained by the entity with any revisions for all debt instruments of the entity

The Company does not have any debt instruments outstanding and therefore it is not required to obtain any credit ratings.

(xiv) Details of utilization of funds raised through preferential allotment or qualified institutional placement

The Company has not raised any funds through preferential allotment or qualified institutional placement during the financial year.

(xv) Certificate from a Practicing CS that none of the Directors have been debarred or disqualified from being appointed or continuing as directors of companies by the Board/ MCA or such other authority

The Company has received a Certificate to this effect from Rathi & Associates Practicing Company Secretaries. The Certificate is enclosed as Annexure to the Report

(xvi) If the Board has not accepted any recommendation of any committee of the board which is mandatorily required the same may be disclosed with reasons

There are no recommendations of any Committee that have not been accepted by the Company's Board of Directors during the financial year.

(xvii) Total fees paid by the listed entity and its subsidiaries on a consolidated basis to the statutory auditor and to all entities in the network firm/ network entity of which statutory auditor is a part

The Company does not have any subsidiaries.

The Company has not paid any fee to the entities in the network firm/ network entity of which statutory auditor is the part. The total fees paid by the Company to its statutory auditor is as follows:

Name of the Entity	Amount Paid (INR)
Price Waterhouse Chartered Accountants LLP	6,853,833
Total	6,853,833

8. Means of Communication

The Company submits its Quarterly Results to the Stock Exchanges and publishes them in all editions of a National English daily and in local edition of a Gujarati daily. The results are also displayed on the Company's Website <https://www.apmterminals.com/en/pipavav/investors/financial-results>

The Company arranges conference calls after the announcement of Quarterly results. The presentation made during the conference calls is submitted to the Stock Exchanges and is displayed on the Company's website <https://www.apmterminals.com/en/pipavav/investors/financial-results>

The transcript of the conference calls is also displayed on the Company's website <https://www.apmterminals.com/en/pipavav/investors/financial-results>

Based on the requests received, the Company meets the investors/ analysts from time to time.

There isn't any separate Presentation made to the Institutional Investors/ Analysts except those submitted to the Exchange and displayed on the Company Website www.pipavav.com

Various Company news is also displayed from time to time on the Company website <https://www.apmterminals.com/en/pipavav/investors/disclosures>

9. Secretarial Audit for Reconciliation of Capital

A Practicing Company Secretary has carried out Secretarial Audit to reconcile the total admitted capital with the two depositories namely NSDL and CDSL and in physical form as against the total issued and listed capital. The audit confirms that the total issued/ paid up capital is in agreement with the aggregate of total number of shares in physical form and the total number of shares in dematerialised form held with the two depositories namely NSDL and CDSL.

General Shareholder Information

Annual General Meeting	
Date and Time	Wednesday 3 August 2022 at 12.00 PM
Venue	Pipavav Port, At Post Rampara-2 via Rajula, District Amreli- 365560
Date of book closure	Thursday 28 July 2022 to Wednesday 3 August 2022 (both days inclusive)
Listing on Stock Exchanges	BSE Limited (BSE)
	Floor 14, P J Towers, Dalal Street, Mumbai 400 001
	The National Stock Exchange of India Limited (NSE)
	Exchange Plaza, Bandra Kurla Complex, Bandra (E), Mumbai 400 051
Dividend Payment Date	On 5 August 2022
Financial Year	1 April 2021- 31 March 2022

The Company has only Equity Shares listed on the Stock Exchanges and they were not suspended from trading by the Stock Exchanges during the year

Stock Code:

Stock Exchange	Equity
BSE	533248
NSE	GPPL

Status of Payment of Annual listing fees

The Company has paid all its dues till date towards Annual Listing Fees to both the Stock Exchanges.

Market Information:

The monthly high and low price of the Company's shares on BSE and NSE for the year ended 31 March 2022 is as follows:

	BSE		NSE	
	High (Rs)	Low (Rs)	High (Rs)	Low (Rs)
Apr-2021	106.40	91.50	106.40	91.35
May-2021	110.00	91.55	110.00	91.50
Jun-2021	124.15	102.70	124.30	102.65
Jul-2021	115.60	103.45	115.70	103.35
Aug-2021	113.40	96.90	112.60	99.00
Sep-2021	111.90	98.20	111.85	98.30
Oct-2021	118.55	104.55	119.00	104.50
Nov-2021	116.80	96.55	116.90	96.50
Dec-2021	103.20	92.50	103.25	92.50
Jan- 2022	102.25	90.50	102.30	90.50
Feb- 2022	99.55	79.85	99.60	80.00
Mar- 2022	99.00	76.10	86.60	76.05

High and low are in rupees per traded share.



Distribution of Shareholder holdings:

The distribution pattern of shareholding of the Company as on 31 March 2022 by ownership and size class, respectively, is as follows:

	31-Mar-22		31-Mar-21	
	No. of Equity Shares	Shares Held (%)	No. of Equity Shares	Shares Held (%)
A Promoter and Promoter Group				
Bodies Corporate	212,738,931	44.01	212,738,931	43.01
Total A:	212,738,931	44.01	212,738,931	43.01
B Public Shareholding				
Foreign Institutional Investors	110,143,831	22.78	103,353,903	21.38
Mutual Funds /UTI	95,626,145	19.78	111,033,115	22.97
Bodies Corporate	2,732,872	0.57	3,996,584	0.83
Financial Institutions/ NBFCs/ Banks/Venture Capital Funds	17,087,995	3.53	19,337,474	4.00
Individuals				
(i) Individuals holding nominal share capital upto Rs. 2 lakh	28,207,003	5.83	20,522,124	4.25
(ii) Individuals holding nominal share capital in excess of Rs. 2 lakh	10,385,788	2.15	8,899,063	1.84
Trusts	33,826	0.01	4,300	0.00
Non-Resident Indians	5,628,121	1.16	3,315,066	0.69
Clearing Members	850,398	0.18	234,350	0.05
Foreign Nationals	5,000	0.00	5,000	0.00
Total B :	270,700,979	55.99	270,700,979	55.99
GRAND TOTAL (A+B) :	483,439,910	100.00	483,439,910	100.00

Distribution Schedule

Shareholding of Nominal Value (INR)	No. of Shareholders	%	No. of Shares	%
1-5000	111,166	91.04	10,340,631	2.14
5001- 10000	5510	4.51	4,433,806	0.92
10001- 20000	2728	2.23	4,134,058	0.86
20001- 30000	973	0.80	2,475,100	0.51
30001- 40000	379	0.31	1,362,473	0.28
40001- 50000	345	0.28	1,646,538	0.34
50001- 100000	482	0.39	3,586,794	0.74
100001& Above	520	0.43	455,460,510	94.21
Total:	122,103	100	483,439,910	100

Registrar & Share Transfer Agents:

KFin Technologies Limited
Selenium Tower B, Plot 31-32,
Gachibowli, Financial District, Nanakramguda, Hyderabad- 500032

The Company's shares are held in dematerialised form to the extent of 99.88% with NSDL and CDSL and upto 0.12% in physical form as of 31 March 2022.

The shares are regularly traded in electronic form on both the Stock Exchanges.

Location of the Facility

The Company operates Pipavav Port located on Southwest Coast in Saurashtra Region of Gujarat at about 140 kms from Bhavnagar the nearest main Railway Station and at 80 kms from Diu the nearest Airport.

Address for correspondence:

Gujarat Pipavav Port Limited
Pipavav Post, At Post Rampara-2 via Rajula,
District Amreli, Gujarat- 365560
Email: manish.agnihotri@apmterminals.com
investorrelationinppv@apmterminals.com

DECLARATION REGARDING COMPLIANCE BY THE BOARD MEMBERS AND SENIOR MANAGEMENT WITH THE COMPANY'S CODE OF CONDUCT

This is to confirm that the Company has adopted a Code of Conduct for its employees including the Managing Director. In addition, the Company has adopted a Code of Conduct for its Non-Executive Directors including the Independent Directors. These Codes are available on the Company's website.

I confirm that in respect of the year ended 31 March, 2022, a declaration of compliance with the Code of Conduct as applicable, has been received from Board Members and from Senior Management Personnel of the Company.

Jakob Friis Sorensen
Managing Director

18 May 2022
Skodsborg, Denmark

CERTIFICATE OF NON-DISQUALIFICATION OF DIRECTORS

(Pursuant to Regulation 34(3) and Schedule V - Para C - Clause (10)(i) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015)

To,
The Members of
Gujarat Pipavav Port Limited
 Pipavav Port,
 At Post Rampara 2 via Rajula,
 Amreli, Gujarat – 365 560

I have examined the relevant registers, records, forms, returns and disclosures received from the Directors of Gujarat Pipavav Port Limited having CIN: L63010GJ1992PLC018106, and having registered office at Pipavav Port, at Post Rampara 2 via Rajula, Amreli, Gujarat – 365 560 (hereinafter referred to as 'the Company'), produced before me by the Company for the purpose of issuing this Certificate in accordance with Regulation 34(3) read with Schedule V - Para C - Clause 10(i) of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

In my opinion and to the best of my information and according to the verifications (including Director Identification Number (DIN) status on the portal www.mca.gov.in) as considered necessary and explanations furnished to me by the Company and its officers, I hereby certify that none of the Directors on the Board of the Company as stated below for the Financial Year ended on 31st March, 2022, have been debarred or disqualified from being appointed or continuing as Directors of companies by the Securities and Exchange Board of India, Ministry of Corporate Affairs or any such other Statutory Authority.

Sr. No	Name of the Director	DIN	Date of Appointment
1.	Mr. Tejpreet Singh Chopra	00317683	04/09/2012
2.	Mr. Jakob Friis Sorensen	08593830	01/01/2020
3.	Ms. Hina Shah	06664927	30/07/2013
4.	* Mr. Pradeep Mallick	00061256	04/09/2012
5.	Mr. Samir Chaturvedi	08911552	12/11/2020
6.	Ms. Monica Widhani	07674403	12/08/2021
7.	Ms. Avantika Singh Aulakh, IAS	07549438	24/09/2020
8.	Mr. Timothy John Smith	08526373	19/09/2019
9.	Mr. Soren Brandt	00270435	06/08/2020
10.	Mr. Julian Bevis	00146000	25/07/2014
11.	Mr. Keld Pedersen	07144184	01/05/2015
12.	Mr. Maarten Degryse	08925380	12/11/2020
13.	Mr. Jonathan Richard Goldner	09311803	11/11/2021

**Mr. Pradeep Mallick retired after completion of his tenure as an Independent Director effective 30th July 2021.*

Ensuring the eligibility for the appointment/continuity of every Director on the Board is the responsibility of the management of the Company. Our responsibility is to express an opinion on these based on our verification. This certificate is neither an assurance as to the future viability of the Company nor of the efficiency or effectiveness with which the management has conducted the affairs of the Company.

Place: Mumbai
 Date: 17/05/2022

**For RATHI & ASSOCIATES
 COMPANY SECRETARIES**

**HIMANSHU S. KAMDAR
 PARTNER**

**M. NO. FCS 5171
 COP NO.3030**

UDIN: F005171D000331189

AUDITORS' CERTIFICATE REGARDING COMPLIANCE OF CONDITIONS OF CORPORATE GOVERNANCE

To the Members of Gujarat Pipavav Port Limited

We have examined the compliance of conditions of Corporate Governance by Gujarat Pipavav Port Limited, for the year ended March 31, 2022 as stipulated in Regulations 17, 17A, 18, 19, 20, 21, 22, 23, 24, 24A, 25, 26, 27 and clauses (b) to (i) of sub-regulation (2) of regulation 46 and para C, D and E of Schedule V of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (as amended) (collectively referred to as "SEBI Listing Regulations, 2015").

The compliance of conditions of Corporate Governance is the responsibility of the Company's management. Our examination was carried out in accordance with the Guidance Note on Certification of Corporate Governance, issued by the Institute of Chartered Accountants of India and was limited to procedures and implementation thereof, adopted by the Company for ensuring the compliance of the conditions of Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.

In our opinion and to the best of our information and according to the explanations given to us, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in the SEBI Listing Regulations, 2015.

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 and on behalf of
Price Waterhouse Chartered Accountants LLP
Firm Registration Number: 012754N/N500016

Arunkumar Ramdas
Partner
Membership No: 112433
UDIN: 22112433AJDUXJ1476

Place: Mumbai
Date: 18 May 2022

CERTIFICATION BY CHIEF EXECUTIVE OFFICER AND CHIEF FINANCIAL OFFICER OF THE COMPANY

We, Jakob Friis Sorensen, Managing Director and Santosh Breed, Chief Financial Officer, of Gujarat Pipavav Port Limited (the Company), certify to the Board that:

- A. We have reviewed the financial statements and cash flow statement for the year ended 31st March 2022 and to the best of our knowledge and belief:
 - 1. these statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
 - 2. 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. To the best of our knowledge and belief, no transactions entered into by the Company during the year ended 31st March 2022 are fraudulent, illegal or violative of the Company's Code of Conduct.
- C. We accept responsibility for establishing and maintaining internal controls for financial reporting and we have evaluated the effectiveness of internal control systems of the Company pertaining to financial reporting. Deficiencies in the design or operation of such internal controls, if any, of which we are aware have been disclosed to the Auditors and to the Audit Committee and steps have been taken to rectify these deficiencies.
- D. We further state that:
 - 1. There has not been any significant change in internal control over financial reporting during the year;
 - 2. There has not been any significant change in accounting policies during the year requiring disclosure in the notes to the financial statements; and
 - 3. We are not aware of any instance during the year of significant fraud with involvement of the management or an employee having a significant role in the Company's internal control system over financial reporting.
- E. We further declare that all Board Members and Senior Management Personnel have affirmed compliance with Code of Conduct and Ethics for the year ended 31st March 2022.

Santosh Breed
Chief Financial Officer

Jakob Friis Sorensen
Managing Director

Place: Skodsborg, Denmark
Date: 18th May 2022

Business Responsibility & Sustainability Report for the Financial Year 2021-22

SECTION A: GENERAL DISCLOSURES

I. Details of the listed entity

1. Corporate Identity Number (CIN) of the Listed Entity : L63010GJ1992PLC018106
2. Name of the Listed Entity : Gujarat Pipavav Port Limited
3. Year of incorporation : 5th August 1992
4. Registered office address : Pipavav Port, At Post Rampara-2 via Rajula Dist Amreli.
5. Corporate address : 5th Floor, Godrej Two, Priojshanagar, Vikhroli East, Mumbai
6. E-mail : investorrelationinppv@apmterminals.com
7. Telephone : 02794 24200
8. Website : www.pipavav.com
9. Financial year for which reporting is being done : 1st April 2021- 31st March 2022
10. Name of the Stock Exchange(s) where shares are listed : BSE and NSE
11. Paid-up Capital : Rs. 4,834,399,100
12. Name and contact details (telephone, email address) of the person who may be contacted in case of any queries on the BRSR report: : Manish Agnihotri,
Tel: +91 22 5072 1324
Email: investorrelationinppv@apmterminals.com
13. Reporting boundary - Are the disclosures under this report made : Standalone entity.
on a standalone basis (i.e. only for the entity) or on a consolidated basis (i.e. for the entity and all the entities which form a part of its consolidated financial statements, taken together)

II. Products/services

14. Details of business activities (accounting for 90% of the turnover):

S. No.	Description of Main Activity	Description of Business Activity	% of Turnover of the entity
1	Transport and Storage	Services incidental to land, water & air transportation	100%

15. Products/Services sold by the entity (accounting for 90% of the entity's Turnover):

S. No.	Product/Service	NIC Code	% of total Turnover contributed
1	Cargo handling incidental to water transport	63012	100%

III. Operations

16. Number of locations where plants and/or operations/offices of the entity are situated:

Location	Number of plants	Number of offices	Total
National	One	Three	Four
International	Nil	Nil	NA

17. Markets served by the entity:
a. Number of locations:

Location	Number
National (No. of States)	One
International (No. of Countries)	Nil

b. What is the contribution of exports as a percentage of the total turnover of the entity?

The Company is engaged in the business of providing Port Services. It does not carry out any Exports on its own.

c. A brief on types of customers

The Company is engaged in providing Port Services. It handles the vessels for imports and exports of Dry Bulk cargo, Liquid cargo, Containers and RoRo.

The customers in the Container business are primarily the Shipping lines and in the case of Dry Bulk, Liquid and RoRo it is the local companies that import/ export various goods.

IV. Employees
18. Details as at the end of Financial Year: 2021-22
a. Employees and workers (including differently abled):

	Particulars	Total (A)	Male		Female	
			No. (B)	% (B / A)	No. (C)	% (C / A)
<u>EMPLOYEES</u>						
1.	Permanent (D)	182	173	95%	9	5%
2.	Other than Permanent (E)	5	5	100%		
3.	Total employees (D + E)	187	178	95%	9	5%
<u>WORKERS</u>						
4.	Permanent (F)	295	291	99%	4	1%
5.	Other than Permanent (G)					
6.	Total workers (F + G)	295	291	99%	4	1%

b. Differently abled Employees and workers:

S. No	Particulars	Total (A)	Male		Female	
			No. (B)	% (B / A)	No. (C)	% (C / A)
<u>DIFFERENTLY ABLED EMPLOYEES</u>						
1.	Permanent (D)	Nil				
2.	Other than Permanent (E)	Nil				
3.	Total differently abled employees (D + E)	Nil				
<u>DIFFERENTLY ABLED WORKERS</u>						
4.	Permanent (F)	Nil				
5.	Other than permanent (G)	Nil				
6.	Total differently abled workers (F + G)	Nil				

19. Participation/Inclusion/Representation of women

	Total (A)	No. and percentage of Females	
		No. (B)	% (B / A)
Board of Directors	12	3	25%
Key Management Personnel	3	Nil	NA

20. Turnover rate for permanent employees and workers
 (Disclose trends for the past 3 years)

	FY 2021-22 (Turnover rate in current FY)			FY 2020-21 (Turnover rate in previous FY)			FY 2019-20 (Turnover rate in theyear prior to the previous FY)		
	Male	Female	Total	Male	Female	Total	Male	Female	Total
Permanent Employees	12	2	14	8	2	10	4	0	4
Permanent Workers	1	2	3	5	0	5	3	0	3

V. Holding, Subsidiary and Associate Companies (including joint ventures)
21. (a) Names of holding / subsidiary / associate companies / joint ventures

S. No.	Name of the holding / subsidiary/associate companies/joint ventures(A)	Indicate whether holding/ Associate/ Venture	Subsidiary/ Joint	% of shares held by listed entity	Does the entity indicated at column A, participate in the Business Responsibility initiatives of the listed entity? (Yes/No)
1	APM Terminals Mauritius Ltd	Holding Company		44.01%	No
2	Pipavav Railway Corporation Limited	Associate Company		38.8%	No

VI. CSR Details

22. (i) Whether CSR is applicable as per section 135 of Companies Act, 2013: (Yes)
 (ii) Turnover (in Rs.) 7,721.25 Million
 (iii) Net worth (in Rs.) 20,324.20 Million

VII. Transparency and Disclosures Compliances

23. Complaints/Grievances on any of the principles (Principles 1 to 9) under the National Guidelines on Responsible Business Conduct:

Stakeholder group from whom complaint is received	Grievance Redressal Mechanism In Place(Yes/No)	FY 2021-22 Current Financial Year			FY 2020-21 Previous Financial Year		
		Number of complaints filed during the year	Number of complaints pending resolution at close of the year	Remarks	Number of complaints filed during theyear	Number of complaints pending resolution at close of the year	Remarks
Communities	No	Nil	Nil	NA	Nil	Nil	NA
Investors (other than shareholders)	NA	NA	NA	NA	NA	NA	NA
Shareholders	No	5	0	Nil	35	0	Nil
Employees and workers	Yes https://www.apmterminals.com/en/pipavav/investors/governance	0	0	Nil	0	0	Nil
Customers	No	0	0	Nil	0	0	Nil
Value Chain Partners	NA						
Other (please specify)	NA						

24. Overview of the entity's material responsible business conduct issues

Please indicate material responsible business conduct and sustainability issues pertaining to environmental and social matters that present a risk or an opportunity to your business, rationale for identifying the same, approach to adapt or mitigate the risk along-with its financial implications, as per the following format

S. No.	Material issue identified	Indicate whether risk or opportunity (R/O)	Rationale for identifying the risk / opportunity	In case of risk, approach to adapt or mitigate	Financial implications of the risk or opportunity (Indicate positive or negative implications)
	The Company is in the process of identifying the Material issues amounting to risk/opportunity to the Company on the issues pertaining to environment and social matters.				

SECTION B: MANAGEMENT AND PROCESS DISCLOSURES

This section is aimed at helping businesses demonstrate the structures, policies and processes put in place towards adopting the NGRBC Principles and Core Elements.

Disclosure Questions	P1	P2	P3	P4	P5	P6	P7	P8	P9
Policy and management processes									
1. a. Whether your entity's policy/policies cover each principle and its core elements of the NGRBCs. (Yes/No)	Yes	Yes	Yes	No	Yes	Yes	NA	Yes	No
b. Has the policy been approved by the Board? (Yes/No)	Yes	Yes	Yes	No	Yes	Yes		Yes	No
c. Web Link of the Policies, if available	*	*	*	NA	*	*		*	NA
2. Whether the entity has translated the policy into procedures. (Yes / No)	Yes	Yes	Yes	NA	Yes	Yes		Yes	NA
3. Do the enlisted policies extend to your value chain partners? (Yes/No)	Yes	Yes	No	NA	Yes	No		No	NA
4. Name of the national and international codes/certifications/labels/ standards (e.g. Forest Stewardship Council, Fairtrade, Rainforest Alliance, Trustea) standards (e.g.SA 8000, OHSAS, ISO, BIS) adopted by your entity and mapped to each principle.	No	No	No	No	No	No		No	No
5. Specific commitments, goals and targets set by the entity with defined timelines, if any	**	@	No	Nil	#	\$		No	No
6. Performance of the entity against the specific commitments, goals and targets along-with reasons in case the same are not met.	**	@	NA	Nil	#	Nil		Nil	Nil
Governance, leadership and oversight									
7. Statement by director responsible for the business responsibility report, highlighting ESG related challenges, targets and achievements (<i>listed entity has flexibility regarding the placement of this disclosure</i>)									
8. Details of the highest authority responsible for implementation and oversight of the Business Responsibility policy (ies).	Mr. Jakob Friis Sorensen - Managing Director								
9. Does the entity have a specified Committee of the Board/ Director responsible for decision making on sustainability related issues? (Yes / No). If yes, provide details.	No								

* The policy forms part of the Company's Code of Conduct and following is the link <https://www.apmterminals.com/en/pipavav/investors/governance>

** the goal and target is to have Nil Bribes and Facilitation Payment and it is being closely monitored for ensuring its implementation

@Safety is our license to operate and ensuring safe operations is an absolute necessity. Zero Fatality and LTI Free days is the constant target that is being closely monitored to ensure providing Safe operations.

#The goal and target is to ensure no discrimination at the workplace, no child labour or forced labour is done and zero tolerance for sexual harassment at the work place

\$Recycling of the entire quantity of waste water for usage in Green belt and for dust emission control is carried out

10. Details of Review of NGRBCs by the Company:																		
Subject for Review	Indicate whether review was undertaken by Director / Committee of the Board/ Any other Committee									Frequency (Annually/ Half yearly/ Quarterly/ Any other – please specify)								
	P 1	P 2	P 3	P 4	P 5	P 6	P 7	P 8	P 9	P 1	P 2	P 3	P 4	P 5	P 6	P 7	P 8	P 9
Performance against above policies and follow up action [^]																		
Compliance with statutory requirements of relevance to the principles, and, rectification of any non-compliances [^]																		
11. Has the entity carried out independent assessment/ evaluation of the working of its policies by an external agency? (Yes/No). If yes, provide name of the agency.									P1	P2	P3	P4	P5	P6	P7	P8	P9	
									No	No	No	No	No	No	No	No	No	

[^]The status update is provided to the Board every quarter, as applicable.

12. If answer to question (1) above is “No” i.e. not all Principles are covered by a policy, reasons to be stated:

Question	P 1	P 2	P 3	P 4	P 5	P 6	P 7	P 8	P 9
The entity does not consider the Principles material to its business (Yes/No)									
The entity is not at a stage where it is in a position to formulate and implement the policies on specified principles (Yes/No)									
The entity does not have the financial or/human and technical resources available for the task (Yes/No)									
It is planned to be done in the next financial year (Yes/No)@@									
Any other reason (please specify)									

@@ wherever the company has not been able to have a policy it is planned to be done in the next financial year.

SECTION C: PRINCIPLE WISE PERFORMANCE DISCLOSURE

This section is aimed at helping entities demonstrate their performance in integrating the Principles and Core Elements with key processes and decisions. The information sought is categorized as “Essential” and “Leadership”. While the essential indicators are expected to be disclosed by every entity that is mandated to file this report, the leadership indicators may be voluntarily disclosed by entities which aspire to progress to a higher level in their quest to be socially, environmentally and ethically responsible.

PRINCIPLE 1 Business should conduct and govern themselves with integrity and in a manner that is Ethical, Transparent and Accountable.
Essential Indicators

1. Percentage coverage by training and awareness programmes on any of the Principles during the financial year:

Segment	Total number of training and awareness programmes held	Topics/ principles covered under the training and its impact	% of persons in respective category covered by the awareness programmes
Board of Directors	No sessions are conducted but it is a pre-requisite for appointment as Director	Code of Conduct. The impact is to create awareness about the company and its promoters work culture practices	Independent Directors
Key Managerial Personnel	Annual E-learning	Anti-corruption; Code of Conduct; Insider Trading Regulations. The impact is that apart from creating awareness about the compliances these annual sessions act as a reminder	All KMPs
Employees other than BOD and KMPs	Annual E-learning	As mentioned above	All White Collar Employees
Workers	Work in progress to conduct awareness in workers	As mentioned above	All workers to be covered.

2. Details of fines / penalties /punishment/ award/ compounding fees/ settlement amount paid in proceedings (by the entity or by directors / KMPs) with regulators/ law enforcement agencies/ judicial institutions, in the financial year, in the following format (Note: the entity shall make disclosures on the basis of materiality as specified in Regulation 30 of SEBI (Listing Obligations and Disclosure Obligations) Regulations, 2015 and as disclosed on the entity's website):

Monetary					
	NGRBC Principle	Name of the regulatory/ enforcement agencies/ judicial institutions	Amount (In INR)	Brief of the Case	Has an appeal been preferred? (Yes/ No)
Penalty/ Fine		NA			
Settlement		NA			
Compounding fee		NA			
Non-Monetary					
	NGRBC Principle	Name of the regulatory/ enforcement agencies/ judicial institutions	Amount (In INR)	Brief of the Case	Has an appeal been preferred? (Yes/ No)
Imprisonment		NA			
Punishment		NA			

3. Of the instances disclosed in Question 2 above, details of the Appeal/ Revision preferred in cases where monetary or non-monetary actions has been appealed

Case Details	Name of the regulatory/ enforcement agencies/ judicial institutions
NA	

4. Does the entity have an anti-corruption or anti-bribery policy? If yes, provide details in brief and if available, provide a web-link to the policy

Yes it forms part of the Company's Code of Conduct. The link is as follows:

<https://www.apmterminals.com/en/pipavav/investors/governance>

5. Number of Directors/KMPs/employees/workers against whom disciplinary action was taken by any law enforcement agency for the charges of bribery/ corruption

	FY 2021-22 (Current FY)	FY 2020-21 (Previous FY)
Directors	Nil	Nil
KMPs	Nil	Nil
Employees	Nil	Nil
Workers	Nil	Nil

6. Details of complaints with regard to conflict of interest:

	FY 2021-22 (Current FY)		FY 2020-21 (Previous FY)	
	Number	Remarks	Number	Remarks
Number of complaints received in relation to issues of Conflict of Interest of the Directors	Nil		Nil	
Number of complaints received in relation to issues of Conflict of Interest of the KMPs	Nil		Nil	

7. Provide details of any corrective action taken or underway on issues related to fines / penalties / action taken by regulators/ law enforcement agencies/ judicial institutions, on cases of corruption and conflicts of interest

Not applicable

Leadership Indicators

1. Awareness programmes conducted for value chain partners on any of the Principles during the financial year

Total number of awareness programmes held	Topics/ principles covered under the training	% of value chain partners covered (by value of business done with such partners) under the awareness programmes
Nil		

2. Does the entity have processes in place to avoid/ manage conflict of interests involving members of the Board? (Yes/No) If Yes, provide details of the same

Yes the Directors submit their Annual Declaration of interests to the Company and updates to those Declarations as and when occur

PRINCIPLE 2 Businesses should provide goods and services in a manner that is sustainable and safe

Essential Indicators

1. Percentage of R&D and capital expenditure (capex) investments in specific technologies to improve the environmental and social impacts of product and processes to total R&D and capex investments made by the entity, respectively

	Current FY	Previous FY	Details of improvement in environmental social impacts
R&D	NA*	NA*	
Capex	NA*	NA*	

**The Company is engaged in providing the Port Services hence it is not applicable*

2. a. Does the entity have procedures in place for sustainable sourcing? (Yes/No)- No
 b. If yes, what percentage of inputs were sourced sustainably? NA
3. Describe the processes in place to safely reclaim your products for reusing, recycling and disposing at the end of life, for (a) Plastics (including packaging) (b) E-waste (c) Hazardous waste and (d) other waste

The Hazardous waste generated is disposed off to authorized vendors approved by the Gujarat Pollution Control Board (GPCB).

4. Whether Extended Producer Responsibility (EPR) is applicable to the entity's activities (Yes / No). If yes, whether the waste collection plan is in line with the Extended Producer Responsibility (EPR) plan submitted to Pollution Control Boards? If not, provide steps taken to address the same.

The Company is engaged in providing the Port Services hence it is not applicable

Leadership Indicators

1. Has the entity conducted Life Cycle Perspective / Assessments (LCA) for any of its products (for manufacturing industry) or for its services (for service industry)? If yes, provide details in the following format?

NIC Code	Name of Product/ Service	% of total Turnover contributed	Boundary for which the Life Cycle Assessment was conducted	Whether conducted by independent external agency (Yes/No)	Results communicated in public domain (Yes/No) If yes, provide the web-link
63012	Cargo handling incidental to water transport	100%	The Company is yet to make the assessment		

2. If there are any significant social or environmental concerns and/or risks arising from production or disposal of your products / services, as identified in the Life Cycle Perspective / Assessments (LCA) or through any other means, briefly describe the same along-with action taken to mitigate the same

Name of Product/ Service	Description of the risk/ concern	Action Taken
NA since the Company is yet to make an assessment		

3. Percentage of recycled or reused input material to total material (by value) used in production (for manufacturing industry) or providing services (for service industry)

During the year 2021-22 the entire amount of treated STP water constituting about 80,282 KL was re-cycled for the Green belt and for Dust Emission Control

4. Of the products and packaging reclaimed at end of life of products, amount (in metric tonnes) reused, recycled, and safely disposed, as per the following format:

	FY 2021-22			FY 2020-21		
	Re-Used	Recycled	Safely Disposed	Re-Used	Recycled	Safely Disposed
Plastics (including packaging)		3.25			11.47	
E-waste		34.49			26.53	
Hazardous Waste (used oil with barrels)		25.694			26.19	
Rubber waste		42.02				
Battery waste		8.33			5.990	
Other Waste- Discarded asbestos sheet			72.34			2.857

5. Reclaimed products and their packaging materials (as percentage of products sold) for each product category

Indicate Product Category	Reclaimed products and their packaging materials as % of total products sold in respective category
Not applicable	The Company is engaged in providing Port Services.

PRINCIPLE 3 Businesses should respect and promote the well being of all employees, including those in their value chains
Essential Indicators

1. a. Details of measures for the well-being of employees:

% of employees covered by											
Category	Total (A)	Health Insurance		Accident Insurance		Maternity Benefits		Paternity Benefits		Day Care Facilities	
		No. (B)	%B/A	No.(C)	%C/A	No.(D)	%D/A	No (E)	%E/A	No. F)	%F/A
Permanent Employees											
Male	173	173	100%	173	100%			173	100%	None	
Female	9	9	100%	9	100%	9*	100%				
Total	182	182	100%	182	100%	9	100%	173	100%		
Other than Permanent Employees											
Male		No		No		No		No		None	
Female		No		No		No		No			
Total		No		No		No		No			

*not exceeding 2 children

b. Details of measures for the well-being of workers:

% of employees covered by											
Category	Total (A)	Health Insurance		Accident Insurance		Maternity Benefits		Paternity Benefits		Day Care Facilities	
		No. (B)	%B/A	No.(C)	%C/A	No.(D)	%D/A	No (E)	%E/A	No.(F)	%F/A
Permanent Employees											
Male	291	291	100%	291	100%			291	100%	None	
Female	4	4	100%	4	100%	4*	100%				
Total	295	295	100%	295	100%	4	100%	291	100%		
Other than Permanent Employees											
Male		No		No		No		No		None	
Female		No		No		No		No			
Total		No		No		No		No			

*not exceeding 2 children

2. Details of retirement benefits, for Current FY and Previous FY

Benefits	FY 2021-22 (CY)				FY 2020-21 (PY)			
	No. of employees covered as a % of total employees	No. of workers covered as a % of total workers	Deducted and deposited with the authority (Y/N/ NA)		No. of employees covered as a % of total employees	No. of workers covered as a % of total workers	Deducted and deposited with the authority (Y/N/ NA)	
PF	100%	100%	Y		100%	100%	Y	
Gratuity	100%	100%	Y		100%	100%	Y	
ESI	-	-	NA		-	-	NA	
Others- please specify (Leave Encashment on Retirement/ Exit)	100%	100%	NA		100%	100%	NA	

3. Accessibility of workplaces

Are the premises / offices of the entity accessible to differently abled employees and workers, as per the requirements of the Rights of Persons with Disabilities Act, 2016? If not, whether any steps are being taken by the entity in this regard

The Office Premise is accessible to differently abled employees and workers

4. Does the entity have an equal opportunity policy as per the Rights of Persons with Disabilities Act, 2016? If so, provide a web-link to the policy

The Company does not have a separate equal opportunity policy but its Code of Conduct includes Fair Employment Practices and it does not tolerate any kind of discrimination or harassment. The Code of Conduct is available on the website and its link is <https://www.apmterminals.com/en/pipavav/investors/governance>

5. Return to work and Retentions rates of permanent employees and workers that took parental leave

Gender	Permanent employees		Permanent workers	
	Return to work rate	Retention rate	Return to work rate	Retention rate
Male	Nil	NA	Nil	NA
Female	Nil	NA	Nil	NA
Total				

6. Is there a mechanism available to receive and redress grievances for the following categories of employees and worker? If yes, give details of the mechanism in brief

	Yes/No (If yes, then give details of the mechanism in brief)
Permanent Workers	The Company has a Grievance Redressal Policy applicable to all employees below the position of a Manager
Other than Permanent Workers	
Permanent Employees	
Other than Permanent Employees	

7. Membership of employees and worker in association(s) or Unions recognized by the listed entity:

Category	FY 2021-22 (CY)			FY 2020-21 (PY)		
	Total employees/workers in respective category (A)	No. of employees/workers in respective category who are part of association (s) or Union (B)	% B/A	Total employees/workers in respective category (C)	No. of employees/workers in respective category who are part of association (s) or Union (D)	% D/A
Total Permanent Employees		Nil			Nil	
- Male		Nil			Nil	
- Female		Nil			Nil	
Total Permanent Workers	275	262	95%	277	265	96%
- Male	271	259	96%	272	261	96%
- Female	4	3	75%	5	4	80%

8. Details of Training given to employees and workers

Category	FY 2021-22 (CY)					FY 2020-21 (PY)				
	Total	On Health & Safety Measures		On Skill Upgradation		Total	On Health & Safety Measures		On Skill Upgradation	
		No	%	No	%		No	%	No	%
Employees										
Male	163	163	100%	163	100%	175	138	79%	171	100%
Female	9	8	89%	9	100%	8	5	63%	5	63%
Total	172	171		172		183	143		176	
Workers										
Male	291	284	98%	186	64%	293	284	97%	42	14%
Female	4	3	75%	0	0%	5	3	60%	0	0%
Total	295	287		186		298	287		42	

9. Details of performance and career development reviews of employees and worker:

Category	FY 2021-22 (CY)			FY 2020-21 (PY)		
	Total (A)	No. (B)	%B/A	Total (C)	No (D)	%D/C
Employees						
Male	173	173	100%	NA		
Female	9	9	100%	NA		
Total	182	182	100%	NA		
Workers						
Male	291	291	100%	NA		
Female	4	4	100%	NA		
Total	295	295	100%	NA		

10. Health and Safety Management system:

- Whether an occupational health and safety management system has been implemented by the entity? **(Yes/ No)**. If yes, the coverage such system?
 Yes. All employees are covered under the Health and Safety Management Programme of the Company. It involves undertaking Safety Training by all employees and the Heads of Department are required to conduct Safety Walk to ensure a safe behaviour is being observed on the ground.
- What are the processes used to identify work-related hazards and assess risks on a routine and non-routine basis by the entity?
 As mentioned above the Safety Walks by the Heads of Department and Safety Gemba by the employees helps in identifying potential work related hazards and risks. These Near-misses are identified and recorded along with the corrective actions taken.
- Whether you have processes for workers to report the work related hazards and to remove themselves from such risks. (Y/N)
 Yes. The Company has a process in place to report the potential work related hazards
- Do the employees/ worker of the entity have access to non-occupational medical and healthcare services? **(Yes/ No)**
 All employees and workers are covered by medical and healthcare support.

11. Details of safety related incidents in the following format:

Safety Incident/ Number	Category	FY 2021-22 (CY)	FY 2020-21 (PY)
Lost Time Injury Frequency Rate (LTIFR) (per one million person hours worked)	Employees	0	0
	Workers	0	0
Total recordable work related injuries	Employees	0	2
	Workers	6	7
No. of Fatalities	Employees	0	0
	Workers	0	0
High consequence work related injury or ill health (excluding fatalities)	Employees	0	0
	Workers	0	0

12. Describe the measures taken by the entity to ensure a safe and healthy work place

Safety is at the core of all our operations. APM Terminals Pipavav has recorded incident-free operations with zero fatalities and zero Lost Time Injuries (LTI) for more than 1200 days (as of April 2022). The port has embarked on APM Terminals' designated Safety initiatives to ensure maximum safety with collaborative efforts in: transportation, suspended loads and lifting, working at heights, stored energy and control of contractors. The highest level of safety is the result of the continuous training, monitoring, and supervising of all operations as well as employees' proactive initiatives to embrace safety as way of life.

The Company has set a number of key performance indicators (KPIs) that measure safety performance, both in terms of personal safety [safety of our employees and any other people who could be affected by our activities] and in terms of the safe design, operation and maintenance of our facilities.

Personnel safety

The Company is committed to maintaining a safe, healthy workplace for our employees and contractors, and delivering safe

projects that benefit everyone. The port incorporates the best global safety practices into its daily operations to create a safe place to work.

The port has a dedicated Health, Safety, Security and Environment (HSSE) department responsible for ensuring the safety of all working at the port. It also ensures safety induction for all those visiting the operations area. New employees are mandated to participate in a safety induction programme which outline safety Do's and Donts for employees and vendors. The port has also developed safety measures and procedures to handle specific operations and scenarios quickly and efficiently. These include a comprehensive disaster management plan, and an oil spill contingency plan. A dedicated team of firemen and fire-related equipment ensure that the Port is fully prepared to respond to any fire related emergency.

Transparency is the key to any effective safety strategy. Frequent safety meetings, notices and a detailed reporting system keeps employees and management continually informed about the port's safety policy, incidents, and safety record.

13. Number of Complaints on the following made by employees and workers

	FY 2021-22 (CY)			FY 2020-21 (PY)		
	Filed during the year	Pending resolution at the end of year	Remarks	Filed during the year	Pending resolution at the end of year	Remarks
Working Conditions	Nil	NA		Nil	NA	
Health & Safety	Nil	NA		Nil	NA	

14. Assessments for the year

	% of your plants and offices that were assessed (by entity or statutory authorities or third parties)
Health and Safety Practices	The Company has a schedule of carrying out safety inspection of 100% of its facilities internally. Based on the risk exposure the frequency is defined, inspections are carried out by internal Health & Safety team and reported to area owners. Area owners need to take corrective action on the observations in a time bound manner
Working Conditions	Monthly assessment of working conditions (noise, illumination, particulate matters etc) by internal and external agencies is being done

15. Provide details of any corrective action taken or underway to address safety-related incidents (if any) and on significant risks / concerns arising from assessments of health & safety practices and working conditions

The Company has an online platform to report and track all the incidents, near misses and observations. The platform not only ensures proper record keeping but it gives visibility to all the users on the incidents and corrective actions. Below is the summary of corrective actions taken in the year 2020-21 and 2021-22.

Action created in 2021-22			
Month	Closed	Open	Total
Apr-21	12		12
May-21	14		14
Jun-21	7		7
Jul-21	17		17
Aug-21	40		40
Sep-21	19		19
Oct-21	13		13
Nov-21	11	1	12
Dec-21	17	1	18
Jan-22	10	1	11
Feb-22	25	4	29
Mar-22	17	1	18
2021-22	202	8	210

Action created in 2020-21			
Month	Closed	Open	Total
Apr-20	17		17
May-20	90	1	91
Jun-20	25		25
Jul-20	30		30
Aug-20	18		18
Sep-20	22		22
Oct-20	11		11
Nov-20	19		19
Dec-20	25		25
Jan-21	19		19
Feb-21	23		23
Mar-21	17		17
2020-21	316	1	317

Leadership Indicators

- Does the entity extend any life insurance or any compensatory package in the event of death of (A) Employees (Y/N) (B) Workers (Y/N)
Yes the Company does extend the facility to its Employees and Workers
- Provide the measures undertaken by the entity to ensure that statutory dues have been deducted and deposited by the value chain partners
The Company does not have any value chain partners
- Provide the number of employees / workers having suffered high consequence work- related injury / ill-health / fatalities, who have been are rehabilitated and placed in suitable employment or whose family members have been placed in suitable employment

	Total no. of affected employees/ workers		No. of employees/ workers that are rehabilitated and placed in suitable employment or whose family members have been placed in suitable employment	
	FY 2021-22 (CY)	FY 2020-21 (PY)	FY 2021-22 (CY)	FY 2020-21 (PY)
Employees	Nil	1	1	Nil
Workers	Nil	Nil	Nil	Nil

- Does the entity provide transition assistance programs to facilitate continued employability and the management of career endings resulting from retirement or termination of employment? (Yes/ No)
No the Company does not have such programs
- Details on assessment of value chain partners:

	% of value chain partners (by value of business done with such partners) that were assessed
Health and Safety Practices	NA
Working Conditions	NA

- Provide details of any corrective actions taken or underway to address significant risks / concerns arising from assessments of health and safety practices and working conditions of value chain partners
Not applicable. The Company does not have value chain partners

PRINCIPLE 4: Businesses should respect the interest of and be responsive to all its stakeholders

Essential Indicators

- Describe the processes for identifying key stakeholder groups of the entity
The Company is yet to develop such formal processes to identify the key stakeholder groups.
- List stakeholder groups identified as key for your entity and the frequency of engagement with each stakeholder group

Stakeholder Group	Whether identified as Vulnerable & Marginalised Group (Yes/ No)	Channels of communication (Email, SMS, Newspaper, Pamphlets, Advertisement, Community Meetings, Notice Board, Website), Other	Frequency of engagement (Annually/ Half yearly/ Quarterly/ others- please specify)	Purpose and scope of engagement including key topics and concerns raised during such engagement
Nil				

Leadership Indicators

1. Provide the processes for consultation between stakeholders and the Board on economic, environmental, and social topics or if consultation is delegated, how is feedback from such consultations provided to the Board

As mentioned above, the Company is yet to identify its key stakeholder groups.

