

# CONTAINER CORPORATION OF INDIA LIMITED

(A Government of India Undertaking)

## ANNUAL REPORT 2010-11



## मिशन

“हमारा मिशन अपने व्यावसायिक सहयोगियों और शेयरधारकों के साथ मिलकर कॉनकॉर को एक उत्कृष्ट कंपनी बनाने का है। अपने व्यावसायिक सहयोगियों के सक्रिय सहयोग से तथा लाभप्रदता एवं वृद्धि सुनिश्चित करके अपने ग्राहकों को अनुक्रियाशील, लागत प्रभावी, दक्ष और विश्वसनीय संभारतंत्र साधन उपलब्ध कराकर हम अवश्य ही ऐसा कर पाएंगे। हम अपने ग्राहकों की पहली पसंद बने रहने के लिए प्रयासरत हैं। हम अपने सामाजिक दायित्वों के प्रति दृढ़तापूर्वक प्रतिबद्ध हैं और हम पर जो विश्वास रखा गया है, उस पर खरे उतरेंगे।”

## Mission

“Our mission is to join with our community partners and stake holders to make Concor a company of outstanding quality. We do this by providing responsive, cost effective, efficient and reliable logistics solutions to our customers through synergy with our community partners and ensuring profitability and growth. We strive to be the first choice for our customers. We will be firmly committed to our social responsibility and prove worthy of trust reposed in us.”



## लक्ष्य

“हम ग्राहक केंद्रित, निष्पादन प्रेरित, परिणाम अभिमुख संगठन बनेंगे जिसका मुख्य लक्ष्य ग्राहकों को प्रतिलाभ दिलाना होगा”

“हम संसाधनों का लाभप्रद उपभोग करने हेतु तथा उच्च गुणवत्ता वाली सेवाएं देने के लिए प्रयासरत रहेंगे और श्रेष्ठता हेतु मानक स्थापित करने के रूप में हमारी पहचान होगी। ”

“हम परिष्कृत नवीन सेवाएं देने के लिए निरन्तर नए और बेहतर विकल्प खोजेंगे। ग्राहकों की सुविधा और संतुष्टि ही हमारा ध्येय होगा। हम अपने व्यावसायिक प्रतिस्पर्धियों से सीख लेंगे और श्रेष्ठता हेतु सदैव प्रयासरत रहेंगे।”

“हम अपने संगठन के लक्ष्यों और मिशन के समर्थन में परिमेय निष्पादन लक्ष्य निर्धारित करेंगे। हम अपने प्रतिस्पर्धियों के मुकबले स्वयं ही मानक स्थापित करेंगे तथा अपने संगठन की उन्नति के लिए अपने व्यवसाय और परिचालन के सभी क्षेत्रों में एक संव्यावसायिक, सक्षम और समर्पित टीम के रूप में कार्य करेंगे।”

“हम व्यवसाय—सम्मत उच्चतम मानकों का अनुसरण करेंगे तथा उत्तरदायी निगमित हस्ती के रूप में सामाजिक दायित्वों का निर्वहन करते हुए व्यावसायिक समुदाय के लिए समाजिक मूल्यों में अत्यधिक वृद्धि करेंगे।”

“हम अपने कार्यालयीन कार्यों में पूर्णतः सत्यनिष्ठा, ईमानदारी, पारदर्शिता और निष्पक्षता बनाए रखेंगे। हम निजी जिंदगी में भी नैतिकता के उच्च आदर्श बनाए रखने हेतु प्रयासरत रहेंगे। ”

## Objectives

“ We will be a customer focussed , performance driven , result oriented organisation, focussed on providing value for money to our customers..”

“ We will strive to maximise productive utilisation of resources, deliver high quality of services, and be recognised as setting the standards for excellence.”

“ We will constantly look for new and better ways to provide innovative services. We will aim for customer convenience and satisfaction, learn from our competitors and always strive for excellence.”

“ We will set measurable performance goals to support the objectives and mission of our organisation and work as a professional, competent and dedicated team for the organisation to achieve excellence in all areas of our business and operations by benchmarking ourselves with our competitors.”

