



ANNUAL REPORT 2021-2022



**GATEWAY
DISTRI PARKS
LIMITED**

ABOUT THE GROUP

GATEWAY DISTRI PARKS LIMITED (GDL) is promoted by Mr. Prem Kishan Dass Gupta and his family and through the wholly owned companies, Prism International Private Limited and Perfect Communications Private Limited. The Company is in the business of providing inter-modal logistics with three synergetic verticals – Inland Container Depots (ICD) with rail movement of containers to major maritime ports, Container Freight Stations (CFS) and Temperature Controlled Logistics. During the year, the erstwhile group companies - Gateway Distriparks Ltd and Gateway East India Private Limited were amalgamated with Gateway Rail Freight Limited in December 2021 and the name of the company was changed from Gateway Rail Freight Limited to Gateway Distriparks Limited (GDL).

The Company provides inter-modal rail transportation service for EXIM containers between its rail-linked ICDs at Gurgaon, Ludhiana, Faridabad and Viramgam and maritime ports at Nhava Sheva, Mundra and Pipavav. GDL has been a pioneer in providing regular train services for imports and exports carried by all major shipping lines and major customers with terminals strategically located at manufacturing hubs and aligned with the Western Dedicated Freight Corridor. In addition, the Company is a market leader in the CFS business with facilities at Navi Mumbai, Chennai, Visakhapatnam, Krishnapatnam and Kochi.

The company operates a fleet of 31 rakes and 531 road trailers and has an overall annual handling capacity of over 650,000 TEUs at ICDs and 536,000 TEUs at CFSs with land banks available at existing locations to expand the capacities further. The quality infrastructure created by the company is recognised by our customers, and with heavy investment in technology, GDL is able to provide unmatched service levels to its customers.

The third vertical of the company is temperature controlled logistics services provided through Snowman Logistics Limited (Snowman).

Snowman is the largest cold chain provider in India and provides integrated temperature controlled warehousing, transportation and distribution services, offering a Pan India network to its clients. Snowman has a nationwide network of temperature controlled and dry warehouses. With its premium customer service and intricate distribution network, it is the trusted market leader in supply chain management today for Pharma, Vaccines, e-Commerce, Quick Service Restaurants, Seafood, Poultry, Dairy, Batteries, Industrial Products and more and continues to expand in new locations as the market demand develops further.

Going forward, the Gateway Distriparks Group plans to expand in new locations as well as utilise its extensive land banks to further extend capacities as well as develop infrastructure for providing new & innovative services to capture the demands of the ever changing market.

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OUR PERFORMANCE

Revenue (₹ Crore)	1,373.66
EBITDA (₹ Crore)	401.70
PAT (₹ Crore)	223.82
Cash Profit (₹ Crore)	300.83
EBITDA Margin (%)	29
Debt Equity Ratio	0.31
Net worth (₹ Crore)	1,646.56

CHAIRMAN'S STATEMENT

Dear Shareholders,

I am pleased to present the Annual Report for the financial year ended 31st March 2022.

During the year, the erstwhile company – Gateway Distriparks Ltd and subsidiary company – Gateway East India Private Limited – got amalgamated with our Company in December 2021 and the name of our company was changed from Gateway Rail Freight Limited to Gateway Distriparks Limited.

Our Company has delivered strong results in FY 2021-22, despite the challenges faced by the global economy. Our focus continues to be on optimizing operating costs and creating integrated supply chain solutions for our customers using our multi modal strength. Furthermore, our Company continues to be a market leader and provide innovative solutions in all of its verticals. With best-in-class infrastructure, strategically located terminals, and by continuously incorporating new technologies, our Company is able to integrate very well with its customers and add value to their overall supply chain.