2. Whether stakeholder consultation is used to support the identification and management of environmental, and social topics (Yes / No). If so, provide details of instances as to how the inputs received from stakeholders on these topics were incorporated into policies and activities of the entity

Nil

3. Provide details of instances of engagement with, and actions taken to, address the concerns of vulnerable/ marginalized stakeholder groups

Not applicable

PRINCIPLE 5: Businesses should respect and promote human rights

Essential Indicators

1. Employees and workers who have been provided training on human rights issues and policy(ies)of the entity, in the following format:

	FY 2021-22 (CY)			FY 2020-21(PY)		
	Total (A)	No. of employees/workers covered (B)	%B/A	Total (C)	No. of employees/workers covered (D)	%D/C
Employees- Refer Note below the table						
Permanent						
Other than Permanent						
Total Employees						
Workers- Refer Note below the table						
Permanent						
Other than Permanent						
Total Employees						

Note: The Company does not have a separate training specific to human rights issues but Human Rights is part of the Company's Code of Conduct and the annual E-learning on Code of Conduct covers the aspect.

2. Details of minimum wages paid to employees and workers in the following format:

	FY 2021-22 (CY)					FY 2020-21 (PY)				
	Total (A)	Equal to Minimum Wage		More than Minimum Wage		Total (D)	Equal to Minimum Wage		More than Minimum Wage	
		No (B)	%B/A	No (C)	%C/A		No (E)	%E/D	No (F)	%F/D
Employees- Refer Note below the table										
Permanent										
Male										
Female										
Other than Permanent										
Male										
Female										
Workers- Refer Note below the table										
Permanent										
Male										
Female										
Other than Permanent										
Male										
Female										

Note: All employees and workers of the Company are paid more than Minimum Wages

3. Details of remuneration/ salary/ wages in the following format:- Refer note below the table

	Male		Female	
	Number	Median remuneration/ salary/ wages of respective category	Number	Median remuneration/ salary/ wages of respective category
Board of Directors				
Key Managerial Personnel				
Employees other than BoD and KMP				
Workers				

Note: As per the Company's HR Policy, the remuneration levels are uniform for all Male and Female employees depending upon their Job Grade levels in the organization.

4. Do you have a focal point (individual/ committee) responsible for addressing human rights impact or issues caused or contributed to by the business

The Head of HR is responsible for addressing the human rights issues.

5. Describe the internal mechanism in place to redress grievances related to human rights issues.

The grievances pertaining to human rights can be addressed to the Head HR of the Company who is responsible to get them resolved.

6. Number of complaints on the following made by employees and workers

	FY 2021-22 (CY)			FY 2020-21 (PY)		
	Filed during the year	Pending resolution at the end of year	Remarks	Filed during the year	Pending resolution at the end of year	Remarks
Sexual Harassment	Nil	NA		Nil	NA	
Discrimination at workplace	Nil	NA		Nil	NA	
Child Labour	Nil	NA		Nil	NA	
Forced Labour/ Involuntary Labour	Nil	NA		Nil	NA	
Wages	Nil	NA		Nil	NA	
Other human rights related issues	Nil	NA		Nil	NA	

7. Mechanisms to prevent adverse consequences to the complainant in discrimination and harassment cases

The Company's Head of HR is responsible to address the matter in accordance with the Company's Code of Conduct.

8. Do human rights requirements form part of your business agreements and contracts

The Company does not have specific requirements as part of business agreements and contracts.

9. Assessments for the year:

	% of your plants and offices that were assessed (by entity or statutory authorities or third parties)
Child labour	All offices are internally assessed.
Forced/ involuntary labour	
Sexual Harassment	
Discrimination at workplace	
Wages	
Others- please specify	

Leadership Indicators

1. Details of business process being modified/ introduced as a result of addressing human rights grievances/ complaints

As mentioned above the Company's Code of Conduct already addresses the issues pertaining to human rights complaints.

2. Details of scope and coverage of any Human rights due- diligence conducted.

The Company has not conducted any such due diligence.

3. Is the premise/ office of the entity accessible to differently abled visitors as per the requirements of the Rights of persons with Disabilities Act, 2016.

Yes the premises is accessible for differently abled.

4. Details on assessment of value chain partners:

	% of value chain partners (by value of business done with such partners) that were assessed
Sexual Harassment	The Company does not have Value Chain Partners
Discrimination at work place	
Child labour	
Forced labour/ involuntary labour	
Wages	
Others- please specify	

5. Provide details of any corrective actions taken or underway to address significant risks/ concerns arising from the assessments at Question 4 above.

Not applicable due to the reasons mentioned above.

PRINCIPLE 6: Business should respect and make efforts to protect and restore the environment
Essential Indicators
1. Details of total energy consumption (in Joules or multiples) and energy intensity, in the following format:

Parameter	FY 2021-22 (CY)	FY 2020-21 (PY)
Total electricity consumption (A)	17,152,035 KWH 61,747,326 Mega Joules	18,639,070 KWH 67,100,652 Mega Joules
Total fuel consumption (B)	3,264,981 Litres	2,200,452 Litres
Energy consumption through other sources (C)	Nil	Nil
Total energy consumption (A+B+C)	131,306,238,942 Mega Joules	88,520,051,546 Mega Joules
Energy intensity per rupee of turnover (Total energy consumption/ turnover in rupees)	17,005,827	11,382,829
Energy intensity (optional) – the relevant metric may be selected by the entity	--	--

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency.

No an independent assessment is yet to be done

2. Does the entity have any sites/ facilities identified as designated consumers (DCs) under the Performance, Achieve and Trade (PAT) Scheme of the Government of India? (Y/N) If yes, disclose whether targets set under the PAT scheme have been achieved. In case targets have not been achieved, provide the remedial action taken, if any.

No. The Company does not have any sites under the Performance, Achieve and Trade (PAT) Scheme of the Government of India.

3. Provide details of the following disclosures related to water, in the following format:

Parameter	FY 2021-22 (CY)	FY 2020-21 (PY)
Water withdrawal by source (in kiloliters)		
(i) Surface water	Nil	Nil
(ii) Groundwater	Nil	Nil
(iii) Third party water*	407,506	370,140
(iv) Seawater/ desalinated water	Nil	Nil
(v) Others	Nil	Nil
Total volume of water withdrawal (in kiloliters) (i+ii+iii+iv+v)	407,506	370,140
Total volume of water consumption (in kiloliters)	407,506	370,140
Water intensity per rupee of turnover (Water consumed/turnover)	0.055	0.051
Water intensity (optional)- the relevant metric may be selected by the entity		

**the Company purchases water through the Gujarat Water Infrastructure Limited*

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency.

No. The Company has not carried out any independent assessment.

4. Has the entity implemented a mechanism for Zero Liquid Discharge? If yes, provide details of its coverage and implementation

The Company does not have any Liquid Discharge issues.

5. Please provide details of air emissions (Other than GHG emissions) by the entity in the following format:

Parameter	Please specify unit	FY 2021-22 (CY)	FY 2020-21 (PY)
NOx	mg/Nm ³	11.68	7.35
SOx	mg/Nm ³	5.65	11.68
Particulate matter (PM)	mg/Nm ³	45.3	62.5
Persistent organic pollutants (POP)		Nil	Nil
Volatile organic compounds (VOC)		Nil	Nil
Hazardous air pollutants (HAP)		Nil	Nil
Others- please specify		Nil	Nil

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency.

Yes. The Environmental Monitoring of the port area covering, Air, Water, Soil, Noise, Stack emissions is being performed on a regular basis by MoEF&CC & NABL authorized Laboratory i.e. M/s. Kadam Consultants-Vadodara.

6. Provide the details of greenhouse gas emissions (Scope 1 and Scope 2 emissions) & its intensity in the following format:

Parameter	Unit	FY 2021-22 (CY)	FY 2020-21 (PY)
Total Scope 1 emissions (Break-up of the GHG into CO ₂ , CH ₄ , N ₂ O, HFCs, PFCs, SF ₆ , NF ₃ , if available)	Metric tonnes of CO ₂ equivalent	3956.5 66.08 (MT Co ₂ e) Methane & Nitrous oxide emission	1677.26 28.02 (MT Co ₂ e) Methane & Nitrous oxide emission
Total Scope 2 emissions (Break-up of the GHG into CO ₂ , CH ₄ , N ₂ O, HFCs, PFCs, SF ₆ , NF ₃ , if available)	Metric tonnes of CO ₂ equivalent	13218.91	14244.45
Total Scope 1 and Scope 2 emissions per rupee of Turnover	
Total Scope 1 and Scope 2 emission intensity (optional) – the relevant metric may be selected by the entity		215.76	199.89

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency

No. The Company has not carried out an independent assessment.

7. Does the entity have any project related to reducing Green House Gas emissions? If yes, then provide details.

Yes, the Company has installed rooftop based solar plant having capacity of 1000 KWp, and it will shortly become operational. It is likely to reduce the emission.

The other initiatives already done are conversion of cranes from diesel to electric and Replacement of Sodium Vapour Lamps with LED lights. The Company also maintains 250-acre area as green belt which acts as a carbon sink.

8. Provide details related to waste management by the entity in the following format:

Parameter	FY 2021-22 (CY)	FY 2020-21 (PY)
Total Waste generated (in metric tonnes)		
Plastic waste (A)	7.389	2.483
E-waste (B)	31.91	31.992
Bio-medical waste (C)	5.246	4.06
Construction and demolition waste (D)	0.0	0.0
Battery waste (E)	4.245	4.184
Radioactive waste (F)	0.0	0.0
Other Hazardous waste. Please specify, if any. (G) Used oil	19.83	21.12
Other Non-hazardous wastegenerated (H). Please specify, if any. MS Scrap (Break-up by composition i.e. by materials relevant to the sector)	199.598	326.76
Total (A+B + C + D + E + F + G + H)	262.972	386.539

For each category of waste generated, total waste recovered through recycling, re-using or other recovery operations (in metric tonnes)		
Category of waste		
(i) Recycled	262.972	386.539
(ii) Re-used		
(iii) Other recovery operations		
Total	262.972	386.539
For each category of waste generated, total waste disposed by nature of disposal method (in metric tonnes)		
Category of waste		
(i) Incineration	5.246	4.06
(ii) Landfilling	0.0	0.0
(iii) Other disposal operations		
Total	5.246	4.06

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency.

No. The Company has not carried out an independent assessment.

9. Briefly describe the waste management practices adopted in your establishments. Describe the strategy adopted by your company to reduce usage of hazardous and toxic chemicals in your products and processes and the practices adopted to manage such wastes.

As part of the global initiative by APM Terminals to design, develop, operate, and maintain the most environmentally sensitive and advanced facilities, the Port's initiatives are aimed at reducing dependency on diesel as a fuel, developing low carbon solutions and exploring carbon neutral options along with installation of Renewable Energy Project, phase out the use of Ozone depleting substances.

All the waste generated at the site (Hazardous Waste + non Hazardous Waste) is being stored at one place i.e. Hazardous waste storage yard.

Hazardous waste is being disposed to the GPCB authorized vendor. The transportation of Hazardous Waste is being done through GPS enabled vehicles and gate out of vehicles is done after the generation of Manifest from the GPCB portal only.

10. If the entity has operations/offices in/around ecologically sensitive areas (such as national parks, wildlife sanctuaries, biosphere reserves, wetlands, biodiversity hotspots, forests, coastal regulation zones etc.) where environmental approvals / clearances are required, please specify details in the following format:

S. No.	Location of operations/offices	Type of operations	Whether the conditions of environmental approval / clearance are being complied with? (Y/N) If no, the reasons thereof and corrective action taken, if any.
	NA		

11. Details of environmental impact assessments of projects undertaken by the entity based on applicable laws, in the current financial year:

Name and brief details of project	EIA Notification No.	Date	Whether conducted by independent external agency (Yes / No)	Results communicated in public domain (Yes / No)	Relevant Web link
NA					

12. Is the entity compliant with the applicable environmental law/ regulations/ guidelines in India; such as the Water (Prevention and Control of Pollution) Act, Air (Prevention and Control of Pollution) Act, Environment protection act and rules thereunder (Y/ N). If not, provide details of all such non-compliances, in the following format:

S. No.	Specify the law / regulation /guidelines which was not complied with	Provide details of the non-compliance	Any fines / penalties / action taken by regulatory agencies such as pollution boards or by courts	Corrective action taken, if any
	Nil	NA	NA	NA

Leadership Indicators

1. Provide break up of the total energy consumed (in Joules or multiples) from renewable and non-renewable sources in the following format:

Parameter	FY 2021-22 (CY)	FY 2020-21 (PY)
From renewable sources	Nil	Nil
Total electricity consumption (A)		
Total fuel consumption (B)		
Energy consumption through other sources (C)		
Total energy consumed from renewable sources (A+B+C)		
From non-renewable sources		
Total electricity consumption (D)	17,152,035 KWH	18,639,070 KWH
	61,747,326 Mega Joules	67,100,652 Mega Joules
Total fuel consumption (E)	3,264,981 Liter	2,200,452 Liter
	131,244,491,616 Mega Joules	88,452,950,894 Mega Joules
Energy consumption through other sources (F)	Nil	Nil
Total energy consumed from non-renewable sources (D+E+F)	131,306,238,942	88,520,051,546

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency.

2. Provide the following details related to water discharged:

Parameter	FY 2021-22 (CY)	FY 2020-21 (PY)
Water discharge by destination and level of treatment (in kilolitres)- NOT APPLICABLE		
(i) To Surface water		
- No treatment		
- With treatment – please specify level of treatment		
(ii) To Groundwater		
- No treatment		
- With treatment – please specify level of treatment		
(iii) To Seawater		
- No treatment		
- With treatment – please specify level of treatment		
(iv) Sent to third-parties		
- No treatment		
- With treatment – please specify level of treatment		
(v) Others		
- No treatment		
- With treatment – please specify level of treatment		
Total water discharged (in kilolitres)		

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency.

No. The Company has not carried out any independent assessment because it has implemented a Zero Discharge system. The entire waste water is re-cycled and is re-used for the Green belt and Dust suppression purpose at the port.

3. Water withdrawal, consumption and discharge in areas of water stress (in kiloliters) - Nil

For each facility/ plant located in areas of water stress. Provide the following information:

- (i) Name of the area
- (ii) Nature of operations
- (iii) Water withdrawal, consumption and discharge in the following format:

Parameter	FY 2021-22 (CY)	FY 2020-21 (PY)
Water withdrawal by source (in kilolitres)	NA	NA
(i) Surface water		
(ii) Groundwater		
(iii) Third party water		
(iv) Seawater/ desalinated water		
(v) Others		
Total volume of water withdrawal (in kilolitres) (i+ii+iii+iv+v)		
Total volume of water consumption (in kiloliters)		
Water intensity per rupee of turnover (Water consumed/turnover)*		
Water intensity (optional)- the relevant metric may be selected by the entity		
Water discharge by destination and level of treatment (in kilolitres)		
(i) Into Surface water		
- No treatment		
- With treatment – please specify level of treatment		
(ii) Into Groundwater		
- No treatment		
- With treatment – please specify level of treatment		
(iii) Into Seawater		
- No treatment		
- With treatment – please specify level of treatment		
(iv) Sent to third-parties		
- No treatment		
- With treatment – please specify level of treatment		
(v) Others		
- No treatment		
- With treatment – please specify level of treatment		
Total water discharged (in kilolitres)		

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency.

The Company purchases water from the Gujarat Water Infrastructure Limited and the Company has implemented a Zero Discharge mechanism. So no independent assessment is made.

4. Please provide details of total Scope 3 emissions & its intensity, in the following format:

Parameter	Unit	FY 2021-22 (CY)	FY 2020-21 (PY)
Total Scope 3 emissions (Break-up of the GHG into CO ₂ , CH ₄ , N ₂ O, HFCs, PFCs, SF ₆ , NF ₃ , if available)	<i>Metric tonnes of CO₂ equivalent</i>	Not applicable	Not applicable
Total Scope 3 emissions per rupee of turnover			
Total Scope 3 emission intensity (optional) – the relevant metric may be selected by the entity			

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency.

The Company does not monitor Scope 3 emissions.

5. With respect to the ecologically sensitive areas reported at Question 10 of Essential Indicators above, provide details of significant direct & indirect impact of the entity on biodiversity in such areas along-with prevention and remediation activities.

The Company's port operation is not located in any ecologically sensitive area.

6. If the entity has undertaken any specific initiatives or used innovative technology or solutions to improve resource efficiency, or reduce impact due to emissions / effluent discharge / waste generated, please provide details of the same as well as outcome of such initiatives as per the following format:

Sr. No	Initiative undertaken	Details of the initiative (Web-link, if any, may be provided along-withsummary)	Outcome ofthe initiative
1	Roof Top Solar Plant		Reduction in emission
2	STP operation & Rainwater harvesting		Decreasing the demand of fresh water for green belt.
3	Organic Waste Converter Machine		Reducing Landfill of waste, Organic waste is converted in to the form of green manure.

7. Does the entity have a business continuity and disaster management plan? Give details in 100 words/ web link.

Yes. The Company has a Port Disaster Management Plan and a Business Continuity Management (BCM) in place. The plan describes the Port's policies to which the Port Management and Emergency Response Managers will refer at the occurrence of a broad-based emergency. For the purpose of these emergency-operating procedures, a major emergency or disaster is characterised as an unforeseen or unexpected combination of circumstances that call for immediate and extraordinary actions.

8. Disclose any significant adverse impact to the environment, arising from the value chain of the entity. What mitigation or adaptation measures have been taken by the entity in this regard?

The Company does not have any value chain partners.

9. Percentage of value chain partners (by value of business done with such partners) that were assessed for environmental impacts.

Not Applicable

PRINCIPLE 7: Businesses when engaging in influencing public and regulatory policy, should do so in a manner that is responsible and transparent

Essential Indicators

1. a. Number of affiliations with trade and industry chambers/ associations. Two
b. List the top 10 trade and industry chambers/ associations (determined based on the total members of such body) the entity is a member of/affiliated to

S. No.	Name of the trade and industry chambers/ associations	Reach of trade and industry chambers/ associations (State/ National)
1.	Confederation of Indian Industries	National
2	Indian Private Ports and Terminals Association	National

2. Provide details of corrective action taken or underway on any issues related to anti-competitive conduct by the entity, based on adverse orders from regulatory authorities.

Name of authority	Brief of the case	Corrective action taken
	Not Applicable	

Leadership Indicators

1. Details of public policy positions advocated by the entity:

S. No.	Public Policy advocated	Method resorted for such advocacy	Whether information available in public domain (Yes/No)	Frequency of review by Board (Annually/ Half Yearly/ Quarterly/ Others)	Web link if available
	Not Applicable				

The Company does not have any public policy advocacy

PRINCIPLE 8 Businesses should promote inclusive growth and equitable development
Essential Indicators

1. Details of Social Impact Assessment (SIA) of projects undertaken by the entity based on applicable laws in the current financial year

Name and brief details of project	SIA Notification No.	Date of notification	Whether conducted by independent external agency (Yes/No)	Results communicated in public domain (Yes/No)	Relevant web link
Not Applicable					

The Company has not carried out the Social Impact Assessment study for its projects

2. Provide information on projects for which ongoing Rehabilitation and Resettlement (R&R) is being undertaken by your entity, in the following format

S. No.	Name of Project for which R&R is ongoing	State	District	No of Project Affected Families (PAF)	% of PAFs covered by R&R	Amounts paid to PAFs in the FY (In INR)
	Not Applicable					

The Company does not have any ongoing project requiring to carry out Rehabilitation and Resettlement.

3. Describe the mechanism to receive and redress grievances of the community

The Company is yet to set up the process of putting together the community redressal mechanism.

4. Percentage of input material (inputs to total inputs by value) sourced from suppliers:

	FY 2021-22 (CY)	FY 2020-21 (PY)
Directly sourced from MSMEs/ small producers		
Sourced directly from within the district and neighbouring districts		

The Company is engaged in providing Port Services and is located in a remote location. Depending upon the availability of goods in the neighbouring districts and also depending upon the ability of MSME vendors, the Company places the orders and receives the goods from those vendors.

Leadership Indicators

1. Provide details of actions taken to mitigate any negative social impacts identified in the Social Impact Assessment (Reference: Question 1 of Essential Indicators above)

Details of negative social impact identified	Correction action taken

Not applicable. The Company has not carried out the Social Impact Assessment.

2. Provide the following information on CSR projects undertaken by your entity in designated aspirational districts as identified by government bodies:

S. No.	State	Aspirational District	Amount spent (INR)
		Not applicable	

The Company has all its CSR projects in the villages around the port and it does not have any Aspirational District.

3. (a) Do you have a preferential procurement policy where you give preference to purchase from suppliers comprising marginalized/ vulnerable groups (Yes/No)- No
- (b) From which marginalized/ vulnerable group do you procure.
The Company's port facility is located in a remote location and depending upon the availability of goods in the immediate vicinity the goods are procured
- (c) What percentage of total procurement (by value) does it constitute- Not Applicable
4. Details of the benefits derived and shared from the intellectual properties owned or acquired by your entity (in the current financial year) based on traditional knowledge:

S. No.	Intellectual Property based on traditional knowledge	Owned/ (Yes/No)	Acquired	Benefit shared (Yes/No)	Basis of calculating benefit share

Not applicable. The company does not have any intellectual properties and nor does it receive any benefits.

5. Details of corrective actions taken or underway, based on any adverse order in intellectual property related disputes wherein usage of traditional knowledge is involved

Name of authority	Brief of the Case	Corrective action taken

Not applicable

6. Details of beneficiaries of CSR Projects

S. No.	CSR Project	No. of persons benefitted from CSR Projects	% of beneficiaries from vulnerable and marginalized groups

The Company's CSR projects are being carried out in the villages near the port for benefit of the entire community instead of specific target of vulnerable and marginalized groups.

PRINCIPLE 9 Businesses should engage with and provide value to their consumers in a responsible manner

Essential Indicators

1. Describe the mechanisms in place to receive and respond to consumer complaints and feedback
As part of the global customer survey of all entities of APM Terminals including the Company, a customer survey is conducted through an independent agency. The company receives feedback from its customers.
2. Turnover of products and/ services as a percentage of turnover from all products/service that carry information about:

	As a percentage of total turnover
Environmental and social parameters relevant to the product	Not applicable in view of the nature of service namely, Port Services provided by the Company.
Safe and responsible usage	
Recycling and/or safe disposal	

3. Number of consumer complaints in respect of the following:

	FY 2021-22			FY 2020-21		
	Received during the year	Pending resolution at end of year	Remarks	Received during the year	Pending resolution at end of year	Remarks
Data privacy	Nil	NA		Nil	NA	
Advertising	Nil	NA		Nil	NA	
Cyber security	Nil	NA		Nil	NA	
Delivery of essential services	Nil	NA		Nil	NA	
Restrictive Trade Practices	Nil	NA		Nil	NA	
Unfair Trade Practices	Nil	NA		Nil	NA	
Other	Nil	NA		Nil	NA	

4. Details of instances of product recalls on account of safety issues:

	Number	Reasons for recall
Voluntary recalls	NA	NA
Forced recalls	NA	NA

5. Does the entity have a framework/ policy on cyber security and risks related to data privacy? (Yes/No) If available, provide a web-link of the policy.

Yes. Cyber Security and Data Privacy forms part of the Company's Code of Conduct. The web link is <https://www.apmterminals.com/en/pipavav/investors/governance>

6. Provide details of any corrective actions taken or underway on issues relating to advertising, and delivery of essential services; cyber security and data privacy of customers; re-occurrence of instances of product recalls; penalty / action taken by regulatory authorities on safety of products / services.

Not applicable

Leadership Indicators

1. Channels / platforms where information on products and services of the entity can be accessed (provide web link, if available).

The details about the Company's services are available on the company website www.pipavav.com

2. Steps taken to inform and educate consumers about safe and responsible usage of products and/or services.

Not applicable

3. Mechanisms in place to inform consumers of any risk of disruption/discontinuation of essential services

Yes the intimation regarding potential disruptions/ discontinuation is done through Customer release.

4. Does the entity display product information on the product over and above what is mandated as per local laws? (Yes/No/Not Applicable) If yes, provide details in brief. Did your entity carry out any survey with regard to consumer satisfaction relating to the major products / services of the entity, significant locations of operation of the entity or the entity as a whole? (Yes/No)

Not applicable

5. Provide the following information relating to data breaches:

(a) Number of instances of data breaches along with impact- None

(b) Percentage of data breaches involving personally identifiable information of customers- NA

INDEPENDENT AUDITORS' REPORT

To the Members of Gujarat Pipavav Port Limited

Report on the Audit of the Standalone financial statements

Opinion

1. We have audited the accompanying standalone financial statements of Gujarat Pipavav Port Limited ("the Company"), which comprise the Balance Sheet as at March 31, 2022, and the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Changes in Equity and the Statement of Cash Flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information.
2. In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2022, and total comprehensive income (comprising of profit and other comprehensive income), changes in equity and its cash flows for the year then ended.

Basis for opinion

3. We conducted our audit in accordance with the Standards on Auditing (SAs) specified under Section 143(10) of the Act. Our responsibilities under those Standards are further described in the "Auditor's Responsibilities for the Audit of the Financial Statements" section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Act and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Emphasis of matter

4. We draw attention to Note 34(c) to the standalone financial statements which describes the associated uncertainty and the necessary steps being taken by the Company based on external legal expert's advice in relation to the recovery of Bank Guarantee amounting to INR 185.35 million encashed by Gujarat Maritime Board ('GMB') on February 13, 2019, and further demand of Rs. 337.59 million alongwith interest thereupon at the rate of 18% per annum towards liquidated damages, and Rs. 33.36 million towards GST alongwith interest thereupon at the rate of 18% per annum, raised by GMB vide their letter dated October 27, 2021. Our opinion is not modified in respect of this matter.

Key audit matters

5. Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the standalone financial statements of the current period. These matters were addressed in the context of our audit of the standalone financial statements as a whole and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Key audit matter description	How our audit addressed the key audit matter
<p>Estimation of accruals in respect of incentives and rebates related to volume sales (Refer note 2.25 to the standalone financial statements)</p> <p>The Company recognizes revenue net of trade incentives and rebates wherever applicable.</p> <p>The amounts netted off from revenue is INR 782.80 million (Refer note 19 in the standalone financial statements) and accrual recognized as at March 31, 2022 on account of incentives and rebates amounted to INR 803.73 million (Refer note 18 in the standalone financial statements).</p>	<p>In relation to the estimation of accrual in respect of incentives and rebates related to volume sales, we performed procedures, including the following:</p> <ol style="list-style-type: none"> 1. Assessed the appropriateness of accounting policy and related disclosures in the standalone financial statements. 2. Understood from the management, evaluated the design and tested the operating effectiveness of internal controls over calculations of rebates and incentives and timing of recognition of the same.

Key audit matter description	How our audit addressed the key audit matter
<p>Such incentives and rebates are based on contract terms and volume of future sales forecast involving significant management judgement and accordingly has been determined to be a key audit matter.</p>	<p>3. On a test check basis, verified the credit notes issued during the year in respect of rebates and incentives to customers and comparing the same with contractual terms as well as accrual already recognized to assess reasonableness of such accrual recognized.</p> <p>4. Performed look-back analysis for past trends by comparing recent actuals with the estimates of earlier year and including payments/credit notes issued to customers subsequent to the year end on sample basis.</p> <p>5. Performed a sensitivity analysis by reducing the sales forecasts within a reasonably foreseeable range.</p> <p>6. Assessed manual journals posted to revenue to identify unusual items and corroborating the journals entries with supporting documents.</p> <p>Based on the above procedures performed, we did not identify any significant differences in the Management's estimation of accrual in respect of incentives and rebates related to volume sales where applicable.</p>

Other Information

6. The Company's Board of Directors is responsible for the other information. The other information comprises the Director's report, Management discussion and analysis, Corporate Governance Report, Business Responsibility Report and Secretarial Audit report, but does not include the standalone financial statements and our auditor's report thereon, which we obtained prior to the date of this auditor's report, and the Chairman's Statement, which is expected to be made available to us after the date of this auditor's report.

Our opinion on the standalone financial statements does not cover the other information and we will not express any form of assurance conclusion thereon.

In connection with our audit of the standalone financial statements, our responsibility is to read the Director's report, Management discussion and analysis, Corporate Governance Report, Business Responsibility Report and Secretarial Audit report, and in doing so, consider whether it is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

In connection with our audit of the standalone financial statements, our responsibility is to also read the Chairman's Statement when it becomes available and, in doing so, consider whether it is materially inconsistent with the financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

When we read the Chairman's Statement, if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance and take appropriate action as applicable under the relevant laws and regulations.

Responsibilities of management and those charged with governance for the financial statements

7. The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Act with respect to the preparation of these standalone financial statements that give a true and fair view of the financial position, financial performance, changes in equity and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

8. In preparing the financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so. Those Board of Directors are also responsible for overseeing the Company's financial reporting process.

Auditor's responsibilities for the audit of the financial statements

9. Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.
10. As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional scepticism throughout the audit. We also:
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
 - Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under Section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls with reference to financial statements in place and the operating effectiveness of such controls.
 - Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
 - Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
 - Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
11. We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.
12. We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.
13. From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on other legal and regulatory requirements

14. As required by the Companies (Auditor's Report) Order, 2020 ("the Order"), issued by the Central Government of India in terms

of sub-section (11) of Section 143 of the Act, we give in the Annexure B a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.

15. As required by Section 143(3) of the Act, we report that:

- (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
- (b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books, except that the backup of the books of account and other books and papers maintained in electronic mode has not been maintained on servers physically located in India.
- (c) The Balance Sheet, the Statement of Profit and Loss (including other comprehensive income), the Statement of Changes in Equity and the Statement of Cash Flows dealt with by this Report are in agreement with the books of account.
- (d) In our opinion, the aforesaid standalone financial statements comply with the Accounting Standards specified under Section 133 of the Act.
- (e) On the basis of the written representations received from the directors as on March 31, 2022 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2022 from being appointed as a director in terms of Section 164(2) of the Act.
- (f) With respect to the maintenance of accounts and other matters connected therewith, reference is made to our remarks in paragraph 15(b) above.
- (g) With respect to the adequacy of the internal financial controls with reference to standalone financial statements of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure A".
- (h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014 (as amended), in our opinion and to the best of our information and according to the explanations given to us:
 - i. The Company has disclosed the impact of pending litigations on its financial position in its standalone financial statements – Refer Note 34 to the standalone financial statements;
 - ii. The Company was not required to recognise a provision as at March 31, 2022 under the applicable law or accounting standards, as it does not have any material foreseeable losses on long-term contract. The Company did not have any derivative contracts as at March 31, 2022.
 - iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company during the year ended March 31, 2022.
 - iv.
 - (a) The management has represented that, to the best of its knowledge and belief, as disclosed in the notes to the accounts, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person or entity, including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries (Refer Note 43(viii) to the standalone financial statements);
 - (b) The management has represented that, to the best of its knowledge and belief, as disclosed in the notes to the accounts, no funds have been received by the Company from any person or entity, including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries (Refer Note 43(viii) to the standalone financial statements); and
 - (c) Based on such audit procedures that we considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (a) and (b) contain any material misstatement.

- v. The dividend declared and paid during the year by the Company is in compliance with Section 123 of the Act.
16. The Company has paid/ provided for managerial remuneration in accordance with the requisite approvals mandated by the provisions of Section 197 read with Schedule V to the Act.

For Price Waterhouse Chartered Accountants LLP
Firm Registration Number: 012754N/ N-500016

Arunkumar Ramdas
Partner
Membership Number: 112433
UDIN: 22112433AJDUAR1297

Mumbai
May 18, 2022

ANNEXURE A TO INDEPENDENT AUDITORS' REPORT

Referred to in paragraph 15(g) of the Independent Auditor's Report of even date to the members of Gujarat Pipavav Port Limited on the standalone financial statements for the year ended March 31, 2022

Report on the Internal Financial Controls with reference to Financial Statements under clause (i) of sub-section 3 of Section 143 of the Act

1. We have audited the internal financial controls with reference to financial statements of Gujarat Pipavav Port Limited ("the Company") as of March 31, 2022 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

2. The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting ("the Guidance Note") issued by the Institute of Chartered Accountants of India ("ICAI"). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

Auditors' Responsibility

3. Our responsibility is to express an opinion on the Company's internal financial controls with reference to financial statements based on our audit. We conducted our audit in accordance with the Guidance Note and the Standards on Auditing deemed to be prescribed under Section 143(10) of the Act to the extent applicable to an audit of internal financial controls, both applicable to an audit of internal financial controls and both issued by the ICAI. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to financial statements was established and maintained and if such controls operated effectively in all material respects.
4. Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system with reference to financial statements and their operating effectiveness. Our audit of internal financial controls with reference to financial statements included obtaining an understanding of internal financial controls with reference to financial statements, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.
5. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls system with reference to financial statements.

Meaning of Internal Financial Controls with reference to financial statements

6. A company's internal financial controls with reference to financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial controls with reference to financial statements includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls with reference to financial statements

7. Because of the inherent limitations of internal financial controls with reference to financial statements, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls with reference to financial statements to future periods are subject to the risk that the internal financial controls with reference to financial statements may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

8. In our opinion, the Company has, in all material respects, an adequate internal financial controls system with reference to financial statements and such internal financial controls with reference to financial statements were operating effectively as at March 31, 2022, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note issued by ICAI.

For Price Waterhouse Chartered Accountants LLP
Firm Registration Number: 012754N/ N-500016

Arunkumar Ramdas
Partner
Membership Number: 112433
UDIN: 22112433AJDUAR1297

Mumbai
May 18, 2022

ANNEXURE B TO INDEPENDENT AUDITORS' REPORT

Referred to in paragraph 14 of the Independent Auditors' Report of even date to the members of Gujarat Pipavav Port Limited on the standalone financial statements as of and for the year ended March 31, 2022

- i. (a) (A) The Company is maintaining proper records showing full particulars, including quantitative details and situation, of Property, Plant and Equipment.
(B) The Company is maintaining proper records showing full particulars of Intangible Assets.
- (b) The Property, Plant and Equipment are physically verified by the Management according to a phased programme designed to cover all the items over a period of 3 years which, in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. Pursuant to the programme, a portion of the Property, Plant and Equipment has been physically verified by the Management during the year and no material discrepancies have been noticed on such verification.
- (c) The title deeds of immovable properties, other than self-constructed properties, as disclosed in Note 3(a) on Property Plant and Equipment and Note 3(b) on Right of use Assets to the standalone financial statements, are held in the name of the Company.
- (d) The Company has not revalued its Property, Plant and Equipment (including Right of Use assets) or intangible assets or both during the year. Consequently, the question of our commenting on whether the revaluation is based on the valuation by a Registered Valuer, or specifying the amount of change, if the change is 10% or more in the aggregate of the net carrying value of each class of Property, Plant and Equipment (including Right of Use assets) or intangible assets does not arise.
- (e) Based on the information and explanations furnished to us, no proceedings have been initiated against the Company for holding benami property under the Prohibition of Benami Property Transactions Act, 1988 (as amended in 2016) (formerly the Benami Transactions (Prohibition) Act, 1988 (45 of 1988)) and Rules made thereunder, and therefore the question of our commenting on whether the Company has appropriately disclosed the details in its financial statements does not arise.
- ii. (a) The physical verification of inventory has been conducted at reasonable intervals by the Management during the year. The discrepancies noticed on physical verification of inventory as compared to book records were not material.
(b) During the year, the Company has not been sanctioned working capital limits in excess of Rs. 5 crores, in aggregate from banks and financial institutions on the basis of security of current assets and accordingly, the question of our commenting on whether the quarterly returns or statements are in agreement with the unaudited books of account of the Company does not arise.
- iii. The Company has not made any investments, granted secured/ unsecured loans/advances in nature of loans, or stood guarantee, or provided security to any parties. Therefore, the reporting under clause 3(iii), (iii)(a), (iii)(b), (iii)(c), (iii)(d), (iii)(e) and (iii)(f) of the Order are not applicable to the Company.
- iv. The Company has not granted any loans or made any investments or provided any guarantees or security to the parties covered under Sections 185 and 186. Therefore, the reporting under clause 3(iv) of the Order are not applicable to the Company.
- v. The Company has not accepted any deposits or amounts which are deemed to be deposits within the meaning of Sections 73, 74, 75 and 76 of the Act and the Rules framed there under to the extent notified.
- vi. The Central Government of India has not specified the maintenance of cost records under sub-section (1) of Section 148 of the Act for any of the products of the Company.
- vii. (a) According to the information and explanations given to us and the records of the Company examined by us, in our opinion, the Company is regular in depositing the undisputed statutory dues, including goods and services tax, provident fund, employees' state insurance, income tax, sales tax, service tax, duty of customs, duty of excise, value added tax, cess, and other material statutory dues, as applicable, with the appropriate authorities.

- (b) According to the information and explanations given to us and the records of the Company examined by us, there are no dues of sales-tax, duty of customs, duty of excise, value added tax and goods and service tax which have not been deposited on account of any dispute. The particulars of dues of income tax and service tax as at March 31, 2022 which have not been deposited on account of a dispute, are as follows:

Name of the statute	Nature of dues	Amount (INR million) #@	Period to which the amount relates	Forum where the dispute is pending
Income tax Act, 1961	Income Tax	74.06	2014-15	Company is in the process of filing an appeal in the High Court
Income tax Act, 1961	Income Tax	3.36	2013-14	Commissioner of Income Tax (Appeals)
Finance Act, 1994	Service Tax	95.71	2008-09 to 2015-16	Customs, Excise and Service Tax Appellate Tribunal

#Net of amounts paid under protest

@Including interest and penalty mentioned in the demand

- viii. According to the information and explanations given to us and the records of the Company examined by us, there are no transactions in the books of account that has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961, that has not been recorded in the books of account.
- ix. (a) As the Company did not have any loans or other borrowings from any lender during the year, the reporting under clause 3(ix)(a) of the Order is not applicable to the Company.
- (b) According to the information and explanations given to us and on the basis of our audit procedures, we report that the Company has not been declared wilful defaulter by any bank or financial institution or government or any government authority.
- (c) According to the records of the Company examined by us and the information and explanations given to us, the Company has not obtained any term loans.
- (d) According to the information and explanations given to us, and the procedures performed by us, and on an overall examination of the financial statements of the Company, the Company has not raised funds on short term basis.
- (e) According to the information and explanations given to us and on an overall examination of the financial statements of the Company, we report that the Company has not taken any funds from any entity or person on account of or to meet the obligations of its associate company.
- (f) According to the information and explanations given to us and procedures performed by us, we report that the Company has not raised loans during the year on the pledge of securities held in its associate company.
- x. (a) The Company has not raised any money by way of initial public offer or further public offer (including debt instruments) during the year. Accordingly, the reporting under clause 3(x)(a) of the Order is not applicable to the Company.
- (b) The Company has not made any preferential allotment or private placement of shares or fully or partially or optionally convertible debentures during the year. Accordingly, the reporting under clause 3(x)(b) of the Order is not applicable to the Company.
- xi. (a) During the course of our examination of the books and records of the Company, carried out in accordance with the generally accepted auditing practices in India, and according to the information and explanations given to us, we have neither come across any instance of material fraud by the Company or on the Company, noticed or reported during the year, nor have we been informed of any such case by the Management.
- (b) During the course of our examination of the books and records of the Company, carried out in accordance with the generally accepted auditing practices in India, and according to the information and explanations given to us, a report under Section 143(12) of the Act, in Form ADT-4, as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 was not required to be filed with the Central Government. Accordingly, the reporting under clause 3(xi)(b) of the Order is not applicable to the Company.

- (c) During the course of our examination of the books and records of the Company carried out in accordance with the generally accepted auditing practices in India, and according to the information and explanations given to us, the Company has received whistle-blower complaints during the year, which have been considered by us for any bearing on our audit and reporting.
- xii. As the Company is not a Nidhi Company and the Nidhi Rules, 2014 are not applicable to it, the reporting under clause 3(xii) of the Order is not applicable to the Company.
- xiii. The Company has entered into transactions with related parties in compliance with the provisions of Sections 177 and 188 of the Act. The details of such related party transactions have been disclosed in the financial statements as required under Indian Accounting Standard 24 "Related Party Disclosures" specified under Section 133 of the Act.
- xiv. (a) In our opinion and according to the information and explanation given to us, the Company has an internal audit system commensurate with the size and nature of its business.
(b) The reports of the Internal Auditor for the period under audit have been considered by us.
- xv. The Company has not entered into any non-cash transactions with its directors or persons connected with him. Accordingly, the reporting on compliance with the provisions of Section 192 of the Act under clause 3(xv) of the Order is not applicable to the Company.
- xvi. (a) The Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934. Accordingly, the reporting under clause 3(xvi)(a) of the Order is not applicable to the Company.
(b) The Company has not conducted non-banking financial activities during the year. Accordingly, the reporting under clause 3(xvi)(b) of the Order is not applicable to the Company.
(c) The Company is not a Core Investment Company (CIC) as defined in the regulations made by the Reserve Bank of India. Accordingly, the reporting under clause 3(xvi)(c) of the Order is not applicable to the Company.
(d) Based on the information and explanations provided by the management of the Company, the Group does not have any CICs, which are part of the Group. We have not, however, separately evaluated whether the information provided by the management is accurate and complete. Accordingly, the reporting under clause 3(xvi)(d) of the Order is not applicable to the Company.
- xvii. The Company has not incurred any cash losses in the financial year or in the immediately preceding financial year.
- xviii. There has been no resignation of the statutory auditors during the year and accordingly the reporting under clause (xviii) is not applicable.
- xix. According to the information and explanations given to us and on the basis of the financial ratios (Also refer Note 43(vii) to the standalone financial statements), ageing and expected dates of realisation of financial assets and payment of financial liabilities, other information accompanying the financial statements, our knowledge of the Board of Directors and management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report that Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date will get discharged by the Company as and when they fall due.
- xx. As at balance sheet date, the Company does not have any amount remaining unspent under Section 135(5) of the Act. Accordingly, reporting under clause 3(xx) of the Order is not applicable.
- xxi. The reporting under clause 3(xxi) of the Order is not applicable in respect of audit of Standalone Financial Statements. Accordingly, no comment in respect of the said clause has been included in this report.