“ We will follow highest standards of business ethics and add social value for the community at large by discharging social obligations as a responsible corporate entity.”

“ We will maintain absolute integrity, honesty, transparency and fair-play in all our official dealings and strive to maintain high standards of morality in our personal life.”



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# 10 YEARS FINANCIAL/PHYSICAL PERFORMANCE (YEAR WISE DATA)

## FINANCIAL PERFORMANCE

(₹ In Crores)

S.NO	PARTICULARS	2001-02	2002-03	2003-04	2004-05	2005-06	2006-07	2007-08	2008-09	2009-10	2010-11
1	Total Income (Including other Income)	1,335.41	1,533.84	1,807.40	2,043.33	2,489.16	3,141.94	3,510.33	3,628.25	3,885.73	4,030.18
2	Expenditure (Incl. Increase/decrease in stock)	909.90	1,056.36	1,253.15	1,366.82	1,735.54	2,166.11	2,455.49	2,486.10	2,744.04	2,826.68
3	Operating Margin (1-2)	425.51	477.48	554.25	676.51	753.62	975.83	1,054.84	1,142.15	1,141.69	1,203.50
4	Interest Expenses	2.87	2.74	0.25	0.29	0.23	-	-	-	-	-
5	Depreciation	33.47	43.94	55.28	66.62	83.26	93.58	106.34	115.91	135.10	145.23
6	Profit before Tax	389.17	430.80	498.72	609.60	670.13	882.25	948.50	1,026.24	1,006.59	1,058.27
7	Profit after Tax	249.48	272.85	367.59	428.60	525.80	703.82	752.21	791.20	786.69	875.95
8	Dividend	64.99	71.48	81.24	94.23	116.98	142.98	168.98	181.98	181.98	201.48
9	Profit & Loss Account Balance	782.83	947.75	1,186.72	1,465.38	1,805.21	2,273.49	2,752.78	3,251.95	3,747.47	4,301.29
10	General Reserve	61.48	88.77	125.53	168.39	220.97	291.35	366.15	380.28	458.95	546.54
11	Term Loan	54.65	14.37	11.99	10.60	-	-	-	-	-	-
12	Reserves & Surplus (9+10)	844.32	1,036.52	1,312.25	1,633.77	2,026.18	2,564.84	3,118.93	3,632.23	4,206.42	4,847.83
13	Fixed Assets (Gross Block)	752.65	982.50	1,198.79	1,538.62	1,793.61	2,025.33	2,244.24	2,640.95	2,988.86	3,286.15
14	Sundry Debtors	9.04	8.34	5.78	5.73	8.52	9.90	13.83	15.72	17.64	17.27
15	Foreign Exchange Earnings	-	0.19	0.26	0.66	-	-	-	-	-	-
16	Share Capital	64.99	64.99	64.99	64.99	64.99	64.99	64.99	129.98	129.98	129.98
17	Capital Employed	956.09	1,114.96	1,387.90	1,600.86	1,940.09	2,456.61	3,030.16	3,507.20	4,100.33	4,643.27
18	Government Investment	41.00	41.00	41.00	41.00	41.00	41.00	41.00	82.00	82.00	82.00
19	Net Worth (12+16)	909.31	1,101.51	1,377.24	1,698.76	2,091.17	2,629.83	3,183.92	3,762.21	4,336.40	4,977.81
20	Profit Before Tax to Capital Employed (6÷17)	0.41	0.39	0.36	0.38	0.35	0.36	0.31	0.29	0.25	0.23
21	Operating Margin to Capital Employed (3÷17)	0.45	0.43	0.40	0.42	0.39	0.40	0.35	0.33	0.28	0.26
22	Profit after Tax to Share Capital (7÷16)	3.84	4.20	5.66	6.59	8.09	10.83	11.57	6.09	6.05	6.74
23	Expenditure to Income (2÷1)	0.68	0.69	0.69	0.67	0.70	0.69	0.70	0.69	0.71	0.70
24	Number of Employees	781	841	915	988	1,036	1,080	1,134	1,176	1,129	1,147
25	Income per Employee (1÷24)	1.71	1.82	1.98	2.07	2.40	2.91	3.10	3.09	3.44	3.51
26	Foreign Exchange Earnings Per Employee (15÷24)	-	-	-	-	-	-	-	-	-	-
27	Current Ratio	2.68	2.27	2.51	2.38	2.47	2.98	3.54	3.51	4.05	5.21
28	Debt/Equity Ratio (11÷19)	0.06	0.01	0.01	0.01	-	-	-	-	-	-
29	Investments	0.66	0.66	3.45	84.00	129.38	131.70	155.36	203.08	240.54	243.96
<b>PHYSICAL PERFORMANCE (TEUs)*</b>											
1	International Handling	905058	1031925	1251618	1376516	1556714	1715661	1977399	1854959	1882277	2018551
2	Domestic Handling	326775	351238	350501	351460	373848	389605	470370	453273	538970	543746
3	Total (1+2)	1231833	1383163	1602119	1727976	1930562	2105266	2447769	2308232	2421247	2562297