Going ahead we plan to expand on our network of rail connected terminals to further provide both sustainable & affordable options for transportation to our customers. As we are seeing a large shift from trucking to rail transportation by manufacturers, new rail terminals in the north-west region near industrial hubs which will feed into our existing network of rail terminals that are aligned with the Western Dedicated Freight Corridor (DFC). Our company stands to gain directly from the DFC since we had taken an early position on ICDs that are connected to it. We have already been handling double stacked containers since 2011 and using the advantage of a hub and spoke model of operation between our terminals. Now as each section of the corridor becomes operational, the turnaround time of our trains further improves.

Snowman Logistics continues to be a leader in providing temperature-controlled warehousing, transportation and distribution services across India, and we plan to expand this vertical to meet the growing demands of the industry for high quality service providers.

In FY 2021-22, GDL group which includes Gateway Distriparks Limited (after amalgamation), subsidiary company - Gateway Distriparks (Kerala) Limited and associate company – Snowman Logistics Limited, had a total revenue of Rs. 1,660 crores as against Rs. 1,416 crores in the previous year. EBITDA (including other income) increased to Rs. 475 crores from Rs. 393 crores while Total comprehensive income (before minority interest) for the group was Rs. 226 crores as against Rs. 95 crores during FY 2020-21. During the year the Group achieved throughput of 7.07 lakh TEUs, as against 5.69 lakh TEUs in FY 2020-21. The erstwhile holding company – Gateway Distriparks Limited had paid interim dividend of Rs. 5 per share for FY 2021-22.

Note of Thanks

We would like to extend our sincere thanks to all our partners, clients, employees, investors and all other stakeholders who have been part of our journey and have enabled us to grow as an integrated logistics services provider.

Regards,

Prem Kishan Dass Gupta

Chairman & Managing Director



Prem Kishan Dass Gupta
Chairman & Managing Director

BOARD OF DIRECTORS



Mr. Prem Kishan Dass Gupta
Chairman & Managing Director



Mr. Ishaan Gupta
Joint Managing Director



Mr. Samvid Gupta
Joint Managing Director



Mrs. Vanita Yadav
Independent Director



Mr. Anil Aggarwal
Independent Director



Mr. Arun Kumar Gupta
Independent Director

CORPORATE INFORMATION

Committees of the Board of Directors

A. Audit Committee

1. Mr. Anil Aggarwal,
Chairman of the Committee
2. Mr. Arun Kumar Gupta
3. Mr. Samvid Gupta

B. Stakeholders Relationship Committee

1. Mr. Anil Aggarwal,
Chairman of the Committee
2. Mr. Samvid Gupta
3. Mrs. Vanita Yadav

C. Nomination and Remuneration Committee

1. Mr. Arun Kumar Gupta,
Chairman of the Committee
2. Mr. Prem Kishan Dass Gupta
3. Mr. Anil Aggarwal
4. Mrs. Vanita Yadav

D. Corporate Social Responsibility Committee

1. Mr. Ishaan Gupta,
Chairman of the Committee
2. Mr. Prem Kishan Dass Gupta
3. Mr. Arun Kumar Gupta

E. Risk Management Committee

1. Mr. Samvid Gupta,
Chairman of the Committee
2. Mr. Ishaan Gupta
3. Mr. Arun Kumar Gupta

F. Implementation Committee

1. Mr. Prem Kishan Dass Gupta,
Chairman of the Committee
2. Mr. Ishaan Gupta
3. Mr. Samvid Gupta

Board of Directors of Subsidiary Companies

Gateway Distriparks (Kerala) Ltd:

1. Mr. Prem Kishan Dass Gupta,
Chairman
2. Mr. Anil Aggarwal
3. Mr. Arun Kumar Gupta
4. Mr. P. Narayan
5. Mr. Raghu Jairam

Container Gateway Limited

1. Mr. Sachin Surendra Bhanushali
2. Mr. Sanjay Swaroop
3. Mr. Anuj Kalia

Board of Directors of Associate Company:

Snowman Logistics Limited

1. Mr. Prem Kishan Dass Gupta,
Chairman
2. Mr. Bhaskar Avula Reddy
3. Mr. Arun Kumar Gupta
4. Mr. Sunil Prabhakaran Nair
5. Mr. Anil Aggarwal
6. Mr. Ishaan Gupta
7. Mr. Samvid Gupta
8. Mrs. Vanita Yadav

Registered Office

Sector 6, Dronagiri, Taluka Uran,
District - Raigad,
Navi Mumbai - 400 707
CIN: U60231MH2005PLC344764
Tel. No.: +91 22 2724 6500
Fax No.: +91 22 2724 6538
E: investor.relations@gatewayrail.in
W: www.gatewaydistriparks.com

Container Freight Station (CFS)

- a) Sector 6, Dronagiri,
Taluka Uran, District Raigad,
Navi Mumbai - 400 707
- b) No. 200, Ponneri High Road,
New Manali, Chennai - 600 103
- c) Krishnapatnam Port Road,
Thatipartipalem Village,
Nidiguntapalem Post, Nellore,
Andhra Pradesh - 524323
- d) VPT - EXIM PARK,
Opp. GAIL, Sheela Nagar,
Visakhapatnam - 530012

Inland Container Depots (ICD)

- a) ICD Garhi Harsaru
Opp. Railway Station,
Garhi Harsaru,
New Wazirpur More,
Via Pataudi Road,
Dist. Gurugram, Haryana 122505
- b) ICD Faridabad
Rail Linked Logistics Park
Piyala, Ballabhgarh,
Faridabad 121004
- c) ICD Viramgam
Mandal by pass Road,
Near Popat Chokadi,
Village - Bhojva,
Viramgam - 382150
Dist - Ahmedabad, Gujarat
- d) ICD Ludhiana - G.T. Road,
Sahnawal,
Ludhiana - 141120

Group Companies

Gateway Distriparks (Kerala) Ltd.,
Kochi - 682504.

Container Gateway Limited
Garhi Harsru Gurgaon
Haryana - 122505

Snowman Logistics Ltd.,
Navi Mumbai - 410206.

Bankers

HDFC Bank Limited
Axis Bank Limited

Internal Auditors

S P Chopra & Co.,
Chartered Accountants

Secretarial Auditors

SGS Associates LLP,
Company Secretaries

Auditors

S R Batliboi & Co. LLP,
Chartered Accountants.

Registrar and Transfer Agents

Link Intime India Private Limited

DIRECTORS' REPORT

Your Directors are pleased to present their report for the year ended 31st March 2022.

A. Scheme of Amalgamation

At its meeting held on 28th September, 2020 the Board of Directors had approved a composite scheme of amalgamation under Sections 230 to 232 read with other applicable provisions of the Companies Act 2013, involving amalgamation of Gateway East India Private Limited (GEIPL) with Gateway Distriparks Limited (erstwhile holding company) and post the aforesaid amalgamation, Gateway Distriparks Limited (erstwhile holding company) amalgamated into Gateway Rail Freight Limited (GRFL) (now known as Gateway Distriparks Limited). The Hon'ble National Company Law Tribunal, Mumbai Bench ("NCLT") vide its order dated 2nd December 2021 sanctioned the said Scheme of Amalgamation.

The certified Scheme with the Appointed Date of 1st April, 2020 was filed with the Registrar of Companies on 28th December 2021 ("Effective Date") and on and from 28th December 2021, both GEIPL and GDL (holding company) were dissolved without being wound up as envisaged in Scheme.

The Implementation Committee of your Company at its Meeting held on 25th January, 2022 had allotted 49,93,43,632 equity shares of Rs. 10/- each fully paid- up to the equity shareholders of Gateway Distriparks Limited (erstwhile holding company) whose names appeared in the register of member/ record of the depositories as a beneficial owner on the Record Date i.e., 6th January, 2022, in the following manner: "4:1 i.e. 4 (Four) equity shares of Gateway Rail Freight Limited (now known as Gateway Distriparks Limited) of INR 10 each fully paid up for every 1 (One) equity share of erstwhile Gateway Distriparks Ltd. of INR 10 each fully paid up."