For Price Waterhouse Chartered Accountants LLP
Firm Registration Number: 012754N/ N-500016

Arunkumar Ramdas
Partner

Mumbai
May 18, 2022

Membership Number: 112433
UDIN: 22112433AJDUAR1297

STANDALONE BALANCE SHEET AS AT 31 MARCH 2022

(All amounts are in INR million, unless otherwise stated)

Particulars	Note No.	As at 31 March 2022	As at 31 March 2021
ASSETS			
Non-current assets			
Property, Plant and Equipment	3 (a)	13,667.63	14,255.10
Right of use Assets	3 (b)	401.33	396.79
Capital work-in-progress	3 (c)	490.34	527.77
Intangible assets	3 (d)	13.17	20.67
Investments in an associate company	4 (a)	830.00	830.00
Financial Assets			
Other financial assets	4 (b)	223.90	223.88
Income tax assets (net)	5 (a)	202.87	179.72
Other non-current assets	6	6.28	20.26
Total non-current assets		15,835.52	16,454.19
Current assets			
Inventories	7	101.81	104.91
Financial Assets			
(i) Trade receivables	8 (a)	519.95	482.99
(ii) Cash and cash equivalents	8 (b)	3.62	63.42
(iii) Bank balance other than (ii) above	8 (c)	8,554.21	7,190.26
(iv) Loans	8 (d)	6.34	4.91
(v) Other financial assets	4 (b)	9.36	11.04
Other Current assets	9	186.54	108.48
Total current assets		9,381.83	7,966.01
Total Assets		25,217.35	24,420.20
EQUITY AND LIABILITIES			
Equity			
Equity Share capital	10	4,834.40	4,834.40
Other equity			
Reserves and surplus	11	15,489.80	15,487.59
Total equity		20,324.20	20,321.99
Liabilities			
Non-current liabilities			
Financial liabilities			
(i) Lease liabilities	3(b)	347.11	244.72
(ii) Other financial liabilities	12	93.18	69.20
Employee benefit obligations	13	26.14	40.37
Deferred tax liabilities (net)	14(b)	1,450.78	1,006.68
Other non-current liabilities	15	446.31	521.01
Total non-current liabilities		2,363.52	1,881.98
Current liabilities			
Financial Liabilities			
(i) Trade payables			
Dues to Micro, Small and Medium Enterprises	16	12.14	5.01
Other than Micro, Small and Medium Enterprises	16	432.47	334.44
(ii) Lease liabilities	3(b)	123.69	220.56
(iii) Other financial liabilities	12	341.73	379.91
Provisions	17	208.00	208.00
Employee benefit obligations	13	144.22	127.10
Income tax provisions (net)	5 (b)	69.94	6.62
Other current liabilities	18	1,197.44	934.59
Total current liabilities		2,529.63	2,216.23
Total Liabilities		4,893.15	4,098.21
Total equity and liabilities		25,217.35	24,420.20

The above standalone balance sheet should be read in conjunction with the accompanying notes.

As per our report of even date attached.

For Price Waterhouse Chartered Accountants LLP

Firm Registration No: 012754N/ N-500016

Arunkumar Ramdas
Partner

Membership No: 112433

Mumbai

18 May 2022

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For and on Behalf of Board of Directors of
Gujarat Pipavav Port Limited
CIN: L63010GJ1992PLC018106
Jakob Friis Sorensen
Managing Director

DIN : 08593830

Santosh Breed
Chief Financial Officer

Skodsborg, Denmark

18 May 2022

Samir Chaturvedi
Director

DIN: 08911552

Manish Agnihotri
Company Secretary

Annual Report 2021 - 2022

STANDALONE STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31 MARCH 2022

(All amounts are in INR million, unless otherwise stated)

Particulars	Note No.	For the year ended 31 March 2022	For the year ended 31 March 2021
Revenue from operations	19	7,435.38	7,334.63
Other income	20	285.87	442.00
Total Income		7,721.25	7,776.63
Expenses			
Operating expenses	21	1,465.24	1,374.60
Employee benefits expense	22	739.02	671.50
Finance costs	23	47.66	63.10
Depreciation and amortisation expense	24	1,292.71	1,334.50
Other expenses	25	1,105.52	1,067.32
Total expenses		4,650.15	4,511.02
Profit before exceptional items and tax		3,071.10	3,265.61
Exceptional items	26	46.09	-
Profit before tax		3,025.01	3,265.61
Tax expense :			
For the year			
Current tax expense	14 (a)	1,085.66	1,179.68
Deferred tax (credit) / expense	14 (a)	18.59	(18.23)
For earlier year			
Current tax expense reversed	14 (a)	(11.61)	(1.35)
Deferred tax credit	14 (a)	-	(78.47)
Total tax expense		1,092.64	1,081.63
Profit for the year		1,932.37	2,183.98
Other comprehensive income			
Items that will not be reclassified to profit or loss			
- Re-measurement of post-employment benefit obligations		5.52	(4.94)
- Less: Income tax relating to above		(1.92)	1.73
Other comprehensive income for the year, net of tax		3.60	(3.21)
Total comprehensive income for the year		1,935.97	2,180.77
Earning per equity share [face value per share INR 10 (31 March 2021: INR10)]			
Basic earnings per share	36	4.00	4.52
Diluted earnings per share	36	4.00	4.52

The above Standalone Statement of Profit and Loss should be read in conjunction with the accompanying notes.

As per our report of even date attached.

For Price Waterhouse Chartered Accountants LLP

Firm Registration No: 012754N/ N-500016

Arunkumar Ramdas
Partner

Membership No: 112433

Mumbai

18 May 2022

Annual Report 2021 - 2022

For and on Behalf of Board of Directors of
Gujarat Pipavav Port Limited
CIN: L63010GJ1992PLC018106
Jakob Friis Sorensen
Managing Director

DIN : 08593830

Samir Chaturvedi
Director

DIN: 08911552

Santosh Breed
Chief Financial Officer

Skodsborg, Denmark

18 May 2022

Manish Agnihotri
Company Secretary

STANDALONE STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31 MARCH 2022

(All amounts are in INR millions, unless otherwise stated)

A. Equity share capital

	Notes	Amount
As at 31 March 2020		4,834.40
Changes in equity share capital	10	-
As at 31 March 2021		4,834.40
Changes in the equity share capital	10	-
As at 31 March 2022		4,834.40

B. Other equity

Particulars	Notes	Attributable to owners of Gujarat Pipavav Port Limited		
		Reserves & Surplus		Total Other Equity
		Securities Premium Reserve	Retained Earnings	
Balance at 1 April 2020	11(i)	14,288.87	1,725.21	16,014.08
Profit for the year			2,183.98	2,183.98
Less: Other Comprehensive Income			(3.21)	(3.21)
Total comprehensive income for the year ended 31 March 2021			2,180.77	2,180.77
Transaction with owners in their capacity as owners:				
Dividends paid (including dividend distribution tax)			(2,707.26)	(2,707.26)
Balance at 31 March 2021	11(i)	14,288.87	1,198.72	15,487.59
Profit for the year	11(ii)		1,932.37	1,932.37
Less: Other Comprehensive Income			3.60	3.60
Total comprehensive income for the year ended 31 March 2022			1,935.97	1,935.97
Transaction with owners in their capacity as owners:				
Dividends paid (including dividend distribution tax)			(1,933.76)	(1,933.76)
Balance at 31 March 2022		14,288.87	1,200.93	15,489.80

The above Standalone Statement of changes in equity should be read in conjunction with the accompanying notes. As per our report of even date attached.

For Price Waterhouse Chartered Accountants LLP
 Firm Registration No: 012754N/ N-500016

Arunkumar Ramdas
Partner
 Membership No: 112433

Mumbai
 18 May 2022

**For and on Behalf of Board of Directors of
 Gujarat Pipavav Port Limited**
CIN: L63010GJ1992PLC018106

Jakob Friis Sorensen **Samir Chaturvedi**
Managing Director *Director*
 DIN : 08593830 DIN: 08911552

Santosh Breed **Manish Agnihotri**
Chief Financial Officer *Company Secretary*
 Skodsborg, Denmark
 18 May 2022

STANDALONE STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 31 MARCH 2022

(All amounts are in INR millions, unless otherwise stated)

Particulars	Year ended 31 March 2022	Year ended 31 March 2021
Cash flows from operating activities		
Profit before tax	3,025.01	3,265.61
Adjustments :		
Deferred income recognised	(74.68)	(74.70)
Depreciation and amortisation expense	1,292.71	1,334.50
Finance costs	47.66	63.10
Dividend and interest income classified as investing cash flows	(210.56)	(322.29)
Loss/ (Profit) on disposal of property, plant and equipment	4.17	(4.47)
Sundry balances written (back)/off (net)	(7.94)	0.10
Provisions for doubtful debts and inventory / (written back)	2.24	(34.69)
Bad Debt Write Off	3.04	13.55
Foreign currency transactions and translations differences	0.89	2.98
	4,082.54	4,243.69
Operating profit before working capital changes		
(Increase) / Decrease in trade receivables	(42.92)	6.31
Decrease / (Increase) in inventories	2.87	(21.62)
(Increase) in loans	(1.43)	(0.14)
Decrease / (Increase) in other financial assets	1.65	(1.48)
(Increase) in other assets	(78.05)	(8.10)
Increase in trade payables	105.16	41.04
Increase in employee benefit obligations	8.42	14.31
Increase in other financial liabilities	72.36	92.07
Increase in other current liabilities	262.86	73.46
	330.92	195.85
Cash generated from operations	4,413.46	4,439.54
Income taxes paid	(610.31)	(598.78)
Net cash inflow from operating activities	3,803.15	3,840.76
Cash flows from / (used in) investing activities		
Payments for property, plant and equipment	(511.14)	(454.78)
Proceeds from sale of fixed assets (net)	-	7.22
Dividends received from Associate company	-	38.00
Interest received	268.64	376.26
Increase in deposits with banks	(1,422.03)	(976.89)
Net cash outflow used in investing activities	(1,664.53)	(1,010.19)

STANDALONE STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 31 MARCH 2022

(All amounts are in INR millions, unless otherwise stated)

Particulars	Year ended 31 March 2022	Year ended 31 March 2021
Cash flows from / (used in) financing activities		
Interest paid	(47.66)	(63.10)
Repayment of lease liability	(218.02)	(188.29)
Dividends paid to Company's shareholders	(1,932.74)	(2,705.46)
Net cash outflow used in financing activities	(2,198.42)	(2,956.85)
Net increase / (decrease) in cash and cash equivalents	(59.80)	(126.28)
Cash and cash equivalents at the beginning of the period	63.42	189.70
Effects of exchange rate changes on cash and cash equivalents	-	-
Cash and cash equivalents at end of the period	3.62	63.42
Reconciliation of cash and cash equivalents as per the cash flow statement	31 March 2022	31 March 2021
Cash and cash equivalents as per above comprise of the following		
Cash and cash equivalents	3.62	63.42
Balance as per statement of cash flows	3.62	63.42

The above statement of cash flows should be read in conjunction with the accompanying notes.

As per our report of even date attached.

For Price Waterhouse Chartered Accountants LLP

Firm Registration No: 012754N/ N-500016

Arunkumar Ramdas

Partner

Membership No: 112433

Mumbai

18 May 2022

**For and on Behalf of Board of Directors of
Gujarat Pipavav Port Limited**

CIN: L63010GJ1992PLC018106

Jakob Friis Sorensen Samir Chaturvedi

Managing Director

DIN : 08593830

Director

DIN: 08911552

Santosh Breed

Chief Financial Officer

Skodsborg, Denmark

18 May 2022

Manish Agnihotri

Company Secretary

NOTES TO THE STANDALONE FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED 31ST MARCH 2022

(Currency: Indian rupees in million)

1. Company overview

- i. Gujarat Pipavav Port Limited, (“the Company”) was incorporated on 5 August 1992 to construct, operate and maintain an all-weather port at Pipavav, District Amreli, in the State of Gujarat.
- ii. The port is designed to handle bulk, container, liquid cargo and RORO and to provide port services such as marine services, material handling and storage operations.
- iii. The Company has entered into a 30 year Concession Agreement with Government of Gujarat and Gujarat Maritime Board (“GMB”) dated 30 September 1998 to engage in the business of developing, constructing, operating and maintaining the port on a BOOT (Build Own Operate Transfer) basis.
- iv. During the year 2005, AP Moller-Maersk group together with certain financial investors acquired the complete shareholdings held by the original promoter viz. Seaking Infrastructure Limited (“SKIL”) group, on receipt of approval from Government of Gujarat, and GMB. Accordingly, AP Moller-Maersk group became the key promoter of the Company under the Concession agreement.
- v. Pursuant to the approval of the shareholders of the Company in an extra ordinary general meeting held on 17 November 2009, the Company has issued and allotted through Initial Public Offering (IPO) 108,695,652 equity shares of INR 10 each at a premium of INR 36 per share aggregating to a total of INR 5,000 million to all categories of investors. The issue was made in accordance with the terms of the Company’s prospectus dated 30 August 2010 and the shares got listed on 9 September 2010 on Bombay Stock Exchange and National Stock Exchange.

2. Significant accounting policies

This note provides a list of the significant accounting policies adopted in the preparation of these financial statements. These policies have been consistently applied to all the years presented, unless otherwise stated.

2.1. Basis of preparation of financial statements

(i) Compliance with Ind AS

The financial statements comply in all material aspects with Indian Accounting Standards (Ind AS) notified under Section 133 of the Companies Act, 2013 (the ‘Act’) [Companies (Indian Accounting Standards) Rules, 2015] and other relevant provisions of the Act.

(ii) Historical cost convention

The financial statements have been prepared on a historical cost basis, except for the following:

- certain financial assets and liabilities are measured at fair value ; and
- defined benefit plans – plan assets measured at fair value

All assets and liabilities have been classified as current or non-current as per the Company’s operating cycle and other criteria set out in the Schedule III to the Act. Based on the nature of services and the time between the acquisition of assets for processing and their realisation in cash and cash equivalents, the Company has ascertained its operating cycle as 12 months for the purpose of current and non-current classification of assets and liabilities.

(iii) New and amended standards adopted by the Company

The Company has applied the following amendments to Ind AS for the first time for their annual reporting period commencing 1 April 2021:

- Extension of COVID-19 related concessions – amendments to Ind AS 116
- Interest rate benchmark reform – amendments to Ind AS 109, Financial Instruments, Ind AS 107, Financial Instruments: Disclosures, Ind AS 104, Insurance Contracts and Ind AS 116, Leases.

The amendments listed above did not have any impact on the amounts recognised in prior periods and are not expected to significantly affect the current or future periods.

NOTES TO THE STANDALONE FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED 31ST MARCH 2022

(Currency: Indian rupees in million)

(iv) **New amendments issued but not effective**

The Ministry of Corporate Affairs has vide notification dated 23 March 2022 notified Companies (Indian Accounting Standards) Amendment Rules, 2022 which amends certain accounting standards, and are effective 1 April 2022. These amendments are not expected to have a material impact on the Company in the current or future reporting periods and on foreseeable future transactions.

(v) **Reclassifications consequent to amendments to Schedule III**

The Ministry of Corporate Affairs amended the Schedule III to the Companies Act, 2013 on 24 March 2021 to increase the transparency and provide additional disclosures to users of financial statements. These amendments are effective from 1 April 2021.

Consequent to above, the Company has changed the classification/presentation of unbilled revenue which now been included in the "Trade receivables" line item. Previously, unbilled revenue was included in 'Other financial assets' line item.

The Company has reclassified comparative amounts to conform with current year presentation as per the requirements of Ind AS 1. The impact of such classifications is summarised below:

Balance sheet (extract)	31 March 2021 (as previously reported)	Increase/ (Decrease)	31 March 2021 (restated)
Trade receivables	441.17	41.82	482.99
Other financial assets	52.86	(41.82)	11.04

2.2. Use of estimates:

The preparation of financial statements in conformity with Ind AS requires management to make judgments, estimates and assumptions that affect the application of accounting policies and reported amounts of assets, liabilities, income and expenses and the disclosure of contingent liabilities on the date of the financial statements. Actual results could differ from those estimates. Estimates and underlying assumptions are reviewed on an ongoing basis. Any revision to accounting estimates is recognised prospectively in the accounting period in which such revision takes place.

2.3. Segment reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision maker.

Managing Director and Chief Financial Officer of the Company are the chief operating decision makers. Refer note 39 for segment information presented.

2.4. Foreign currency transactions

Items included in the financial statements are measured using the currency of the primary economic environment in which the Company operates ('the functional currency'). The financial statements are presented in Indian rupee (INR), which is Company's functional and presentation currency.

Foreign currency transactions are recorded in Indian rupees using the rates prevailing on the date of the respective transactions. Exchange differences arising on foreign currency transactions settled during the period are recognised in the Statement of Profit and Loss. Monetary assets and liabilities denominated in foreign currencies as at the balance sheet date are translated into Indian rupees at the closing exchange rates on that date; the resultant exchange differences are recognised in the Statement of Profit and Loss.

As at the balance sheet date non-monetary items denominated in foreign currency are carried at historical cost. All non-

NOTES TO THE STANDALONE FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED 31ST MARCH 2022

(Currency: Indian rupees in million)

monetary items denominated in foreign currency are carried at historical cost or other similar valuations are reported using the exchange rate that existed when the values were determined.

2.5. Revenue recognition

Company is engaged in providing port services such as marine services, material handling and storage operations. Revenue is recognized from rendering of services at a point in time upon the completion of services as per contract with customers except for revenue from storage operations which is recognised on a time proportion basis. Revenue is measured based on the transaction price, which is the consideration as per contractual terms. The amount disclosed as revenue is exclusive of goods and service tax (GST) and net of estimated trade allowance and rebates wherever applicable.

A contract liability is the obligation to render services to the customer for which the Company has received consideration from the customer. Contract liabilities are recognised as revenue when the Company satisfies the performance obligation as per the contract.

The Company does not expect to have any contracts where the period between the rendering of promised services to the customer and payment by the customer exceed one year. As a consequence, the Company does not adjust any of the transaction prices for the time value of money.

Interest income on deposits with bank is recognised on a time proportion basis at applicable interest rates.

2.6. Government Grant

Grants from the government are recognised at their fair value where there is a reasonable assurance that the grant will be received and the Company will comply with all attached conditions.

Government grants relating to income are deferred and recognised in the Statement of Profit and Loss over the period necessary to match them with the costs that they are intended to compensate and presented within other income.

Government grants relating to the purchase of property, plant and equipment are included in non-current liabilities as deferred income and are credited to Statement of Profit and Loss on a straight-line basis over the expected lives of the related assets and presented within other income.

2.7. Income taxes

Income tax expense comprises current tax (i.e. amount of tax for the period determined in accordance with the income-tax law) and deferred tax charge or credit (reflecting the tax effects of timing differences between accounting income and taxable income for the period).

Provision for current tax is based on the results for the year ended 31 March, in accordance with the provisions of the Income Tax Act, 1961.

Deferred tax is provided in full, using the liability method, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements. The deferred tax charge or credit and the corresponding deferred tax liabilities or assets are recognised using the tax rates and tax laws that have been enacted or substantively enacted by the balance sheet date. Deferred tax assets are recognised for all deductible temporary differences and unused tax losses only if it is probable that future taxable amounts will be available to utilise those temporary differences and losses.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets and liabilities and when the deferred tax balances relate to the same taxation authority. Current tax assets and tax liabilities are offset where the entity has a legally enforceable right to offset and intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

Current and deferred tax is recognised in the Statement of Profit and Loss, except to the extent that it relates to items recognised in other comprehensive income or directly in equity.

NOTES TO THE STANDALONE FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED 31ST MARCH 2022

(Currency: Indian rupees in million)

In this case, the tax is also recognised in other comprehensive income or directly in equity, respectively.

Minimum Alternative Tax (MAT) under the provisions of the Income Tax Act, 1961 is recognised as deferred tax. The credit available under the said Act in respect of MAT is recognised as Deferred Tax Asset only to the extent there is convincing evidence that the Company will pay income tax in future periods and MAT credit can be carried forward to set-off against the normal tax liability. MAT credit recognised as Deferred Tax Asset is reviewed at each Balance sheet date and written down to the extent there is no longer a convincing evidence to the effect that the Company will pay normal tax during the specified period.

2.8. Leases
As a lessee

Leases are recognised as a right-of-use asset and a corresponding liability at the date at which the leased asset is available for use by the Company. Contracts may contain both lease and non-lease components. The Company allocates the consideration in the contract to the lease and non-lease components based on their relative stand-alone prices. However, for leases of real estate for which the Company is a lessee, it has elected not to separate lease and non-lease components and instead accounts for these as a single lease component.

Assets and liabilities arising from a lease are initially measured on a present value basis. Lease liabilities include the net present value of the following lease payments:

- fixed payments (including in-substance fixed payments), less any lease incentives receivable
- amounts expected to be payable by the Company under residual value guarantees
- the exercise price of a purchase option if the Company is reasonably certain to exercise that option, and
- payments of penalties for terminating the lease, if the lease term reflects the Company exercising that option.

Lease payments to be made under reasonably certain extension options are also included in the measurement of the liability. The lease payments are discounted using the interest rate implicit in the lease. If that rate cannot be readily determined, which is generally the case for leases in the Company, the lessee's incremental borrowing rate is used, being the rate that the individual lessee would have to pay to borrow the funds necessary to obtain an asset of similar value to the right-of-use asset in a similar economic environment with similar terms, security and conditions.

To determine the incremental borrowing rate, the Company:

- where possible, uses recent third-party financing received by the individual lessee as a starting point, adjusted to reflect changes in financing conditions since third party financing was received
- uses a build-up approach that starts with a risk-free interest rate adjusted for credit risk for leases held by the Company, which does not have recent third party financing, and
- makes adjustments specific to the lease, e.g. term, country, currency and security.

If a readily observable amortising loan rate is available to the individual lessee (through recent financing or market data) which has a similar payment profile to the lease, then the company entities use that rate as a starting point to determine the incremental borrowing rate.

Lease payments are allocated between principal and finance cost. The finance cost is charged to profit or loss over the lease period so as to produce a constant periodic rate of interest on the remaining balance of the liability for each period.

Right-of-use assets are measured at cost comprising the following:

- the amount of the initial measurement of lease liability

NOTES TO THE STANDALONE FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED 31ST MARCH 2022

(Currency: Indian rupees in million)

- any lease payments made at or before the commencement date less any lease incentives received
- any initial direct costs, and
- restoration costs.

Right-of-use assets are generally depreciated over the shorter of the asset's useful life and the lease term on a straight-line basis. If the Company is reasonably certain to exercise a purchase option, the right-of-use asset is depreciated over the underlying asset's useful life.

Payments associated with short-term leases of equipment and all leases of low-value assets are recognised on a straight-line basis as an expense in profit or loss. Short-term leases are leases with a lease term of 12 months or less.

As a lessor

Lease income from operating leases where the Company is a lessor is recognised in income on a straight-line basis over the lease term. Initial direct costs incurred in obtaining an operating lease are added to the carrying amount of the underlying asset and recognised as expense over the lease term on the same basis as lease income. The respective leased assets are included in the balance sheet based on their nature.

2.9. Impairment

Assets are reviewed at each reporting date to determine if there is any indication of impairment. An impairment loss is recognised if the carrying amount of an asset exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs of disposal and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset or cash generating unit (CGU).

For the purpose of impairment testing, assets are grouped together into the smallest group of assets (CGU) that generates cash inflows from continuing use that are largely independent of the cash inflows of other assets or CGUs.

Impairment losses are recognised in the Statement of Profit and Loss.

If as at the balance sheet date there is an indication that a previously assessed impairment loss no longer exists or has decreased, the assets or CGU's recoverable amount is estimated. For assets, the impairment loss is reversed to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortisation, if no impairment loss had been recognised. Such a reversal is recognised in the Statement of Profit and Loss.

2.10. Cash and cash equivalents

For the purpose of presentation in the statement of cash flows, cash and cash equivalents includes cash on hand, deposits held at call with financial institutions, other short-term, highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

2.11. Exceptional Items

Company recognises exceptional item when items of income and expenses within Statement of Profit and Loss from ordinary activities are of such size, nature or incidence that their disclosure is relevant to explain the performance of the enterprise for the period.

2.12. Inventories

Inventories comprise of stores, spares, loose tools, fuel and lubricants. Cost of inventories also include all other costs incurred in bringing the inventories to their present location and condition. Costs of purchased inventory are determined after deducting rebates and discounts. These are carried at the lower of cost and net realisable value. Costs are assigned to individual items of inventory on the basis of first-in first-out basis. Systematic provisioning is made for inventories held for more than a year. Net realisable value is the estimated selling price in the ordinary course of business, less the estimated costs of completion and the estimated costs necessary to make the sale.

NOTES TO THE STANDALONE FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED 31ST MARCH 2022

(Currency: Indian rupees in million)

2.13. Investment and Other Financial assets*(i) Classification*

The Company classifies its financial assets in the following measurement categories:

- those to be measured subsequently at fair value (either through other comprehensive income, or through profit or loss) ; and
- those measured at amortised cost

The classification depends on the Company's business model for managing the financial assets and the contractual terms of the cash flows.

For assets measured at fair value, gains and losses will either be recorded in the Statement of Profit and Loss or other comprehensive income. For investments in equity instruments, this will depend on whether the Company has made an irrevocable election at the time of initial recognition to account for the equity investment at fair value through other comprehensive income.

(ii) Measurement

At initial recognition, the Company measures its financial asset at its fair value plus, in the case of financial asset not at fair value through profit or loss, transaction costs that are directly attributable to the acquisition of the financial asset. Transaction costs of financial assets carried at fair value through profit or loss are expensed in the Statement of Profit and Loss.

(iii) Impairment of financial assets

The Company assesses on a forward looking basis the expected credit losses associated with its assets carried at amortised cost. The impairment methodology applied depends on whether there has been a significant increase in credit risk.

(iv) Derecognition of financial assets

A financial asset is derecognised only when

- The Company has transferred the rights to receive cash flows from the financial asset or
- retains the contractual rights to receive the cash flows of the financial asset, but assumes a contractual obligation to pay the cash flows to one or more recipients.

Where the entity has transferred an asset, the Company evaluates whether it has transferred substantially all risks and rewards of ownership of the financial asset. In such cases, the financial asset is derecognised. Where the entity has not transferred substantially all risks and rewards of ownership of the financial asset, the financial asset is not derecognised.

Where the entity has neither transferred a financial asset nor retains substantially all risks and rewards of ownership of the financial asset, the financial asset is derecognised if the Company has not retained control of the financial asset. Where the Company retains control of the financial asset, the asset is continued to be recognised to the extent of continuing involvement in the financial asset.

(v) Income recognition

Dividends are recognised in the Statement of Profit and Loss only when the right to receive payment is established, it is probable that the economic benefits associated with the dividend will flow to the Company, and the amount of the dividend can be measured reliably.

2.14. Offsetting financial instruments

Financial assets and liabilities are offset and the net amount is reported in the balance sheet where there is a legally enforceable right to offset the recognised amounts and there is an intention to settle on a net basis or realise the asset and

NOTES TO THE STANDALONE FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED 31ST MARCH 2022

(Currency: Indian rupees in million)

settle the liability simultaneously. The legally enforceable right must not be contingent on future events and must be enforceable in the normal course of business and in the event of default, insolvency or bankruptcy of the Company or the counterparty.

2.15. Property, plant and equipment

Freehold land is carried at historical cost. All other items of property, plant and equipment are stated at historical cost less depreciation and accumulated impairment losses, if any. Historical cost includes expenditure that is directly attributable to the acquisition of items. Cost may also include transfers from equity of any gains or losses on qualifying cash flow hedges of foreign currency purchases of property, plant and equipment.

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably. The carrying amount of any component accounted for as a separate asset is derecognised when replaced. All other repairs and maintenance are charged to the Statement of Profit and Loss during the reporting period in which they are incurred.

Depreciation methods, estimated useful lives and residual value

Depreciation is provided on the straight-line method, over the estimated useful life of each asset from the subsequent month of the date of purchase. Assets are depreciated as per useful life specified in Part 'C' of the schedule II of the Act.

The estimated useful life of assets which are those prescribed in Schedule II are as follows:

- Buildings 5 - 60 years
- Computer Software 3 years
- Furniture and Fittings 5 - 10 years
- Motor Vehicles 8 years
- Plant, Machinery and Equipment's 3 - 15 years

Leasehold improvements are depreciated over the shorter of their useful life or the lease term, unless the entity expects to use the assets beyond the lease term.

Based on internal technical evaluation following assets have a different useful life than prescribed by schedule II of the Act.

Asset Details	Block of Assets	Technical Estimate in Years
Ship to Shore Cranes	Plant, Machinery and Equipments	20
Power Distribution Systems	Plant, Machinery and Equipments	15
Carpeted Roads	Port Road - External	20
Jetties	Plant, Machinery and Equipments	30
Dredging	Dredging	50
Boundary Wall	Buildings	20
Old Residential Complex, Marine Office Building, Warehouses and Guest houses	Buildings	15
Railway sidings	Railway sidings	30

All assets costing individually INR 125,000 or less are depreciated fully in the year of purchase.

The useful lives are reviewed by the management at each reporting date and revised, if appropriate. In case of a revision, the unamortised depreciable amount is charged over the revised remaining useful life.

NOTES TO THE STANDALONE FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED 31ST MARCH 2022

(Currency: Indian rupees in million)

A fixed asset is eliminated from the financial statements on disposal or when no further benefit is expected from its use and disposal. Gains and losses on disposals are determined by comparing proceeds with carrying amount. These are included in Statement of Profit and Loss within other gains/(losses).

In accordance with Concession agreement all contracted immovable and movable assets shall be transferred to and shall vest in GMB at the end of the concession period, for consideration equivalent to the Depreciated Replacement Value (DRV). The DRV needs to be computed as at the date of expiry of the agreement and is therefore currently not determinable. Accordingly, these assets are depreciated based on their estimated useful lives after taking into consideration likely extension of the agreement.

2.16. Acquired intangible assets

Intangible assets that are acquired by the Company are measured initially at cost. After initial recognition, an intangible asset is carried at its cost less any accumulated amortisation and / or any accumulated impairment loss, if any.

Intangible assets are amortised in the Statement of Profit and Loss using the straight line method over their estimated useful lives, from the date that they are available for use. Accordingly, at present, these are being amortised on straight line basis based on the period of the licence in case of licensed software or for 3 years. Such intangible assets that are not yet available for use are tested annually for impairment.

Amortisation method and useful lives are reviewed at each reporting date. If the useful life of an asset is estimated to be significantly different from previous estimates, the amortisation period is changed accordingly.

An intangible asset is derecognised on disposal or when no future economic benefits are expected from its use and disposal.

Losses arising from retirement and gains or losses arising from disposal of an intangible asset are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognised in the Statement of Profit and Loss.

2.17. Employee benefits
(i) Short-term obligations

Liabilities for wages and salaries, including non-monetary benefits that are expected to be settled wholly within 12 months after the end of the period in which the employees render the related service are recognised in respect of employees' services up to the end of the reporting period and are measured at the amounts expected to be paid when the liabilities are settled. The liabilities are presented as current employee benefit obligations in the balance sheet.

(ii) Post-employment obligations
Defined contribution plans:

A defined contribution plan is a post-employment benefit plan under which an entity pays specified contributions to a separate entity and has no obligation to pay any further amounts. The Company makes specified monthly contributions towards employee provident fund to Government administered provident fund scheme which is a defined contribution plan. The Company's contribution is recognised as an expense in the Statement of Profit and Loss during the period in which the employee renders the related service.

Defined benefit plan:

The Company's gratuity benefit scheme is a defined benefit plan. The Company's net obligation in respect of a defined benefit plan is calculated by estimating the amount of future benefit that employees have earned in return for their service in the current and prior periods; that benefit is discounted to determine its present value. Any unrecognised past service costs and the fair value of any plan assets are deducted. The calculation of the Company's obligation under the plan is performed annually by a qualified actuary using the projected unit credit method, which recognises each period of service as giving rise to additional unit of employee benefit entitlement and measures each unit separately to build up the final obligation. The discount rates used for determining the present value of the obligation under defined benefit plan, are based on the market yields on Government securities as at the Balance sheet date.

All expenses related to defined benefit plans are recognised in employee benefits expense in the Statement of Profit

NOTES TO THE STANDALONE FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED 31ST MARCH 2022

(Currency: Indian rupees in million)

and Loss. The Company recognises gains and losses on the curtailment or settlement of a defined benefit plan when the curtailment or settlement occurs.

The Company has funded its gratuity liability with Life Insurance Corporation of India (LIC) under the Group Gratuity cum Life Assurance (Cash Accumulation) Scheme.

The net interest cost is calculated by applying the discount rate to the net balance of the defined benefit obligation and the fair value of plan assets. This cost is included in employee benefits expense in the Statement of Profit and Loss.

Remeasurement gains and losses arising from experience adjustments and changes in actuarial assumptions are recognised in the period in which they occur, directly in other comprehensive income. They are included in retained earnings in the statement of changes in equity and in the balance sheet.

Changes in the present value of the defined benefit obligation resulting from plan amendments or curtailments are recognised immediately in the Statement of Profit and Loss as past service cost.

(iii) Other Long term employee benefit obligation

The employees can carry-forward a portion of the unutilised accrued compensated absences and utilise it in future service periods or receive cash compensation on termination of employment. Since the compensated absences do not fall due wholly within twelve months after the end of the period in which the employees render the related service and are also not expected to be utilized wholly within twelve months after the end of such period, the benefit is classified as a long-term employee benefit obligations. The Company records an obligation for such compensated absences in the period in which the employee renders the services that increase this entitlement. The obligation is measured on the basis of independent actuarial valuation using the projected unit credit method. Actuarial losses/ gains are recognised in the Statement of Profit and Loss in the period in which they arise.

The obligations are presented as current liabilities in the balance sheet if the entity does not have an unconditional right to defer settlement for at least twelve months after the reporting period, regardless of when the actual settlement is expected to occur.

2.18. Provisions

A provision is recognised if, as a result of a past event, the Company has a present legal or constructive obligation that can be estimated reliably, and it is probable that an outflow of economic benefits will be required to settle the obligation. Provisions are not recognised for future operating losses.

Where there are a number of similar obligations, the likelihood that an outflow will be required in settlement is determined by considering the class of obligations as a whole. A provision is recognised even if the likelihood of an outflow with respect to any one item included in the same class of obligations may be small.

Provisions are measured at the present value of management's best estimate of the expenditure required to settle the present obligation at the end of the reporting period. The discount rate used to determine the present value is a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. The increase in the provision due to the passage of time is recognised as interest expense.

2.19. Contingent liabilities

A contingent liability exists when there is a possible but not probable obligation, or a present obligation that may, but probably will not, require an outflow of resources, or a present obligation whose amount cannot be estimated reliably. Contingent liabilities do not warrant provisions, but are disclosed unless the possibility of outflow of resources is remote.

2.20. Earnings per share (EPS)

The basic EPS is computed by dividing the net profit attributable to the equity shareholders for the period by the weighted average number of equity shares outstanding during the period. Diluted EPS is computed by dividing the net profit attributable to the equity shareholders for the period by the weighted average number of equity and dilutive equity equivalent shares outstanding during the period, except where the results would be anti-dilutive.

NOTES TO THE STANDALONE FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED 31ST MARCH 2022

(Currency: Indian rupees in million)

2.21. Dividends

Provision is made for the amount of any dividend declared, being appropriately authorised and no longer at the discretion of the entity, on or before the end of the reporting period but not distributed at the end of the reporting period.

2.22. Contributed equity

Equity shares are classified as equity. Incremental costs directly attributable to the issue of new shares or options are shown in equity as a deduction, net of tax, from the proceeds.

2.23 Investment in Associate company

The Company carries its investments in associate at cost less impairment losses. The Company assesses at the end of each reporting period, if there are any indications that the said investment may be impaired. If so, the Company estimates the recoverable amount in accordance with policy given in 2.9.

2.24 Financial instruments measured at fair value

Financial instruments measured at fair value can be divided into three levels:

Level 1 – Quoted prices (unadjusted) in active markets for identical assets or liabilities;

Level 2 – Inputs other than quoted prices included within level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices);

Level 3 – Inputs for the asset or liability that are not based on observable market data. Fair value of listed securities fall within level 1 of the fair value hierarchy. Non-listed shares and other securities fall within level 3 of the fair value hierarchy.

Fair value of level 3 assets and liabilities are primarily based on the present value of expected future cash flows. A reasonably possible change in the discount rate is not estimated to affect the Company's profit or equity significantly.

2.25 Critical estimates and judgements

The preparation of financial statements require the use of accounting estimates which, by definition, will seldom equal the actual results. Management also needs to exercise the judgement in applying the Company's accounting policies.

This note provides an overview of the areas that involved a higher degree of judgement or complexity, and of items which are more likely to be materially adjusted due to estimates and assumptions turning out to be different than those originally assessed. Detailed information about each of these estimates and judgements is included in relevant notes together with information about the basis of calculation for each affected line in the financial statements.

The areas involving critical estimates or judgements are:

- Estimates of current tax expense and deferred tax expense-Refer Note 5 and 14
- Estimated useful life of Property, Plant and Equipment and Intangible assets-Refer Note 2.16, 3(a) and 3(d)
- Estimation of defined benefit obligation-Refer Note 13
- Estimation of fair value of contingent liabilities-Refer Note 34
- Estimation of accruals in respect of incentives and rebates related to sale volume-Refer Note 18

Estimates and judgements are continually evaluated. They are based on historical experience and other factors, including expectations of future events that may have a financial impact on the company and that are believed to be reasonable under the circumstances.

NOTES TO THE STANDALONE FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED 31ST MARCH 2022

(Currency: Indian rupees in million)

3(a)(i) Property, plant and equipment [1 April 2021 to 31 March 2022]

Particulars	Gross Carrying Amount					Accumulated Depreciation				Net Carrying Amount
	As at 1 April 2021	Additions during the year	Transfers during the year	Deductions	As at 31st March 2022	As at 1 April 2021	Charge on account of Depreciation for the year	Deductions	As at 31st March 2022	As at 31st March 2022
Land and site development	320.37	-	-	-	320.37	-	-	-	-	320.37
Buildings	5,557.28	-	215.01	3.81	5,768.48	1,377.28	220.10	1.01	1,596.37	4,172.11
Port Road - External	734.59	-	-	-	734.59	301.69	50.28	-	351.97	382.62
Plant, Machinery and Equipments	9,836.97	-	107.90	9.57	9,935.30	4,008.69	690.97	8.19	4,691.47	5,243.83
Dredging	3,869.19	-	-	-	3,869.19	541.87	90.41	-	632.28	3,236.91
Railway sidings	233.09	-	156.02	-	389.11	78.11	13.78	-	91.89	297.22
Furniture, Fittings and Leasehold Improvements	26.04	4.99	-	0.30	30.73	22.21	2.68	0.30	24.59	6.14
Motor Vehicles	21.13	3.93	-	-	25.06	13.71	2.92	-	16.63	8.43
Total	20,598.66	8.92	478.93	13.68	21,072.83	6,343.56	1,071.14	9.50	7,405.20	13,667.63
Capital work in progress	527.77	441.50	478.93	-	490.34	-	-	-	-	490.34

Notes :

- Land and site development includes
 - Freehold land of INR 50.55 million
 - Land aggregating INR 24.99 million was purchased during prior years for handing it over to Government of Gujarat, pursuant to the order issued by Hon'ble Supreme Court. This land will be exchanged with the land located inside the port premises which does not form part of the current Concession with Gujarat Maritime Board (GMB).
 - Expenditure of INR 244.83 million incurred towards Land Filling and Site development.
- Refer to note 32 for disclosure of capital commitments for the acquisition of property, plant and equipment.

NOTES TO THE STANDALONE FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED 31ST MARCH 2022

(Currency: Indian rupees in million)

3(a)(i) Property, plant and equipment [1 April 2020 to 31 March 2021]

Particulars	Gross Carrying Amount					Accumulated Depreciation				Net Carrying Amount
	As at 1 April 2020	Additions during the year	Transfers during the year	Deductions	As at 31st March 2021	As at 1 April 2020	Charge on account of Depreciation for the year	Deductions	As at 31st March 2021	As at 31st March 2021
Land and site development	321.85	-	-	1.48	320.37	-	-	-	-	320.37
Buildings	5,507.69	-	50.01	0.42	5,557.28	1,157.16	220.20	0.08	1,377.28	4,180.00
Port Road - External	734.59	-	-	-	734.59	251.41	50.28	-	301.69	432.90
Plant, Machinery and Equipments	9,814.38	-	39.84	17.25	9,836.97	3,292.32	733.15	16.78	4,008.69	5,828.28
Dredging	3,869.19	-	-	-	3,869.19	451.35	90.52	-	541.87	3,327.32
Railway sidings	233.09	-	-	-	233.09	65.09	13.02	-	78.11	154.98
Furniture, Fittings and Lease hold Improvements	23.18	4.34	-	1.48	26.04	20.04	3.64	1.47	22.21	3.83
Motor Vehicles	23.96	0.12	-	2.95	21.13	13.44	2.76	2.49	13.71	7.42
Total	20,527.93	4.46	89.85	23.58	20,598.66	5,250.81	1,113.57	20.82	6,343.56	14,255.10
Capital work in progress	56.96	560.66	89.85	-	527.77	-	-	-	-	527.77

Notes :

- Land and site development includes
 - Freehold land of INR 50.55 million
 - Land aggregating INR 24.99 million was purchased during prior years for handing it over to Government of Gujarat, pursuant to the order issued by Hon'ble Supreme Court. This land will be exchanged with the land located inside the port premises which does not form part of the current Concession with Gujarat Maritime Board (GMB).
 - Expenditure of INR 244.83 million incurred towards Land Filling and Site development.
- Refer to note 32 for disclosure of capital commitments for the acquisition of property, plant and equipment.