\* Twenty foot equivalent units



## COMPANY INFORMATION

### BOARD OF DIRECTORS

**Shri Vinay Mittal**

Chairman (Non-Executive)

**Shri Anil Kumar Gupta**

Managing Director

**Shri Harpreet Singh**

Director (Projects & Services)

**Shri Yash Vardhan**

Director (Intl. Marketing & Opn.)

**Smt. P. Alli Rani**

Director (Finance)

**Shri S.K. Das**

Director

**Lt. Gen. Arvind Mahajan (Retd.), PVSM, AVSM, VSM&bar**

Director

**Dr. (Prof.) A. K. Bandyopadhyay**

Director

**Dr. (Prof.) Shri Kausik Gupta**

Director

### COMPANY SECRETARY

**Shri Harish Chandra**

Group General Manager (Finance & Company Secretary)

### STATUTORY AUDITORS

M/s. Kumar Chopra & Associates  
**New Delhi**

### BRANCH AUDITORS

M/s. Ghosh & Pande.,  
**Kolkata**

M/s. P S Moorthy Associates,  
**Chennai**

M/s Ambalal Patel & Co.,  
**Ahmedabad**

M/s Natvarlal Vepari and Co.,  
**Mumbai**

### BANKERS

Axis Bank Ltd.

Bank of India

Canara Bank

CitiBank

Corporation Bank

HDFC Bank Ltd.

ICICI Bank Ltd.

IDBI Bank Ltd.

Indian Overseas Bank

Indian Bank

Jammu & Kashmir Bank

Punjab National Bank

Punjab & Sind Bank

Standard Chartered Bank

Syndicate Bank

State Bank of India

State Bank of Patiala

Union Bank of India

YES Bank Ltd.

### Registrars & Share Transfer Agent

M/s. Beetal Financial & Computer  
Services (P) Ltd., New Delhi

NOTE : 1. No gift will be distributed in the Annual General Meeting.

2. Members are requested to bring their copy of Annual Report.

## NOTICE

Notice is hereby given that the 23rd Annual General Meeting of the Shareholders of the Company will be held as under:

Day	:	Monday
Date	:	19th September, 2011
Time	:	16:00 Hrs.
Venue	:	Auditorium, National Railway Museum, Nyaya Marg, Near Bhutan Embassy, Chanakyapuri, New Delhi-110021

to transact, with or without modifications, as may be permissible, the following business:

### **ORDINARY BUSINESS:**

To consider, and if thought fit, to pass the following resolutions as Ordinary Resolutions:

1. To receive, consider and adopt the Balance Sheet as at 31st March, 2011, Profit & Loss Account for the year ended on that date and the Reports of Board of Directors and Auditors thereon.
2. To confirm the payment of Interim dividend and to declare dividend on equity shares for the financial year ended 31st March, 2011.
3. To appoint a Director in place of Shri Anil Kumar Gupta, who retires by rotation and being eligible, offers himself for reappointment.
4. To appoint a Director in place of Shri Harpreet Singh, who retires by rotation and being eligible, offers himself for reappointment.
5. To appoint a Director in place of Smt. P. Alli Rani, who retires by rotation and being eligible, offers herself for reappointment.
6. To take note of the appointment of M/s. Kumar Chopra & Associates, Chartered Accountants, New Delhi as Statutory Auditors of the Company and to pass the following resolution as an Ordinary Resolution :  
"RESOLVED that the appointment of M/s. Kumar Chopra & Associates, Chartered Accountants as Statutory Auditors of the Company for the financial year 2010-11 in terms of the order no. CA. V/COY/CENTRAL GOVERNMENT/CCIL(5)/27 dated 12.07.2010 of Comptroller & Auditor General of India be and is hereby noted."

