

EXPLANATORY STATEMENT PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013

Item No. 5

Sh. Santosh Breed, (DIN: 08011070) was appointed as a Nominee Director by Gujarat Pipavav Port Limited on the Board of Directors of the Company in accordance with provisions of Section 161 (3) of the Companies Act, 2013 read with clause 6.1.3 and 6.1.4 of the Shareholders Agreement and Articles of Association of the Company w.e.f. 4th January, 2018.

The Board of Directors recommend passing of resolution as set out under item No. 5.

None of the Directors, Key Managerial Personnel and their relatives except Sh. Santosh Breed is concerned / interested in the said resolution.

Item No. 6

Sh. S.C. Mittal was appointed as a Nominee Director by IL&FS Transportation Networks Limited on the Board of Directors of the Company in accordance with provisions of Section 161 (3) of the Companies Act, 2013 read with clause 6.1.3 and 6.1.4 of the Shareholders Agreement and Articles of Association of the Company w.e.f. 29th January, 2018.

The Board of Directors recommend passing of resolution as set out under item No. 6.

None of the Directors, Key Managerial Personnel and their relatives except Sh. S.C. Mittal is concerned / interested in the said resolution.

Item No. 7

Sh. Abhijit Narendra, ED/T/PPP, Railway Board (DIN: 07851224) was appointed as a Nominee Director by Ministry of Railways on the Board of Directors of the Company in accordance with provisions of Section 161 (3) of the Companies Act, 2013 read with clause 6.1.3 and 6.1.4 of the Shareholders Agreement and Articles of Association of the Company w.e.f. 12th February, 2018.

The Board of Directors recommend passing of resolution as set out under item No. 7.

None of the Directors, Key Managerial Personnel and their relatives except Sh. Abhijit Narendra is concerned / interested in the said resolution.

Item No. 8

Sh. A.K. Srivastava, ED FX-II, Railway Board (DIN: 08187918) was appointed as a Nominee Director by Ministry of Railways on the Board of Directors of the Company in accordance with provisions of Section 161 (3) of the Companies Act, 2013 read with clause 6.1.3 and 6.1.4 of the Shareholders Agreement and Articles of Association of the Company w.e.f. 27th July, 2018.

The Board of Directors recommend passing of resolution as set out under item No. 8.

None of the Directors, Key Managerial Personnel and their relatives except Sh. A.K. Srivastava is concerned / interested in the said resolution.

Item No. 9

Board of Directors in their meeting held on 30th July, 2018 approved to pay a Profit Linked Bonus/incentive @ 40% of the annual basic pay to all the employees of the Company, including Managing Director. Basic pay of the month of March, 2018 will be taken for calculation purpose. Pro- rata payment will be made in case of new employees joining the Company during the Financial Year and a minimum period of 6 months service are to be put in by the employee concerned. Contractual employees including consultants will be paid one month service/ contract fee as applicable in the month of March.

The Board of Directors accordingly recommends the passing of the proposed ordinary resolution as set out under item No. 9 of the notice by the members of the Company.

Save and except the above, none of the other Directors, Key Managerial Personnel and their relatives are concerned / interested in passing of the said ordinary resolution.

Item No. 10

Company has received a letter dated 10th August 2018 from Ministry of Railways setting out the eligibility criteria and terms of employment to be followed in the selection of new Managing Director in the SPV Companies of Ministry of Railways. These guidelines were reviewed by the Board of Directors in the meeting held on 16th August, 2018 and the same were recommended for consideration and approval by the Shareholders of the Company.

After approval of shareholders, these rules would become part of HR Manual of the Company and implemented immediately for the selection of new Managing Director.

None of the Directors is concerned / interested in the said resolution.

The Board of Directors accordingly recommends the passing of the proposed ordinary resolution as set out under item No. 10 of the notice by the members of the Company.

Save and except the above, none of the other Directors, Key Managerial Personnel and their relatives are concerned / interested in passing of the said ordinary resolution.

ITEM NO.11

The Board of Directors in their meeting held on 30th July, 2018 accorded its consent to declare interim dividend for the FY2018-19 @5% (Rs.0.5 per share) amounting to Rs. 9.80 crore plus dividend tax out of profits of the Company. As per Articles of Association of the Company, approval of shareholders in general meeting is required for paying dividend to all members. Accordingly, approval of shareholder is being taken. Record date to ascertain the eligibility of members to receive interim dividend be fixed as September 12, 2018. All the money towards

dividend will be deposited in a separate bank account opened in the name of Company with State Bank of India at its Branch at Rail Bhawan.

The Board of Directors recommend passing of resolution as set out under Item no.11.

None of the Directors, Key Managerial Personnel and their relatives is concerned / interested in the said resolution.

**By order of the Board
For Pipavav Railway Corporation Limited**

Place : New Delhi
Date : August 16, 2018

Sd/-
Company Secretary
Membership No.: A20516