NOTES TO THE STANDALONE FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED 31ST MARCH 2022

(Currency: Indian rupees in million)

3(b)(i) Leases
(i) Amount recognised in the Balance Sheet

The Balance Sheet shows the following amounts relating to leases:

	31 March 2022	31 March 2021
Right of Use Assets		
Land	61.46	70.92
Plant & Machinery	317.88	311.72
Administration Building	21.99	14.15
Total	401.33	396.79
Lease Liabilities		
Current	123.69	220.56
Non current	347.11	244.72
Total	470.80	465.28

Additions to the right-of-use assets during the year were INR 223.15 (31 March 2021: INR 69.10).

(ii) Amount recognised in the statement of profit and loss

The statement of profit or loss shows the following amounts relating to leases:

	31 March 2022	31 March 2021
Depreciation charge of right of use assets		
Land	9.46	9.46
Plant & Machinery	203.33	204.32
Administration Building	6.21	2.83
Total	219.00	216.61
Interest expenses (Included in finance cost)	43.46	59.22
Expenses relating to short term leases (included in other expenses)	11.51	12.92
Expenses relating to variable lease payments not included in lease liabilities	335.84	314.77

The total cash outflow for leases for the year was INR 217.62 (31 March 2021 was INR 188.69)

During the previous year ended 31 March 2021, the Company has recovered depreciation on Administration Building and Finance Cost of INR 0.40 and INR 0.24 respectively from related party.

3(c) (i) Capital work in progress

	As at 31st March 2022	As at 31st March 2021
Capital work in progress	490.34	527.77
Total	490.34	527.77

For 31st March'2022: Capital work-in-progress mainly comprises of Development of Railway Infrastructure for Dedicated Freight Corridor (DFC) Compatibility, Construction of Warehouse for Fertiliser Storage, Upgradation of existing liquid jetty to handle VLGC Vessels, Environmental Management System in Fertilizer Shed, Asset Digitalization Project, Navis N4 Licenses - additional capacity etc.

For 31st March'2021: Capital work-in-progress mainly comprises of Canteen and Stay facility for the Railway Crew inside the port, Development of Railway Infrastructure for DFC Corridor Compatibility and Bulk TOS (GC TOS) Software implementation.

NOTES TO THE STANDALONE FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED 31ST MARCH 2022

(Currency: Indian rupees in million)

(a) Aging of CWIP as on 31st March 2022

Particulars	Amounts in capital work-in-progress for				
	Less than one year	1 – 2 years	2 – 3 years	More than 3 years	Total
(i) Projects in progress	183.80	292.55	12.40	0.00	488.75
(ii) Projects temporarily suspended	-	-	-	1.59	1.59
Total	183.80	292.55	12.40	1.59	490.34

(b) Completion schedule for capital work-in-progress whose completion is overdue or has exceeded its cost compared to its original plan:

Particulars	To be completed in				
	Less than one year	1 – 2 years	2 – 3 years	More than 3 years	Total
(i) Projects in progress:-					
Development of Railway Infrastructure for DFC Compatibility	219.22	-	-	-	219.22
Construction of Warehouse for Fertiliser Storage	18.20	-	-	-	18.20
1200 KVA Rooftop base Solar project	34.43	-	-	-	34.43
Upgradation of CCTV Network	11.15	-	-	-	11.15
Environmental Management System in Fertilizer Shed	21.82	-	-	-	21.82
Upgradation of existing liquid jetty to handle VLGC Vessels	135.12	-	-	-	135.12
Miscellaneous*	27.67	-	-	-	27.67
Total	467.61	-	-	-	467.61
(ii) Projects temporarily suspended:-					
Development of RORO related facilities	1.59	-	-	-	1.59
Total	469.20	-	-	-	469.20

* Projects amounting to less than INR 5 million are clubbed together

(c) Aging of CWIP as on 31st March 2021

Particulars	Amounts in capital work-in-progress for				
	Less than one year	1 – 2 years	2 – 3 years	More than 3 years	Total
(i) Projects in progress	513.78	12.40	-	-	526.18
(ii) Projects temporarily suspended	-	-	1.36	0.23	1.59
Total	513.78	12.40	1.36	0.23	527.77

NOTES TO THE STANDALONE FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED 31ST MARCH 2022

(Currency: Indian rupees in million)

- (d) **Completion schedule for capital work-in-progress whose completion is overdue or has exceeded its cost compared to its original plan:**

Particulars	To be completed in				
	Less than one year	1 – 2 years	2 – 3 years	More than 3 years	Total
(i) Projects in progress:-					
Development of Railway Infrastructure for DFC Compatibility	324.92	-	-	-	324.92
Restoration of Rock Bund B and C (Phase I)	28.16	-	-	-	28.16
GP01 New Crane rail installation work	15.92	-	-	-	15.92
Construction of Warehouse for Fertiliser Storage	104.29	-	-	-	104.29
Upgradation of CCTV Network-2020	5.34	-	-	-	5.34
Supply of Modular workstations, AV Assets at Godrej 2 Vikhroli, for setting up of Mumbai office	5.10	-	-	-	5.10
Upgradation of existing liquid jetty to handle VLGC Vessels	5.59	-	-	-	5.59
Miscellaneous*	30.38	-	-	-	30.38
Total	519.70	-	-	-	519.70
(ii) Projects temporarily suspended					
Development of RORO related facilities	1.59	-	-	-	1.59
Total	521.29	-	-	-	521.29

* Projects amounting to less than INR 5 million are clubbed together

3(d)(i) Intangible Assets

Particulars	Gross Carrying Amount				Accumulated Amortisation				Net Carrying Amount
	As at 1 April 2021	Additions during the year	Deductions/ Adjustments during the year	As at 31st March 2022	As at 1 April 2021	Charge on account of Amortisation for the year	On Deductions/ Adjustments	As at 31st March 2022	As at 31st March 2022
Computer Software	64.43	10.48	17.96	56.95	43.76	2.57	2.55	43.78	13.17
Total	64.43	10.48	17.96	56.95	43.76	2.57	2.55	43.78	13.17

NOTES TO THE STANDALONE FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED 31ST MARCH 2022

(Currency: Indian rupees in million)

3(d)(ii) Intangible Assets

Particulars	Gross Carrying Amount				Accumulated Amortisation				Net Carrying Amount
	As at 1 April 2020	Additions during the year	Deductions/ Adjustments during the year	As at 31st March 2021	As at 1 April 2020	Charge on account of Amortisation for the year	On Deductions/ Adjustments	As at 31st March 2021	As at 31st March 2021
Computer Software	42.99	21.44	-	64.43	39.04	4.72	-	43.76	20.67
Total	42.99	21.44	-	64.43	39.04	4.72	-	43.76	20.67

4(a) Investments

	As at 31 March 2022	As at 31 March 2021
Investments in equity instruments (fully paid up) :		
Unquoted		
76,000,010 (31 March 2021 : 76,000,010) equity shares of INR 10 each of Pipavav Railway Corporation Limited. (Associate company of Gujarat Pipavav Port Limited)	830.00	830.00
Total investment in equity instruments	830.00	830.00
Total non-current investments	830.00	830.00
Aggregate amount of unquoted investments	830.00	830.00
Aggregate amount of impairment in the value of investments	-	-

4(b) Other financial assets

	As at 31 March 2022		As at 31 March 2021	
	Non-current	Current	Non-current	Current
Security deposits	38.55	9.36	38.53	11.04
Receivable from Gujarat Maritime Board [Refer Note 34]	185.35	-	185.35	-
Total other financial assets	223.90	9.36	223.88	11.04

5 (a) Income tax assets (net)

	As at 31 March 2022	As at 31 March 2021
Advance Tax *	202.87	179.72
Total Current tax assets (net)	202.87	179.72

* Net of provision for tax of INR 5,230.38 million (31 March 2021 : INR 3,499.85 million)

	As at 31 March 2022	As at 31 March 2021
Opening Balance	179.72	156.26
Add: Amount transferred from Income tax liability (Refer note 5 (b))	23.15	23.46
Closing Balance	202.87	179.72

NOTES TO THE STANDALONE FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED 31ST MARCH 2022

(Currency: Indian rupees in million)

5 (b) Income tax provisions (net)

	As at 31 March 2022	As at 31 March 2021
Provision for tax #	69.94	6.62
Total Current tax provisions (net)	69.94	6.62

Net of Advance tax of INR 580.55 million (31 March 2021 : INR 561.91 million)

Reconciliation of Income tax provisions

	As at 31 March 2022	As at 31 March 2021
Opening Balance	6.62	14.75
Add : Amount transferred to Income tax assets	23.15	23.46
Add: Current tax payable for the year	1,085.66	1,178.33
Less: Taxes Paid	(610.31)	(598.78)
Less: Utilisation of MAT credit (Refer Note 14 (b) (ii))	(435.18)	(611.14)
Closing Balance	69.94	6.62

6 Other non-current assets

	As at 31 March 2022	As at 31 March 2021
Capital advances	6.28	20.26
Total other non-current assets	6.28	20.26

7 Inventories

	As at 31 March 2022	As at 31 March 2021
Stores and spares	101.42	98.97
Goods-in-transit - Stores and Spares	0.39	5.94
Total inventories	101.81	104.91

Amounts recognised in Statement of Profit and Loss

Write down of Inventories to net realisable value amounted to INR 0.23 million (Write back of Inventories for the year ended 31 March 2021 : 7.19 million). These were recognised as an expense (Refer note - 25) [As at 31 March 2021 included in other income in Statement of Profit and Loss (Refer note - 20)].

NOTES TO THE STANDALONE FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED 31ST MARCH 2022

(Currency: Indian rupees in million)

8(a) Trade receivables

	As at 31 March 2022	As at 31 March 2021
Trade receivables from contracts with customers-billed	256.84	245.50
Trade receivables from contracts with customers-unbilled	153.57	41.82
Trade receivables from contracts with customers - related parties (Refer note - 38)	182.29	253.83
Less: Allowance for doubtful debts (Refer note - 29)	(72.75)	(58.16)
Total trade receivables	519.95	482.99
Break-up of security details		
Secured, considered good	39.88	41.15
Unsecured, considered good	480.07	441.84
Credit impaired	72.75	58.16
Total	592.70	541.15
Allowance for doubtful debts	(72.75)	(58.16)
Total trade receivables	519.95	482.99

8 (a) (i) Aging of trade receivables:
As at 31 March 2022

	Unbilled	Not due	Outstanding for following periods from the due date					Total
			Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	
Undisputed trade receivables								
considered good	153.57	133.21	229.30	2.49	-	-	1.38	519.95
which have significant increase in credit risk	-	-	-	-	-	-	-	-
credit impaired	-	-	2.20	3.46	-	-	-	5.66
Disputed trade receivables								
considered good	-	-	-	-	-	-	-	-
which have significant increase in credit risk	-	-	-	-	-	-	-	-
credit impaired	-	-	-	-	7.23	11.33	48.53	67.09
Total	153.57	133.21	231.50	5.95	7.23	11.33	49.91	592.70

NOTES TO THE STANDALONE FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED 31ST MARCH 2022

(Currency: Indian rupees in million)

As at 31 March 2021

	Unbilled	Not due	Outstanding for following periods from the due date					Total
			Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	
Undisputed trade receivables								
considered good	41.82	196.01	223.84	-	16.48	3.93	-	482.08
which have significant increase in credit risk	-	-	-	-	-	-	-	-
credit impaired	-	-	1.81	-	-	-	-	1.81
Disputed trade receivables								
considered good	-	-	-	-	-	-	-	-
which have significant increase in credit risk	-	-	-	0.91	-	-	-	0.91
credit impaired	-	-	0.51	0.71	9.15	27.47	18.51	56.35
Total	41.82	196.01	226.16	1.62	25.63	31.40	18.51	541.15

8(b) Cash and cash equivalents

	As at 31 March 2022	As at 31 March 2021
Balances with banks		
- In current accounts	3.62	17.51
- In Exchange Earners' Foreign Currency accounts	-	45.91
Total cash and cash equivalents	3.62	63.42

8(c) Other bank balances

	As at 31 March 2022	As at 31 March 2021
Deposits with original maturity of more than three months but less than 12 months	8,545.48	7,182.55
Unpaid dividend account	8.73	7.71
Total other bank balances	8,554.21	7,190.26

8(d) Loans

	As at 31 March 2022	As at 31 March 2021
Loans and advances to employees	6.34	4.91
Total loans	6.34	4.91

NOTES TO THE STANDALONE FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED 31ST MARCH 2022

(Currency: Indian rupees in million)

9 Other current assets

	As at 31 March 2022	As at 31 March 2021
Advance for supplies	101.03	33.61
Prepaid expenses	28.93	26.04
Balances with government authorities	38.37	30.82
Other receivables	18.21	18.01
Total other current assets	186.54	108.48

10 Equity share capital

	As at 31 March 2022	As at 31 March 2021
Authorised share capital		
600,000,000 (31 March 2021 : 600,000,000) equity shares of INR 10 each	6,000.00	6,000.00
	6,000.00	6,000.00
Issued, subscribed and paid up share capital		
483,439,910 (31 March 2021 : 483,439,910) equity shares of INR 10 each, fully paid-up	4,834.40	4,834.40
	4,834.40	4,834.40

a Reconciliation of number of equity shares outstanding as at the beginning and at the end of reporting period

	As at 31 March 2022		As at 31 March 2021	
	Number	INR	Number	INR
Equity shares at the commencement of the year	483,439,910	4,834.40	483,439,910	4,834.40
Issued during the year	-	-	-	-
At the end of the year	483,439,910	4,834.40	483,439,910	4,834.40

b Rights, preferences and restrictions attached to equity shares

The Company has a single class of equity shares. Accordingly, all equity rank equally with regard to dividends and share in the Company's residual assets. The equity shares are entitled to receive dividend as declared from time to time. The voting rights of an equity shareholder on a poll (not on show of hands) are in proportion to its share of the paid-up equity capital of the Company. Voting rights cannot be exercised in respect of shares on which any call or other sums presently payable have not been paid.

On winding up of the Company, the holders of equity shares will be entitled to receive the residual assets of the Company, remaining after distribution of all preferential amounts in proportion to the number of equity shares held.

c Equity shares in the Company held by each shareholder holding more than 5% shares #

Name of the Shareholder	As at 31 March 2022		As at 31 March 2021	
	Number	Percentage	Number	Percentage
APM Terminals Mauritius Limited	212,738,931	44.01%	212,738,931	44.01%
ICICI Prudential Mutual Fund	39,936,122	8.26%	46,862,663	9.69%
HDFC Mutual Fund	35,915,739	7.43%	36,917,539	7.64%

As per the records of the Company, including its register of members.

NOTES TO THE STANDALONE FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED 31ST MARCH 2022

(Currency: Indian rupees in million)

d Details of shareholding of promoters:

Name of the promoter	As at 31 March 2022		
	Number of shares	Percentage of total number of shares	Percentage of change during the year
APM Terminals Mauritius Limited	212,738,931	44.01%	0.00%

Name of the promoter	As at 31 March 201		
	Number of shares	Percentage of total number of shares	Percentage of change during the year
APM Terminals Mauritius Limited	212,738,931	44.01%	0.00%

11 Reserves and surplus

	As at 31 March 2022	As at 31 March 2021
Securities premium reserve [Refer Note- (i) below]	14,288.87	14,288.87
Retained earnings [Refer Note- (ii) below]	1,200.93	1,198.72
Total reserves and surplus	15,489.80	15,487.59

(i) Securities premium reserve*

	As at 31 March 2022	As at 31 March 2021
Opening balance	14,288.87	14,288.87
Movement during the year	-	-
Closing balance	14,288.87	14,288.87

* Securities premium reserve is used to record the premium on issue of shares. The reserve is utilised in accordance with the provisions of the Act.

(ii) Retained earnings

	As at 31 March 2022	As at 31 March 2021
Opening balance	1,198.72	1,725.21
Net profit for the year	1,932.37	2,183.98
Items of other comprehensive income recognised directly in retained earnings		
- Remeasurements of post employment benefit obligation, net of tax	3.60	(3.21)
Dividends		
- Final dividend for the year ended	(1,160.26)	(1,692.04)
- Interim dividend for the year ended	(773.50)	(1,015.22)
Closing balance	1,200.93	1,198.72

NOTES TO THE STANDALONE FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED 31ST MARCH 2022

(Currency: Indian rupees in million)

12 Other financial liabilities

	As at 31 March 2022		As at 31 March 2021	
	Non-current	Current	Non-current	Current
Retention monies payable	65.63	29.52	41.65	44.51
Security deposits received *	27.55	58.53	27.55	64.47
Capital creditors *	-	108.30	-	187.94
Unclaimed dividend (Refer note below)	-	8.73	-	7.71
Other payables*	-	136.65	-	75.28
Total other financial liabilities	93.18	341.73	69.20	379.91

Note :

There are no amounts due for payment to Investor Education and Protection Fund under Section 125 of The Companies Act 2013 as at the year end.

* For due to related parties refer note - 38

13 Employee benefits obligations

	As at 31 March 2022		As at 31 March 2021	
	Non-current	Current	Non-current	Current
Compensated absences [Refer note (i) below]	-	44.90	-	42.57
Gratuity [Refer note (ii) below]	7.84	17.36	24.77	15.51
Other employee benefits payables	18.30	81.96	15.60	69.02
Total employee benefits obligations	26.14	144.22	40.37	127.10

(i) Compensated absences

The leave salary is payable to all eligible employees for each day of accumulated leave on death or on resignation or upon superannuation. Amount charged to the Statement of Profit and Loss on account of compensated absences during the year amounts to INR 6.36 million (31 March 2021: INR 7.91 million) and is included in Note 22 - 'Employee benefits expense'. Accumulated current provision for compensated absences aggregates to INR 44.90 million (31 March 2021: INR 42.57 million).

(ii) Post-employment obligations - Gratuity

The Company makes annual contribution to the Employee's Group Gratuity-cum-Life Assurance Scheme of the Life Insurance Corporation of India, a funded defined benefit plan for employees. The scheme provides for lump sum payment to vested employees at retirement, death while in employment or on termination of employment of an amount equivalent to 15 days salary payable for each completed year of service or part thereof in excess of six months. Vesting occurs upon completion of five years of service. Gratuity payments due to employees are processed disregarding the upper limits specified by Income Tax Act, 1961 and The Payment of Gratuity Act, 1972.

NOTES TO THE STANDALONE FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED 31ST MARCH 2022

(Currency: Indian rupees in million)

The amount recognised in the balance sheet and movements in the net defined benefit obligation over the years are as follows :

	Present value of obligation	Fair value of plan assets	Net amount
Balance as at 01 April 2021	121.65	(81.38)	40.27
Current service cost	9.26	-	9.26
Interest expense / (income)	7.83	(5.24)	2.59
Return on plan assets, excluding amounts included in interest expense / (income)	-	-	-
Total amount recognised in the Statement of Profit and Loss	17.09	(5.24)	11.85
Remeasurements			
(Gain) / loss from change in demographic assumptions	0.07	-	0.07
(Gain) / loss from change in financial assumptions	(5.80)	-	(5.80)
Experience (gain) / loss	2.62	(2.40)	0.22
Total amount recognised in other comprehensive income	(3.11)	(2.40)	(5.51)
Employers contributions	-	(21.41)	(21.41)
Benefit payments	(7.26)	7.26	-
Balance as at 31 March 2022	128.37	(103.17)	25.20
Balance as at 01 April 2020	101.02	(61.69)	39.33
Current service cost	9.36	-	9.36
Interest expense / (income)	6.91	(4.22)	2.69
Return on plan assets, excluding amounts included in interest expense / (income)	-	-	-
Total amount recognised in the Statement of Profit and Loss	16.27	(4.22)	12.05
Remeasurements			
(Gain) / loss from change in demographic assumptions	-	-	-
(Gain) / loss from change in financial assumptions	3.96	-	3.96
Experience (gain) / loss	2.35	(1.37)	0.98
Total amount recognised in other comprehensive income	6.31	(1.37)	4.94
Employers contributions	-	(16.05)	(16.05)
Benefit payments	(1.95)	1.95	-
Balance as at 31 March 2021	121.65	(81.38)	40.27

The net liability disclosed above relates to funded plans are as follow :

	31 March 2022	31 March 2021
Present value of funded obligations	(128.37)	(121.65)
Fair value of plan assets	103.17	81.38
Deficit of funded plan (Gratuity)	(25.20)	(40.27)

NOTES TO THE STANDALONE FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED 31ST MARCH 2022

(Currency: Indian rupees in million)

The significant actuarial assumptions were as follows :

	31 March 2022	31 March 2021
Discount rate	6.98%	6.44%
Salary growth rate	8.00%	8.00%
Expected rate of return on plan assets	6.98%	6.44%
Attrition rate	5.00%	5.00%
Mortality	Indian Assured lives mortality 2012-14(Urban)	Indian Assured lives mortality (2006-08)

	31 March 2022	31 March 2021
Projected Benefit Obligation on Current Assumptions	128.37	121.65
Delta Effect of +1% Change in Rate of Discounting	(9.69)	(9.50)
Delta Effect of -1% Change in Rate of Discounting	11.09	10.94
Delta Effect of +1% Change in Rate of Salary Increase	10.87	10.67
Delta Effect of -1% Change in Rate of Salary Increase	(9.69)	(9.45)
Delta Effect of +1% Change in Rate of Employee Turnover	(0.77)	(1.14)
Delta Effect of -1% Change in Rate of Employee Turnover	0.85	1.27

Category of assets	31 March 2022	31 March 2021
Insurance fund (100%)	103.17	81.38
Total	103.17	81.38

(iii) Risk exposure :

Though its defined benefits plan, the Company is exposed to a number of risks, the most significant of which are detailed below

Changes in bond yields

A decrease in bond yield will increase plan liabilities, although this will be partially offset by increase in the plan's bond holding

Asset volatility

The plan liabilities are calculated using a discount rate set with reference to bond yields; if plan assets underperform this yield, this will create a deficit. Plan assets are invested with the Life Insurance Corporation of India Limited. It is subject to interest rate risk. The Company intends to maintain the above investments in the continuing years.

Maturity Analysis of Projected Benefit Obligation: From the Fund

Projected Benefits Payable in Future Years From the Date of Reporting

	31 March 2022	31 March 2021
1st Following Year	9.58	11.64
2nd Following Year	9.38	6.64
3rd Following Year	10.00	9.02
4th Following Year	8.34	8.83
5th Following Year	9.78	7.31
Sum of Years 6 To 10	59.44	47.70
Sum of Years 11 and above	148.36	142.42

NOTES TO THE STANDALONE FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED 31ST MARCH 2022

(Currency: Indian rupees in million)

14 Taxation
a. Tax expense recognised in the Statement of Profit and Loss

	For the year ended 31 March 2022	For the year ended 31 March 2021
Current tax		
Current year	1,085.66	1,179.68
Earlier years	(11.61)	(1.35)
Total	1,074.05	1,178.33
Deferred tax		
Current year	18.59	(18.23)
Earlier years	-	(78.47)
Total	18.59	(96.70)
Total income tax expense/(credit)	1,092.64	1,081.63

Reconciliation between the statutory income tax rate applicable to the Company and the effective income tax rate of the Company is as follows :

	For the year ended 31 March 2022	For the year ended 31 March 2021
Accounting profit before tax	3,025.01	3,265.61
Applicable tax rate of the reporting entity	34.944%	34.944%
Expected total tax expense	1,057.06	1,141.13
Amount charged in Statement of Profit and Loss	1,094.56	1,081.63
Difference	(37.50)	59.50
Tax effect of amounts which are (not deductible) /allowable in calculating taxable income:		
(i) Expenditures not deductible for tax purpose	(24.03)	(24.16)
(ii) Dividend Received (Adjusted with expense disallowed u/s 14 A)	-	-
(iii) Impact of change in tax rate*	(32.89)	-
(iv) Tax credit of earlier years	11.61	79.82
(v) Others	7.82	3.84
Total	(37.49)	59.50

* Due to the remeasurement of deferred tax liability that is expected to reverse in future when the Company would migrate to the new tax regime.

NOTES TO THE STANDALONE FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED 31ST MARCH 2022

(Currency: Indian rupees in million)

b(i) Deferred tax relates to the following :

	As at 31 March 2022	As at 31 March 2021
Expenditure deductible on payment basis (including Lease Liability)	179.68	228.83
Defined benefit obligations	25.58	34.46
MAT credit entitlement	-	423.57
Total deferred tax assets	205.26	686.86
On difference between book depreciation and tax depreciation	1,656.04	1,693.54
Total deferred tax liabilities	1,656.04	1,693.54
Net deferred tax liabilities	1,450.78	1,006.68

b(ii) Movement in deferred tax assets / (liabilities)

	Expenditure deductible on Payment Basis	Defined benefit obligations	MAT credit entitlement	Lease Liability	Right-of- use asset	On difference between book depreciation and tax depreciation	Total
At 1 April 2020	128.55	23.17	956.24	147.10	(137.08)	(1,611.95)	(493.97)
(Charged)/credited:							
- to Statement of Profit and Loss	(16.82)	9.56	78.47	(30.00)	35.84	19.65	96.70
- utilisation of MAT credit#	-	-	(611.14)	-	-	-	(611.14)
- to other comprehensive income	-	1.73	-	-	-	-	1.73
At 31 March 2021	111.73	34.46	423.57	117.10	(101.24)	(1,592.30)	(1,006.68)
At 1 April 2021	111.73	34.46	423.57	117.10	(101.24)	(1,592.30)	(1,006.68)
(Charged)/credited:							
- to Statement of Profit and Loss	(50.54)	(6.95)	11.61	1.39	0.33	37.17	(6.99)
- utilisation of MAT credit#	-	-	(435.18)	-	-	-	(435.18)
- to other comprehensive income	-	(1.93)	-	-	-	-	(1.93)
At 31 March 2022	61.19	25.58	-	118.49	(100.91)	(1,555.13)	(1,450.78)

#Utilisation of deferred tax assets on carry forward MAT credit is towards current tax payable and hence not routed through the Statement of Profit and Loss.

15 Other non-current liabilities

	As at 31 March 2022	As at 31 March 2021
Deferred income on Government Grant	446.31	521.01
Total other non-current liabilities	446.31	521.01

NOTES TO THE STANDALONE FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED 31ST MARCH 2022

(Currency: Indian rupees in million)

16 Trade payables

	As at 31 March 2022	As at 31 March 2021
Trade payables*		
Dues to Micro, Small and Medium Enterprises (Refer note - 41)	12.14	5.01
Other than Micro, Small and Medium Enterprises	432.47	334.44
Total Trade payables	444.61	339.45

* Out of total trade payables, INR 59.23 pertains to related parties (31 March 2021: INR 50.56) (Refer note-38).

As at 31 March 2022

Aging of trade payables:	Unbilled	Not due	Outstanding for following periods from the due date				Total
			Less than 1 year	1-2 years	2-3 years	More than 3 years	
Undisputed trade payables							
Micro enterprises and small enterprises	-	-	10.98	0.66	0.33	0.17	12.14
Others	-	-	427.74	4.73	0.00	0.00	432.47
			438.72	5.39	0.33	0.17	444.61

As at 31 March 2021

Aging of trade payables:	Unbilled	Not due	Outstanding for following periods from the due date				Total
			Less than 1 year	1-2 years	2-3 years	More than 3 years	
Undisputed trade payables							
Micro enterprises and small enterprises	-	-	4.50	0.33	0.05	0.13	5.01
Others	-	-	333.22	1.22	0.00	0.00	334.44
			337.72	1.55	0.05	0.13	339.45

17 Provisions

	As at 31 March 2022	As at 31 March 2021
Claims (Refer note - 34)	208.00	208.00
Total provisions	208.00	208.00

NOTES TO THE STANDALONE FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED 31ST MARCH 2022

(Currency: Indian rupees in million)

18 Other current liabilities

	As at 31 March 2022	As at 31 March 2021
Deferred income on Government Grant	74.70	74.70
Statutory dues payables	139.99	97.12
Accruals of Incentives and Rebates [Refer note - 18(a)]	803.73	619.00
Income received in advance	0.14	0.12
Advance from customers (contract liabilities) *	178.88	143.65
Total other current liabilities	1,197.44	934.59

* Revenue recognised that was included in advance from customers at the beginning of the period INR 54.93 million (31 March 2021 : INR 56.36 million)

18(a) Movement in Accruals of Incentives and Rebates

	As at 31 March 2022	As at 31 March 2021
At the commencement of the year	619.00	542.31
Accruals made during the year	782.80	748.08
Accruals utilised during the year	(598.07)	(671.39)
At the end of the year	803.73	619.00

19 Revenue from operations

	For the year ended 31 March 2022	For the year ended 31 March 2021
Income from port services	6,882.97	6,835.50
Other operating revenue	552.41	499.13
Total revenue from operations	7,435.38	7,334.63

NOTES TO THE STANDALONE FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED 31ST MARCH 2022

(Currency: Indian rupees in million)

20 Other income

	For the year ended 31 March 2022	For the year ended 31 March 2021
Interest income		
- banks	210.56	284.29
- others	-	2.43
Dividends received from Associate company (Refer note below)	-	38.00
Deferred Income recognised	74.68	74.70
Gain on sale / disposal of fixed assets (net)	-	4.47
Provisions for inventory written back (Refer note - 7)	-	7.19
Provision for doubtful debts written back [Refer note - 8(a)]	-	27.50
Miscellaneous income	0.63	3.42
Total other income	285.87	442.00

Note :

All dividends from equity investments relates to investments held at the end of the reporting period.

21 Operating expenses

	For the year ended 31 March 2022	For the year ended 31 March 2021
Handling expenses	1,130.65	1,076.87
Waterfront royalty (Refer note - 35)	234.18	194.53
Business support service charges	51.03	58.77
Other direct costs	49.38	44.43
Total operating expenses	1,465.24	1,374.60

22 Employee benefits expense

	For the year ended 31 March 2022	For the year ended 31 March 2021
Salaries, wages and bonus	663.66	598.15
Contribution to provident fund and other funds (Refer note below)	28.85	27.73
Gratuity [Refer note 13(ii)]	11.85	12.05
Compensated absences [Refer note 13(i)]	6.36	7.91
Staff welfare expenses	28.30	25.66
Total employee benefits expense	739.02	671.50

The Company recognised INR 28.85 million (31 March 2021 : INR 27.73 million) for provident fund contribution in the Statement of Profit and Loss.

NOTES TO THE STANDALONE FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED 31ST MARCH 2022

(Currency: Indian rupees in million)

23 Finance costs

	For the year ended 31 March 2022	For the year ended 31 March 2021
Interest and finance charges on lease liabilities	43.46	58.98
Others	4.20	4.12
Total finance costs	47.66	63.10

24 Depreciation and amortisation expense

	For the year ended 31 March 2022	For the year ended 31 March 2021
Depreciation of property, plant and equipment	1,071.14	1,113.57
Amortisation of intangible assets	2.57	4.72
Depreciation of right-of-use assets [refer note-3(b)]	219.00	216.21
Total depreciation and amortisation expense	1,292.71	1,334.50

25 Other expenses

	For the year ended 31 March 2021	For the year ended 31 March 2020
Power and fuel	248.58	221.29
Rent	1.09	2.82
Repairs		
- Building	74.29	38.26
- Machinery and equipment	226.27	301.52
- Others	63.15	64.76
Insurance	52.78	43.58
Rates and taxes	0.08	1.31
Travelling expenses	61.33	50.28
Legal and professional fees	90.02	48.59
Commission to Directors (Refer note - 38)	3.89	4.13
Expenditure towards Corporate Social Responsibility [Refer note - 25(a)]	68.76	69.15
Payment to auditors [Refer note - 25(b)]	6.85	7.42
Advertisement and sales promotion	7.49	5.24
Communication expenses	4.15	3.03
Loss on sale / disposal of fixed assets (net)	4.17	-
Loss on foreign currency transactions and translations (net)	30.90	52.95
Bad Debt Write Off	3.04	13.55

NOTES TO THE STANDALONE FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED 31ST MARCH 2022

(Currency: Indian rupees in million)

25 Other expenses

	For the year ended 31 March 2021	For the year ended 31 March 2020
Provisions for inventory (Refer note - 7)	0.23	-
Provisions for doubtful debts [Refer note - 8(a)]	2.02	-
Freight and forwarding	3.56	3.94
Water charges expenses	21.65	20.50
Contract labour expenses	79.62	72.58
Miscellaneous expenses	51.60	42.42
Total other expenses	1,105.52	1,067.32

25(a) Corporate Social Responsibility (CSR)

	For the year ended 31 March 2022	For the year ended 31 March 2021
Amount required to be spent as per Section 135 of the Act	68.76	68.13
Amount spent during the year@	68.76	69.15
(i) Construction/ acquisition of any asset	14.46	2.94
(ii) On purposes other than (i) above	54.30	66.21
Total corporate social responsibility expense	68.76	69.15

@ Excludes advance paid of INR 2.19 million (31 March 2021 : INR 2.95 million).

	As at 31 March 2022		As at 31 March 2021	
	In cash	Yet to be paid In cash	In cash	Yet to be paid In cash
(i) Construction/acquisition of any asset	3.19	11.27	2.94	-
(ii) On purposes other than (i) above	46.57	7.73	56.53	9.68

Corporate social responsibility expenditure:

	For the year ended 31 March 2022	For the year ended 31 March 2021
Amount required to be spent by the group during the year	68.76	68.13
Amount of expenditure incurred	68.76	69.15
Amount of shortfall for the year	-	-
Amount of cumulative shortfall at the end of the year	-	-

The Company has incurred INR 68.76 million during the year for Education, Skill Development, Women Empowerment, Livestock Development, Health and Environment, 24x7 Life Support Ambulance, Disaster Relief and Management, Agriculture and Natural Resources Management, etc. in the immediate surrounding villages – Rampara, Bherai, Shiyalbet, Thavi, Divalo, Devpara etc.

NOTES TO THE STANDALONE FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED 31ST MARCH 2022

(Currency: Indian rupees in million)

25(b) Details of payment to auditors

	For the year ended 31 March 2022	For the year ended 31 March 2021
Payment to auditors		
As auditor		
Audit fee	3.26	3.26
Tax audit fee	0.24	0.24
Limited review of quarterly results	1.35	1.35
Others	-	0.10
Group Audit fees	1.99	2.47
Other services		
Reimbursement of expenses	0.01	@
Total payment to auditor	6.85	7.42

@ Amount is below the rounding off norm adopted by the Company

26(a) Exceptional items

	For the year ended 31 March 2022	For the year ended 31 March 2021
Abnormal expenses - Cyclone etc.	46.09	-
Total Exceptional items	46.09	-

- (b) On 17th May 2021, the Company's port location at Pipavav was hit by cyclone "Tauktae". Due precautions were taken to minimise the impact of the cyclone on the infrastructure at the port and there was no loss of life. However, the operations at the port were disrupted till 1st June 2021 mainly due to the loss of grid power supply. Further, certain portion of the property, plant and equipment require repairs for which the Company has started necessary activities. The Company has incurred Rs. 346.09 million till 31st March 2022 out of which the Company has received interim claims of Rs. 300 million from the insurer. The net amount of Rs. 46.09 million is disclosed under 'Exceptional Items' for the year ended on 31st March 2022. Additional expenses will be incurred in due course by the Company and will continue to be disclosed under 'Exceptional Items'. The Company is progressively sharing the details of expenses being incurred with the insurer.

27. Transfer Pricing

The Company's international transactions with related parties are at arm's length as per the independent accountants' report for the year ended 31 March 2021. Management believes that the Company's international transactions with related parties post 31 March 2021 continue to be at arm's length and that the transfer pricing legislation will not have any impact on these financial statements, particularly on amount of tax expenses and that of provision of taxation.

NOTES TO THE STANDALONE FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED 31ST MARCH 2022

(Currency: Indian rupees in million)

28. Fair Value of financial assets and liabilities carried at amortised cost

There are no financial assets and liabilities designated at fair value through profit or loss or other comprehensive income. All the Financial instruments are carried at amortised cost.

	As at 31 March 2022		As at 31 March 2021	
	Fair Value	Carrying amount	Fair Value	Carrying amount
Financial Assets				
Non- Current				
Security deposits	38.55	38.55	38.53	38.53
Receivable from Gujarat Maritime Board	185.35	185.35	185.35	185.35
Current				
Security deposits	9.36	9.36	11.04	11.04
Loans and advances to employees	6.34	6.34	4.91	4.91
Trade receivables	519.95	519.95	482.99	482.99
Cash and cash equivalents	3.62	3.62	63.42	63.42
Other Bank balances	8,554.21	8,554.21	7,190.26	7,190.26
Total Financial Assets	9,317.38	9,317.38	7,976.50	7,976.50
Financial Liabilities				
Non- Current				
Retention monies payable	65.63	65.63	41.65	41.65
Security deposits received	27.55	27.55	27.55	27.55
Lease Liability IND AS-116	347.11	347.11	244.72	244.72
Current				
Trade payables	444.61	444.61	339.45	339.45
Retention monies payable	29.52	29.52	44.51	44.51
Security deposits received	58.53	58.53	64.47	64.47
Capital creditors	108.30	108.30	187.94	187.94
Unclaimed dividend	8.73	8.73	7.71	7.71
Other payables	136.65	136.65	75.28	75.28
Lease liabilities	123.69	123.69	220.56	220.56
Total Financial Liabilities	1,350.32	1,350.32	1,253.84	1,253.84

Financial instruments carried at amortised cost

Fair value of the current financial assets and current financial liabilities carried at amortised cost is not materially different from the carrying amount. In general, fair value is determined primarily based on the present value of expected future cash flows.

29. Financial risk management

The Company's activities expose it to a variety of financial risks:

- (a) Credit risk
- (b) Liquidity risk
- (c) Market risk

NOTES TO THE STANDALONE FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED 31ST MARCH 2022

(Currency: Indian rupees in million)

The Company's overall risk management programme focuses on the unpredictability of financial markets and seeks to minimise the potential adverse effects on the Company's financial performance. Risk management is carried out by finance department under policies approved by the Board of Directors.

(a) Credit risk

The Company has exposure to financial and commercial counterparties but has no particular concentration of customers or suppliers. To minimise the credit risk, security deposits and advance payments are taken from all major customers. The historical experience of collecting receivables, supported by the level of default, is that credit risk is low and so trade receivables are considered to be a single class of financial assets.

Expected credit loss for trade receivables under simplified approach:

For the year ended 31 March 2022:

Ageing	Not Due	0-90 Days	90-180 Days	180-270 Days	270-365 Days	> 365 Days	Total
Gross Carrying amount	286.78	223.85	7.65	2.44	3.51	68.47	592.70
Expected credit losses	-	1.63	0.57	0.74	2.72	67.09	72.75
Carrying amount of Trade receivables	286.78	222.22	7.08	1.70	0.79	1.38	519.95

For the year ended 31 March 2021:

Ageing	Not Due	0-90 Days	90-180 Days	180-270 Days	270-365 Days	> 365 Days	Total
Gross Carrying amount	237.39	222.80	16.84	0.35	2.09	61.68	541.15
Expected credit losses	-	1.56	0.76	0.15	0.55	55.14	58.16
Carrying amount of Trade receivables	237.39	221.24	16.08	0.20	1.54	6.54	482.99

(b) Liquidity risk

Prudent liquidity risk management implies maintaining sufficient cash and marketable securities and the availability of funding through an adequate amount of committed credit facilities to meet obligations when due and to close out market positions. Management monitors Company's liquidity position and cash and cash equivalents through Quarterly rolling forecasts and on the basis of expected cash flows. Company treasury maintains flexibility in funding through committed credit lines with Financial Institution.

NOTES TO THE STANDALONE FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED 31ST MARCH 2022

(Currency: Indian rupees in million)

Maturities of financial liabilities

The following table shows the maturity analysis of the Company's financial liabilities based on contractually agreed undiscounted cash flows as at the Balance Sheet date. Balances due within 12 months and more than 12 months equal their carrying balances as the impact of discounting is not significant.

	Notes	Carrying Amount	Payable on Demand	Less than 12 months	More than 12 months
As at 31 March 2022					
Trade payables	16	444.61	-	444.61	-
Retention monies payable	12	95.15	28.33	1.19	65.63
Security deposits received	12	86.08	58.53	-	27.55
Capital creditors	12	108.30	-	108.30	-
Unclaimed dividend	12	8.73	8.73	-	-
Other payables	12	136.65	136.65	-	-
As at 31 March 2021					
Trade payables	16	339.45	-	339.45	-
Retention monies payable	12	86.16	32.73	11.78	41.65
Security deposits received	12	92.02	64.47	-	27.55
Capital creditors	12	187.94	-	187.94	-
Unclaimed dividend	12	7.71	7.71	-	-
Other payables	12	75.28	75.28	-	-

As there are no committed credit facilities to meet obligations when due and to close out market positions, the Company is not exposed to liquidity risk.

(c) Market risk

Market risk is the risk that changes in market prices, such as foreign exchange rates, will affect the Company's profit or the value of its holdings of financial instruments. Below sensitivity analyses relate to the position of financial instruments at 31 March 2022 and 31 March 2021. It is assumed that the exchange rate sensitivities have a symmetric impact, i.e. an increase in rates results in the same absolute movement as a decrease in rates.

The sensitivity analyses show the effect on profit or loss and equity of a reasonably possible change in exchange rates and interest rates.

Foreign Currency risk

The Company is exposed to foreign exchange risk arising from foreign currency transactions, primary with respect to USD, AUD and EURO. The Company's business model incorporates assumptions on currency risk and ensures any exposure is covered through the normal business operations. As the functional reporting currency is in INR, the foreign currency risk exists for the Company.