### **SPECIAL BUSINESS:**

To consider, and if thought fit, to pass with or without modification(s), the following resolutions as Ordinary Resolutions:

7. "RESOLVED that Shri Vinay Mittal, be and is hereby appointed as Part-time Chairman of the Company w.e.f. 26.07.2011 in terms of Railway Board's order no. 2004/PL/51/3, dated 26.07.2011 and shall be liable to retire by rotation.
8. "RESOLVED that Lt. Gen. (Retd.) Arvind Mahajan, be and is hereby appointed as Part-time Director of the Company w.e.f. 13.05.2011 in terms of Railway Board's order no. 2010/PL/51/1, dated 13.05.2011 and shall be liable to retire by rotation."
9. "RESOLVED that Dr. (Prof.) A.K. Bandyopadhyay, be and is hereby appointed as Part-time Director of the Company w.e.f. 13.05.2011 in terms of Railway Board's order no. 2010/PL/51/1, dated 13.05.2011 and shall be liable to retire by rotation."
10. "RESOLVED that Dr. (Prof.) Kausik Gupta, be and is hereby appointed as Part-time Director of the Company w.e.f. 13.05.2011 in terms of Railway Board's order no. 2010/PL/51/1, dated 13.05.2011 and shall be liable to retire by rotation."

By order of Board of  
**CONTAINER CORPORATION OF INDIA LIMITED**

Date : 10.08.2011  
Place : New Delhi

(HARISH CHANDRA)  
Group General Manager (Finance & Company Secretary)



## NOTICE

### **NOTES**

- (a) The relevant details in respect of Item Nos. 3, 4, 5, 7, 8, 9 & 10 above, pursuant to Clause 49 of the Listing Agreement are annexed hereto.
- (b) A member entitled to attend and vote at the meeting is entitled to appoint a proxy to attend and vote instead of himself/herself and proxy need not be a Member.
- (c) The instrument appointing proxy should however be deposited at the Registered Office of the Company not less than forty eight hours before the commencement of the meeting.
- (d) The Register of Members and Share Transfer Books will remain close from 8th September, 2011 to 19th September, 2011 (both days inclusive).
- (e) Members holding shares in Physical form are requested to notify immediately change in their address & Bank account details to the Registrar and Share Transfer Agent of the Company by quoting their folio numbers and those in demat mode, to their Depository Participant.
- (f) Dividend on Equity shares as recommended by the Directors for the year ended on 31st March, 2011 when declared at the Meeting, will be paid:
  - (i) to those Members whose names appear in the Register of Members of the Company, after giving effect to all valid Share Transfers in Physical form lodged with the Company and its Registrar on or before 07.09.2011.
  - (ii) in respect of Shares held in electronic form, to those “deemed members” whose names appear on the Statements of beneficial ownership furnished by National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL), at the end of business hours on 07.09.2011.
- (g) Shareholders who have not encashed their dividend warrant(s) so far for the financial year ended 31st March, 2004 or any subsequent financial years, are requested to make their claim to the Company or Registrar and Share Transfer Agents, M/s Beetal Financial & Computer Services (P) Ltd. Shareholders are requested to note that in terms of provisions of Section 205A & 205C of the Companies Act, 1956, any dividend, which remains un-paid/un-claimed for a period of seven years from the date of its transfer to the unpaid/unclaimed dividend account, will be transferred to Investor Education and Protection Fund established by Central Government. Thereafter, no claim shall be entertained in respect of dividend transferred to the said Fund.