Pursuant to the Scheme of Amalgamation whereby Gateway Distriparks Limited (erstwhile holding company) had merged with Gateway Rail Freight Limited and subsequent to the approval of Registrar of Companies, Mumbai, the name of Gateway Rail Freight Limited was changed to Gateway Distriparks Limited (effective from 11th February 2022).

Listing of Equity Shares

Subsequent to the approval to the aforesaid Composite Scheme of Amalgamation, your Company had filed application for listing of its Equity Shares with BSE Limited and National Stock Exchange of India Limited. Your Company had received Trading Approval from the Stock Exchanges on 17th March, 2022 and the equity shares were listed on 22nd March, 2022.

B. Consolidated Financial Results

		(Rs. In Lakhs)	
Sl. No	Particulars	2021-22	2020-21
1.	Income from Operations and Other Income	140,682.40	119,065.59
2.	Profit before Finance Cost, Depreciation and taxes	40,169.79	32,430.63
3.	Finance cost	6,470.13	7,947.85
4.	Depreciation & Amortisation	12,766.86	13,142.06
5.	Profit before Exceptional items & taxation (including share of profit from Associate)	21,011.60	11,346.65
6.	Exceptional item	-	-
7.	Provision for taxes	(1,370.47)	1,898.11
8.	Profit for the year from continuing operations	22,382.07	9,448.54
9.	Other Comprehensive Income	58.90	22.34
10.	Total Comprehensive Income for the year	22,440.96	9,470.88

(Rs. In Lakhs)

Sl. No	Particulars	2021-22	2020-21
11.	Balance of profit/loss for earlier years	72,711.83	8,879.35*
	Add: Total Comprehensive Income for the year (net of non-controlling interest)	22,438.05	9,458.44
	Add: Acquisition through business combination	-	59,376.49
	Add : Transfer from Debenture Redemption Reserve	55.00	-
	Less: Dividend paid on Equity shares	6247.00	5,002.45
	Balance carried forward	88,957.88	72,711.83

* Rs.8,879.35 lakhs is the balance of profit as at 31 March 2020 of the Company on consolidated basis prior to taking into effect the merger of the group Companies.

The Financial Statements of your Company has been prepared in accordance with the provisions of the Companies Act, 2013 and Indian Accounting Standards ("Ind AS") notified under the Companies (Indian Accounting Standards) Rules, 2015, as amended from time to time. No amount has been transferred to reserves during the financial year 2021-22.

C. Dividend

Your Company has declared and paid interim dividend during the financial year by the Board of Directors in their Board Meeting held on 26th April, 2021 as per the following details:

- Interim dividend of Rs. 1.73 per equity share of the face value of Rs. 10 each (@17.3%) aggregating to Rs. 3485.95 lakhs.
- Interim dividend of Rs. 4.33 per equity share of the face value of Rs. 25 each (@17.32%) aggregating to Rs. 433/-.
- Interim dividend @ 0.0001% of the face value of Rs. 24.65 each per Compulsorily Convertible Preference Shares (CCPS) aggregating to Rs. 2958/-
- Interim dividend of Rs. 2.89 per Compulsorily Convertible Preference Shares (CCPS) of the face value of Rs. 24.65 each (@ 11.72%) aggregating to Rs. 3468 lakhs.

The total payout is Rs. 6953.98 Lakhs, subject to deduction of TDS, for the financial year 2021-22. The Interim dividend pay-out is in accordance with your Company's dividend distribution policy and is paid out of free reserves available for this purpose. The dividend distribution policy can be accessed by clicking on the web link: <https://gatewaydistriparks.com/Investor.php>.