NOTES TO THE STANDALONE FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED 31ST MARCH 2022

(Currency: Indian rupees in million)

Foreign currency exposure not covered by Forward Contracts as at 31 March 2022:

Details	USD Exposure		BHD Exposure		EURO Exposure	
	INR	USD	INR	AUD	INR	Euro
Receivables/Advance to Vendor	218.99	2.89	-	-	-	-
	<i>252.28</i>	<i>3.45</i>	-	-	-	-
Advance from Customers	-	-	-	-	-	-
	<i>2.43</i>	<i>0.03</i>	-	-	-	-
Payables	130.54	1.72	1.12	0.01	0.53	0.01
	<i>49.73</i>	<i>0.68</i>	-	-	<i>0.32</i>	@
Cash and Bank Balance	-	-	-	-	-	-
	<i>45.91</i>	<i>0.63</i>	-	-	-	-

@ Amount is below the rounding off norm adopted by the Company

Amounts in italics represent amounts as at 31 March 2021

Details	Impact on profit after tax	
	31 March 2022	31 March 2021
USD sensitivity		
INR/USD -Increase by 10% (31 March 2021-10%)	8.84	24.60
INR/USD -Decrease by 10% (31 March 2021-10%)	(8.84)	(24.60)
BHD sensitivity		
INR/AUD -Increase by 10% (31 March 2021-10%)	(0.11)	-
INR/AUD -Decrease by 10% (31 March 2021-10%)	0.11	-
EUR sensitivity		
INR/EUR -Increase by 10% (31 March 2021-10%)	(0.05)	(0.03)
INR/EUR -Decrease by 10% (31 March 2021-10%)	0.05	0.03

30. Capital Management

The Company's objective in managing its capital is to safeguard its ability to continue as a going concern and to optimize returns to our shareholders. The Company considers the following components of its Balance Sheet to be managed capital:

1) Share Capital 2) Share Premium and 3) Retained Earnings

The Company's capital structure is based on the Management's assessment of the balances of key elements to ensure strategic decisions and day to day activities. The capital structure of the Company is managed with a view of the overall macro-economic conditions and the risk characteristics of the underlying assets.

The Company's policy is to maintain a strong capital structure with a focus to mitigate all existing and potential risks to the Company, maintain shareholder, vendor and market confidence and sustain continuous growth and development of the Company.

The Company's focus is on keeping a strong total equity base to ensure independence, security, as well as high financial flexibility without impacting the risk profile of the Company. In order, to maintain or adjust the capital structure, the Company will take appropriate steps as may be necessary. The Company does not have any debt or financial covenants.

The Management monitors the return on capital as well as the level of dividend to shareholders. The Company goal is to continue to be able to provide return to shareholders by continuing to distribute dividends in future period. Refer the following table for the final and interim dividend declared and paid.

NOTES TO THE STANDALONE FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED 31ST MARCH 2022

(Currency: Indian rupees in million)

Dividends

	31 March 2022	31 March 2021
(a) Equity shares		
(i) Final dividend for the year ended 31 March 2020 of INR 3.50 per fully paid share		1,692.04
(ii) Final dividend for the year ended 31 March 2021 of INR 2.40 per fully paid share	1,160.26	
(iii) Interim dividend for the year ended 31 March 2021 of INR 2.10 per fully paid share		1,015.22
(iv) Interim dividend for the year ended 31 March 2022 of INR 1.60 per fully paid share	773.50	

(b) Dividends not recognised at the end of the reporting period

The directors have recommended the payment of a final dividend of INR 2.40 per fully paid equity share (31 March 2021 – INR 2.40). This proposed dividend is subject to the approval of shareholders in the ensuing annual general meeting.

31. Traffic guarantee commitment

The Company has entered into tripartite Transportation and Traffic Guarantee Agreement with Pipavav Railway Corporation Limited (PRCL) and Indian Railways, to provide minimum volumes of 3 million metric tonnes for every Financial Year. The Company has consistently met its volume commitment from Financial Year 2010-11 till date and there is no shortfall on account of minimum traffic guarantees to be paid.

32. Capital and other commitments

Particulars	31 March 2022	31 March 2021
(a) Capital expenditure contracted for at the end of the reporting period but not recognised as liabilities (net of advances)	564.59	481.93
(b) Bonds/Undertaking given by the Company under Concessional Duty / Exemption scheme to the Government Authorities. (The Company has fulfilled the obligations and is in the process of obtaining confirmation of fulfillment from the authorities)	2,949.14	2,949.14

33. Lease

- (i) The Company has given a total area of 1,111,813 Square Mtr. (31 March 2021: 1,111,813 Square Mtr.) of land on lease to various customers. The lease is up to 2028 which is the end of the concession period.
- (ii) Operating lease rental income of INR 176.63 million (31 March 2021 INR 186.97 million) recognised in Statement of Profit and Loss is included in Other Operating Revenue in Note 19.
- (iii) The future minimum lease payments receivable under the said non-cancellable operating lease for rented premises are as follows:

Particulars	31 March 2022	31 March 2021
Receivable within one year	207.02	190.43
Receivable between one and five years	913.04	880.60
Receivable more than five years	364.42	603.88

NOTES TO THE STANDALONE FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED 31ST MARCH 2022

(Currency: Indian rupees in million)

34. Provisions and Contingent liabilities

- (a) Claims against Company not acknowledged as debt aggregates to INR 1,257.07 million (31 March 2021: INR 1,231.00 million). Provisions made in respect of the same aggregates to INR 208.00 million (31 March 2021: INR 208.00 million).

Movement in provisions

Particulars	Litigations / Disputes	
	31 March 2022	31 March 2021
At the commencement of the year	208.00	208.00
Provision made during the year	-	-
Provision reversed during the year	-	-
Payment made during the year	-	-
At the end of the year	208.00	208.00

Future cash outflows in respect of above are determinable only on receipt of judgements/decisions pending with various authorities/forums and/or final outcome of the matters.

- (b) Other contingent liabilities in respect of taxation matter not acknowledged as debt aggregates to INR 113.50 million (31 March 2021: INR 110.14 million).

In respect of taxation matters not acknowledged as debt	Taxation Matters	
	31 March 2022	31 March 2021
Income tax matters	75.84	72.48
Service tax matters	37.66	37.66
Total	113.50	110.14

- (c) The Company had made an application for approval of expansion plan to Gujarat Maritime Board (GMB) on 1st October 2012. The approval was received from GMB vide letter dated 10th April 2015. As per one of the conditions of the approval, the Company had issued a bank guarantee of Rs. 185.35 Million which was encashed by GMB on 13th February 2019. Further, GMB also asked the Company to pay Rs. 337.59 million along with interest thereupon at the rate of 18% per annum towards liquidated damages, and GST on the aforesaid bank guarantee amounting to Rs. 33.36 million alongwith interest thereupon at the rate of 18% per annum, vide their letter dated 27th October 2021. The Company reviewed the terms and conditions of approval and based on the management assessment and external legal expert advice, the Management believes that the amount of bank guarantee is recoverable as well as no liquidated damages are liable to be paid, and has filed a Commercial Suit before the Commercial Court, Rajula in this regard.

35. Concession Agreement with Government of Gujarat

Pursuant to the Concession agreement with the Government of Gujarat and GMB dated 30 September 1998, the Company is entitled towards government assistance and accordingly have discharged its liability towards waterfront royalty subject to the conditions laid down in the aforesaid agreement.

NOTES TO THE STANDALONE FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED 31ST MARCH 2022

(Currency: Indian rupees in million)

36. Earnings per share

		For the year ended 31 March 2022	For the year ended 31 March 2021
Profit for the year	(A)	1,932.37	2,183.98
<i>Calculation of weighted average number of equity shares</i>			
Number of equity shares at the beginning of the year		483,439,910	483,439,910
Number of equity shares at the end of the year		483,439,910	483,439,910
Weighted average number of equity shares outstanding during the year	(B)	483,439,910	483,439,910
Basic and diluted earnings per share (INR)	(A/B)	4.00	4.52

37. Interest in Associate company

Set out below is the associate of the Company as at 31 March 2022 which, in the opinion of the directors, is material to the Company. The entity listed below have share capital consisting solely of equity shares, which is held directly by the Company. The country of incorporation or registration is also their principal place of business, and the proportion of ownership interest is the same as the proportion of voting rights held.

Name of Entity	Place of Business	% of ownership	Relationship	Accounting method	Carrying amount	
					31 March 2022	31 March 2021
Pipavav Railway Corporation Limited	New Delhi	38.78	Associate	Equity Method	830.00	830.00

38. Related party transactions
(a) List of related parties and their relationship

Relation	Party
A. Where control exists	(i) Maersk A/S, Denmark (formerly known as Maersk Line A/S) (Ultimate Holding Company) (from 6th August, 2020)
	(ii) APM Terminals Mauritius Limited, Mauritius
B. Party with substantial interest and its affiliates	(i) APM Terminals India Private Limited, India
	(ii) Maersk Line India Private Limited, India
	(iii) GPRO Services India Private Limited, India
	(iv) Maersk Training India Private Limited, India
	(v) Gateway Terminals India Private Limited, India
	(vi) Maersk Training Svendborg A/s, Denmark
	(vii) Damco India Private Limited, India
	(viii) APM Terminals Vado Ligure S.P.A.
	(ix) Maersk A/S (A/c. Hamburg SUD)
	(x) APM Terminals Medport Tangier
	(xi) APM Terminals India Private Limited - EMR Division
	(xii) A.P.Moller - Maersk A/S
	(xiii) APM Terminals Apapa Limited

NOTES TO THE STANDALONE FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED 31ST MARCH 2022

(Currency: Indian rupees in million)

Relation	Party
	(xiv) Maersk Line Fleet Management and Technology (I) Private Limited (xv) APM Terminals Crane & Engineering Services (Shanghai) Co. Ltd (xvi) APM Terminals Management B.V., The Netherlands (xvii) APM Terminals Bahrain B.S.C. (xviii) Svitzer Hazira Private Limited
C. Associate	Pipavav Railway Corporation Limited
D. Directors, Non-Executive Directors and Key managerial personnel	A) Executive directors Mr. Jakob Friis Sorensen (Managing Director) B) Non-Executive directors Mr. Tejpreet Singh Chopra Ms. Hina Shah Mr. Pradeep Mallick (upto 29th July 2021) Mr. Jonathan Richard Goldner (from 11th November 2021)* Mr. Julian Bevis Mr. Timothy John Smith* Mr. Keld Pedersen* Mr. Soren Brandt Mrs. Avantika Singh Aulakh, IAS Mr. Samir Chaturvedi Ms. Monica Widhani Mr. Maarten Degryse* C) Key managerial personnel Mr. Santosh Breed

* No transactions during the year

NOTES TO THE STANDALONE FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED 31ST MARCH 2022

(Currency: Indian rupees in million)

(b) Related party transactions

Transactions during the period	APM Terminals Mauritius Limited	MAERSK A/S	Gateway Terminals India Private Limited	A.P. Moller - Maersk A/S	APM Terminals Management B.V.	GPRO Services India Private Limited	Svitzer Hazira Private Limited	Pipavav Railway Corporation	Other Affiliates	Total
Income from port services	-	1,700.20	-	-	-	-	-	-	1.67	1,701.87
Professional services received	-	1,968.28	-	-	-	-	-	-	2.66	1,970.94
Business support service charges	-	(24.08)	-	(9.36)	-	(5.45)	-	-	(1.96)	(40.85)
Expenses incurred on the Company's behalf	-	(21.58)	-	(0.56)	(51.03)	(5.42)	-	-	(0.72)	(28.28)
Expenses incurred on behalf of others	-	-	-	-	(58.77)	-	-	-	-	(51.03)
Manpower cost	-	-	-	-	(68.95)	-	(9.24)	-	-	(58.77)
Capital expenditure	-	-	(1.70)	(3.03)	(58.07)	(0.24)	-	-	(14.84)	(97.76)
Dividend income	-	-	3.61	1.17	23.18	0.95	-	-	(2.02)	(60.33)
Dividend payment	-	-	1.34	-	16.46	-	-	(4.00)	0.10	29.01
Closing Balances: Receivable	-	172.37	5.73	1.17	2.92	-	-	(3.96)	-	18.10
Advance from customers	-	250.69	1.34	-	1.59	-	-	-	-	(4.00)
Trade Payable	-	13.28	1.70	12.95	21.68	1.30	-	38.00	7.59	82.52
Capital Creditors	-	5.80	-	0.56	40.79	1.21	-	-	1.66	50.56
Deposit received	-	40.00	-	-	10.56	-	7.82	-	-	66.44
Deposit made	-	-	-	-	-	2.45	-	-	-	2.45
Advance to vendor	-	6.96	-	-	-	2.45	-	-	-	9.41
Accruals of Incentives and Rebates	-	66.13	0.04	-	-	-	-	-	-	66.17
Investment	-	47.47	-	-	-	-	-	830.00	-	877.47
	-	-	-	-	-	-	-	830.00	-	830.00

NOTES TO THE STANDALONE FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED 31ST MARCH 2022

(Currency: Indian rupees in million)

Name of Non-Executive Directors/ Key Managerial personnel	Fees for attending Board/Committee meetings	Commission	Managerial Remuneration	Total
Mr. Tejpreet Singh Chopra	0.50 <i>0.50</i>	1.65 <i>1.65</i>	-	2.15 <i>2.15</i>
Ms. Hina Shah	1.00 <i>0.95</i>	0.83 <i>0.83</i>	-	1.83 <i>1.78</i>
Mr. Pradeep Mallick	0.25 <i>0.90</i>	0.83 <i>0.83</i>	-	1.08 <i>1.73</i>
Mr. Pravin Laheri	- <i>0.30</i>	0.28 <i>0.83</i>	-	0.28 <i>1.13</i>
Mr. Soren Brandt	0.75 <i>0.30</i>	-	-	0.75 <i>0.30</i>
Mr. Julian Bevis	0.60 <i>0.25</i>	-	-	0.60 <i>0.25</i>
Mr. Samir Chaturvedi	0.95 <i>0.30</i>	0.30	-	1.25 <i>0.30</i>
Ms. Monica Widhani	0.50 -	-	-	0.50 -
GMB Nominee	0.10 -	-	-	0.10 -
Mr. Santosh Breed @	-	-	12.18 <i>11.15</i>	12.18 <i>11.15</i>
Mr. Jakob Friis Sorensen @	-	-	66.79 <i>44.70</i>	66.79 <i>44.70</i>

Amounts in italics represent amounts as at 31 March 2021

@As the liabilities for defined benefit plan are provided on actuarial basis for the Company as a whole, amount pertaining to key managerial persons are not included.

On 6 August 2020, majority of Directors in the Board were representative of APM Terminals Mauritius Limited (shareholder) which provided the shareholder an ability to control the decision making. Accordingly, the Company became a subsidiary of APM Terminals Mauritius Limited w.e.f. 6 August, 2020.

39. Segment reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the Chief Operating Decision Maker ("CODM") of the Company. Managing Director and Chief Financial Officer of the Company are the chief operating decision makers. The Company operates only in one Business Segment i.e. 'Port Services' which primarily includes services such as Marine services, Berth hire, Wharfage, Container Handling, Yard Operations, Stevedorage and the activities incidental thereto within India, hence does not have any reportable Segments as per Indian Accounting Standard 108 "Operating Segments".

The Company has a revenue of INR 1,701.87 million (31 March 2021: INR 1,970.94 million) from related parties representing more than 10% of the total revenue.

40. COVID-19

The Company has carried out a detailed assessment of the impact of COVID-19, including the current wave, on its liquidity position and on the recoverability and carrying values of its assets. Based on this assessment the company has concluded that there is no significant impact on its financial results as at 31st March 2022. The impact assessment of COVID 19 is a continuous process given the uncertainties associated with its nature and duration. The management will continue to monitor material changes to the future economic conditions which may have an impact on the operations of the Company.

NOTES TO THE STANDALONE FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED 31ST MARCH 2022

(Currency: Indian rupees in million)

41. Other notes
Dues to Micro and Small suppliers

Under the Micro, Small and Medium Enterprises Development Act, 2006 ('MSMED Act') which came into force from 2 October 2006, certain disclosures are required to be made relating to Micro, Small and Medium enterprises. On the basis of the information and records available with the Company, the details of outstanding dues to the Micro and Small enterprises as defined in the MSMED Act, 2006 as set out in the following disclosures:

Particulars	As at 31 March 2022	As at 31 March 2021
Principal amount due to suppliers registered under the MSMED Act and remaining unpaid as at year end	10.44	3.85
Interest due to suppliers registered under the MSMED Act and remaining unpaid as at year end	1.70	1.16
Principal amounts paid to suppliers registered under the MSMED Act, beyond the appointed day during the year	39.66	76.77
Interest paid, under Section 16 of MSMED Act, to suppliers registered under the MSMED Act, beyond the appointed day during the year	-	-
Interest paid, other than under Section 16 of MSMED Act, to suppliers registered under the MSMED Act, beyond the appointed day during the year	-	-
Interest due and payable towards suppliers registered under MSMED Act, for payments already made	0.54	0.66
Further interest remaining due and payable for earlier years.	1.16	0.50

42. Additional regulatory information required by Schedule III

- (i) Title deeds of immovable properties not held in name of the company
The title deeds of all the immovable properties (other than properties where the company is the lessee and the lease agreements are duly executed in favour of the lessee), as disclosed in note(s) to the financial statements, are held in the name of the company.
- (ii) Details of benami property held
No proceedings have been initiated on or are pending against the Company for holding benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and Rules made thereunder.
- (iii) Wilful defaulter
The Company has not been declared wilful defaulter by any bank or financial institution or government or any government authority.
- (iv) Relationship with struck off companies
The Company has no transactions with the companies struck off under Companies Act, 2013 or Companies Act, 1956.
- (v) Registration of charges or satisfaction with Registrar of Companies
There are no charges or satisfaction which are yet to be registered with the Registrar of Companies beyond the statutory period.
- (vi) Compliance with number of layers of companies
The Company has complied with the number of layers prescribed under the Companies Act, 2013.

NOTES TO THE STANDALONE FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED 31ST MARCH 2022

(Currency: Indian rupees in million)

(vii) Financial ratios:

Ratio	Numerator	Denominator	Current period	Previous period	% Variance
(a) Current Ratio (times)	Current assets	Current liabilities	3.71	3.59	3.18%
(b) Return on Equity (%)	Net profit after tax	Average shareholders equity	9.51%	10.61%	-10.38%
(c) Trade Receivables turnover ratio (times)	Credit sales	Average trade receivable	14.83	15.57	-4.77%
(d) Trade payables turnover ratio (times)	Credit purchases	Average trade payable	6.56	7.66	-14.35%
(e) Net capital turnover ratio (times)	Sales	Working capital	1.09	1.28	-14.94%
(f) Net profit ratio (%)	Net profit after tax	Sales	25.99%	29.78%	-12.72%
(g) Return on Capital employed (%)	Earnings before interest and tax	Capital employed	14.78%	16.01%	-7.73%
(h) Return on investment (%)	Earnings before interest and tax	Average total assets	12.38%	13.68%	-9.48%

(viii) Utilisation of borrowed funds and share premium

The Company has not advanced or loaned or invested funds to any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding that the Intermediary shall:

- a. directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company (Ultimate Beneficiaries) or
- b. provide any guarantee, security or the like to or on behalf of the ultimate beneficiaries

The Company has not received any fund from any person(s) or entity(ies), including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the Company shall:

- a. directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (Ultimate Beneficiaries) or
- b. provide any guarantee, security or the like on behalf of the ultimate beneficiaries

(ix) Undisclosed income

There is no income surrendered or disclosed as income during the current or previous year in the tax assessments under the Income Tax Act, 1961, that has not been recorded in the books of account.

(x) Loans or advances to specified persons

No loans or advances in the nature of loans are granted to promoters, directors, KMPs and the related parties (as defined under Companies Act, 2013,) either severally or jointly with any other person.

(xi) Details of crypto currency or virtual currency

The Company has not traded or invested in crypto currency or virtual currency during the current or previous year.

(xii) Valuation of PP&E, intangible asset and investment property

The Company has not revalued its property, plant and equipment (including right-of-use assets) or intangible assets or both during the current or previous year.

NOTES TO THE STANDALONE FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED 31ST MARCH 2022

(Currency: Indian rupees in million)

43. Figures for the previous periods have been reclassified/ regrouped wherever applicable, to confirm with the current period classification.
-

As per our report of even date attached.

For Price Waterhouse Chartered Accountants LLP

Firm Registration No: 012754N/ N-500016

Arunkumar Ramdas

Partner

Membership No: 112433

Mumbai

18 May 2022

For and on Behalf of Board of Directors of

Gujarat Pipavav Port Limited

CIN: L63010GJ1992PLC018106

Jakob Friis Sorensen

Managing Director

DIN : 08593830

Santosh Breed

Chief Financial Officer

Skodsborg, Denmark

18 May 2022

Samir Chaturvedi

Director

DIN: 08911552

Manish Agnihotri

Company Secretary

INDEPENDENT AUDITORS' REPORT

To the Members of Gujarat Pipavav Port Limited

Report on the Audit of the Consolidated Financial Statements

Opinion

1. We have audited the accompanying consolidated financial statements of Gujarat Pipavav Port Limited (hereinafter referred to as the "Company") and its associate (refer Note 1(B)) to the attached consolidated financial statements), which comprise the consolidated Balance Sheet as at March 31, 2022, and the consolidated Statement of Profit and Loss (including Other Comprehensive Income), the consolidated Statement of Changes in Equity and the consolidated Statement of Cash Flows for the year then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies and other explanatory information prepared based on the relevant records. (hereinafter referred to as "the consolidated financial statements").
2. In our opinion and to the best of our information and according to the explanations given to us, the aforesaid consolidated financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the consolidated state of affairs of the Company and its associate as at March 31, 2022, of its consolidated total comprehensive income (comprising of profit and other comprehensive income), consolidated changes in equity and its consolidated cash flows for the year then ended.

Basis for Opinion

3. We conducted our audit in accordance with the Standards on Auditing (SAs) specified under Section 143(10) of the Act. Our responsibilities under those Standards are further described in the "Auditor's Responsibilities for the Audit of the Consolidated Financial Statements" section of our report. We are independent of the Company and its associate in terms of the Code of Ethics issued by the Institute of Chartered Accountants of India and the relevant provisions of the Act together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Companies Act, 2013 and the rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained and the audit evidence obtained by the other auditors in terms of their reports is sufficient and appropriate to provide a basis for our opinion.

Emphasis of matters

4. We draw attention to Note No. 34(c) to the consolidated financial statements which describes the associated uncertainty and the necessary steps being taken by the Company based on external legal expert's advice in relation to the recovery of Bank Guarantee amounting to INR 185.35 million encashed by Gujarat Maritime Board ('GMB') on February 13, 2019, and further demand of Rs. 337.59 million alongwith interest thereupon at the rate of 18% per annum towards liquidated damages, and Rs. 33.36 million towards GST alongwith interest thereupon at the rate of 18% per annum, raised by GMB vide their letter dated October 27, 2021. Our opinion is not modified in respect of this matter.
5. The audit report on the Ind AS Financial Statements of Pipavav Railway Corporation Limited ('PRCL' or 'Associate'), an associate of the Company, issued by the independent firm of Chartered Accountants vide its report dated May 13, 2022 contains the following emphasis of matters, which are reproduced as under:
 - A. Note no. 4 - The physical verification of the intangibles (amortizable) Project assets of PRCL is conducted by the Bhavnagar division of Western Railway, who is the custodian of these assets under the Operation and Maintenance Agreement, as per railway rules and regulations.

The capital costs incurred on development of the assets taken over from the Railways at the beginning of the concessionaire agreement had been grouped into mainly in four categories i.e. Permanent Ways, Formation, Bridge & Buildings and Plant & Machinery. Individual details with regard to the location/cost were not maintained of asset wise for these assets except for Plant & Machinery items. However, details like location and the cost of the assets acquired thereafter had been maintained individually. The quantitative details of these assets are maintained in the computerized system of accounting for fixed assets, and it is relied upon. PRCL maintains the book value of these assets in its accounts. Note 4 as described

above is reproduced as note 43(a) to the consolidated financial statements.

- B. Note no. 39.1.2- Western Railway makes apportionment of freight to the Corporation using actual distance carried by freight trains and not on the basis of booked route distance (i.e. distance for which freight is charged by Indian Railways). The actual distance carried by freight train differs from the booked route distance where Railways run the freight trains through diverted route due to its operation requirements. The Corporation has also booked its share of freight earnings worked out on carried route basis. Current Year figure of revenue includes Rs. 98.56 lakhs being the amount recovered by Railways towards differential amount of revenue on account of diverted route recovery pertaining to FY 2009-10 and 2010-11 and based on the reconciliation of these records. The Corporation has shown the recovery so made by way of deduction from the apportioned freight earnings of the Corporation for the current year. Note 39.1.2. as described above is reproduced as note 43(b) to the consolidated financial statements
- C. Note no. 36 (ii) (b)- PRCL is registered under GST Act for its registered office at New Delhi and for its office at Bhavnagar. GST Returns are filed as recipients under GST Rules for both offices. We find that GST Returns do not contain the taxable or taxed portion of freight received from Railways as turnover of the month. As per the opinion obtained by PRCL, there is no obligation to pay GST because apportionment of freight is already taxed in the hands of Railways and sharing of freight and provision of Maintenance services by Railways is under single arrangement and hence there is no liability of GST on freight as well as liability of RCM on the O & M Services provided by the Railways. The Corporation has represented again to the Ministry of Railways vide the representation dated 27th January 2022 for clarification from the Finance Ministry. Ministry of Railways has also represented the same to the Ministry of Finance Government of India. However, there is no significant progress in getting the clarification on the matter. In case the exemption is denied, it will result in additional liability of GST from 1st July 2017, which has not been quantified. Note 36(ii)(b) as described above is reproduced as note 43(c) to the consolidated financial statements.
- D. Note no.4.2: The work of the electrification of the PRCL Rail section had been completed on 3rd March, 2021. In absence of the availability of the final bills and relevant details as well as certain work still remaining incomplete, the amount billed and accounted for to the tune of Rs. 13.76 Crores had been capitalised and amortized. Once the final bills are received for the work done as well as for the work under completion by the Corporation from CORE and other parties, the final cost shall be worked out and necessary adjustment in the amount capitalised shall be made accordingly. The additional cost of the project on this account, if any, shall be amortized prospectively during the remaining period of the concession. Note 4.2 as described above is reproduced as note 43(d) to the consolidated financial statements.
- E. In absence of details, the whole cost of the Electrification cost has been capitalised under one head although it consists of assets of various nature.
- F. Note no 2.22 Re: Service Concession Arrangement: Western Railway is running additional passenger trains on the PRCL Section to the number of passenger trains running at the time of handing over the line to PRCL. As per the Concession Agreement, Railways has to obtain written consent of the Corporation for running any additional passenger trains on PRCL section. However, Railways has neither sought such consent of the Corporation for running additional passenger trains on the PRCL section nor given any compensation by way of sharing revenue or sharing of additional costs for running of these additional trains. The Corporation has taken up the matter with the Railways and to form a joint committee to work out a methodology for arriving at payable to PRCL for running on additional passenger trains. However, PRCL has so far not raised any firmed up claim on Railways for the additional costs being incurred by the Corporation due to running of these additional passenger trains on this section.

PRCL is formed as Public to Private Service Joint Sector Corporation of MOR and conferred with the rights of "Railway Administration" under the Railways Act and is bound under the service concession Agreement with the MOR for broad gauge Railway line from Surendranagar to Pipavav Project Railway. Upon expiry of the concession agreement in June 2034, all the assets created in the project area shall be returned back to MOR as per the terms & conditions of the Agreement at the Depreciated Replacement Value (DRV) at that time. These assets are considered as intangible assets and the assets to be maintained at serviceable level during the operation by providing for replacements. MOR controls the residual interest of the assets of the project Railway at the end of the concession Agreement. In absence of any estimate of DRV, the total cost being amortized during the concession period. Note 2.22 as described above is reproduced

as note 43(e) to the consolidated financial statements.

- G. Note No. 38.2(i) – Fixed Material Cost: The railways based on the cost survey conducted every 5 years fixes the annual fixed material cost to be charged on the Corporation. The Corporation has now provided a total amount of Rs. 11.36 crores for the year under review which includes Rs. 2.89 crores, being the differential amount for the financial year 2020-21 as agreed by the Railways.

Further, during the current year, the Corporation has made an ad-hoc arrangement with WR, pending the finalization of Joint Procedure Order, for charging the cost TRD assets. According, WR has billed maintenance cost of TRD assets for amounting to Rs. 2.32 crores for the period September 2021 to March, 2022 on a provisional basis. The same has been charged to the Statement of Profit and Loss and the same has been included under the head “Fixed Cost (Material)”. Note 38.2(i) as described above is reproduced as note 43(f)(i) to the consolidated financial statements”.

- H. Note no. 38.2.(iv): The Corporation has booked total expenditure of Rs. 1.78 Crores for Permanent Way Material (Store) Imprest for the years 2015-16 to 2019-20 against a cost of Rs. 3.53 crores provided for in earlier period for the year 2019-20 and 2020-21, as finalized with the Railways, reversing the excess provision of Rs. 1.75 Crores. Note 38.2(iv) as described above is reproduced as note 43(f)(ii) to the consolidated financial statements.
- I. Note No. 38.2.(v) The Corporation has disputed certain costs like Reimbursement of Medical costs to the Railway staff deputed on the PRCL’s section etc although the same have been accounted for by the Corporation based on the claims raised by the Railways. The Corporation has claimed Rs. 11.02 Crores from Railways for the earlier years on account of the excess Medical Reimbursement claimed and charged by them during the previous years. Claim if any received against this shall be accounted for as and when the same is agreed/paid by the Railways. Note 38.2(v) as described above is reproduced as note 43(f)(iii) to the consolidated financial statements.
- J. Note N0. 38.2.(vi): No cost on account of “Track Machine Operations” carried out beyond June, 2019 has been provided for in the accounts for the period July 2019 to March, 2022 in absence/ advice of any information from WR. Note 38.2(vi) as described above is reproduced as note 43(f)(iv) to the consolidated financial statements.
- K. Note No. 38.3 Variable Costs: The Corporation has raised issue of steep rise in the cost of crew with the Railways which the Corporation has claimed the same had not been calculated properly. In absence of availability of the requisite data, the excess amount charged by the Railways is not ascertainable. However, the Corporation has accounted the cost of crew as claimed by the Railways. The difference if any in the costs shall also be accounted for as and when the cost on account of crew cost is revised.

Although a Joint Process for Operations with regard to the Electrified Operations has yet to be signed with Railways, the Railways has advised difference in cost of fuel to the extent of Rs. 9.33 Crores for the period June, 2021 to November, 2021. The difference in cost for the period December, 2021 to March, 2022 has not been worked out by Railways and the same shall be accounted for as and when the same is worked out by Railways and agreed to by the Corporation. Note 38.3 as described above is reproduced as note 43(g) to the consolidated financial statements.

- L. Note No 38.4 regarding booking of certain costs/adjustments related to the previous years during the year under review. Note 38.4 as described above is reproduced as note 43(h) to the consolidated financial statements.
- M. Note No. 38.5 Regarding no insurance cover of the Project Assets of the Corporation since 20th June 2020. The last insurance cover for the Project Assets under Standard Fire and Special Peril Risk Policy was for Rs. 825.36 Crs. Note 38.5 as described above is reproduced as note 43(i) to the consolidated financial statements.
- N. Our opinion is according to information and explanation given to us by the management and on the basis of Report on Internal Control Over Financial Reporting (IFCS) issued by Internal Auditors appointed for the purpose of reporting on the Ind AS financial statements.

Internal controls are generally commensurate with the size of the Corporation and nature of its business. However, in certain areas of transactions with Western Railway, according to our opinion, internal control as a continuous process

needs further strengthening and improvement particularly with regard to monitoring and reconciliation of traffic and its diversion, the rationalization of O & M cost, determining the unpaid dues beyond the due dates; the technical verification of estimates; the timely settlement of the advances made to Railways for various works and physical verification of the work (Capex as well Other additional works) as carried out by Railways, accounting and control over the scrap generated on replacement of old assets.

Our opinion is not modified in respect of these above matters

Key audit matters

6. Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated financial statements of the current period. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Key audit matter description	How our audit addressed the key audit matter
<p>Estimation of accruals in respect of incentives and rebates related to volume sales (Refer note 2.25 to the consolidated financial statements)</p> <p>The Company recognizes revenue net of trade incentives and rebates wherever applicable.</p> <p>The amounts netted off from revenue is INR 782.80 million (Refer note 19 in the consolidated financial statements) and accrual recognized as at March 31, 2022 on account of incentives and rebates amounted to INR 803.73 million (Refer note 18 in the consolidated financial statements).</p> <p>Such incentives and rebates are based on contract terms and volume of future sales forecast involving significant management judgement and accordingly has been determined to be a key audit matter.</p>	<p>In relation to the estimation of accrual in respect of incentives and rebates related to volume sales, we performed procedures, including the following:</p> <ol style="list-style-type: none"> 1. Assessed the appropriateness of accounting policy and related disclosures in the consolidated financial statements. 2. Understood from the management, evaluated the design and tested the operating effectiveness of internal controls over calculations of rebates and incentives and timing of recognition of the same. 3. On a test check basis, verified the credit notes issued during the year in respect of rebates and incentives to customers and comparing the same with contractual terms as well as accrual already recognized to assess reasonableness of such accrual recognized. 4. Performed look-back analysis for past trends by comparing recent actuals with the estimates of earlier year and including payments/credit notes issued to customers subsequent to the year end on sample basis. 5. Performed a sensitivity analysis by reducing the sales forecasts within a reasonably foreseeable range. 6. Assessed manual journals posted to revenue to identify unusual items and corroborating the journals entries with supporting documents. <p>Based on the above procedures performed, we did not identify any significant differences in the Management's estimation of accrual in respect of incentives and rebates related to volume sales where applicable.</p>

Other Information

7. The Company's Board of Directors is responsible for the other information. The other information comprises Director's report and its annexures, Management discussion and analysis, Corporate Governance Report, Business Responsibility Report and Secretarial Audit report, but does not include the consolidated financial statements and our auditor's report thereon, which we obtained prior to the date of this auditor's report, and the Chairman's Statement, which is expected to be made available to us after that date.

Our opinion on the consolidated financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the consolidated financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed and the reports of the associate's auditor as furnished to us (Refer paragraph 16 below), we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

In connection with our audit of the consolidated financial statements, our responsibility is to also read the Chairman's Statement when it becomes available and, in doing so, consider whether it is materially inconsistent with the financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

When we read the Chairman's Statement, if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance and take appropriate action as applicable under the relevant laws and regulations.

Responsibilities of Management and Those Charged with Governance for the Consolidated Financial Statements

8. The Company's Board of Directors is responsible for the preparation and presentation of these consolidated financial statements in term of the requirements of the Act that give a true and fair view of the consolidated financial position, consolidated financial performance and consolidated cash flows, and changes in equity of the Company including its associate in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act. The respective Board of Directors of the Company and of its associate are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and its associate, and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring accuracy and completeness of the accounting records, relevant to the preparation and presentation of the consolidated financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the consolidated financial statements by the Directors of the Company, as aforesaid.
9. In preparing the consolidated financial statements, the respective Board of Directors of the Company and of its associate are responsible for assessing the ability of the Company and of its associate to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or its associate respectively or to cease operations, or has no realistic alternative but to do so.
10. The respective Board of Directors of the Company and of its associate are responsible for overseeing the financial reporting process of the Company and of its associate.

Auditor's Responsibilities for the Audit of the Consolidated Financial Statements

11. Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.
12. As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional scepticism throughout the audit. We also:
 - Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the

override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under Section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls with reference to consolidated financial statements in place and the operating effectiveness of such controls.
 - Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
 - Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the ability of the Company and of its associate to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company and its associate to cease to continue as a going concern.
 - Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
 - Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Company and its associate to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the audit of the financial statements of such entities included in the consolidated financial statements of which we are the independent auditors. For the other entities included in the consolidated financial statements, which have been audited by other auditors, such other auditors remain responsible for the direction, supervision and performance of the audits carried out by them. We remain solely responsible for our audit opinion.
13. We communicate with those charged with governance of the Company regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.
14. We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.
15. From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the consolidated financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Other Matters

16. The financial statements also include the Company's share of total comprehensive income (comprising of profit and other comprehensive income) of INR. 40.88 million for the year then ended March 31, 2022 as considered in the consolidated financial statements, in respect of the associate – Pipavav Railway Corporation Limited, whose financial statements have not been audited by us. These financial statements have been audited by other auditor whose report has been furnished to us by the Management, and our opinion on the consolidated financial statements insofar as it related to the amounts and disclosure included in respect of associate, is based solely on the report of the associate's auditor.

Our opinion on the consolidated financial statements, and our report on Other Legal and Regulatory Requirements below, is not modified in respect of the above matters with respect to our reliance on the work done and the report of the associate's auditor.

Report on Other Legal and Regulatory Requirements

17. As required by paragraph 3(xxi) of the Companies (Auditor's Report) Order, 2020 ("CARO 2020"), issued by the Central Government of India in terms of sub-section (11) of Section 143 of the Act, we report that there are no qualifications or adverse remarks included by the associate's auditor in his CARO 2020 report issued in respect of the financial statements of the associate which are included in these consolidated financial statements.
18. As required by Section 143(3) of the Act, we report, to the extent applicable, that:
- (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit of the aforesaid consolidated financial statements.
 - (b) In our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidated financial statements have been kept so far as it appears from our examination of those books and the report of the other auditor, except that the backup of books of accounts and other books and papers maintained in electronic mode of the Company has not been maintained on servers physically located in India.
 - (c) The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss (including other comprehensive income), the Consolidated Statement of Changes in Equity and the Consolidated Statement of Cash Flows dealt with by this Report are in agreement with the relevant books of account and records maintained for the purpose of preparation of the consolidated financial statements.
 - (d) In our opinion, the aforesaid consolidated financial statements comply with the Accounting Standards specified under Section 133 of the Act.
 - (e) On the basis of the written representations received from the directors of the Company as on March 31, 2022 taken on record by the Board of Directors of the Company and the report of the statutory auditors of its associate incorporated in India, none of the directors of the Company and its associate incorporated in India is disqualified as on March 31, 2022 from being appointed as a director in terms of Section 164(2) of the Act.
 - (f) With respect to the maintenance of accounts and other matters connected therewith, reference is made to our comments in paragraph 19(b) above.
 - (g) With respect to the adequacy of internal financial controls with reference to consolidated financial statements of the Company and its associate, and the operating effectiveness of such controls, refer to our separate report in Annexure A.
 - (h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditor's) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
 - i. The consolidated financial statements disclose the impact, if any, of pending litigations as at 31 March, 2022 on the consolidated financial position of the Company and its associate— Refer Note no. 34 to the consolidated financial statements.
 - ii. The Company, its associate had long-term contracts as at 31 March, 2022 for which there were no material foreseeable losses. The Company and its associate did not have any derivative contracts as at March 31, 2022.
 - iii. During the year ended March 31, 2022, there were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company and its associate incorporated in India.
 - iv.
- A) The respective Managements of the Company and its associate incorporated in India whose financial statements have been audited under the Act have represented to us and the other auditor of such associate respectively that, to the best of their knowledge and belief, as disclosed in the notes to the accounts, no funds (which are material either individually or in the aggregate) have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company or its associate to or in any other person or entity, including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever

by or on behalf of the Company or its associate ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries (Refer Note 42(viii) to the consolidated financial statements);

- B) The respective Managements of the Company and its associate incorporated in India whose financial statements have been audited under the Act have represented to us and the other auditor of such associate respectively that, to the best of their knowledge and belief, as disclosed in the notes to the accounts, no funds (which are material either individually or in the aggregate) have been received by the Company or its associate from any person or entity, including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company or its associate shall, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries (Refer Note 42(viii) to the consolidated financial statements).
 - C) Based on the audit procedures, that has been considered reasonable and appropriate in the circumstances, performed by us and those performed by the auditor of the associate incorporated in India whose financial statements have been audited under the Act, nothing has come to our or other auditor's notice that has caused us or the other auditor to believe that the representations under sub-clause (i) and (ii) of Rule 11(e) contain any material misstatement.
 - v. The dividend declared and paid during the year by the Company, is in compliance with Section 123 of the Act. Its associate has not declared / paid any dividend during the year.
19. The Company and its associate have paid/ provided for managerial remuneration in accordance with the requisite approvals mandated by the provisions of Section 197 read with Schedule V to the Act.

For Price Waterhouse Chartered Accountants LLP
Firm Registration Number: 012754N/ N-500016
Chartered Accountants

Arunkumar Ramdas
Partner
Membership Number: 112433
UDIN: 22112433AJDTYQ3268

Mumbai
18 May, 2022

ANNEXURE A TO INDEPENDENT AUDITORS' REPORT

Referred to in paragraph 18(g) of the Independent Auditor's Report of even date to the members of Gujarat Pipavav Port Limited on the consolidated financial statements for the year ended March 31, 2022

Report on the Internal Financial Controls with reference to Consolidated Financial Statements under clause (i) of sub-section 3 of Section 143 of the Act

1. In conjunction with our audit of the consolidated financial statements of the Company as of and for the year ended March 31, 2022, we have audited the internal financial controls with reference to financial statements of Gujarat Pipavav Port Limited (hereinafter referred to as "the Company") and its associate which is a company incorporated in India, as of that date.

Management's Responsibility for Internal Financial Controls

2. The respective Board of Directors of the Company and its associate, to whom reporting under clause (i) of sub section 3 of Section 143 of the Act in respect of the adequacy of the internal financial controls with reference to financial statements is applicable, which are companies incorporated in India, are responsible for establishing and maintaining internal financial controls based on internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting ("the Guidance Note") issued by the Institute of Chartered Accountants of India ("ICAI"). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to the respective company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

Auditor's Responsibility

3. Our responsibility is to express an opinion on the Company's internal financial controls with reference to financial statements based on our audit. We conducted our audit in accordance with the Guidance Note issued by the ICAI and the Standards on Auditing deemed to be prescribed under Section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of internal financial controls and both issued by the ICAI. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to financial statements was established and maintained and if such controls operated effectively in all material respects.
4. Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system with reference to financial statements and their operating effectiveness. Our audit of internal financial controls with reference to financial statements included obtaining an understanding of internal financial controls with reference to financial statements, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.
5. We believe that the audit evidence we have obtained and the audit evidence obtained by the other auditor in terms of his report referred to in the Other Matters paragraph below is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls system with reference to consolidated financial statements.