### **EXPLANATORY STATEMENT PURSUANT TO SEC. 173(2) OF THE COMPANIES ACT, 1956**

#### **Item No. 7**

Ministry of Railways, Government of India vide its order no.2004/PL/51/3, dated 26.07.2011 has communicated that the President of India in terms of Article 66 of Articles of Association of Company has appointed Shri Vinay Mittal, Chairman/Railway Board, looking after the duties of post of Member Traffic also, on the Board of the Company as Part-time Chairman w.e.f. 26.07.2011.

Accordingly, the requisite particulars of Shri Vinay Mittal, in the prescribed forms are being filed with the Registrar of Companies, NCT of Delhi & Haryana, New Delhi.

In terms of Section 255 of the Companies Act, 1956, the above appointment is required to be confirmed in this Annual General Meeting.

None of the Directors, except Shri Vinay Mittal, is concerned or interested in the resolution.

**NOTICE****Item No.8**

The Government of India has appointed Lt. Gen. (Retd.) Arvind Mahajan, as Part-time Director of the Company w.e.f. 13.05.2011 in terms of Railway Board's order no. 2010/PL/51/1, dated 13.05.2011.

Accordingly, the Company has filed the requisite particulars of Lt. Gen. (Retd.) Arvind Mahajan, in the prescribed forms with the Registrar of Companies, NCT of Delhi & Haryana, New Delhi.

In terms of Section 255 of the Companies Act, 1956, the above appointment is required to be confirmed in this Annual General Meeting.

None of the Directors, except Lt. Gen. (Retd.) Arvind Mahajan, is concerned or interested in the resolution.

**Item No.9**

The Government of India has appointed Dr.(Prof.) A.K. Bandyopadhyay as Part-time Director of the Company w.e.f. 13.05.2011 in terms of Railway Board's order no. 2010/PL/51/1, dated 13.05.2011.

Accordingly, the Company has filed the requisite particulars of Dr.(Prof.) A.K. Bandyopadhyay, in the prescribed forms with the Registrar of Companies, NCT of Delhi & Haryana, New Delhi.

In terms of Section 255 of the Companies Act, 1956, the above appointment is required to be confirmed in this Annual General Meeting.

None of the Directors, except Dr.(Prof.) A.K. Bandyopadhyay, is concerned or interested in the resolution.

**Item No.10**

The Government of India has appointed Dr.(Prof.) Kausik Gupta as Part-time Director of the Company w.e.f. 13.05.2011 in terms of Railway Board's order no. 2010/PL/51/1, dated 13.05.2011.

Accordingly, the Company has filed the requisite particulars of Dr.(Prof.) Kausik Gupta, in the prescribed forms with the Registrar of Companies, NCT of Delhi & Haryana, New Delhi.

In terms of Section 255 of the Companies Act, 1956, the above appointment is required to be confirmed in this Annual General Meeting.

None of the Directors, except Dr.(Prof.) Kausik Gupta, is concerned or interested in the resolution.

By order of Board of

**CONTAINER CORPORATION OF INDIA LIMITED**

Date : 10.08.2011

Place : New Delhi

**(HARISH CHANDRA)**

Group General Manager (Finance & Company Secretary)



**Details of directors seeking re-appointment / appointment at the forthcoming Annual General Meeting (Refer Point No.1 of Notes to Notice)**