The erstwhile holding company – Gateway Distriparks Limited has paid interim dividend of Rs. 5 per share for FY 2021-22 amounting to Rs. 6,241.80 lakhs, subject to deduction of tax at source.

Your Company does not recommend Final Dividend for the financial year 2021-22.

D. Capital & Debt Structure

Share Capital

During the year under review, pursuant to composite scheme of amalgamation (merger by absorption) amongst Gateway Distriparks Limited ("GDL"), Gateway East India Private Limited ("GEIPL") and Gateway Rail Freight Limited ("GRFL") and their respective shareholders under Sections 230 to 232 read with other applicable provisions of the Companies Act 2013 and rules framed thereunder ("Scheme"), as approved and sanctioned by the Hon'ble National Company Law Tribunal, Mumbai Bench ("NCLT") vide order dated December 02, 2021 and as per the valuation report 4 (Four) fully paid-up equity shares of Rs.10 (Rupees Ten) each, for every 1 (One) fully paid-up equity share of Rs.10 (Rupees Ten) each held by them in Erstwhile Gateway Distriparks Ltd were to be allotted to the shareholders of Gateway Distriparks Ltd as on the Record Date i.e. 6th January, 2022.

Pursuant to the aforesaid composite scheme of amalgamation the Company has issued and allotted 49,93,43,632 Equity Shares of face value of Rs. 10/- each.

Post the merger, as at March 31, 2022, the Authorised Share Capital of your Company is Rs. 948,50,02,500 divided into 53,77,00,000 equity shares of Rs. 10 each, 100 equity shares of Rs. 25 each, 12,00,00,000 compulsorily convertible preference shares of Rs. 24.65 each and 11,50,00,000 zero coupon redeemable preference shares of Rs. 10 each. The Issued and Paid up Capital of your Company is Rs. 4,99,64,38,360 divided into 49,96,43,836 equity shares of Rs. 10/- each.

Debentures

Pursuant to the Scheme of Amalgamation, the debentures issued by Erstwhile Gateway Distripark Ltd were transferred to your Company. The 13 series of Rated, Secured, Redeemable, Non-Convertible Debentures of face value Rs. 10 lakhs each aggregating to Rs. 550 crores at coupon rates of 11.25% and 11.50%, were issued in March 2019. The debentures were issued on private placement basis through Electronic Book Mechanism using the BSE Bond platform. The Issue had opened & closed on: 27th Mar 2019 and the Allotment date was 28th March 2019. The debentures were listed at BSE Ltd.

Details of the non-convertible debentures issued on 28th March 2019 and outstanding as on 31st March 2022: Nil

Series A1- ISIN – INE852F07079, were redeemed much ahead of its scheduled redemption on 7 April 2021. The redemption of Series A1 debentures were done in tranches, by redeeming: – 500 debentures for Rs. 5,000 lakhs in January 2020, 600 debentures for Rs. 6,000 lakhs in May 2020, 250 debentures for Rs. 2,500 lakhs in June 2020 and balance 1,150 debentures for Rs. 11,500 lakhs in August 2020. Series A2 and A3 debentures, aggregating to Rs. 2,000 lakhs were redeemed on the scheduled date – 7 April 2021. The remaining 2,800 debentures were redeemed on 28th March 2022 by paying Rs. 28,782.10 lakhs (including interest – Rs. 782.10 lakhs). Subsequently, the debentures have been extinguished and delisted from BSE Ltd.

India Ratings and Research Private Limited had placed the Long-Term Issuer Rating of 'IND AA' with stable outlook.

Beacon Trusteeship Ltd. was the Trustee for the Debenture issue. Their contact details are:

Beacon Trusteeship Ltd.

CIN:U74999MH2015PLC271288

4C, Siddhivinayak Chambers,

Gandhi Nagar, Opp MIG Cricket Club,

Bandra (East), Mumbai 400 051

Ph: 022-26558759

Email: contact@beacontrustee.co.in Website: www.beacontrustee.co.in

E. Credit Rating

India Ratings and Research Private Limited have placed your Company's Long-Term Issuer Rating of 'IND AA' with a stable outlook. The Outlook was Stable.