Meaning of Internal Financial Controls with reference to financial statements

6. A company's internal financial control with reference to financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control with reference to financial statements includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations

of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls with reference to financial statements

7. Because of the inherent limitations of internal financial controls with reference to financial statements, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls with reference to financial statements to future periods are subject to the risk that the internal financial control with reference to financial statements may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

8. In our opinion, the Company and its associate which is a company incorporated in India, have, in all material respects, an adequate internal financial controls system with reference to financial statements and such internal financial controls with reference to financial statements were operating effectively as at March 31, 2022, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.
9. The report on the adequacy and operating effectiveness of the internal financial controls with reference to financial statements insofar as it relates to the associate issued by the independent firm of Chartered Accountants vide its report dated May 13, 2022 contains the following opinion, which is reproduced as under:

"In our opinion, the Corporation has, in all material respects, an adequate internal financial controls systems with reference to the financial statements and such internal financial controls with reference to the financial statements were operating effectively as at March 31, 2022, based on the internal control over financial reporting criteria established by the Corporation considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Control Over the Financial reporting issued by the Institute of Chartered Accountants of India, read with our Independent Auditor's report's item no. (n) of "Emphasis of Matters" of the report of even date on the financial statements".

Note (n) as described above is reproduced as note 5(N) in the report of even date on the consolidated financial statements.

Other Matters

10. Our aforesaid report under Section 143(3)(i) of the Act on the adequacy and operating effectiveness of the internal financial controls with reference to financial statements insofar as it relates to associate, which is a company incorporated in India, is based on the corresponding report of the auditor of the associate. Our opinion is not modified in respect of this matter.

For Price Waterhouse Chartered Accountants LLP
Firm Registration Number: 012754N/ N-500016
Chartered Accountants

Arunkumar Ramdas
Partner

Membership Number: 112433
UDIN: 22112433AJDTYQ3268

Mumbai
18 May, 2022

CONSOLIDATED BALANCE SHEET AS AT 31 MARCH 2022

(All amounts are in INR million, unless otherwise stated)

Particulars	Note No.	As at 31 March 2022	As at 31 March 2021
ASSETS			
Non-current assets			
Property, Plant and Equipment	3 (a)	13,667.63	14,255.10
Right of use Assets	3 (b)	401.33	396.79
Capital work-in-progress	3 (c)	490.34	527.77
Intangible assets	3 (d)	13.17	20.67
"Investment accounted for using the equity method"	4 (a)	2,940.67	2,899.79
Financial Assets			
Other financial assets	4 (b)	223.90	223.88
Income tax assets (net)	5 (a)	202.87	179.72
Other non-current assets	6	6.28	20.26
Total non-current assets		17,946.19	18,523.98
Current assets			
Inventories	7	101.81	104.91
Financial Assets			
(i) Trade receivables	8 (a)	519.95	482.99
(ii) Cash and cash equivalents	8 (b)	3.62	63.42
(iii) Bank balance other than (ii) above	8 (c)	8,554.21	7,190.26
(iv) Loans	8 (d)	6.34	4.91
(v) Other financial assets	4 (b)	9.36	11.04
Other Current assets	9	186.54	108.48
Total current assets		9,381.83	7,966.01
Total Assets		27,328.02	26,489.99
EQUITY AND LIABILITIES			
Equity			
Equity Share capital	10	4,834.40	4,834.40
Other equity			
Reserves and surplus	11	17,600.47	17,557.38
Total equity		22,434.87	22,391.78
Liabilities			
Non-current liabilities			
Financial liabilities			
(i) Lease liabilities	3(b)	347.11	244.72
(ii) Other financial liabilities	12	93.18	69.20
Employee benefit obligations	13	26.14	40.37
Deferred tax liabilities (net)	14(b)	1,450.78	1,006.68
Other non-current liabilities	15	446.31	521.01
Total non-current liabilities		2,363.52	1,881.98
Current liabilities			
Financial Liabilities			
(i) Trade payables			
Dues to Micro, Small and Medium Enterprises	16	12.14	5.01
Other than Micro, Small and Medium Enterprises	16	432.47	334.44
(ii) Lease liabilities	3(b)	123.69	220.56
(iii) Other financial liabilities	12	341.73	379.91
Provisions	17	208.00	208.00
Employee benefit obligations	13	144.22	127.10
Income tax provisions (net)	5 (b)	69.94	6.62
Other current liabilities	18	1,197.44	934.59
Total current liabilities		2,529.63	2,216.23
Total Liabilities		4,893.15	4,098.21
Total equity and liabilities		27,328.02	26,489.99

The above Consolidated balance sheet should be read in conjunction with the accompanying notes.

As per our report of even date attached.

For Price Waterhouse Chartered Accountants LLP

Firm Registration No: 012754N/ N-500016

Arunkumar Ramdas
Partner

Membership No: 112433

Mumbai

18 May 2022

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For and on Behalf of Board of Directors of
Gujarat Pipavav Port Limited
CIN: L63010GJ1992PLC018106
Jakob Friis Sorensen
Managing Director

DIN : 08593830

Santosh Breed
Chief Financial Officer

Skodsborg, Denmark

18 May 2022

Samir Chaturvedi
Director

DIN: 08911552

Manish Agnihotri
Company Secretary

Annual Report 2021 - 2022

CONSOLIDATED STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31 MARCH 2022

(All amounts are in INR million, unless otherwise stated)

Particulars	Note No.	For the year ended 31 March 2022	For the year ended 31 March 2021
Revenue from operations	19	7,435.38	7,334.63
Other income	20	285.87	404.00
Total Income		7,721.25	7,738.63
Expenses			
Operating expenses	21	1,465.24	1,374.60
Employee benefits expense	22	739.02	671.50
Finance costs	23	47.66	63.10
Depreciation and amortisation expense	24	1,292.71	1,334.50
Other expenses	25	1,105.52	1,067.32
Total expenses		4,650.15	4,511.02
Profit before share of net profits of investments accounted for using equity method and tax		3,071.10	3,227.61
Share of net profit/(loss) of associates accounted for using the equity method ^{4(a)}		40.92	73.55
Profit before exceptional items and tax		3,112.02	3,301.16
Exceptional items		46.09	-
Profit before tax		3,065.93	3,301.16
Tax expense :			
For the year			
Current tax expense	14 (a)	1,085.66	1,179.68
Deferred tax (credit) / expense	14 (a)	18.59	(18.23)
For earlier year			
Current tax expense reversed	14 (a)	(11.61)	(1.35)
Deferred tax credit	14 (a)	-	(78.47)
Total tax expense		1,092.64	1,081.63
Profit for the year		1,973.29	2,219.53
Other comprehensive income			
Items that will not be reclassified to profit or loss			
(i) Re-measurement of post-employment benefit obligations		5.52	(4.94)
(ii) Share of other comprehensive income of associates		(0.05)	0.16
(iii) Less: Income tax relating to (i) above		(1.92)	1.73
(iv) Less: Income tax relating to (ii) above		0.01	(0.03)
Other comprehensive income for the year, net of tax		3.56	(3.08)
Total comprehensive income for the year		1,976.85	2,216.45
Earning per equity share [face value per share INR 10 (31 March 2021: INR10)]			
Basic earnings per share	36	4.08	4.59
Diluted earnings per share	36	4.08	4.59

The above Consolidated Statement of Profit and Loss should be read in conjunction with the accompanying notes.

As per our report of even date attached.

For Price Waterhouse Chartered Accountants LLP
 Firm Registration No: 012754N/ N-500016

Arunkumar Ramdas
Partner
 Membership No: 112433

 Mumbai
 18 May 2022

Annual Report 2021 - 2022

**For and on Behalf of Board of Directors of
 Gujarat Pipavav Port Limited**
CIN: L63010GJ1992PLC018106
Jakob Friis Sorensen **Samir Chaturvedi**
Managing Director *Director*
 DIN : 08593830 DIN: 08911552

Santosh Breed **Manish Agnihotri**
Chief Financial Officer *Company Secretary*
 Skodsborg, Denmark
 18 May 2022

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31 MARCH 2022

(All amounts are in INR millions, unless otherwise stated)

A. Equity share capital

	Notes	Amount
As at 31 March 2020		4,834.40
Changes in equity share capital	10	-
As at 31 March 2021		4,834.40
Changes in the equity share capital	10	-
As at 31 March 2022		4,834.40

B. Other equity

Particulars	Attributable to owners of Gujarat Pipavav Port Limited			
	Notes	Reserves & Surplus		Total Other Equity
Securities Premium Reserve		Retained Earnings		
Balance at 1 April 2020	11(i)	14,288.87	3,759.32	18,048.19
Profit for the year			2,219.53	2,219.53
Less: Other Comprehensive Income			(3.08)	(3.08)
Total comprehensive income for the year ended 31 March 2021			2,216.45	2,216.45
Transaction with owners in their capacity as owners:				
Dividends paid (including dividend distribution tax)			(2,707.26)	(2,707.26)
Balance at 31 March 2021	11(i)	14,288.87	3,268.51	17,557.38
Profit for the year	11(ii)		1,973.29	1,973.29
Less: Other Comprehensive Income			3.56	3.56
Total comprehensive income for the year ended 31 March 2022			1,976.85	1,976.85
Transaction with owners in their capacity as owners:				
Dividends paid (including dividend distribution tax)			(1,933.76)	(1,933.76)
Balance at 31 March 2022		14,288.87	3,311.60	17,600.47

The above Consolidated Statement of changes in equity should be read in conjunction with the accompanying notes.

As per our report of even date attached.

For Price Waterhouse Chartered Accountants LLP
 Firm Registration No: 012754N/ N-500016

Arunkumar Ramdas
Partner
 Membership No: 112433

 Mumbai
 18 May 2022

**For and on Behalf of Board of Directors of
 Gujarat Pipavav Port Limited**
CIN: L63010GJ1992PLC018106
Jakob Friis Sorensen **Samir Chaturvedi**
Managing Director *Director*
 DIN : 08593830 DIN: 08911552

Santosh Breed **Manish Agnihotri**
Chief Financial Officer *Company Secretary*
 Skodsborg, Denmark
 18 May 2022

CONSOLIDATED STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 31 MARCH 2022

(All amounts are in INR millions, unless otherwise stated)

Particulars	Year ended 31 March 2022	Year ended 31 March 2021
Cash flows from operating activities		
Profit before tax	3,065.93	3,301.16
Adjustments :		
Share of (profit)/loss of associate company	(40.92)	(35.55)
Deferred income recognised	(74.68)	(74.70)
Depreciation and amortisation expense	1,292.71	1,334.50
Finance costs	47.66	63.10
Interest income classified as investing cash flows	(210.56)	(284.29)
Loss/ (Profit) on disposal of property, plant and equipment	4.17	(4.47)
Sundry balances written (back)/off (net)	(7.94)	0.10
Provisions for doubtful debts and inventory / (written back)	2.24	(34.69)
Bad Debt Write Off	3.04	13.55
Foreign currency transactions and translations differences	0.89	2.98
	4,082.54	4,281.69
Operating profit before working capital changes		
(Increase) / Decrease in trade receivables	(42.92)	6.31
Decrease / (Increase) in inventories	2.87	(21.62)
(Increase) in loans	(1.43)	(0.14)
Decrease / (Increase) in other financial assets	1.65	(1.48)
(Increase) in other assets	(78.05)	(8.10)
Increase in trade payables	105.16	41.04
Increase in employee benefit obligations	8.42	14.31
Increase in other financial liabilities	72.36	92.07
Increase in other current liabilities	262.86	73.46
	330.92	195.85
Cash generated from operations	4,413.46	4,477.54
Income taxes paid	(610.31)	(598.78)
Net cash inflow from operating activities	3,803.15	3,878.76

CONSOLIDATED STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 31 MARCH 2022

(All amounts are in INR millions, unless otherwise stated)

Particulars	Year ended 31 March 2022	Year ended 31 March 2021
Cash flows from / (used in) investing activities		
Payments for property, plant and equipment	(511.14)	(454.78)
Proceeds from sale of fixed assets (net)	0.00	7.22
Interest received	268.64	376.26
Increase in deposits with banks	(1,422.03)	(976.89)
Net cash outflow used in investing activities	(1,664.53)	(1,048.19)
Cash flows from / (used in) financing activities		
Interest paid	(47.66)	(63.10)
Repayment of lease liability	(218.02)	(188.29)
Dividends paid to Company's shareholders	(1,932.74)	(2,705.46)
Net cash outflow used in financing activities	(2,198.42)	(2,956.85)
Net increase / (decrease) in cash and cash equivalents	(59.80)	(126.28)
Cash and cash equivalents at the beginning of the period	63.42	189.70
Effects of exchange rate changes on cash and cash equivalents	-	-
Cash and cash equivalents at end of the period	3.62	63.42
Reconciliation of cash and cash equivalents as per the cash flow statement	31 March 2022	31 March 2021
Cash and cash equivalents as per above comprise of the following		
Cash and cash equivalents	3.62	63.42
Balance as per statement of cash flows	3.62	63.42

The above statement of cash flows should be read in conjunction with the accompanying notes.

As per our report of even date attached.

For Price Waterhouse Chartered Accountants LLP

Firm Registration No: 012754N/ N-500016

Arunkumar Ramdas

Partner

Membership No: 112433

Mumbai

18 May 2022

For and on Behalf of Board of Directors of

Gujarat Pipavav Port Limited

CIN: L63010GJ1992PLC018106

Jakob Friis Sorensen

Managing Director

DIN : 08593830

Santosh Breed

Chief Financial Officer

Skodsborg, Denmark

18 May 2022

Samir Chaturvedi

Director

DIN: 08911552

Manish Agnihotri

Company Secretary

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED 31ST MARCH 2022

(All amounts are in INR millions, unless otherwise stated)

1. (A) Company overview

- i. Gujarat Pipavav Port Limited, ("the Company") was incorporated on 5 August 1992 to construct, operate and maintain an all-weather port at Pipavav, District Amreli, in the State of Gujarat.
- ii. The port is designed to handle bulk, container, liquid cargo and RORO and to provide port services such as marine services, material handling and storage operations.
- iii. The Company has entered into a 30 year Concession Agreement with Government of Gujarat and Gujarat Maritime Board ("GMB") dated 30 September 1998 to engage in the business of developing, constructing, operating and maintaining the port on a BOOT (Build Own Operate Transfer) basis.
- iv. During the year 2005, AP Moller-Maersk group together with certain financial investors acquired the complete shareholdings held by the original promoter viz. Seaking Infrastructure Limited ("SKIL") group, on receipt of approval from Government of Gujarat, and GMB. Accordingly, AP Moller-Maersk group became the key promoter of the Company under the Concession agreement.
- v. Pursuant to the approval of the shareholders of the Company in an extra ordinary general meeting held on 17 November 2009, the Company has issued and allotted through Initial Public Offering (IPO) 108,695,652 equity shares of INR 10 each at a premium of INR 36 per share aggregating to a total of INR 5,000 million to all categories of investors. The issue was made in accordance with the terms of the Company's prospectus dated 30 August 2010 and the shares got listed on 9 September 2010 on Bombay Stock Exchange and National Stock Exchange.

(B) Principles of consolidation and equity accounting**(i) Associates**

Associates are all entities over which the Company has significant influence but not control or joint control. This is generally the case where the Company holds between 20% and 50% of the voting rights. Investments in associates are accounted for using the equity method of accounting, after initially being recognised at cost.

(ii) Equity method

Under the equity method of accounting, the investments are initially recognised at cost and adjusted thereafter to recognise the Company's share of the post-acquisition profits or losses of the investee in The Consolidated Statement of Profit and Loss, and the Company's share of other comprehensive income of the investee in other comprehensive income. Dividends received or receivable from associates are recognised as a reduction in the carrying amount of the investment.

When the Company's share of losses in an equity-accounted investment equals or exceeds its interest in the entity, including any other unsecured long-term receivables, the Company does not recognise further losses, unless it has incurred obligations or made payments on behalf of the other entity.

Unrealised gains on transactions between the Company and its associates are eliminated to the extent of the Company's interest in these entities. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the asset transferred. Accounting policies of equity accounted investees have been changed where necessary to ensure consistency with the policies adopted by the Company.

The carrying amount of equity accounted investments are tested for impairment in accordance with the policy described in note 2.9 below.

(iii) Changes in ownership interests

When the Company ceases to equity account for an investment because of a loss of control or significant influence, any retained interest in the entity is remeasured to its fair value with the change in carrying amount recognised in Consolidated Statement of Profit and Loss. This fair value becomes the initial carrying amount for the purposes of subsequently accounting for the retained interest as an associate. In addition, any amounts previously recognised in other comprehensive income in respect of that associate are accounted for as if the Company had directly disposed of the

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED 31ST MARCH 2022

(All amounts are in INR millions, unless otherwise stated)

related assets or liabilities. This may mean that amounts previously recognised in other comprehensive income are reclassified to profit or loss.

If the ownership interest in an associate is reduced but joint control or significant influence is retained, only a proportionate share of the amounts previously recognised in other comprehensive income are reclassified to profit or loss where appropriate.

(iv) The Associate entity considered in the consolidated financial statements is:

Sr. No.	Name of the Company	Country of incorporation	% voting power held as at March 31, 2022
1	Pipavav Railway Corporation Limited (the 'Associate Company')	India	38.78%

2. Significant accounting policies

This note provides a list of the significant accounting policies adopted in the preparation of these financial statements. These policies have been consistently applied to all the years presented, unless otherwise stated.

2.1. Basis of preparation of financial statements

(i) *Compliance with Ind AS*

The financial statements comply in all material aspects with Indian Accounting Standards (Ind AS) notified under Section 133 of the Companies Act, 2013 (the 'Act') [Companies (Indian Accounting Standards) Rules, 2015] and other relevant provisions of the Act.

(ii) *Historical cost convention*

The financial statements have been prepared on a historical cost basis, except for the following:

- certain financial assets and liabilities are measured at fair value ; and
- defined benefit plans – plan assets measured at fair value

All assets and liabilities have been classified as current or non-current as per the Company's operating cycle and other criteria set out in the Schedule III to the Act. Based on the nature of services and the time between the acquisition of assets for processing and their realisation in cash and cash equivalents, the Company has ascertained its operating cycle as 12 months for the purpose of current and non-current classification of assets and liabilities.

(iii) *New and Amended Standards adopted by the Company*

The Company has applied the following amendments to Ind AS for the first time for their annual reporting period commencing 1 April 2021:

- Extension of COVID-19 related concessions – amendments to Ind AS 116
- Interest rate benchmark reform – amendments to Ind AS 109, Financial Instruments, Ind AS 107, Financial Instruments: Disclosures, Ind AS 104, Insurance Contracts and Ind AS 116, Leases.

The amendments listed above did not have any impact on the amounts recognised in prior periods and are not expected to significantly affect the current or future periods.

(iv) *New amendments issued but not effective*

The Ministry of Corporate Affairs has vide notification dated 23 March 2022 notified Companies (Indian Accounting Standards) Amendment Rules, 2022 which amends certain accounting standards, and are effective 1 April 2022. These amendments are not expected to have a material impact on the Company in the current or future reporting periods and on foreseeable future transactions.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED 31ST MARCH 2022

(All amounts are in INR millions, unless otherwise stated)

(v) *Reclassifications consequent to amendments to Schedule III*

The Ministry of Corporate Affairs amended the Schedule III to the Companies Act, 2013 on 24 March 2021 to increase the transparency and provide additional disclosures to users of financial statements. These amendments are effective from 1 April 2021.

Consequent to above, the Company has changed the classification/presentation of unbilled revenue which now been included in the "Trade receivables" line item. Previously, unbilled revenue was included in 'Other financial assets' line item.

The Company has reclassified comparative amounts to conform with current year presentation as per the requirements of Ind AS 1. The impact of such classifications is summarised below:

Balance sheet (extract)	31 March 2021 (as previously reported)	Increase/ (Decrease)	31 March 2021 (restated)
Trade receivables	441.17	41.82	482.99
Other financial assets	52.86	(41.82)	11.04

2.2. Use of estimates:

The preparation of financial statements in conformity with Ind AS requires management to make judgments, estimates and assumptions that affect the application of accounting policies and reported amounts of assets, liabilities, income and expenses and the disclosure of contingent liabilities on the date of the financial statements. Actual results could differ from those estimates. Estimates and underlying assumptions are reviewed on an ongoing basis. Any revision to accounting estimates is recognised prospectively in the accounting period in which such revision takes place.

2.3. Segment reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision maker.

Managing Director and Chief Financial Officer of the Company are the chief operating decision makers. Refer note 39 for segment information presented.

2.4. Foreign currency transactions

Items included in the financial statements are measured using the currency of the primary economic environment in which the Company operates ('the functional currency'). The financial statements are presented in Indian rupee (INR), which is Company's functional and presentation currency.

Foreign currency transactions are recorded in Indian rupees using the rates prevailing on the date of the respective transactions. Exchange differences arising on foreign currency transactions settled during the period are recognised in the Statement of Profit and Loss. Monetary assets and liabilities denominated in foreign currencies as at the balance sheet date are translated into Indian rupees at the closing exchange rates on that date; the resultant exchange differences are recognised in the Statement of Profit and Loss.

As at the balance sheet date non-monetary items denominated in foreign currency are carried at historical cost. All non-monetary items denominated in foreign currency are carried at historical cost or other similar valuations are reported using the exchange rate that existed when the values were determined.

2.5. Revenue recognition

Company is engaged in providing port services such as marine services, material handling and storage operations. Revenue is recognised from rendering of services at a point in time upon the completion of services as per contract with customers except for revenue from storage operations which is recognised on a time proportion basis. Revenue is measured based on

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED 31ST MARCH 2022

(All amounts are in INR millions, unless otherwise stated)

the transaction price, which is the consideration as per contractual terms. The amount disclosed as revenue is exclusive of goods and service tax (GST) and net of estimated trade allowance and rebates wherever applicable.

A contract liability is the obligation to render services to the customer for which the Company has received consideration from the customer. Contract liabilities are recognised as revenue when the Company satisfies the performance obligation as per the contract.

The Company does not expect to have any contracts where the period between the rendering of promised services to the customer and payment by the customer exceed one year. As a consequence, the Company does not adjust any of the transaction prices for the time value of money.

Interest income on deposits with bank is recognised on a time proportion basis at applicable interest rates.

2.6. Government Grant

Grants from the government are recognised at their fair value where there is a reasonable assurance that the grant will be received and the Company will comply with all attached conditions.

Government grants relating to income are deferred and recognised in the Statement of Profit and Loss over the period necessary to match them with the costs that they are intended to compensate and presented within other income.

Government grants relating to the purchase of property, plant and equipment are included in non-current liabilities as deferred income and are credited to Statement of Profit and Loss on a straight-line basis over the expected lives of the related assets and presented within other income.

2.7. Income taxes

Income tax expense comprises current tax (i.e. amount of tax for the period determined in accordance with the income-tax law) and deferred tax charge or credit (reflecting the tax effects of timing differences between accounting income and taxable income for the period).

Provision for current tax is based on the results for the year ended 31 March, in accordance with the provisions of the Income Tax Act, 1961.

Deferred tax is provided in full, using the liability method, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements. The deferred tax charge or credit and the corresponding deferred tax liabilities or assets are recognised using the tax rates and tax laws that have been enacted or substantively enacted by the balance sheet date. Deferred tax assets are recognised for all deductible temporary differences and unused tax losses only if it is probable that future taxable amounts will be available to utilise those temporary differences and losses.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets and liabilities and when the deferred tax balances relate to the same taxation authority. Current tax assets and tax liabilities are offset where the entity has a legally enforceable right to offset and intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

Current and deferred tax is recognised in the Statement of Profit and Loss, except to the extent that it relates to items recognised in other comprehensive income or directly in equity.

In this case, the tax is also recognised in other comprehensive income or directly in equity, respectively.

Minimum Alternative Tax (MAT) under the provisions of the Income Tax Act, 1961 is recognised as deferred tax. The credit available under the said Act in respect of MAT is recognised as Deferred Tax Asset only to the extent there is convincing evidence that the Company will pay income tax in future periods and MAT credit can be carried forward to set-off against the normal tax liability. MAT credit recognised as Deferred Tax Asset is reviewed at each Balance sheet date and written down to the extent there is no longer a convincing evidence to the effect that the Company will pay normal tax during the specified period.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED 31ST MARCH 2022

(All amounts are in INR millions, unless otherwise stated)

2.8. Leases
As a lessee

Leases are recognised as a right-of-use asset and a corresponding liability at the date at which the leased asset is available for use by the Company. Contracts may contain both lease and non-lease components. The Company allocates the consideration in the contract to the lease and non-lease components based on their relative stand-alone prices. However, for leases of real estate for which the Company is a lessee, it has elected not to separate lease and non-lease components and instead accounts for these as a single lease component.

Assets and liabilities arising from a lease are initially measured on a present value basis. Lease liabilities include the net present value of the following lease payments:

- fixed payments (including in-substance fixed payments), less any lease incentives receivable
- amounts expected to be payable by the Company under residual value guarantees
- the exercise price of a purchase option if the Company is reasonably certain to exercise that option, and
- payments of penalties for terminating the lease, if the lease term reflects the Company exercising that option.

Lease payments to be made under reasonably certain extension options are also included in the measurement of the liability. The lease payments are discounted using the interest rate implicit in the lease. If that rate cannot be readily determined, which is generally the case for leases in the Company, the lessee's incremental borrowing rate is used, being the rate that the individual lessee would have to pay to borrow the funds necessary to obtain an asset of similar value to the right-of-use asset in a similar economic environment with similar terms, security and conditions.

To determine the incremental borrowing rate, the Company:

- where possible, uses recent third-party financing received by the individual lessee as a starting point, adjusted to reflect changes in financing conditions since third party financing was received
- uses a build-up approach that starts with a risk-free interest rate adjusted for credit risk for leases held by the Company, which does not have recent third party financing, and
- makes adjustments specific to the lease, e.g. term, country, currency and security.

If a readily observable amortising loan rate is available to the individual lessee (through recent financing or market data) which has a similar payment profile to the lease, then the company entities use that rate as a starting point to determine the incremental borrowing rate.

Lease payments are allocated between principal and finance cost. The finance cost is charged to profit or loss over the lease period so as to produce a constant periodic rate of interest on the remaining balance of the liability for each period.

Right-of-use assets are measured at cost comprising the following:

- the amount of the initial measurement of lease liability
- any lease payments made at or before the commencement date less any lease incentives received
- any initial direct costs, and
- restoration costs.

Right-of-use assets are generally depreciated over the shorter of the asset's useful life and the lease term on a straight-line basis. If the Company is reasonably certain to exercise a purchase option, the right-of-use asset is depreciated over the underlying asset's useful life.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED 31ST MARCH 2022

(All amounts are in INR millions, unless otherwise stated)

Payments associated with short-term leases of equipment and all leases of low-value assets are recognised on a straight-line basis as an expense in profit or loss. Short-term leases are leases with a lease term of 12 months or less.

As a lessor

Lease income from operating leases where the Company is a lessor is recognised in income on a straight-line basis over the lease term. Initial direct costs incurred in obtaining an operating lease are added to the carrying amount of the underlying asset and recognised as expense over the lease term on the same basis as lease income. The respective leased assets are included in the balance sheet based on their nature.

2.9. Impairment

Assets are reviewed at each reporting date to determine if there is any indication of impairment. An impairment loss is recognised if the carrying amount of an asset exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs of disposal and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset or cash generating unit (CGU).

For the purpose of impairment testing, assets are grouped together into the smallest group of assets (CGU) that generates cash inflows from continuing use that are largely independent of the cash inflows of other assets or CGUs.

Impairment losses are recognised in the Statement of Profit and Loss.

If as at the balance sheet date there is an indication that a previously assessed impairment loss no longer exists or has decreased, the assets or CGU's recoverable amount is estimated. For assets, the impairment loss is reversed to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortisation, if no impairment loss had been recognised. Such a reversal is recognised in the Statement of Profit and Loss.

2.10. Cash and cash equivalents

For the purpose of presentation in the statement of cash flows, cash and cash equivalents includes cash on hand, deposits held at call with financial institutions, other short-term, highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

2.11. Exceptional Items

Company recognises exceptional item when items of income and expenses within Statement of Profit and Loss from ordinary activities are of such size, nature or incidence that their disclosure is relevant to explain the performance of the enterprise for the period.

2.12. Inventories

Inventories comprise of stores, spares, loose tools, fuel and lubricants. Cost of inventories also include all other costs incurred in bringing the inventories to their present location and condition. Costs of purchased inventory are determined after deducting rebates and discounts. These are carried at the lower of cost and net realisable value. Costs are assigned to individual items of inventory on the basis of first-in first-out basis. Systematic provisioning is made for inventories held for more than a year. Net realisable value is the estimated selling price in the ordinary course of business, less the estimated costs of completion and the estimated costs necessary to make the sale.

2.13. Investment and Other Financial assets

(i) *Classification*

The Company classifies its financial assets in the following measurement categories:

- those to be measured subsequently at fair value (either through other comprehensive income, or through

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED 31ST MARCH 2022

(All amounts are in INR millions, unless otherwise stated)

profit or loss) ; and

- those measured at amortised cost

The classification depends on the Company's business model for managing the financial assets and the contractual terms of the cash flows.

For assets measured at fair value, gains and losses will either be recorded in the Statement of Profit and Loss or other comprehensive income. For investments in equity instruments, this will depend on whether the Company has made an irrevocable election at the time of initial recognition to account for the equity investment at fair value through other comprehensive income.

(ii) *Measurement*

At initial recognition, the Company measures its financial asset at its fair value plus, in the case of financial asset not at fair value through profit or loss, transaction costs that are directly attributable to the acquisition of the financial asset. Transaction costs of financial assets carried at fair value through profit or loss are expensed in the Statement of Profit and Loss.

(iii) *Impairment of financial assets*

The Company assesses on a forward looking basis the expected credit losses associated with its assets carried at amortised cost. The impairment methodology applied depends on whether there has been a significant increase in credit risk.

(iv) *Derecognition of financial assets*

A financial asset is derecognised only when

- The Company has transferred the rights to receive cash flows from the financial asset or
- retains the contractual rights to receive the cash flows of the financial asset, but assumes a contractual obligation to pay the cash flows to one or more recipients.

Where the entity has transferred an asset, the Company evaluates whether it has transferred substantially all risks and rewards of ownership of the financial asset. In such cases, the financial asset is derecognised. Where the entity has not transferred substantially all risks and rewards of ownership of the financial asset, the financial asset is not derecognised.

Where the entity has neither transferred a financial asset nor retains substantially all risks and rewards of ownership of the financial asset, the financial asset is derecognised if the Company has not retained control of the financial asset. Where the Company retains control of the financial asset, the asset is continued to be recognised to the extent of continuing involvement in the financial asset.

(v) *Income recognition*

Dividends are recognised in the Statement of Profit and Loss only when the right to receive payment is established, it is probable that the economic benefits associated with the dividend will flow to the Company, and the amount of the dividend can be measured reliably.

2.14. Offsetting financial instruments

Financial assets and liabilities are offset and the net amount is reported in the balance sheet where there is a legally enforceable right to offset the recognised amounts and there is an intention to settle on a net basis or realise the asset and settle the liability simultaneously. The legally enforceable right must not be contingent on future events and must be enforceable in the normal course of business and in the event of default, insolvency or bankruptcy of the Company or the counterparty.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED 31ST MARCH 2022

(All amounts are in INR millions, unless otherwise stated)

2.15. Property, plant and equipment

Freehold land is carried at historical cost. All other items of property, plant and equipment are stated at historical cost less depreciation and accumulated impairment losses, if any. Historical cost includes expenditure that is directly attributable to the acquisition of items. Cost may also include transfers from equity of any gains or losses on qualifying cash flow hedges of foreign currency purchases of property, plant and equipment.

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably. The carrying amount of any component accounted for as a separate asset is derecognised when replaced. All other repairs and maintenance are charged to the Statement of Profit and Loss during the reporting period in which they are incurred.

Depreciation methods, estimated useful lives and residual value

Depreciation is provided on the straight-line method, over the estimated useful life of each asset from the subsequent month of the date of purchase. Assets are depreciated as per useful life specified in Part 'C' of the schedule II of the Act.

The estimated useful life of assets which are those prescribed in Schedule II are as follows:

- Buildings 5 - 60 years
- Computer Software 3 years
- Furniture, Fittings 5 - 10 years
- Motor Vehicles 8 years
- Plant, Machinery and Equipment's 3 - 15 years

Leasehold improvements are depreciated over the shorter of their useful life or the lease term, unless the entity expects to use the assets beyond the lease term.

Based on internal technical evaluation following assets have a different useful life than prescribed by schedule II of the Act.

Asset Details	Block of Assets	Technical Estimate in Years
Ship to Shore Cranes	Plant, Machinery and Equipments	20
Power Distribution Systems	Plant, Machinery and Equipments	15
Carpeted Roads	Port Road - External	20
Jetties	Plant, Machinery and Equipments	30
Dredging	Dredging	50
Boundary Wall	Buildings	20
Old Residential Complex, Marine Office Building, Warehouses and Guest houses	Buildings	15
Railway sidings	Railway sidings	30

All assets costing individually INR 125,000 or less are depreciated fully in the year of purchase.

The useful lives are reviewed by the management at each reporting date and revised, if appropriate. In case of a revision, the unamortised depreciable amount is charged over the revised remaining useful life.

A fixed asset is eliminated from the financial statements on disposal or when no further benefit is expected from its use and

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED 31ST MARCH 2022

(All amounts are in INR millions, unless otherwise stated)

disposal. Gains and losses on disposals are determined by comparing proceeds with carrying amount. These are included in Statement of Profit and Loss within other gains/(losses).

In accordance with Concession agreement all contracted immovable and movable assets shall be transferred to and shall vest in GMB at the end of the concession period, for consideration equivalent to the Depreciated Replacement Value (DRV). The DRV needs to be computed as at the date of expiry of the agreement and is therefore currently not determinable. Accordingly, these assets are depreciated based on their estimated useful lives after taking into consideration likely extension of the agreement.

2.16. Acquired intangible assets

Intangible assets that are acquired by the Company are measured initially at cost. After initial recognition, an intangible asset is carried at its cost less any accumulated amortisation and / or any accumulated impairment loss, if any.

Intangible assets are amortised in the Statement of Profit and Loss using the straight line method over their estimated useful lives, from the date that they are available for use. Accordingly, at present, these are being amortised on straight line basis based on the period of the licence in case of licensed software or for 3 years. Such intangible assets that are not yet available for use are tested annually for impairment.

Amortisation method and useful lives are reviewed at each reporting date. If the useful life of an asset is estimated to be significantly different from previous estimates, the amortisation period is changed accordingly.

An intangible asset is derecognised on disposal or when no future economic benefits are expected from its use and disposal.

Losses arising from retirement and gains or losses arising from disposal of an intangible asset are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognised in the Statement of Profit and Loss.

2.17. Employee benefits

(i) Short-term obligations

Liabilities for wages and salaries, including non-monetary benefits that are expected to be settled wholly within 12 months after the end of the period in which the employees render the related service are recognised in respect of employees' services up to the end of the reporting period and are measured at the amounts expected to be paid when the liabilities are settled. The liabilities are presented as current employee benefit obligations in the balance sheet.

(ii) Post-employment obligations

Defined contribution plans:

A defined contribution plan is a post-employment benefit plan under which an entity pays specified contributions to a separate entity and has no obligation to pay any further amounts. The Company makes specified monthly contributions towards employee provident fund to Government administered provident fund scheme which is a defined contribution plan. The Company's contribution is recognised as an expense in the Statement of Profit and Loss during the period in which the employee renders the related service.

Defined benefit plan:

The Company's gratuity benefit scheme is a defined benefit plan. The Company's net obligation in respect of a defined benefit plan is calculated by estimating the amount of future benefit that employees have earned in return for their service in the current and prior periods; that benefit is discounted to determine its present value. Any unrecognised past service costs and the fair value of any plan assets are deducted. The calculation of the Company's obligation under the plan is performed annually by a qualified actuary using the projected unit credit method, which recognises each period of service as giving rise to additional unit of employee benefit entitlement and measures each unit separately to build up the final obligation. The discount rates used for determining the present value of the obligation under defined benefit plan, are based on the market yields on Government securities as at the Balance sheet date.

All expenses related to defined benefit plans are recognised in employee benefits expense in the Statement of Profit and Loss. The Company recognises gains and losses on the curtailment or settlement of a defined benefit plan when

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED 31ST MARCH 2022

(All amounts are in INR millions, unless otherwise stated)

the curtailment or settlement occurs.

The Company has funded its gratuity liability with Life Insurance Corporation of India (LIC) under the Group Gratuity cum Life Assurance (Cash Accumulation) Scheme.

The net interest cost is calculated by applying the discount rate to the net balance of the defined benefit obligation and the fair value of plan assets. This cost is included in employee benefits expense in the Statement of Profit and Loss.

Remeasurement gains and losses arising from experience adjustments and changes in actuarial assumptions are recognised in the period in which they occur, directly in other comprehensive income. They are included in retained earnings in the statement of changes in equity and in the balance sheet.

Changes in the present value of the defined benefit obligation resulting from plan amendments or curtailments are recognised immediately in the Statement of Profit and Loss as past service cost.

(iii) Other Long term employee benefit obligation

The employees can carry-forward a portion of the unutilised accrued compensated absences and utilise it in future service periods or receive cash compensation on termination of employment. Since the compensated absences do not fall due wholly within twelve months after the end of the period in which the employees render the related service and are also not expected to be utilized wholly within twelve months after the end of such period, the benefit is classified as a long-term employee benefit obligations. The Company records an obligation for such compensated absences in the period in which the employee renders the services that increase this entitlement. The obligation is measured on the basis of independent actuarial valuation using the projected unit credit method. Actuarial losses/ gains are recognised in the Statement of Profit and Loss in the period in which they arise.

The obligations are presented as current liabilities in the balance sheet if the entity does not have an unconditional right to defer settlement for at least twelve months after the reporting period, regardless of when the actual settlement is expected to occur.

2.18. Provisions

A provision is recognised if, as a result of a past event, the Company has a present legal or constructive obligation that can be estimated reliably, and it is probable that an outflow of economic benefits will be required to settle the obligation. Provisions are not recognised for future operating losses.

Where there are a number of similar obligations, the likelihood that an outflow will be required in settlement is determined by considering the class of obligations as a whole. A provision is recognised even if the likelihood of an outflow with respect to any one item included in the same class of obligations may be small.

Provisions are measured at the present value of management's best estimate of the expenditure required to settle the present obligation at the end of the reporting period. The discount rate used to determine the present value is a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. The increase in the provision due to the passage of time is recognised as interest expense.

2.19. Contingent liabilities

A contingent liability exists when there is a possible but not probable obligation, or a present obligation that may, but probably will not, require an outflow of resources, or a present obligation whose amount cannot be estimated reliably. Contingent liabilities do not warrant provisions, but are disclosed unless the possibility of outflow of resources is remote.

2.20. Earnings per share (EPS)

The basic EPS is computed by dividing the net profit attributable to the equity shareholders for the period by the weighted average number of equity shares outstanding during the period. Diluted EPS is computed by dividing the net profit attributable to the equity shareholders for the period by the weighted average number of equity and dilutive equity equivalent shares outstanding during the period, except where the results would be anti-dilutive.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED 31ST MARCH 2022

(All amounts are in INR millions, unless otherwise stated)

2.21. Dividends

Provision is made for the amount of any dividend declared, being appropriately authorised and no longer at the discretion of the entity, on or before the end of the reporting period but not distributed at the end of the reporting period.

2.22. Contributed equity

Equity shares are classified as equity. Incremental costs directly attributable to the issue of new shares or options are shown in equity as a deduction, net of tax, from the proceeds.

2.23 Investment in Associate company

The Company carries its investments in associate at cost less impairment losses. The Company assesses at the end of each reporting period, if there are any indications that the said investment may be impaired. If so, the Company estimates the recoverable amount in accordance with policy given in 2.9.

2.24 Financial instruments measured at fair value

Financial instruments measured at fair value can be divided into three levels:

Level 1 – Quoted prices (unadjusted) in active markets for identical assets or liabilities;

Level 2 – Inputs other than quoted prices included within level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices);

Level 3 – Inputs for the asset or liability that are not based on observable market data. Fair value of listed securities fall within level 1 of the fair value hierarchy. Non-listed shares and other securities fall within level 3 of the fair value hierarchy.

Fair value of level 3 assets and liabilities are primarily based on the present value of expected future cash flows. A reasonably possible change in the discount rate is not estimated to affect the Company's profit or equity significantly.

2.25 Critical estimates and judgements

The preparation of financial statements require the use of accounting estimates which, by definition, will seldom equal the actual results. Management also needs to exercise the judgement in applying the Company's accounting policies.

This note provides an overview of the areas that involved a higher degree of judgement or complexity, and of items which are more likely to be materially adjusted due to estimates and assumptions turning out to be different than those originally assessed. Detailed information about each of these estimates and judgements is included in relevant notes together with information about the basis of calculation for each affected line in the financial statements.

The areas involving critical estimates or judgements are:

- Estimates of current tax expense and deferred tax expense-Refer Note 5 and 14
- Estimated useful life of Property, Plant and Equipment and Intangible assets-Refer Note 2.16, 3(a) and 3(d)
- Estimation of defined benefit obligation-Refer Note 13
- Estimation of fair value of contingent liabilities-Refer Note 34
- Estimation of accruals in respect of incentives and rebates related to sale volume-Refer Note 18

Estimates and judgements are continually evaluated. They are based on historical experience and other factors, including expectations of future events that may have a financial impact on the company and that are believed to be reasonable under the circumstances.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED 31ST MARCH 2022

(All amounts are in INR millions, unless otherwise stated)

3(a)(i) Property, plant and equipment [1 April 2021 to 31 March 2022]

Particulars	Gross Carrying Amount					Accumulated Depreciation				Net Carrying Amount
	As at 1 April 2021	Additions during the year	Transfers during the year	Deductions	As at 31st March 2022	As at 1 April 2021	Charge on account of Depreciation for the year	Deductions	As at 31st March 2022	As at 31st March 2022
Land and site development	320.37	-	-	-	320.37	-	-	-	-	320.37
Buildings	5,557.28	-	215.01	3.81	5,768.48	1,377.28	220.10	1.01	1,596.37	4,172.11
Port Road - External	734.59	-	-	-	734.59	301.69	50.28	-	351.97	382.62
Plant, Machinery and Equipments	9,836.97	-	107.90	9.57	9,935.30	4,008.69	690.97	8.19	4,691.47	5,243.83
Dredging	3,869.19	-	-	-	3,869.19	541.87	90.41	-	632.28	3,236.91
Railway sidings	233.09	-	156.02	-	389.11	78.11	13.78	-	91.89	297.22
Furniture, Fittings and Leasehold Improvements	26.04	4.99	-	0.30	30.73	22.21	2.68	0.30	24.59	6.14
Motor Vehicles	21.13	3.93	-	-	25.06	13.71	2.92	-	16.63	8.43
Total	20,598.66	8.92	478.93	13.68	21,072.83	6,343.56	1,071.14	9.50	7,405.20	13,667.63
Capital work in progress	527.77	441.50	478.93	-	490.34	-	-	-	-	490.34

Notes :
1 Land and site development includes

- Freehold land of INR 50.55 million
- Land aggregating INR 24.99 million was purchased during prior years for handing it over to Government of Gujarat, pursuant to the order issued by Hon'ble Supreme Court. This land will be exchanged with the land located inside the port premises which does not form part of the current Concession with Gujarat Maritime Board (GMB).
- Expenditure of INR 244.83 million incurred towards Land Filling and Site development.