Name	Date of Birth	Date of appointment	Qualifications	Expertise in specific functional areas	List of other Public companies in which Directorship held (as per their last declaration)	Details of Other Committee Membership
Shri Vinay Mittal	20.06.1953	26.07.2011	B.A. (Hons.)	Operations, Planning, Information Technology, Safety and General Management	Two \$	Nil
Shri Anil Kumar Gupta	24.09.1956	16.02.2006 (MD w.e.f. 30.12.2009)	M.A., M. Phil. (Economics), M.B.A. (NMP)	Railway Operations Commercial & Safety related issues. Expertise in Container Terminal Planning and management & marketing of services	Three \$\$	Nil
Shri Harpreet Singh	24.11.1957	20.07.2006	Grad.I. Mech.E.(London), AMIE (Mech. Engg.), Institution of Engineers India, AMIE (Elect. Engg.) Institution of Engineers India, MBA(Finance)	Management of Projects & Services	Two *	One**
Smt. P. Alli Rani	15.05.1960	31.08.2009	M.A., MPhil, (Economics), MBA(Fin.)	Worked in Railway finance and telecom finance for 23 years	Six #	Six ##
Lt. Gen. Arvind Mahajan, PVSM., AVSM, VSM & bar	24.12.1947	13.05.2011	PG Diploma in Business Management, PG Diploma in Industrial Management, PG degree in Mechanical Engg. (Automobiles), AMIE (Mech.) MIE (Mech.) and FIE, M.Phil (Defence Studies)	Management of Logistics and Supply Chain Management	Two @	Three @@
Dr. (Prof.) A. K. Bandyopadhyay	11.11.1947	13.05.2011	Master degree in Electronics and Telecommunication Engineering, Ph.d. (Engg.)	Electronic, Telecommunication Engineering & research	One ^	One ^^
Dr. (Prof.) Kausik Gupta	31.08.1963	13.05.2011	MSC in Economics, Ph.d, Post doctoral research as a World Bank Fellow from University of York, U.K.	Economics and research	Nil	Nil

**Name of the Companies :**

\$ 1. Dedicated Freight Corridor Corp. of India Ltd. 2. Indian Railway Catering and Tourism Corp. Ltd.

\$\$ 1. Fresh & Healthy Enterprises Ltd. 2. Gateway Terminals (I) Pvt. Ltd. 3. CONYK Cartrac Pvt. Ltd.

\* 1. Fresh & Healthy Enterprises Ltd. 2. Infinite Logistics Solutions Pvt. Ltd.

\*\* Appointments Committee of Infinite Logistics Solutions Pvt. Ltd.

# 1. Fresh & Healthy Enterprises Ltd. 2. Himalayan Terminals Pvt. Ltd. 3. Albatross CFS Pvt. Ltd. 4. Star Track Terminals Pvt. Ltd. 5. CMA-CGM Logistics Park (Dadri) Pvt. Ltd. 6. Infinite Logistics Solutions Pvt. Ltd.

## Audit Committees of 1. Fresh & Healthy Enterprises Ltd. 2. Himalayan Terminals Pvt. Ltd. 3. Albatross CFS Pvt. Ltd. 4. Star Track Terminals Pvt. Ltd. 5. CMA-CGM Logistics Park (Dadri) Pvt. Ltd. 6. Infinite Logistics Solutions Pvt. Ltd.

@ 1. NMDC Ltd. 2. LIC of India

@@ Member of Audit Committee of NMDC Ltd. 2. Member of Risk Management committee & Policy holder protection committee of LIC of India

^ Railtel Corporation of India Ltd.

^^ Member of Audit Committee of Railtel Corporation of India Ltd.

## DIRECTORS' REPORT

To,

### The Shareholders

Your directors are pleased to present their report on the business and operations of your company for the financial year ending March 31, 2011.

### FINANCIAL RESULTS

(₹ in crores)

Particulars	2010-11	2009-10
Income from operations	3828.12	3705.68
Profit before depreciation & tax (PBDT)	1203.50	1141.69
Profit before tax (PBT)	1058.27	1006.59
Provision for tax	179.77	219.92
Profit after tax (PAT)	878.50	786.67
Profit available for appropriations	875.95	786.69
<b>APPROPRIATIONS:</b>		
Interim Dividend	97.49	77.99
Proposed Final Dividend	103.99	103.99
Corporate tax on dividend	33.06	30.52
Transfer to general reserves	87.59	78.67
Balance carried to Balance Sheet	553.82	495.52
Earnings per share (₹)	67.39	60.52

### DIVIDEND

Keeping in view the company's Capex requirements, the Board recommends a final dividend of 80% on the paid up share capital of ₹129.98 crores. An interim dividend @ 75% has already been paid. The total dividend payment for the year 2010-11 is ₹ 201.48 crores as compared to ₹181.98 crores (excluding dividend tax) for the FY 2009-10.