Instrument type	Issue size (million)	Rating /outlook
Term loans	INR 1799	IND AA/ Stable
Fund based limits	INR 400	IND AA/ Stable /IND A1+
Non fund based limits	INR 415	IND AA/ Stable /IND A1+

F. Management Discussion & Analysis:

i) Industry structure and developments

The logistics industry was considered as an essential service all throughout the COVID-19 pandemic as the transportation and warehousing of goods was crucial for catering to the needs of consumers across all sectors. Container Freight Stations and Inland Container Depots played a very important role to help with the flow of goods

as the ports were getting congested. After the initial impact of COVID on manufacturing, the volumes have bounced back and as an industry the role of supply chain partners has become more critical to support this growth.

A major development that has taken place is the inauguration of the first section of the Western Dedicated Freight Corridor which will bring in much needed capacity for freight movements on rail and will prove to be an impetus to growth for the manufacturing sector in India. There is a growing shift from trucking to rail transportation as it is both a sustainable means of transportation and at the same time it is more affordable for our customers with the recent hikes in fuel prices. With more and more sections of the DFC becoming operational, this shift will be faster.

ii) Opportunities and threats

Your Company and its subsidiaries, was operational 24/7 without any disruption since the beginning of the lockdown. The Group had implemented several measures to secure the continuation of operations while caring for the health and well-being of its employees.

Ports and related activities being one of the essential services, your Company foresees opportunities for expansion and increase in profitability in the growing containerization in Export-Import trade and rail movement, increase in private sector participation in ports and movement of containers by rail, liberalization of Government policies and increase in the country's foreign trade.

The company has expanded its business relating to operating container trains on the Indian railways network. Your Company has put in place a fleet of railway rakes / trailers and ICDs to provide end-to-end solution to customers across the country and continues to be the leader in Private Container Train Operators. Your Company continues to prune costs through various measures and also augment its equipment for handling and transporting containers. There has been no change in the nature of business of your Company during the year.

Your Company's cold chain logistics arm, Snowman Logistics Ltd. is a listed company since FY 2014-15. Snowman has expanded its capacity to become a premier player in this emerging business. Competition from existing and new entrants and managing the geographical / capacity expansion present your Company with new challenges, however the market is also growing at a fast pace allowing your Company to expand further in new markets and geographies.

iii) Segment-wise / Product-wise performance

Your Company's entire business is from inter-modal logistics. There are no other primary / secondary segments in your Company's business.

iv) Outlook

Though the pandemic situation is continuing, economies are now opening up with lesser restrictions. Increase in the Export – Import trade would boost the economy and with growth in port volumes, result in increased throughput at our CFSs and ICDs. The growth in demand for the cold chain logistics business, especially in the area of pharma and food, are expected to have a positive impact on your Company's long term business and profitability.

v) Risks and concerns

While your Company is taking a precautionary approach to safeguard the health and safety of employees, business partners and members of the public, the Covid-19 pandemic is a cause of concern and your Company is keeping a close watch on the Government directives. To mitigate the risk of congestion of containers at your Company's facilities, adequate warehousing services will be provided.

vi) Internal Control systems and adequacy

Your Company makes use of IT enabled solutions in its operations, accounting and for communication within its facilities and with customers and vendors. Pursuant to Companies (Accounts) Rules, 2014, a control assurance program including internal financial controls (IFC) has been implemented and tested during the year. The control framework had integrated components including control environment, risk assessment, control activity, information and communication and monitoring. The controls were documented, assessed, tested and found satisfactory. The evaluation was carried out under guidance of Chief Financial Officer. Your Company's accounts and operations are subject to internal audit and review by the Audit Committee of the Board of Directors.