2 Refer to note 32 for disclosure of capital commitments for the acquisition of property, plant and equipment.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED 31ST MARCH 2022

(All amounts are in INR millions, unless otherwise stated)

3(a)(i) Property, plant and equipment [1 April 2020 to 31 March 2021]

Particulars	Gross Carrying Amount					Accumulated Depreciation				Net Carrying Amount
	As at 1 April 2020	Additions during the year	Transfers during the year	Deductions	As at 31st March 2021	As at 1 April 2020	Charge on account of Depreciation for the year	Deductions	As at 31st March 2021	As at 31st March 2021
Land and site development	321.85	-	-	1.48	320.37	-	-	-	-	320.37
Buildings	5,507.69	-	50.01	0.42	5,557.28	1,157.16	220.20	0.08	1,377.28	4,180.00
Port Road - External	734.59	-	-	-	734.59	251.41	50.28	-	301.69	432.90
Plant, Machinery and Equipments	9,814.38	-	39.84	17.25	9,836.97	3,292.32	733.15	16.78	4,008.69	5,828.28
Dredging	3,869.19	-	-	-	3,869.19	451.35	90.52	-	541.87	3,327.32
Railway sidings	233.09	-	-	-	233.09	65.09	13.02	-	78.11	154.98
Furniture, Fittings and Lease hold Improvements	23.18	4.34	-	1.48	26.04	20.04	3.64	1.47	22.21	3.83
Motor Vehicles	23.96	0.12	-	2.95	21.13	13.44	2.76	2.49	13.71	7.42
Total	20,527.93	4.46	89.85	23.58	20,598.66	5,250.81	1,113.57	20.82	6,343.56	14,255.10
Capital work in progress	56.96	560.66	89.85	-	527.77	-	-	-	-	527.77

Notes :

- 1 Land and site development includes
 - Freehold land of INR 50.55 million
 - Land aggregating INR 24.99 million was purchased during prior years for handing it over to Government of Gujarat, pursuant to the order issued by Hon'ble Supreme Court. This land will be exchanged with the land located inside the port premises which does not form part of the current Concession with Gujarat Maritime Board (GMB).
 - Expenditure of INR 244.83 million incurred towards Land Filling and Site development.
- 2 Refer to note 32 for disclosure of capital commitments for the acquisition of property, plant and equipment.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED 31ST MARCH 2022

(All amounts are in INR millions, unless otherwise stated)

3(b)(i) Leases
(i) Amount recognised in the Balance Sheet

The Balance Sheet shows the following amounts relating to leases:

	31 March 2022	31 March 2021
Right of Use Assets		
Land	61.46	70.92
Plant & Machinery	317.88	311.72
Administration Building	21.99	14.15
Total	401.33	396.79
Lease Liabilities		
Current	123.69	220.56
Non current	347.11	244.72
Total	470.80	465.28

Additions to the right-of-use assets during the year were INR 223.15 (31 March 2021: INR 69.10).

(ii) Amount recognised in the statement of profit and loss

The statement of profit or loss shows the following amounts relating to leases:

	31 March 2022	31 March 2021
Depreciation charge of right of use assets		
Land	9.46	9.46
Plant & Machinery	203.33	204.32
Administration Building	6.21	2.83
Total	219.00	216.61
Interest expenses (Included in finance cost)	43.46	59.22
Expenses relating to short term leases (included in other expenses)	11.51	12.92
Expenses relating to variable lease payments not included in lease liabilities	335.84	314.77

The total cash outflow for leases for the year was INR 217.62 (31 March 2021 was INR 188.69)

During the previous year ended 31 March 2021, the Company has recovered depreciation on Administration Building and Finance Cost of INR 0.40 and INR 0.24 respectively from related party.

3(c) (i) Capital work in progress

	As at 31st March 2022	As at 31st March 2021
Capital work in progress	490.34	527.77
Total	490.34	527.77

For 31st March'2022: Capital work-in-progress mainly comprises of Development of Railway Infrastructure for Dedicated Freight Corridor (DFC) Compatibility, Construction of Warehouse for Fertiliser Storage, Upgradation of existing liquid jetty to handle VLGC Vessels, Environmental Management System in Fertilizer Shed, Asset Digitalization Project, Navis N4 Licenses - additional capacity etc.

For 31st March'2021: Capital work-in-progress mainly comprises of Canteen and Stay facility for the Railway Crew inside the port, Development of Railway Infrastructure for DFC Corridor Compatibility and Bulk TOS (GC TOS) Software implementation."

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED 31ST MARCH 2022

(All amounts are in INR millions, unless otherwise stated)

(a) Aging of CWIP as on 31st March 2022

Particulars	Amounts in capital work-in-progress for				
	Less than one year	1 – 2 years	2 – 3 years	More than 3 years	Total
(i) Projects in progress	183.80	292.55	12.40	0.00	488.75
(ii) Projects temporarily suspended	-	-	-	1.59	1.59
Total	183.80	292.55	12.40	1.59	490.34

(b) Completion schedule for capital work-in-progress whose completion is overdue or has exceeded its cost compared to its original plan:

Particulars	To be completed in				
	Less than one year	1 – 2 years	2 – 3 years	More than 3 years	Total
(i) Projects in progress:-					
Development of Railway Infrastructure for DFC Compatibility	219.22	-	-	-	219.22
Construction of Warehouse for Fertiliser Storage	18.20	-	-	-	18.20
1200 KVA Rooftop base Solar project	34.43	-	-	-	34.43
Upgradation of CCTV Network	11.15	-	-	-	11.15
Environmental Management System in Fertilizer Shed	21.82	-	-	-	21.82
Upgradation of existing liquid jetty to handle VLGC Vessels	135.12	-	-	-	135.12
Miscellaneous*	27.67	-	-	-	27.67
Total	467.61	-	-	-	467.61
(ii) Projects temporarily suspended:-					
Development of RORO related facilities	1.59	-	-	-	1.59
Total	469.20	-	-	-	469.20

* Projects amounting to less than INR 5 million are clubbed together

(c) Aging of CWIP as on 31st March 2021

Particulars	Amounts in capital work-in-progress for				
	Less than one year	1 – 2 years	2 – 3 years	More than 3 years	Total
(i) Projects in progress	513.78	12.40	-	-	526.18
(ii) Projects temporarily suspended	-	-	1.36	0.23	1.59
Total	513.78	12.40	1.36	0.23	527.77

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED 31ST MARCH 2022

(All amounts are in INR millions, unless otherwise stated)

- (d) **Completion schedule for capital work-in-progress whose completion is overdue or has exceeded its cost compared to its original plan:**

Particulars	To be completed in				
	Less than one year	1 – 2 years	2 – 3 years	More than 3 years	Total
(i) Projects in progress:-					
Development of Railway Infrastructure for DFC Compatibility	324.92	-	-	-	324.92
Restoration of Rock Bund B and C (Phase I)	28.16	-	-	-	28.16
GP01 New Crane rail installation work	15.92	-	-	-	15.92
Construction of Warehouse for Fertiliser Storage	104.29	-	-	-	104.29
Upgradation of CCTV Network-2020	5.34	-	-	-	5.34
Supply of Modular workstations, AV Assets at Godrej 2 Vikhroli, for setting up of Mumbai office	5.10	-	-	-	5.10
Upgradation of existing liquid jetty to handle VLGC Vessels	5.59	-	-	-	5.59
Miscellaneous*	30.38	-	-	-	30.38
Total	519.70	-	-	-	519.70
(ii) Projects temporarily suspended					
Development of RORO related facilities	1.59	-	-	-	1.59
Total	521.29	-	-	-	521.29

* Projects amounting to less than INR 5 million are clubbed together

3(d)(i) Intangible Assets

Particulars	Gross Carrying Amount				Accumulated Amortisation				Net Carrying Amount
	As at 1 April 2021	Additions during the year	Deductions/ Adjustments during the year	As at 31st March 2022	As at 1 April 2021	Charge on account of Amortisation for the year	On Deductions/ Adjustments	As at 31st March 2022	As at 31st March 2022
Computer Software	64.43	10.48	17.96	56.95	43.76	2.57	2.55	43.78	13.17
Total	64.43	10.48	17.96	56.95	43.76	2.57	2.55	43.78	13.17

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED 31ST MARCH 2022

(All amounts are in INR millions, unless otherwise stated)

3(d)(ii) Intangible Assets

Particulars	Gross Carrying Amount				Accumulated Amortisation				Net Carrying Amount
	As at 1 April 2020	Additions during the year	Deductions/ Adjustments during the year	As at 31st March 2021	As at 1 April 2020	Charge on account of Amortisation for the year	On Deductions/ Adjustments	As at 31st March 2021	As at 31st March 2021
Computer Software	42.99	21.44	-	64.43	39.04	4.72	-	43.76	20.67
Total	42.99	21.44	-	64.43	39.04	4.72	-	43.76	20.67

4 (a) Interests in Associates

Set out below is the associate of the company as at 31 March 2022 which, in the opinion of the directors, are material to the group. The entity listed below have share capital consisting solely of equity shares, which are held directly by the company. The country of incorporation or registration is also their principal place of business, and the proportion of ownership interest is the same as the proportion of voting rights held.

Name of entity	Place of business	% of ownership interest	Relationship	Accounting method	Quoted fair value		Carrying amount #	
					31 March 2022	31 March 2021	31 March 2022	31 March 2021
Pipavav Railway Corporation Limited	India	38.78%	Associate	Equity method	*	*	2,940.67	2,899.79

Pipavav Railway Corporation Limited engages in the construction, operation, and maintenance of a railway line connecting Port of Pipavav to Surendranagar Junction of Western Railway in Gujarat. Its railway system provides single window transport solutions for the movement of bulk and containerized cargo.

* Unlisted entity – No quoted price available.

Reconciliation to carrying amounts

	31 March 2022	31 March 2021
Opening carrying amount	2,899.79	2,864.11
Profit for the period	40.92	73.55
Other comprehensive income	(0.05)	0.16
Income Tax relating to the above	0.01	(0.03)
Dividend from PRCL	-	(38.00)
Closing net assets	2,940.67	2,899.79

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED 31ST MARCH 2022

(All amounts are in INR millions, unless otherwise stated)

5 (a) Income tax assets (net)

	As at 31 March 2022	As at 31 March 2021
Advance Tax *	202.87	179.72
Total Current tax assets (net)	202.87	179.72

* Net of provision for tax of INR 5,230.38 million (31 March 2021 : INR 3,499.85 million)

	As at 31 March 2022	As at 31 March 2021
Opening Balance	179.72	156.26
Add: Amount transferred from Income tax liability (Refer note 5 (b))	23.15	23.46
Closing Balance	202.87	179.72

5 (b) Income tax provisions (net)

	As at 31 March 2022	As at 31 March 2021
Provision for tax #	69.94	6.62
Total Current tax provisions (net)	69.94	6.62

Net of Advance tax of INR 580.55 million (31 March 2021 : INR 561.91 million)

Reconciliation of Income tax provisions

	As at 31 March 2022	As at 31 March 2021
Opening Balance	6.62	14.75
Add : Amount transferred to Income tax assets	23.15	23.46
Add: Current tax payable for the year	1,085.66	1,178.33
Less: Taxes Paid	(610.31)	(598.78)
Less: Utilisation of MAT credit (Refer Note 14 (b) (ii))	(435.18)	(611.14)
Closing Balance	69.94	6.62

6 Other non-current assets

	As at 31 March 2022	As at 31 March 2021
Capital advances	6.28	20.26
Total other non-current assets	6.28	20.26

7 Inventories

	As at 31 March 2022	As at 31 March 2021
Stores and spares	101.42	98.97
Goods-in-transit - Stores and Spares	0.39	5.94
Total inventories	101.81	104.91

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED 31ST MARCH 2022

(All amounts are in INR millions, unless otherwise stated)

Amounts recognised in Statement of Profit and Loss

Write down of Inventories to net realisable value amounted to INR 0.23 million (Write back of Inventories for the year ended 31 March 2021 : 7.19 million). These were recognised as an expense (Refer note - 25) [As at 31 March 2021 included in other income in Statement of Profit and Loss (Refer note - 20)].

8(a) Trade receivables

	As at 31 March 2022	As at 31 March 2021
Trade receivables from contracts with customers-billed	256.84	245.50
Trade receivables from contracts with customers-unbilled	153.57	41.82
Trade receivables from contracts with customers - related parties (Refer note - 38)	182.29	253.83
Less: Allowance for doubtful debts (Refer note - 29)	(72.75)	(58.16)
Total trade receivables	519.95	482.99
Break-up of security details		
Secured, considered good	39.88	41.15
Unsecured, considered good	480.07	441.84
Credit impaired	72.75	58.16
Total	592.70	541.15
Allowance for doubtful debts	(72.75)	(58.16)
Total trade receivables	519.95	482.99

**8 (a) (i) Aging of trade receivables:
As at 31 March 2022**

	Unbilled	Not due	Outstanding for following periods from the due date					Total
			Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	
Undisputed trade receivables								
considered good	153.57	133.21	229.30	2.49	-	-	1.38	519.95
which have significant increase in credit risk	-	-	-	-	-	-	-	-
credit impaired	-	-	2.20	3.46	-	-	-	5.66
Disputed trade receivables								
considered good	-	-	-	-	-	-	-	-
which have significant increase in credit risk	-	-	-	-	-	-	-	-
credit impaired	-	-	-	-	7.23	11.33	48.53	67.09
Total	153.57	133.21	231.50	5.95	7.23	11.33	49.91	592.70

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED 31ST MARCH 2022

(All amounts are in INR millions, unless otherwise stated)

As at 31 March 2021

	Unbilled	Not due	Outstanding for following periods from the due date					Total
			Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	
Undisputed trade receivables								
considered good	41.82	196.01	223.84	-	16.48	3.93	-	482.08
which have significant increase in credit risk	-	-	-	-	-	-	-	-
credit impaired	-	-	1.81	-	-	-	-	1.81
Disputed trade receivables								
considered good	-	-	-	-	-	-	-	-
which have significant increase in credit risk	-	-	-	0.91	-	-	-	0.91
credit impaired	-	-	0.51	0.71	9.15	27.47	18.51	56.35
Total	41.82	196.01	226.16	1.62	25.63	31.40	18.51	541.15

8(b) Cash and cash equivalents

	As at 31 March 2022	As at 31 March 2021
Balances with banks		
- In current accounts	3.62	17.51
- In Exchange Earners' Foreign Currency accounts	-	45.91
Total cash and cash equivalents	3.62	63.42

8(c) Other bank balances

	As at 31 March 2022	As at 31 March 2021
Deposits with original maturity of more than three months but less than 12 months	8,545.48	7,182.55
Unpaid dividend account	8.73	7.71
Total other bank balances	8,554.21	7,190.26

8(d) Loans

	As at 31 March 2022	As at 31 March 2021
Loans and advances to employees	6.34	4.91
Total loans	6.34	4.91

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED 31ST MARCH 2022

(All amounts are in INR millions, unless otherwise stated)

9 Other current assets

	As at 31 March 2022	As at 31 March 2021
Advance for supplies	101.03	33.61
Prepaid expenses	28.93	26.04
Balances with government authorities	38.37	30.82
Other receivables	18.21	18.01
Total other current assets	186.54	108.48

10 Equity share capital

	As at 31 March 2022	As at 31 March 2021
Authorised share capital		
600,000,000 (31 March 2021 : 600,000,000) equity shares of INR 10 each	6,000.00	6,000.00
	6,000.00	6,000.00
Issued, subscribed and paid up share capital		
483,439,910 (31 March 2021 : 483,439,910) equity shares of INR 10 each, fully paid-up	4,834.40	4,834.40
	4,834.40	4,834.40

a Reconciliation of number of equity shares outstanding as at the beginning and at the end of reporting period

	As at 31 March 2022		As at 31 March 2021	
	Number	INR	Number	INR
Equity shares at the commencement of the year	483,439,910	4,834.40	483,439,910	4,834.40
Issued during the year	-	-	-	-
At the end of the year	483,439,910	4,834.40	483,439,910	4,834.40

b Rights, preferences and restrictions attached to equity shares

The Company has a single class of equity shares. Accordingly, all equity rank equally with regard to dividends and share in the Company's residual assets. The equity shares are entitled to receive dividend as declared from time to time. The voting rights of an equity shareholder on a poll (not on show of hands) are in proportion to its share of the paid-up equity capital of the Company. Voting rights cannot be exercised in respect of shares on which any call or other sums presently payable have not been paid.

On winding up of the Company, the holders of equity shares will be entitled to receive the residual assets of the Company, remaining after distribution of all preferential amounts in proportion to the number of equity shares held.

c Equity shares in the Company held by each shareholder holding more than 5% shares #

Name of the Shareholder	As at 31 March 2022		As at 31 March 2021	
	Number	Percentage	Number	Percentage
APM Terminals Mauritius Limited	212,738,931	44.01%	212,738,931	44.01%
ICICI Prudential Mutual Fund	39,936,122	8.26%	46,862,663	9.69%
HDFC Mutual Fund	35,915,739	7.43%	36,917,539	7.64%

As per the records of the Company, including its register of members.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED 31ST MARCH 2022

(All amounts are in INR millions, unless otherwise stated)

d Details of shareholding of promoters:

Name of the promoter	As at 31 March 2022		
	Number of shares	Percentage of total number of shares	Percentage of change during the year
APM Terminals Mauritius Limited	212,738,931	44.01%	0.00%

Name of the promoter	As at 31 March 201		
	Number of shares	Percentage of total number of shares	Percentage of change during the year
APM Terminals Mauritius Limited	212,738,931	44.01%	0.00%

11 Reserves and surplus

	As at 31 March 2022	As at 31 March 2021
Securities premium reserve [Refer Note- (i) below]	14,288.87	14,288.87
Retained earnings [Refer Note- (ii) below]	3,311.60	3,268.51
Total reserves and surplus	17,600.47	17,557.38

(i) Securities premium reserve*

	As at 31 March 2022	As at 31 March 2021
Opening balance	14,288.87	14,288.87
Movement during the year	-	-
Closing balance	14,288.87	14,288.87

* Securities premium reserve is used to record the premium on issue of shares. The reserve is utilised in accordance with the provisions of the Act.

(ii) Retained earnings

	As at 31 March 2022	As at 31 March 2021
Opening balance	3,268.51	3,759.32
Net profit for the year	1,973.29	2,219.53
Items of other comprehensive income recognised directly in retained earnings		
- Remeasurements of post employment benefit obligation, net of tax	3.56	(3.08)
Dividends		
- Final dividend for the year ended	(1,160.26)	(1,692.04)
- Interim dividend for the year ended	(773.50)	(1,015.22)
Closing balance	3,311.60	3,268.51

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED 31ST MARCH 2022

(All amounts are in INR millions, unless otherwise stated)

12 Other financial liabilities

	As at 31 March 2022		As at 31 March 2021	
	Non-current	Current	Non-current	Current
Retention monies payable	65.63	29.52	41.65	44.51
Security deposits received *	27.55	58.53	27.55	64.47
Capital creditors *	-	108.30	-	187.94
Unclaimed dividend (Refer note below)	-	8.73	-	7.71
Other payables*	-	136.65	-	75.28
Total other financial liabilities	93.18	341.73	69.20	379.91

Note :

There are no amounts due for payment to Investor Education and Protection Fund under Section 125 of The Companies Act 2013 as at the year end.

* For due to related parties refer note - 38

13 Employee benefits obligations

	As at 31 March 2022		As at 31 March 2021	
	Non-current	Current	Non-current	Current
Compensated absences [Refer note (i) below]	-	44.90	-	42.57
Gratuity [Refer note (ii) below]	7.84	17.36	24.77	15.51
Other employee benefits payables	18.30	81.96	15.60	69.02
Total employee benefits obligations	26.14	144.22	40.37	127.10

(i) Compensated absences

The leave salary is payable to all eligible employees for each day of accumulated leave on death or on resignation or upon superannuation. Amount charged to the Statement of Profit and Loss on account of compensated absences during the year amounts to INR 6.36 million (31 March 2021: INR 7.91 million) and is included in Note 22 - 'Employee benefits expense'. Accumulated current provision for compensated absences aggregates to INR 44.90 million (31 March 2021: INR 42.57 million)..

(ii) Post-employment obligations - Gratuity

The Company makes annual contribution to the Employee's Group Gratuity-cum-Life Assurance Scheme of the Life Insurance Corporation of India, a funded defined benefit plan for employees. The scheme provides for lump sum payment to vested employees at retirement, death while in employment or on termination of employment of an amount equivalent to 15 days salary payable for each completed year of service or part thereof in excess of six months. Vesting occurs upon completion of five years of service. Gratuity payments due to employees are processed disregarding the upper limits specified by Income Tax Act, 1961 and The Payment of Gratuity Act, 1972.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED 31ST MARCH 2022

(All amounts are in INR millions, unless otherwise stated)

The amount recognised in the balance sheet and movements in the net defined benefit obligation over the years are as follows :

	Present value of obligation	Fair value of plan assets	Net amount
Balance as at 01 April 2021	121.65	(81.38)	40.27
Current service cost	9.26	-	9.26
Interest expense / (income)	7.83	(5.24)	2.59
Return on plan assets, excluding amounts included in interest expense / (income)	-	-	-
Total amount recognised in the Statement of Profit and Loss	17.09	(5.24)	11.85
Remeasurements			
(Gain) / loss from change in demographic assumptions	0.07	-	0.07
(Gain) / loss from change in financial assumptions	(5.80)	-	(5.80)
Experience (gain) / loss	2.62	(2.40)	0.22
Total amount recognised in other comprehensive income	(3.11)	(2.40)	(5.51)
Employers contributions	-	(21.41)	(21.41)
Benefit payments	(7.26)	7.26	-
Balance as at 31 March 2022	128.37	(103.17)	25.20
Balance as at 01 April 2020	101.02	(61.69)	39.33
Current service cost	9.36	-	9.36
Interest expense / (income)	6.91	(4.22)	2.69
Return on plan assets, excluding amounts included in interest expense / (income)	-	-	-
Total amount recognised in the Statement of Profit and Loss	16.27	(4.22)	12.05
Remeasurements			
(Gain) / loss from change in demographic assumptions	-	-	-
(Gain) / loss from change in financial assumptions	3.96	-	3.96
Experience (gain) / loss	2.35	(1.37)	0.98
Total amount recognised in other comprehensive income	6.31	(1.37)	4.94
Employers contributions	-	(16.05)	(16.05)
Benefit payments	(1.95)	1.95	-
Balance as at 31 March 2021	121.65	(81.38)	40.27

The net liability disclosed above relates to funded plans are as follow :

	31 March 2022	31 March 2021
Present value of funded obligations	(128.37)	(121.65)
Fair value of plan assets	103.17	81.38
Deficit of funded plan (Gratuity)	(25.20)	(40.27)

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED 31ST MARCH 2022

(All amounts are in INR millions, unless otherwise stated)

The significant actuarial assumptions were as follows :

	31 March 2022	31 March 2021
Discount rate	6.98%	6.44%
Salary growth rate	8.00%	8.00%
Expected rate of return on plan assets	6.98%	6.44%
Attrition rate	5.00%	5.00%
Mortality	Indian Assured lives mortality 2012-14(Urban)	Indian Assured lives mortality (2006-08)

	31 March 2022	31 March 2021
Projected Benefit Obligation on Current Assumptions	128.37	121.65
Delta Effect of +1% Change in Rate of Discounting	(9.69)	(9.50)
Delta Effect of -1% Change in Rate of Discounting	11.09	10.94
Delta Effect of +1% Change in Rate of Salary Increase	10.87	10.67
Delta Effect of -1% Change in Rate of Salary Increase	(9.69)	(9.45)
Delta Effect of +1% Change in Rate of Employee Turnover	(0.77)	(1.14)
Delta Effect of -1% Change in Rate of Employee Turnover	0.85	1.27

Category of assets	31 March 2022	31 March 2021
Insurance fund (100%)	103.17	81.38
Total	103.17	81.38

(iii) Risk exposure :

Though its defined benefits plan, the Company is exposed to a number of risks, the most significant of which are detailed below

Changes in bond yields

A decrease in bond yield will increase plan liabilities, although this will be partially offset by increase in the plan's bond holding

Asset volatility

The plan liabilities are calculated using a discount rate set with reference to bond yields; if plan assets underperform this yield, this will create a deficit. Plan assets are invested with the Life Insurance Corporation of India Limited. It is subject to interest rate risk. The Company intends to maintain the above investments in the continuing years.

Maturity Analysis of Projected Benefit Obligation: From the Fund

Projected Benefits Payable in Future Years From the Date of Reporting

	31 March 2022	31 March 2021
1st Following Year	9.58	11.64
2nd Following Year	9.38	6.64
3rd Following Year	10.00	9.02
4th Following Year	8.34	8.83
5th Following Year	9.78	7.31
Sum of Years 6 To 10	59.44	47.70
Sum of Years 11 and above	148.36	142.42

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED 31ST MARCH 2022

(All amounts are in INR millions, unless otherwise stated)

14 Taxation
a. Tax expense recognised in the Statement of Profit and Loss

	For the year ended 31 March 2022	For the year ended 31 March 2021
Current tax		
Current year	1,085.66	1,179.68
Earlier years	(11.61)	(1.35)
Total	1,074.05	1,178.33
Deferred tax		
Current year	18.59	(18.23)
Earlier years	-	(78.47)
Total	18.59	(96.70)
Total income tax expense/(credit)	1,092.64	1,081.63

Reconciliation between the statutory income tax rate applicable to the Company and the effective income tax rate of the Company is as follows :

	For the year ended 31 March 2022	For the year ended 31 March 2021
Accounting profit before tax	3,065.93	3,301.16
Applicable tax rate of the reporting entity	34.944%	34.944%
Expected total tax expense	1,071.36	1,153.56
Amount charged in Statement of Profit and Loss	1,094.56	1,081.63
Difference	(23.20)	71.93
Tax effect of amounts which are (not deductible) /allowable in calculating taxable income:		
(i) Expenditures not deductible for tax purpose	(24.03)	(24.16)
(ii) Share of profit in associate (net of dividend income in current year)	14.30	12.43
(iii) Impact of change in tax rate*	(32.89)	-
(iv) Tax credit of earlier years	11.61	79.82
(v) Others	7.82	3.84
Total	(23.19)	71.93

* Due to the remeasurement of deferred tax liability that is expected to reverse in future when the Company would migrate to the new tax regime.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED 31ST MARCH 2022

(All amounts are in INR millions, unless otherwise stated)

b(i) Deferred tax relates to the following :

	As at 31 March 2022	As at 31 March 2021
Expenditure deductible on payment basis (including Lease Liability)	179.68	228.83
Defined benefit obligations	25.58	34.46
MAT credit entitlement	-	423.57
Total deferred tax assets	205.26	686.86
On difference between book depreciation and tax depreciation	1,656.04	1,693.54
Total deferred tax liabilities	1,656.04	1,693.54
Net deferred tax liabilities	1,450.78	1,006.68

b(ii) Movement in deferred tax assets / (liabilities)

	Expenditure deductible on Payment Basis	Defined benefit obligations	MAT credit entitlement	Lease Liability	Right-of- use asset	On difference between book depreciation and tax depreciation	Total
At 1 April 2020	128.55	23.17	956.24	147.10	(137.08)	(1,611.95)	(462.21)
(Charged)/credited:							
- to Statement of Profit and Loss	(16.82)	9.56	78.47	(30.00)	35.84	19.65	596.43
- utilisation of MAT credit#	-	-	(611.14)	-	-	-	(635.02)
- to other comprehensive income	-	1.73	-	-	-	-	6.83
At 31 March 2021	111.73	34.46	423.57	117.10	(101.24)	(1,592.30)	(493.97)
At 1 April 2021	111.73	34.46	423.57	117.10	(101.24)	(1,592.30)	(1,006.68)
(Charged)/credited:							
- to Statement of Profit and Loss	(50.54)	(6.95)	11.61	1.39	0.33	37.17	(6.99)
- utilisation of MAT credit#	-	-	(435.18)	-	-	-	(435.18)
- to other comprehensive income	-	(1.93)	-	-	-	-	(1.93)
At 31 March 2022	61.19	25.58	-	118.49	(100.91)	(1,555.13)	(1,450.78)

#Utilisation of deferred tax assets on carry forward MAT credit is towards current tax payable and hence not routed through the Statement of Profit and Loss.

15 Other non-current liabilities

	As at 31 March 2022	As at 31 March 2021
Deferred income on Government Grant	446.31	521.01
Total other non-current liabilities	446.31	521.01

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED 31ST MARCH 2022

(All amounts are in INR millions, unless otherwise stated)

16 Trade payables

	As at 31 March 2022	As at 31 March 2021
Trade payables*		
Dues to Micro, Small and Medium Enterprises (Refer note - 41)	12.14	5.01
Other than Micro, Small and Medium Enterprises	432.47	334.44
Total Trade payables	444.61	339.45

* Out of total trade payables, INR 59.23 pertains to related parties (31 March 2021: INR 50.56) (Refer note-38).

As at 31 March 2022

Aging of trade payables:	Unbilled	Not due	Outstanding for following periods from the due date				Total
			Less than 1 year	1-2 years	2-3 years	More than 3 years	
Undisputed trade payables							
Micro enterprises and small enterprises	-	-	10.98	0.66	0.33	0.17	12.14
Others	-	-	427.74	4.73	0.00	0.00	432.47
			438.72	5.39	0.33	0.17	444.61

As at 31 March 2021

Aging of trade payables:	Unbilled	Not due	Outstanding for following periods from the due date				Total
			Less than 1 year	1-2 years	2-3 years	More than 3 years	
Undisputed trade payables							
Micro enterprises and small enterprises	-	-	4.50	0.33	0.05	0.13	5.01
Others	-	-	333.22	1.22	0.00	0.00	334.44
			337.72	1.55	0.05	0.13	339.45

17 Provisions

	As at 31 March 2022	As at 31 March 2021
Claims (Refer note - 34)	208.00	208.00
Total provisions	208.00	208.00

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED 31ST MARCH 2022

(All amounts are in INR millions, unless otherwise stated)

18 Other current liabilities

	As at 31 March 2022	As at 31 March 2021
Deferred income on Government Grant	74.70	74.70
Statutory dues payables	139.99	97.12
Accruals of Incentives and Rebates [Refer note - 18(a)]	803.73	619.00
Income received in advance	0.14	0.12
Advance from customers (contract liabilities) *	178.88	143.65
Total other current liabilities	1,197.44	934.59

* Revenue recognised that was included in advance from customers at the beginning of the period INR 54.93 million (31 March 2021 : INR 56.36 million)

18(a) Movement in Accruals of Incentives and Rebates

	As at 31 March 2022	As at 31 March 2021
At the commencement of the year	619.00	542.31
Accruals made during the year	782.80	748.08
Accruals utilised during the year	(598.07)	(671.39)
At the end of the year	803.73	619.00

19 Revenue from operations

	For the year ended 31 March 2022	For the year ended 31 March 2021
Income from port services	6,882.97	6,835.50
Other operating revenue	552.41	499.13
Total revenue from operations	7,435.38	7,334.63

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED 31ST MARCH 2022

(All amounts are in INR millions, unless otherwise stated)

20 Other income

	For the year ended 31 March 2022	For the year ended 31 March 2021
Interest income		
- banks	210.56	284.29
- others	-	2.43
Deferred Income recognised	74.68	74.70
Gain on sale / disposal of fixed assets (net)	-	4.47
Provisions for inventory written back (Refer note - 7)	-	7.19
Provision for doubtful debts written back [Refer note - 8(a)]	-	27.50
Miscellaneous income	0.63	3.42
Total other income	285.87	404.00

Note :

All dividends from equity investments relates to investments held at the end of the reporting period.

21 Operating expenses

	For the year ended 31 March 2022	For the year ended 31 March 2021
Handling expenses	1,130.65	1,076.87
Waterfront royalty (Refer note - 35)	234.18	194.53
Business support service charges	51.03	58.77
Other direct costs	49.38	44.43
Total operating expenses	1,465.24	1,374.60

22 Employee benefits expense

	For the year ended 31 March 2022	For the year ended 31 March 2021
Salaries, wages and bonus	663.66	598.15
Contribution to provident fund and other funds (Refer note below)	28.85	27.73
Gratuity [Refer note 13(ii)]	11.85	12.05
Compensated absences [Refer note 13(i)]	6.36	7.91
Staff welfare expenses	28.30	25.66
Total employee benefits expense	739.02	671.50

The Company recognised INR 28.85 million (31 March 2021 : INR 27.73 million) for provident fund contribution in the Statement of Profit and Loss.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED 31ST MARCH 2022

(All amounts are in INR millions, unless otherwise stated)

23 Finance costs

	For the year ended 31 March 2022	For the year ended 31 March 2021
Interest and finance charges on lease liabilities	43.46	58.98
Others	4.20	4.12
Total finance costs	47.66	63.10

24 Depreciation and amortisation expense

	For the year ended 31 March 2022	For the year ended 31 March 2021
Depreciation of property, plant and equipment	1,071.14	1,113.57
Amortisation of intangible assets	2.57	4.72
Depreciation of right-of-use assets [refer note-3(b)]	219.00	216.21
Total depreciation and amortisation expense	1,292.71	1,334.50

25 Other expenses

	For the year ended 31 March 2022	For the year ended 31 March 2021
Power and fuel	248.58	221.29
Rent	1.09	2.82
Repairs		
- Building	74.29	38.26
- Machinery and equipment	226.27	301.52
- Others	63.15	64.76
Insurance	52.78	43.58
Rates and taxes	0.08	1.31
Travelling expenses	61.33	50.28
Legal and professional fees	90.02	48.59
Commission to Directors (Refer note - 38)	3.89	4.13
Expenditure towards Corporate Social Responsibility [Refer note - 25(a)]	68.76	69.15
Payment to auditors [Refer note - 25(b)]	6.85	7.42
Advertisement and sales promotion	7.49	5.24
Communication expenses	4.15	3.03
Loss on sale / disposal of fixed assets (net)	4.17	-
Loss on foreign currency transactions and translations (net)	30.90	52.95
Bad Debt Write Off	3.04	13.55

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED 31ST MARCH 2022

(All amounts are in INR millions, unless otherwise stated)

25 Other expenses

	For the year ended 31 March 2022	For the year ended 31 March 2021
Provisions for inventory (Refer note - 7)	0.23	-
Provisions for doubtful debts [Refer note - 8(a)]	2.02	-
Freight and forwarding	3.56	3.94
Water charges expenses	21.65	20.50
Contract labour expenses	79.62	72.58
Miscellaneous expenses	51.60	42.42
Total other expenses	1,105.52	1,067.32

25(a) Corporate Social Responsibility (CSR)

	For the year ended 31 March 2022	For the year ended 31 March 2021
Amount required to be spent as per Section 135 of the Act	68.76	68.13
Amount spent during the year@	68.76	69.15
(i) Construction/ acquisition of any asset	14.46	2.94
(ii) On purposes other than (i) above	54.30	66.21
Total corporate social responsibility expense	68.76	69.15

@ Excludes advance paid of INR 2.19 million (31 March 2021 : INR 2.95 million).

	As at 31 March 2022		As at 31 March 2021	
	In cash	Yet to be paid In cash	In cash	Yet to be paid In cash
(i) Construction/acquisition of any asset	3.19	11.27	2.94	-
(ii) On purposes other than (i) above	46.57	7.73	56.53	9.68

Corporate social responsibility expenditure:

	For the year ended 31 March 2022	For the year ended 31 March 2021
Amount required to be spent by the group during the year	68.76	68.13
Amount of expenditure incurred	68.76	69.15
Amount of shortfall for the year	-	-
Amount of cumulative shortfall at the end of the year	-	-

The Company has incurred INR 68.76 million during the year for Education, Skill Development, Women Empowerment, Livestock Development, Health and Environment, 24x7 Life Support Ambulance, Disaster Relief and Management, Agriculture and Natural Resources Management, etc. in the immediate surrounding villages – Rampara, Bherai, Shiyalbet, Thavi, Divalo, Devpara etc.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED 31ST MARCH 2022

(All amounts are in INR millions, unless otherwise stated)

25(b) Details of payment to auditors

	For the year ended 31 March 2022	For the year ended 31 March 2021
Payment to auditors		
As auditor		
Audit fee	3.26	3.26
Tax audit fee	0.24	0.24
Limited review of quarterly results	1.35	1.35
Others	-	0.10
Group Audit fees	1.99	2.47
Other services		
Reimbursement of expenses	0.01	@
Total payment to auditor	6.85	7.42

@ Amount is below the rounding off norm adopted by the Company

26(a) Exceptional items

	For the year ended 31 March 2022	For the year ended 31 March 2021
Abnormal expenses - Cyclone etc.	46.09	-
Total Exceptional items	46.09	-

- (b) On 17th May 2021, the Company's port location at Pipavav was hit by cyclone "Tauktae". Due precautions were taken to minimise the impact of the cyclone on the infrastructure at the port and there was no loss of life. However, the operations at the port were disrupted till 1st June 2021 mainly due to the loss of grid power supply. Further, certain portion of the property, plant and equipment require repairs for which the Company has started necessary activities. The Company has incurred Rs. 346.09 million till 31st March 2022 out of which the Company has received interim claims of Rs. 300 million from the insurer. The net amount of Rs. 46.09 million is disclosed under 'Exceptional Items' for the year ended on 31st March 2022. Additional expenses will be incurred in due course by the Company and will continue to be disclosed under 'Exceptional Items'. The Company is progressively sharing the details of expenses being incurred with the insurer.

27. Transfer Pricing

The Company's international transactions with related parties are at arm's length as per the independent accountants' report for the year ended 31 March 2021. Management believes that the Company's international transactions with related parties post 31 March 2021 continue to be at arm's length and that the transfer pricing legislation will not have any impact on these financial statements, particularly on amount of tax expenses and that of provision of taxation.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED 31ST MARCH 2022

(All amounts are in INR millions, unless otherwise stated)

28. Fair Value of financial assets and liabilities carried at amortised cost

There are no financial assets and liabilities designated at fair value through profit or loss or other comprehensive income. All the Financial instruments are carried at amortised cost.

	As at 31 March 2022		As at 31 March 2021	
	Fair Value	Carrying amount	Fair Value	Carrying amount
Financial Assets				
Non- Current				
Security deposits	38.55	38.55	38.53	38.53
Receivable from Gujarat Maritime Board	185.35	185.35	185.35	185.35
Current				
Security deposits	9.36	9.36	11.04	11.04
Loans and advances to employees	6.34	6.34	4.91	4.91
Trade receivables	519.95	519.95	482.99	482.99
Cash and cash equivalents	3.62	3.62	63.42	63.42
Other Bank balances	8,554.21	8,554.21	7,190.26	7,190.26
Total Financial Assets	9,317.38	9,317.38	7,976.50	7,976.50
Financial Liabilities				
Non- Current				
Retention monies payable	65.63	65.63	41.65	41.65
Security deposits received	27.55	27.55	27.55	27.55
Lease Liability IND AS-116	347.11	347.11	244.72	244.72
Current				
Trade payables	444.61	444.61	339.45	339.45
Retention monies payable	29.52	29.52	44.51	44.51
Security deposits received	58.53	58.53	64.47	64.47
Capital creditors	108.30	108.30	187.94	187.94
Unclaimed dividend	8.73	8.73	7.71	7.71
Other payables	136.65	136.65	75.28	75.28
Lease liabilities	123.69	123.69	220.56	220.56
Total Financial Liabilities	1,350.32	1,350.32	1,253.84	1,253.84

Financial instruments carried at amortised cost

Fair value of the current financial assets and current financial liabilities carried at amortised cost is not materially different from the carrying amount. In general, fair value is determined primarily based on the present value of expected future cash flows.

29. Financial risk management

The Company's activities expose it to a variety of financial risks:

- (a) Credit risk
- (b) Liquidity risk
- (c) Market risk

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED 31ST MARCH 2022

(All amounts are in INR millions, unless otherwise stated)

The Company's overall risk management programme focuses on the unpredictability of financial markets and seeks to minimise the potential adverse effects on the Company's financial performance. Risk management is carried out by finance department under policies approved by the Board of Directors.

(a) *Credit risk*

The Company has exposure to financial and commercial counterparties but has no particular concentration of customers or suppliers. To minimise the credit risk, security deposits and advance payments are taken from all major customers. The historical experience of collecting receivables, supported by the level of default, is that credit risk is low and so trade receivables are considered to be a single class of financial assets.

Expected credit loss for trade receivables under simplified approach:

For the year ended 31 March 2022:

Ageing	Not Due	0-90 Days	90-180 Days	180-270 Days	270-365 Days	> 365 Days	Total
Gross Carrying amount	286.78	223.85	7.65	2.44	3.51	68.47	592.70
Expected credit losses	-	1.63	0.57	0.74	2.72	67.09	72.75
Carrying amount of Trade receivables	286.78	222.22	7.08	1.70	0.79	1.38	519.95

For the year ended 31 March 2021:

Ageing	Not Due	0-90 Days	90-180 Days	180-270 Days	270-365 Days	> 365 Days	Total
Gross Carrying amount	237.39	222.80	16.84	0.35	2.09	61.68	541.15
Expected credit losses	-	1.56	0.76	0.15	0.55	55.14	58.16
Carrying amount of Trade receivables	237.39	221.24	16.08	0.20	1.54	6.54	482.99

(b) *Liquidity risk*

Prudent liquidity risk management implies maintaining sufficient cash and marketable securities and the availability of funding through an adequate amount of committed credit facilities to meet obligations when due and to close out market positions. Management monitors Company's liquidity position and cash and cash equivalents through Quarterly rolling forecasts and on the basis of expected cash flows. Company treasury maintains flexibility in funding through committed credit lines with Financial Institution.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED 31ST MARCH 2022

(All amounts are in INR millions, unless otherwise stated)

Maturities of financial liabilities

The following table shows the maturity analysis of the Company's financial liabilities based on contractually agreed undiscounted cash flows as at the Balance Sheet date. Balances due within 12 months and more than 12 months equal their carrying balances as the impact of discounting is not significant.