### FINANCIAL HIGHLIGHTS

The operating turnover of your company registered a growth of 3.30% during the year under review, increasing from ₹ 3705.68 crores in the previous year to ₹ 3828.12 crores. Total expenditure increased by 3.22%, from ₹ 2,879.14 crores in 2009-10 to ₹ 2971.91 crores in 2010-11. The profit before tax worked out to ₹1058.27 crores, higher by 5.13% over 2009-10. After making provisions for Income Tax, prior period/tax adjustments, the Net Profit available for appropriations stands at ₹ 875.95 crores, which is 11.35% higher than last year. This increase in Profit After Tax (PAT) is essentially due to strict expenditure control and innovative practices adopted by the Company.

### OPERATIONAL PERFORMANCE

The throughput of your Company crossed the landmark of 2.5 million TEUs during 2010-11 as against over 2.42 million TEUs handled in 2009-10, an increase of over 5.8%.

Handling at Terminals (In TEUs)	2010-11	2009-10	% age growth
Exim	20,18,551	18,82,277	7.24
Domestic	5,43,746	5,38,970	0.89
<b>Total</b>	<b>25,62,297</b>	<b>24,21,247</b>	<b>5.83</b>

As can be seen the prime increase was in EXIM throughput which grew by 7.24%.

### CAPITAL STRUCTURE

There is no change in the capital structure, with the Government of India continuing to hold 63.09% of the shares, the balance 36.91% being held by the public.



## DIRECTORS' REPORT

### LISTING AND DEMATERIALIZATION OF SHARES

CONCOR's shares are listed with the bourses i.e. Mumbai and National Stock Exchanges. The listing fees of both the stock exchanges have been paid.

To facilitate dematerialization of shares by its shareholders, CONCOR has signed agreements with both the Depositories (NSDL & CDSL). As per SEBI guidelines, CONCOR's shares have been placed under 'Compulsory Demat Mode'. Out of 4,79,82,992 shares listed on the Stock Exchange 4,79,80,755 shares were in Demat mode as on 31st March, 2011. The market capitalization of the company was ₹ 15,599 crores as on 31st March, 2011 (as per closing price on NSE).

### CAPITAL EXPENDITURE

Capital Expenditure of ₹ 310.46 crores approx. was incurred mainly on development/expansion of terminals, acquisition of wagons, handling equipments and IT Infrastructure, etc.

### NEW TERMINAL & TERMINAL NETWORK EXPANSION

- Two new Terminals were commissioned during the year, at Khemli (Rajasthan) & Rourkela (Orissa) on 15.08.2010 & 15.12.2010 respectively.
- Expansion & other related works costing ₹ 63.30 crores were sanctioned for terminals at Dronagiri Node (Mumbai), Bhusawal, Gandhidham, Nagpur, Dadri, Balasore, Moradabad, Whitefield, Khemli, Haldia, Aurangabad, Moradabad and Ankleshwar.

### HIGH SPEED WAGONS

During the year, 565 High Speed Wagons were added to the existing fleet of CONCOR owned wagons, increasing the holding of high speed wagons to 9,309 units. With this, the total wagon holding has gone upto 10,666 units.

### CONTAINERS AND HANDLING EQUIPMENTS

To enhance company's container handling capacity 29 new Reach Stackers were acquired during the year. As on 31st March, 2011 your company has 15,579 (owned plus leased) containers and it owns 55 Reach Stackers and 14 Gantry Cranes.

### INFORMATION TECHNOLOGY

Your company continued to make progress in the field of Information Technology. The VSAT based network has been extended and now it covers 66 locations. The Terminal Management System for Domestic and EXIM, ERP for Finance and HR Payroll was implemented for the expanded network of terminals. A "Data Warehouse Module" for commercial applications on centralized architecture is running smoothly across field locations/ Regional Offices and Corporate Office. The Web enabled Customer Interface through a dedicated Web server is running successfully providing facilities to the customers. The Customer feedback facility system as implemented on the website enables us to constantly evaluate our performance and take corrective action on Customer complaints and feedback. The Electronic-filing of documents on the Commercial System at ICD/ Tughlakabad has also been introduced which enables the customers to file their documents electronically from their own offices. CONCOR has also been awarded e-Asia 2009 Award for the category "Electronic Business in Public Sector" for its project titled "Web Based Integrated Container/ Terminal Management System" which has been adjudged by AFACT (Asia Pacific Council for Trade Facilitation and Electronic Business). As part of Business Continuity Plan, CONCOR has established Backup Site for commercial applications. CONCOR has been re-certified ISO/IEC-27001:2005 certification from STQC IT Certification Services (Ministry of Communication & Information Technology) for establishing an Information Security Management System (ISMS).