	Notes	Carrying Amount	Payable on Demand	Less than 12 months	More than 12 months
As at 31 March 2022					
Trade payables	16	444.61	-	444.61	-
Retention monies payable	12	95.15	28.33	1.19	65.63
Security deposits received	12	86.08	58.53	-	27.55
Capital creditors	12	108.30	-	108.30	-
Unclaimed dividend	12	8.73	8.73	-	-
Other payables	12	136.65	136.65	-	-
As at 31 March 2021					
Trade payables	16	339.45	-	339.45	-
Retention monies payable	12	86.16	32.73	11.78	41.65
Security deposits received	12	92.02	64.47	-	27.55
Capital creditors	12	187.94	-	187.94	-
Unclaimed dividend	12	7.71	7.71	-	-
Other payables	12	75.28	75.28	-	-

As there are no committed credit facilities to meet obligations when due and to close out market positions, the Company is not exposed to liquidity risk.

(c) Market risk

Market risk is the risk that changes in market prices, such as foreign exchange rates, will affect the Company's profit or the value of its holdings of financial instruments. Below sensitivity analyses relate to the position of financial instruments at 31 March 2022 and 31 March 2021. It is assumed that the exchange rate sensitivities have a symmetric impact, i.e. an increase in rates results in the same absolute movement as a decrease in rates.

The sensitivity analyses show the effect on profit or loss and equity of a reasonably possible change in exchange rates and interest rates.

Foreign Currency risk

The Company is exposed to foreign exchange risk arising from foreign currency transactions, primary with respect to USD, AUD and EURO. The Company's business model incorporates assumptions on currency risk and ensures any exposure is covered through the normal business operations. As the functional reporting currency is in INR, the foreign currency risk exists for the Company.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED 31ST MARCH 2022

(All amounts are in INR millions, unless otherwise stated)

Foreign currency exposure not covered by Forward Contracts as at 31 March 2022:

Details	USD Exposure		BHD Exposure		EURO Exposure	
	INR	USD	INR	AUD	INR	Euro
Receivables/Advance to Vendor	218.99	2.89	-	-	-	-
	<i>252.28</i>	<i>3.45</i>	-	-	-	-
Advance from Customers	-	-	-	-	-	-
	<i>2.43</i>	<i>0.03</i>	-	-	-	-
Payables	130.54	1.72	1.12	0.01	0.53	0.01
	<i>49.73</i>	<i>0.68</i>	-	-	<i>0.32</i>	@
Cash and Bank Balance	-	-	-	-	-	-
	<i>45.91</i>	<i>0.63</i>	-	-	-	-

@ Amount is below the rounding off norm adopted by the Company

Amounts in italics represent amounts as at 31 March 2021

Details	Impact on profit after tax	
	31 March 2022	31 March 2021
USD sensitivity		
INR/USD -Increase by 10% (31 March 2021-10%)	8.84	24.60
INR/USD -Decrease by 10% (31 March 2021-10%)	(8.84)	(24.60)
BHD sensitivity		
INR/AUD -Increase by 10% (31 March 2021-10%)	(0.11)	-
INR/AUD -Decrease by 10% (31 March 2021-10%)	0.11	-
EUR sensitivity		
INR/EUR -Increase by 10% (31 March 2021-10%)	(0.05)	(0.03)
INR/EUR -Decrease by 10% (31 March 2021-10%)	0.05	0.03

30. Capital Management

The Company's objective in managing its capital is to safeguard its ability to continue as a going concern and to optimize returns to our shareholders. The Company considers the following components of its Balance Sheet to be managed capital:

1) Share Capital 2) Share Premium and 3) Retained Earnings

The Company's capital structure is based on the Management's assessment of the balances of key elements to ensure strategic decisions and day to day activities. The capital structure of the Company is managed with a view of the overall macro-economic conditions and the risk characteristics of the underlying assets.

The Company's policy is to maintain a strong capital structure with a focus to mitigate all existing and potential risks to the Company, maintain shareholder, vendor and market confidence and sustain continuous growth and development of the Company.

The Company's focus is on keeping a strong total equity base to ensure independence, security, as well as high financial flexibility without impacting the risk profile of the Company. In order, to maintain or adjust the capital structure, the Company will take appropriate steps as may be necessary. The Company does not have any debt or financial covenants.

The Management monitors the return on capital as well as the level of dividend to shareholders. The Company goal is to continue to be able to provide return to shareholders by continuing to distribute dividends in future period. Refer the following table for the final and interim dividend declared and paid.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED 31ST MARCH 2022

(All amounts are in INR millions, unless otherwise stated)

Dividends

	31 March 2022	31 March 2021
(a) Equity shares		
(i) Final dividend for the year ended 31 March 2020 of INR 3.50 per fully paid share		1,692.04
(ii) Final dividend for the year ended 31 March 2021 of INR 2.40 per fully paid share	1,160.26	
(iii) Interim dividend for the year ended 31 March 2021 of INR 2.10 per fully paid share		1,015.22
(iv) Interim dividend for the year ended 31 March 2022 of INR 1.60 per fully paid share	773.50	

(b) Dividends not recognised at the end of the reporting period

The directors have recommended the payment of a final dividend of INR 2.40 per fully paid equity share (31 March 2021 – INR 2.40). This proposed dividend is subject to the approval of shareholders in the ensuing annual general meeting.

31. Traffic guarantee commitment

The Company has entered into tripartite Transportation and Traffic Guarantee Agreement with Pipavav Railway Corporation Limited (PRCL) and Indian Railways, to provide minimum volumes of 3 million metric tonnes for every Financial Year. The Company has consistently met its volume commitment from Financial Year 2010-11 till date and there is no shortfall on account of minimum traffic guarantees to be paid.

32. Capital and other commitments

Particulars	31 March 2022	31 March 2021
(a) Capital expenditure contracted for at the end of the reporting period but not recognised as liabilities (net of advances)	564.59	481.93
(b) Bonds/Undertaking given by the Company under Concessional Duty / Exemption scheme to the Government Authorities. (The Company has fulfilled the obligations and is in the process of obtaining confirmation of fulfillment from the authorities)	2,949.14	2,949.14

33. Lease

- (i) The Company has given a total area of 1,111,813 Square Mtr. (31 March 2021: 1,111,813 Square Mtr.) of land on lease to various customers. The lease is up to 2028 which is the end of the concession period.
- (ii) Operating lease rental income of INR 176.63 million (31 March 2021 INR 186.97 million) recognised in Statement of Profit and Loss is included in Other Operating Revenue in Note 19.
- (iii) The future minimum lease payments receivable under the said non-cancellable operating lease for rented premises are as follows:

Particulars	31 March 2022	31 March 2021
Receivable within one year	207.02	190.43
Receivable between one and five years	913.04	880.60
Receivable more than five years	364.42	603.88

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED 31ST MARCH 2022

(All amounts are in INR millions, unless otherwise stated)

34. Provisions and Contingent liabilities

- (a) Claims against Company not acknowledged as debt aggregates to INR 1,257.07 million (31 March 2021: INR 1,231.00 million). Provisions made in respect of the same aggregates to INR 208.00 million (31 March 2021: INR 208.00 million).

Movement in provisions

Particulars	Litigations / Disputes	
	31 March 2022	31 March 2021
At the commencement of the year	208.00	208.00
Provision made during the year	-	-
Provision reversed during the year	-	-
Payment made during the year	-	-
At the end of the year	208.00	208.00

Future cash outflows in respect of above are determinable only on receipt of judgements/decisions pending with various authorities/forums and/or final outcome of the matters.

- (b) Other contingent liabilities in respect of taxation matter not acknowledged as debt aggregates to INR 113.50 million (31 March 2021: INR 110.14 million).

In respect of taxation matters not acknowledged as debt	Taxation Matters	
	31 March 2022	31 March 2021
Income tax matters	75.84	72.48
Service tax matters	37.66	37.66
Total	113.50	110.14

- (c) The Company had made an application for approval of expansion plan to Gujarat Maritime Board (GMB) on 1st October 2012. The approval was received from GMB vide letter dated 10th April 2015. As per one of the conditions of the approval, the Company had issued a bank guarantee of Rs. 185.35 Million which was encashed by GMB on 13th February 2019. Further, GMB also asked the Company to pay Rs. 337.59 million along with interest thereupon at the rate of 18% per annum towards liquidated damages, and GST on the aforesaid bank guarantee amounting to Rs. 33.36 million alongwith interest thereupon at the rate of 18% per annum, vide their letter dated 27th October 2021. The Company reviewed the terms and conditions of approval and based on the management assessment and external legal expert advice, the Management believes that the amount of bank guarantee is recoverable as well as no liquidated damages are liable to be paid, and has filed a Commercial Suit before the Commercial Court, Rajula in this regard.

35. Concession Agreement with Government of Gujarat

Pursuant to the Concession agreement with the Government of Gujarat and GMB dated 30 September 1998, the Company is entitled towards government assistance and accordingly have discharged its liability towards waterfront royalty subject to the conditions led down in the aforesaid agreement.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED 31ST MARCH 2022

(All amounts are in INR millions, unless otherwise stated)

36. Earnings per share

		For the year ended 31 March 2022	For the year ended 31 March 2021
Profit for the year	(A)	1,973.29	2,219.53
<i>Calculation of weighted average number of equity shares</i>			
Number of equity shares at the beginning of the year		483,439,910	483,439,910
Number of equity shares at the end of the year		483,439,910	483,439,910
Weighted average number of equity shares outstanding during the year	(B)	483,439,910	483,439,910
Basic and diluted earnings per share (INR)	(A/B)	4.08	4.59

37. Interest in Associate company

Set out below is the associate of the Company as at 31 March 2022 which, in the opinion of the directors, is material to the Company. The entity listed below have share capital consisting solely of equity shares, which is held directly by the Company. The country of incorporation or registration is also their principal place of business, and the proportion of ownership interest is the same as the proportion of voting rights held.

Name of Entity	Place of Business	% of ownership	Relationship	Accounting method	Carrying amount	
					31 March 2022	31 March 2021
Pipavav Railway Corporation Limited	New Delhi	38.78	Associate	Equity Method	830.00	830.00

38. Related party transactions
(a) List of related parties and their relationship

Relation	Party
A. Where control exists	(i) Maersk A/S, Denmark (formerly known as Maersk Line A/S) (Ultimate Holding Company) (from 6th August, 2020)
	(ii) APM Terminals Mauritius Limited, Mauritius
B. Party with substantial interest and its affiliates	(i) APM Terminals India Private Limited, India
	(ii) Maersk Line India Private Limited, India
	(iii) GPRO Services India Private Limited, India
	(iv) Maersk Training India Private Limited, India
	(v) Gateway Terminals India Private Limited, India
	(vi) Maersk Training Svendborg A/s, Denmark
	(vii) Damco India Private Limited, India
	(viii) APM Terminals Vado Ligure S.P.A.
	(ix) Maersk A/S (A/c. Hamburg SUD)
	(x) APM Terminals Medport Tangier
	(xi) APM Terminals India Private Limited - EMR Division
	(xii) A.P.Moller - Maersk A/S
	(xiii) APM Terminals Apapa Limited

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED 31ST MARCH 2022

(All amounts are in INR millions, unless otherwise stated)

Relation	Party
	(xiv) Maersk Line Fleet Management and Technology (I) Private Limited (xv) APM Terminals Crane & Engineering Services (Shanghai) Co. Ltd (xvi) APM Terminals Management B.V., The Netherlands (xvii) APM Terminals Bahrain B.S.C. (xviii) Svitzer Hazira Private Limited
C. Associate	Pipavav Railway Corporation Limited
D. Directors, Non-Executive Directors and Key managerial personnel	A) Executive directors Mr. Jakob Friis Sorensen (Managing Director) B) Non-Executive directors Mr. Tejpreet Singh Chopra Ms. Hina Shah Mr. Pradeep Mallick (upto 29th July 2021) Mr. Jonathan Richard Goldner (from 11th November 2021)* Mr. Julian Bevis Mr. Timothy John Smith* Mr. Keld Pedersen* Mr. Soren Brandt Mrs. Avantika Singh Aulakh, IAS Mr. Samir Chaturvedi Ms. Monica Widhani Mr. Maarten Degryse* C) Key managerial personnel Mr. Santosh Breed

* No transactions during the year

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED 31ST MARCH 2022

(All amounts are in INR millions, unless otherwise stated)

(b) Related party transactions

Transactions during the period	APM Terminals Mauritius Limited	MAERSK A/S	Gateway Terminals India Private Limited	A.P. Moller - Maersk A/S	APM Terminals Management B.V.	GPRO Services India Private Limited	Svitzer Hazira Private Limited	Pipavav Railway Corporation	Other Affiliates	Total
Income from port services	-	1,700.20	-	-	-	-	-	-	1.67	1,701.87
Professional services received	-	1,968.28	-	-	-	-	-	-	2.66	1,970.94
Business support service charges	-	(24.08)	-	(9.36)	-	(5.45)	-	-	(1.96)	(40.85)
Expenses incurred on the Company's behalf	-	(21.58)	-	(0.56)	(51.03)	(5.42)	-	-	(0.72)	(28.28)
Expenses incurred on behalf of others	-	-	-	-	(58.77)	-	-	-	-	(51.03)
Manpower cost	-	-	-	-	-	-	-	-	-	(58.77)
Capital expenditure	-	-	(1.70)	(3.03)	(68.95)	-	(9.24)	-	(14.84)	(97.76)
Dividend income	-	-	-	-	(58.07)	(0.24)	-	-	(2.02)	(60.33)
Dividend payment	-	-	3.61	1.17	23.18	0.95	-	-	0.10	29.01
Closing Balances: Receivable	-	-	1.34	-	16.46	-	-	(4.00)	0.30	18.10
Advance from customers	-	-	-	-	-	-	-	(3.96)	-	(4.00)
Trade Payable	-	-	-	-	-	-	-	-	-	(3.96)
Capital Creditors	-	-	-	-	(0.62)	-	-	-	-	-
Deposit received	-	-	-	-	-	-	-	38.00	-	38.00
Deposit made	-	-	-	-	-	-	-	-	-	(850.96)
Advance to vendor	-	-	-	-	-	-	-	-	-	(1,191.34)
Accruals of Incentives and Rebates	-	-	-	-	-	-	-	-	-	-
Investment	-	-	-	-	-	-	-	-	-	-
	-	172.37	5.73	1.17	2.92	-	-	-	0.10	182.29
	-	250.69	1.34	-	1.59	-	-	-	0.22	253.83
	-	-	-	-	2.43	-	-	-	-	2.43
	-	13.28	1.70	12.95	21.68	1.30	-	0.73	7.59	59.23
	-	5.80	-	0.56	40.79	1.21	-	0.55	1.66	50.56
	-	-	-	-	10.56	-	7.82	-	-	18.38
	-	-	-	-	-	-	-	-	-	-
	-	40.00	-	-	-	-	-	-	1.23	41.23
	-	40.00	-	-	-	-	-	-	1.25	41.25
	-	-	-	-	-	2.45	-	-	-	2.45
	-	-	-	-	-	2.45	-	-	-	2.45
	-	6.96	-	-	-	-	-	-	-	6.96
	-	-	0.04	-	-	-	-	-	-	0.04
	-	66.13	-	-	-	-	-	-	-	66.13
	-	47.47	-	-	-	-	-	-	-	47.47
	-	-	-	-	-	-	-	830.00	-	830.00
	-	-	-	-	-	-	-	830.00	-	830.00

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED 31ST MARCH 2022

(All amounts are in INR millions, unless otherwise stated)

Name of Non-Executive Directors/ Key Managerial personnel	Fees for attending Board/Committee meetings	Commission	Managerial Remuneration	Total
Mr. Tejpreet Singh Chopra	0.50 <i>0.50</i>	1.65 <i>1.65</i>	-	2.15 <i>2.15</i>
Ms. Hina Shah	1.00 <i>0.95</i>	0.83 <i>0.83</i>	-	1.83 <i>1.78</i>
Mr. Pradeep Mallick	0.25 <i>0.90</i>	0.83 <i>0.83</i>	-	1.08 <i>1.73</i>
Mr. Pravin Laheri	- <i>0.30</i>	0.28 <i>0.83</i>	-	0.28 <i>1.13</i>
Mr. Soren Brandt	0.75 <i>0.30</i>	-	-	0.75 <i>0.30</i>
Mr. Julian Bevis	0.60 <i>0.25</i>	-	-	0.60 <i>0.25</i>
Mr. Samir Chaturvedi	0.95 <i>0.30</i>	0.30	-	1.25 <i>0.30</i>
Ms. Monica Widhani	0.50 -	-	-	0.50 -
GMB Nominee	0.10 -	-	-	0.10 -
Mr. Santosh Breed @	-	-	12.18 <i>11.15</i>	12.18 <i>11.15</i>
Mr. Jakob Friis Sorensen @	-	-	66.79 <i>44.70</i>	66.79 <i>44.70</i>

Amounts in italics represent amounts as at 31 March 2021

@As the liabilities for defined benefit plan are provided on actuarial basis for the Company as a whole, amount pertaining to key managerial persons are not included.

On 6 August 2020, majority of Directors in the Board were representative of APM Terminals Mauritius Limited (shareholder) which provided the shareholder an ability to control the decision making. Accordingly, the Company became a subsidiary of APM Terminals Mauritius Limited w.e.f. 6 August, 2020.

39. Segment reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the Chief Operating Decision Maker ("CODM") of the Company. Managing Director and Chief Financial Officer of the Company are the chief operating decision makers. The Company operates only in one Business Segment i.e. 'Port Services' which primarily includes services such as Marine services, Berth hire, Wharfage, Container Handling, Yard Operations, Stevedorage and the activities incidental thereto within India, hence does not have any reportable Segments as per Indian Accounting Standard 108 "Operating Segments".

The Company has a revenue of INR 1,701.87 million (31 March 2021: INR 1,970.94 million) from related parties representing more than 10% of the total revenue.

40. COVID-19

The Company has carried out a detailed assessment of the impact of COVID-19, including the current wave, on its liquidity position and on the recoverability and carrying values of its assets. Based on this assessment the company has concluded that there is no significant impact on its financial results as at 31st March 2022. The impact assessment of COVID 19 is a continuous process given the uncertainties associated with its nature and duration. The management will continue to monitor material changes to the future economic conditions which may have an impact on the operations of the Company.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED 31ST MARCH 2022

(All amounts are in INR millions, unless otherwise stated)

41. Other notes
Dues to Micro and Small suppliers

Under the Micro, Small and Medium Enterprises Development Act, 2006 ('MSMED Act') which came into force from 2 October 2006, certain disclosures are required to be made relating to Micro, Small and Medium enterprises. On the basis of the information and records available with the Company, the details of outstanding dues to the Micro and Small enterprises as defined in the MSMED Act, 2006 as set out in the following disclosures:

Particulars	As at 31 March 2022	As at 31 March 2021
Principal amount due to suppliers registered under the MSMED Act and remaining unpaid as at year end	10.44	3.85
Interest due to suppliers registered under the MSMED Act and remaining unpaid as at year end	1.70	1.16
Principal amounts paid to suppliers registered under the MSMED Act, beyond the appointed day during the year	39.66	76.77
Interest paid, under Section 16 of MSMED Act, to suppliers registered under the MSMED Act, beyond the appointed day during the year	-	-
Interest paid, other than under Section 16 of MSMED Act, to suppliers registered under the MSMED Act, beyond the appointed day during the year	-	-
Interest due and payable towards suppliers registered under MSMED Act, for payments already made	0.54	0.66
Further interest remaining due and payable for earlier years.	1.16	0.50

42. Additional regulatory information required by Schedule III
(i) Details of benami property held

No proceedings have been initiated on or are pending against the Company for holding benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and Rules made thereunder.

(ii) Wilful defaulter

The Company has not been declared wilful defaulter by any bank or financial institution or government or any government authority.

(iii) Relationship with struck off companies

The Company has no transactions with the companies struck off under Companies Act, 2013 or Companies Act, 1956.

(iv) Compliance with number of layers of companies

The Company has complied with the number of layers prescribed under the Companies Act, 2013.

(v) Utilisation of borrowed funds and share premium

The Company has not advanced or loaned or invested funds to any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding that the Intermediary shall:

- a. directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company (Ultimate Beneficiaries) or
- b. provide any guarantee, security or the like to or on behalf of the ultimate beneficiaries

The Company has not received any fund from any person(s) or entity(ies), including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the Company shall:

- a. directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED 31ST MARCH 2022

(All amounts are in INR millions, unless otherwise stated)

of the Funding Party (Ultimate Beneficiaries) or

b. provide any guarantee, security or the like on behalf of the ultimate beneficiaries

(vi) Undisclosed income

There is no income surrendered or disclosed as income during the current or previous year in the tax assessments under the Income Tax Act, 1961, that has not been recorded in the books of account.

(vii) Loans or advances to specified persons

No loans or advances in the nature of loans are granted to promoters, directors, KMPs and the related parties (as defined under Companies Act, 2013,) either severally or jointly with any other person.

(viii) Details of crypto currency or virtual currency

The Company has not traded or invested in crypto currency or virtual currency during the current or previous year.

(ix) Valuation of PP&E, intangible asset and investment property

The Company has not revalued its property, plant and equipment (including right-of-use assets) or intangible assets or both during the current or previous year.

43. Extracts of Notes to Accounts of Associate
(a) Other Intangible assets

(Amount in Rs. Lakhs)

Particulars	Freight sharing right	License fee	Others	Total
Other Intangible assets (1st April 2020 to 31st March 2021)				
At Cost				
As at 1st April 2020	34,319.62	1,000.00	21.52	35,341.14
Additions	28,011.71	-	-	28,011.71
Disposals/Adjustments	-	-	-	-
As at 31st March 2021	62,331.33	1,000.00	21.52	63,352.85
Accumulated Amortization and impairment				
At 1st April 2020				
Amortization	21,226.31	261.91	15	21,503.22
Impairment	-	738.09	-	738.09
	21,226.31	1,000.00	15	22,241.31
Charged during the financial year 2020-21				
Amortization	1,554.68	-	2.12	1,556.80
Impairment	-	-	-	-
Disposals/Adjustments	-	-	-	-
Amortization and impairment	1,554.68	-	2.12	1,556.80
At 31st March 2021				
Amortization	22,780.99	261.91	17.12	23,060.02
Impairment	-	738.09	-	738.09
	22,780.99	1,000.00	17.12	23,798.11
Net book value 31st March 2021	39,550.34	-	4.40	39,554.74

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED 31ST MARCH 2022

(All amounts are in INR millions, unless otherwise stated)

43. Extracts of Notes to Accounts of Associate
(a) Other Intangible assets

(Amount in Rs. Lakhs)

Particulars	Freight sharing right	License fee	Others	Total
Other Intangible assets (1st April 2021 to 31st March 2022)				
At Cost				
As at 1st April 2021	62,331.33	1,000.00	21.52	63,352.85
Additions	1,376.21	-	-	1,376.21
Disposals/Adjustments	-	-	-	-
As at 31st March 2022	63,707.54	1,000.00	21.52	64,729.06
Accumulated Amortization and impairment				
At 1st April 2021				
Amortization	22,780.99	261.91	17.12	23,060.02
Impairment	-	738.09	-	738.09
	22,780.99	1,000.00	17.12	23,798.11
Charged during the financial year 2021-22				
Amortization	3,088.95	-	2.12	3,091.07
Impairment	-	-	-	-
Disposals/Adjustments	-	-	-	-
Amortization and impairment	3,088.95	-	2.12	3,091.07
At 31st March 2022				
Amortization	25,869.95	261.91	19.23	26,151.09
Impairment	-	738.09	-	738.09
	25,869.95	1,000.00	19.23	26,889.18
Net book value 31st March 2022	37,837.59	-	2.29	37,839.88

(b) Apportioned Freight earnings from Indian Railways:

Western Railway makes apportionment of freight to the Company using actual distance carried by freight trains and not on the basis of booked route distance (i.e. distance for which freight is charged by Indian Railways). The actual distance carried by freight train differs from the booked route distance where Railways run the freight trains through diverted route due to its operation requirements. The Company has also booked its share of freight earnings worked out on carried route basis. During the current year, WR has initiated recovery of differential amount of revenue on account of diverted route recovery pertaining to FY 2009-10 and 2010-11 and based on the reconciliation of these records; WR has made recovery of Rs. 98.56 lakhs. The Company has shown the recovery so made by way of deduction from the apportioned freight earnings of the Company for the current year.

- (c) With effect from 1st July 2017, service tax had been subsumed by the Goods and Service Tax (GST). The Company has maintained the same stand, as was taken in the matter of service tax, with respect to applicability of the GST on the share of the freight earning received by the Company from Railways and the Operation & Maintenance Costs recovered by Railways from the Company. Operation and maintenance being done by Railways is interlinked and incidental to its core activity of transportation of cargo provided by Indian Railways to its customers on which tax obligations are fulfilled by Indian Railways. The Company is of the view that no supply is involved by the Company to Railways and visa-versa in sharing of freight revenue & costs by Railways with the Company. Therefore, there are no GST obligations on the Company

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED 31ST MARCH 2022

(All amounts are in INR millions, unless otherwise stated)

in respect to sharing of the freight revenue & costs by Railways with the Company including furnishing of the particulars & details for the same. Ministry of Railways has also taken up the issue with Finance Ministry for issuing clarification/ exemption.

Furthermore, Indian Railways charges and collects GST on freight amount and deposits the same with the concerned tax authorities. Thereafter, the Company gets its share out of net freight amount from Railways. Therefore, in view of this, the Company has also contended that tax cannot be levied twice on the same amount (i.e. once on the Railways and again on the Company)

- (d) On commencement of electric operations on the PRCL line during the year 2020-21, the Company had capitalized the cost of rail electrification works at Rs. 274.52 crores by classifying the same as 'Intangible asset' and the same is amortised over the remaining concession period effectively from the date of commencement of the electrified rail operations on the PRCL line. However, certain leftover works are still in progress. During the current year, the cost of these leftover works amounting to Rs.13.76 crores has been added to initial capitalized amount and the same is amortised prospectively over the remaining useful life, with effect from date of start of the current financial year. The cost has been capitalized based on the expenditures booked by the Company as per advices / information received from the agency.

Final cost of the work is yet to be ascertained by the agency, therefore, capitalized cost is subject to adjustments on receipt of the final cost of the electrification work from the agency. Accordingly, capitalized cost will be adjusted as per final bill and be amortized prospectively over the remaining concession period.

Value of new assets created on Project assets of the Company on electrification of PRCL line has been added to the book value of the Project assets as a part thereof irrespective of the nature of individual assets so created, and the same have been shown as single Intangible asset (i.e. Freight Sharing Rights)

(e) Service Concession Arrangement

The Company has been granted concession rights by the Ministry of Railways (MOR), Government of India, under the terms of the Concession agreement entered into by the Company with MOR on 28th June, 2001 to design, engineering, financing, procurement, construction and completion, operation and marketing of freight services for the Project Railway. The Company also enjoys the rights, powers, benefits, privileges, authorizations and entitlements under the Concession agreement.

Pursuant to the Concession agreement, the Company has constructed Project Railway i.e. broad-gauge railway line from Surendranagar to Pipavav in the State of Gujarat. The Company also operates and maintains the Project Railway, through Western Railway, and keeps the Project Railway in proper working condition and also carries out the replacement of the asset items of the Project Railway on expiry of codal life of such items as per terms of the Concession Agreement.

The Company has treated this arrangement as Public-to-Private Service Concession Arrangement. Up-to 31st March, 2018, the provision related to Service Concession Arrangement were dealt with by the Appendix A and B to Ind AS 11 "Construction Contracts". Accordingly, the Company had applied Appendix A and B to Ind AS 11 (Service Concession Arrangement) in respect of the Project Railway so developed, in preparation and presentation of its financial statements for the period up-to 31st March 2018.

With effect from 1st April 2018, the Ministry of Corporate Affairs, Government of India has withdrawn Ind AS 11- "Construction Contracts" and Ind AS 18- "Revenue" and notified Ind AS 115- "Revenue from Contracts with the Customers". Appendix D and E to Ind AS 115 deals with "Service Concession Arrangement". Accordingly, the Company has applied the Appendix D and E to Ind AS 115 in respect of the Project Railway in the preparation and presentation of its financial statements for financial year bringing from 1st April 2018 and onwards.

The arrangement between the Company and MOR meets all the conditions of Appendix D to Ind AS 115 such as"

- (i) The MOR (the grantor) controls/ regulates what services the Company (operator) should provide with the Project Railway (i.e. infrastructure) and to whom it must be provided,
- (ii) MOR controls the price to be charged to the customers and

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED 31ST MARCH 2022

(All amounts are in INR millions, unless otherwise stated)

(iii) Also, MOR controls residual interest in the infrastructure at the end of the term of the arrangement.

Under the Concession agreement, the Company has freight sharing right in respect of freight earnings generated from freight operations on the Project Railway. This right is recognized as intangible asset and is amortised. The term of the Concession agreement is 33 (Thirty-Three) years. In case of material breach in terms of the agreement, MOR and PRCL both have the right to terminate the agreement, if they are not able to cure the event of default in accordance with such agreement. The Concession agreement also provides that, after the expiry of the concession period, if MOR opts to grant a fresh concession in respect of Project Railway, PRCL shall, all other things being comparable, have the first right to be awarded new concession.

Depreciated Replacement Value (DRV): At the end of concession period, the project assets created by the Company within project area shall revert back to MOR for a consideration equivalent to depreciated replacement value (DRV) of these assets. DRV is defined as cost of replacing assets on date of expiry of agreement after deducting depreciation on straight line basis. Replacement cost and life of assets shall be computed in accordance with provisions of the Concession agreement. However, amount of DRV has not been specified in the Concession agreement.

Para 16 of Appendix D to Ind AS 115 requires the Company to recognise a financial asset in respect of unconditional right to receive cash from grantor (i.e. MOR), if same is specified or determinable. The amount of DRV has not been specified in the Concession agreement, nor it is presently determinable as determination of DRV depends on the facts and circumstances that would be available at the end of the concession period only, and therefore condition to recognize the right to receive DRV as financial asset is not fulfilled as required by said Appendix. In view of this fact, DRV has not been recognized as financial asset which is compliance with the requirement of the Ind AS.

The assets which were existing at the time of entering into the Concession agreement, i.e. meter gauge railway line (including land) were leased by MOR to the Company. Railways charge annual lease rental to the Company for leased assets. Assets so leased to the Company shall revert back to MOR without any financial consideration at the end of concession period. Since, these assets are within the purview of Appendix D to Ind AS 115, the same are out of the scope of Ind AS 116. Therefore, the Company has not applied Ind AS 116 in respect of these assets leased by MOR under the Concession Agreement. Accordingly, lease charges payable by the Company on assets leased by MOR is recognised as expense and charged to profit or loss.

Concession agreement provides that, upon expiry of 33 (Thirty-Three) years of operation in case of material disruption of operation and maintenance occurred during the concession period, the Concession period shall be extended by an equal period of time which corresponds to the period for which material disruption of operation and maintenance occurred during the concession period. In case of material breach in terms of the agreement, MOR and PRCL both have the right to terminate the agreement, if they are not able to cure the event of default in accordance with such agreement.

Resurfacing Cost: In terms of the Concession agreement, there is an obligation on the Company to keep the project assets in working condition, including making replacement, as per standards laid down by MOR, of all project assets whose codal life expires during the concession period. Accordingly, the Company has been providing the liability for Resurfacing Obligations in respect of such obligations in accordance with Ind AS 37 as per the requirement of Para 21 of Annexure D to Ind AS 115. The Company measures the obligation in accordance with Ind AS 37 i.e. at the best estimate of the expenditure that would be required to settle the present obligation at the end of the reporting period.

(f) Fixed Cost (Material):

(i) Fixed Cost Material (FMC) for the current year includes cost for the current year for Rs. 8.47 crores and arrears of Rs. 2.89 crores of the previous year (Previous Year booked Cost: Rs. 4.62 crores) based on the fresh assessed cost [Refer to Note 23(i)(a)]. As per the O&M agreement, FMC being a component of O&M costs, is to be reassessed for every five years based on the cost survey. During the current year, Joint Survey Team, comprising the officials of PRCL and WR, has made fresh cost assessment and based thereon, annual FMC has been fixed at Rs. 7.43 Crores for a period of five years effective from FY 2020-21 and onwards (prior to this, assessed FMC was of Rs. 4.27 Crores). WR has accordingly charged the fresh assessed cost w. e. f. April 2020 applying inflation indices. During the previous year, pending the completion of the assessment process, WR had raised bills to the Company for the FMC for

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED 31ST MARCH 2022

(All amounts are in INR millions, unless otherwise stated)

amounting to Rs. 4.62 Crores for the FY 2020-21 which was based on previously assessed Fixed Cost Material of Rs. 4.27 crores (mentioned herein above). On fixation of the fresh FMC, WR has raised the bill of FMC for Rs. 7.51 crores for the FY 2020-21 as per freshly assessed cost.

During the current year, the Company has made an ad-hoc arrangement with WR, pending the finalization of Joint Procedure Order, for charging the cost TRD assets. Accordingly, WR has billed maintenance cost of TRD assets for amounting to Rs. 2.32 crores for the period September 2021 to March 2022 on a provisional basis. The same has been charged to the Statement of Profit and Loss and are included under the head "Fixed Cost (Material)".

- (ii) During the current year, the Company has finalized the Permanent Material (Store Imprest) cost for the years 2015-16 to 2019-20 Rs. 1.78 crores. In the earlier year(s), the Company had provisionally booked the cost for the same at Rs. 3.53 Crores based on WR' advices. Therefore, the Company has reversed the excess cost to the tune of Rs. 1.75 crores during the current year as per the finalized cost. Further, the Company has booked cost of Permanent Material (Store Imprest) for Rs. 0.87 crores (including Rs. 0.41 crores for FY 2020-21) during the current year for the period from 1st April 2020 onwards, as per the advices received from WR. Adjustment(s), if any required in the cost so provided for during the current year shall be made on receipt of information/ advices, if any from Railways and duly verification by the Company.
- (iii) In one of the issues i.e. medical reimbursement to the Railway staff deputed on the PRCL's section, WR has corrected the billing methodology effectively from 1st April 2021. However, WR has not revised the bills for medical reimbursement for the earlier periods for amounting to Rs. 11.02 crores. The Company has been contested the same with the Railways. Any downward revision on the settlement of the issue will be accounted for in the year when the same is finalized and agreed with the Railways.
- (iv) During the current year, no cost has been provided for on account of "Track machine Operations" in absence of any advice/ information from WR (cost provided during Previous Year was Rs. 354.14 lakhs for carrying out track machine operations by the Railways during the period September 2017 to June 2019). Accordingly, cost on this account if any shall be provided on receipt of the advice from WR in this regard.

(g) Variable Costs:

The Company has booked the Variable Costs as per bills received from WR. In preparation of the bills of Variable Costs, WR uses the reconciled operating data (e.g. GTKM, wagon hours etc.) and applies unit costs with the reconciled operating data in computation of various components of Variable Costs. The cost has been recognised based on the available data/ information in case bill(s) are not received.

During the previous year, the Company has observed steep increase in the one of the components of the variable costs (i.e. cost of crew) due to the fact that, effectively from July-2020, units costs are calculated after dividing the combined WR' costs of crew (i.e. cost both for Passenger and Goods traffic) by GTKMs of WR' for Goods Traffic only. The Company had raised this issue and the same is being perusing with Railways. In absence of availability of requisite data, the excess amount charged by the Railways on this account is not determinable. Therefore, the difference in costs shall also be accounted for as and when the cost is revised by the Railways.

PRCL section has been electrified and the electric goods trains operations have started on the PRCL line. However, a Joint Procedure Order (JPO) for billing for costs of operation and maintenance of new (TRD) assets emerged from electrification works is yet to be finalized with WR. Pending the finalization of JPO, WR has been charging the cost of energy consumptions for the electric goods operations using the methodology applicable for billing the cost of fuel consumptions. During the current year, the Company has made an interim arrangement with WR for charging the O&M costs of TRD assets. Accordingly, WR has advised the credit of traction benefit for amounting to Rs. 9.33 crores for the period from Jun-2020 to November-2021 in respect of electric operations, cost for which was excessively charged by WR using billing methodology applicable to the cost of diesel operations. Accordingly, the Company has booked the credit, so advised by WR, by way of adjustment made to the cost of fuel charged by WR to the Company during the year. However, the same is under examination. Further, WR is to work out the credit of traction benefit for the period from December 2021 to March 2022 and therefore, the same shall be accounted for in the year of receipt of the credit by the Company from WR.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED 31ST MARCH 2022

(All amounts are in INR millions, unless otherwise stated)

- (h) During the current year, expenses relating to earlier period(s) recognised/(reversed) by the Company on receipt of the bills/ advices from WR are as under:

Sr. No	Particulars	Amount recognised/ (reversed) (Rs. in Lakhs)	Financial Year to which expense relates	Accounting Head (Note reference)
1	Permanent Material (Store Imprest) cost	(40.76)	2020-21	Cost of additional works
2	Permanent Material (Store Imprest) cost	(175.34)	2015-16 to 2019-20	
3	Flood Restoration and Protection works	(100.43)	2015-16	
4	Flooring Drop Repairs works	(9.51)	2020-21	
5	Replacement of SEJs between SRGT/PPVS Section	(20.86)	2020-21	
6	Refund by of the overpayments to Railway Staff	(106.49)	(January 2006 to March 2016)	Man Power Cost
7	Traction Benefit	(251.39) Mar-21	June 2020 to	Cost of Fuel

- (i) The Insurance cover for the Project Assets primarily comprising of Formations, Building, Plant & Machinery, Permanent ways including Rail and Sleepers expired on 19th June 2020. As per the decision of the Board of Directors in its meeting dated 24th March, 2022, the Company will set aside an amount of Rs. 5 Crores as a reserve fund on account of restoration of PRCL section in the event of heavy rainfall or any other similar cause of which PRCL are disrupted and there is a material damage of assets. This arrangement will effective be from the FY 2022-23 for 2 years and to be reviewed after two years. The Board has also decided to earmark separate Fixed Deposit Receipts for the requisite amount.

44. Figures for the previous periods have been reclassified/ regrouped wherever applicable, to confirm with the current period classification.

For Price Waterhouse Chartered Accountants LLP

Firm Registration No: 012754N/ N-500016

Arunkumar Ramdas

Partner

Membership No: 112433

Mumbai

18 May 2022

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For and on Behalf of Board of Directors of

Gujarat Pipavav Port Limited

CIN: L63010GJ1992PLC018106

Jakob Friis Sorensen

Managing Director

DIN : 08593830

Santosh Breed

Chief Financial Officer

Skodsborg, Denmark

18 May 2022

Samir Chaturvedi

Director

DIN: 08911552

Manish Agnihotri

Company Secretary

Annual Report 2021 - 2022



Gujarat Pipavav Port Limited

(CIN: L63010GJ1992PLC018106)

Regd Office: Pipavav Port At Post Rampara-2 via Rajula Dist. Amreli- 365 560

Tel: 02794 242400 Fax: 02794 242413

Email: investorrelationinppv@apmterminals.com Website: www.pipavav.com

ATTENDANCE SLIP

30th Annual General Meeting Wednesday 3rd August 2022 at 12:00 PM

Regd. Folio No. / DP ID & Client ID*	
No. of Equity Shares held	
Name of the Shareholder	
Name of the Proxy	

I/We hereby record my/ our presence at the 30th Annual General Meeting of the Members of the Company held on Wednesday 3rd August 2022 at 12:00 PM at Pipavav Port, At Post Rampara-2 via Rajula, District Amreli- 365 560.

SIGNATURE OF THE MEMBER OR THE PROXY ATTENDING THE MEETING

If Member, please sign here

If Proxy, please sign here

Note: This form should be signed and handed over at the Meeting venue

*Applicable for Members holding shares in electronic mode



Gujarat Pipavav Port Limited

Regd Office: Pipavav Port At Post Rampara-2 via Rajula Dist. Amreli- 365 560

Form No. MGT- 11

Proxy Form

[Pursuant to section 105(6) of the Companies Act, 2013 and Rule 19(3) of the Companies (Management and Administration) Rules, 2014]

CIN : L63010GJ1992PLC018106
 Name of the Company : Gujarat Pipavav Port Limited
 Registered Office : Pipavav Port At Post Rampara-2 via Rajula Dist. Amreli- 365 560

Name of the Member (s):	
Registered Address:	
Email ID:	
Folio No./ DP ID & Client ID:	

I/We, being the Member(s) of shares of the above named company, hereby appoint

- Name: _____
 Address: _____
 Email Id: _____
 Signature: _____, or failing him
- Name: _____
 Address: _____
 Email Id: _____
 Signature: _____, or failing him
- Name: _____
 Address: _____
 Email Id: _____
 Signature: _____, or failing him

as my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the 30th Annual General Meeting of the Company, to be held on Wednesday 3rd August 2022 at 12:00 PM at Pipavav Port At Post Rampara-2 via Rajula Dist. Amreli- 365 560 and at any adjournment thereof, in respect of such resolutions as are indicated below :

Resolution No	Particulars
Ordinary Business	
1	To receive, consider and adopt: a. the Audited Standalone Financial Statements of the Company for the financial year ended 31 March, 2022, along with the Reports of the Board of Directors and Auditors thereon; and b. the Audited Consolidated Financial Statements of the Company for the financial year ended 31 March, 2022 along with the Report of Auditors thereon.
2	To declare a final dividend of Rs. 2.40 per equity share and to confirm the interim dividend of Rs. 1.60 per equity share already paid during the year, for the financial year ended 31 March, 2022.
3	To appoint a Director in place of Mr. Soren Brandt (DIN:00270435), who retires by rotation and being eligible, offers himself for re-appointment
4	To appoint a Director in place of Mr. Maarten Degryse (DIN:08925380), who retires by rotation and being eligible, offers himself for re-appointment
Special Business	
5	To approve the appointment of Mr. Jonathan Richard Goldner (DIN:09311803) as Director of the Company

Signed this..... day of..... 2022

Signature of Shareholder

Signature of Proxy holder(s)

Please affix
Re. 1/-
Stamps and
sign across

Note: This form of proxy in order to be effective should be duly completed and deposited at the Registered Office of the Company, not less than 48 hours before the commencement of the Meeting.





APM Terminals Pipavav
Gujarat Pipavav Port Limited
Pipavav Port , At Post Rampara-2 via Rajula,
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www.pipavav.com