### STANDARDISATION/ CERTIFICATIONS

- Certification of Registration of 'Quality Management System' as per ISO 9001:2008 Standards has been obtained, which is valid upto 28.03.2013.



## DIRECTORS' REPORT

- Registration Schedule as per ISO 9001:2008 Standards for the period of 30.03.2010 to 28.03.2013 has been fixed by ISO Certifying Consultants.
- Quality Manual and Procedure Manual alongwith Quality Objectives were reviewed and updated as per new 9001:2008 Standards, ISO Certificate for Corporate Office as per new ISO Standards has been issued.
- As on 31.03.2011, as many as 57 business units have been ISO certified.

### JOINT VENTURES/ STRATEGIC ALLIANCES

Your company continued to place emphasis on providing total logistics and transport solutions to its customers by exploring the possibilities of expanding the presence of the company in all segments of Logistics value chain in the EXIM as well as Domestic segments. Strategic alliances are being firmed up, both for optimal utilization of infrastructure as well as expansion into other segments of the value chain.

### HUMAN RESOURCE MANAGEMENT

Human Resource is considered as key asset of CONCOR. The main focus of the HR philosophy is to align with the business of the organization and become a strategic business partner. CONCOR strives towards employee empowerment, growth and development of individuals by realizing their potential, encouraging innovations and fair distribution of rewards thereby building business capability through HR. The following successful measures were taken during the year to attract, retain and manage talent in CONCOR:

1. The major Role of HR in change management was successfully introduced by formulating and implementing a robust and transparent Performance Management System (PMS) through identifying Key Performance Indicators, goal setting with objective and measurable parameters. The performance related variable pay has been linked with the PMS of each individual executives and supervisors.
2. Skill development of the employees was given special attention through in-house and external training programmes. To address the learning and organization development needs, various training programmes were organized by Company's Training Division. These included in-house developed modules as well as modules developed and imparted with the assistance of various outside HR specialists.
3. CONCOR revised and rationalized some of the HR policies to boost employee morale and encourage excellence at work. The company successfully retained its existing human resources and attracted new talent with an attrition rate of less than 2 percent. The employee productivity continues to increase with earning per employee increasing to ₹ 3.48 crores from ₹ 3.44 crores in the previous financial year.
4. The cost of staff was contained to 2.94% of total costs.

### INDUSTRIAL RELATIONS

The employee relation perspectives in CONCOR are focused towards basic business needs, management of contract labour, legal perspectives and corporate sustainability. The approach towards industrial relations has been proactive, fair and transparent; ensuring better wages and social security to the employees. During the financial year the employee relations remained harmonious and no man days were lost.

### RESERVATION POLICY

CONCOR has been following the Presidential Directives and Guidelines issued by the Government of India from time to time regarding reservation for SCs, STs, OBCs, Physically Handicapped and Ex-Servicemen in letter and spirit. The representation of SCs, STs, OBCs and PHs in CONCOR is as under:

Category	Joined during 2010-11	As on 31.03.2011	
		No. of Employees	% of Total Manpower
Schedule Caste	07	169	14.73
Schedule Tribe	03	43	3.75
Other Backward Classes	15	249	21.71
Physically Handicapped	01	19	1.66



## DIRECTORS' REPORT

### SPECIAL ACHIEVEMENTS

1. Hon'ble Prime Minister of India Shri Manmohan Singh conferred upon CONCOR the MOU Excellence Certificate for 2008-09 for excellent achievement in MOU targets on 15th December, 2010 at New Delhi
2. CONCOR received the 1st Northern India Multimodal Logistics Awards for ICD & Rail Operator of the Year during Conquest -2011 International Conference & EXPO held at New Delhi during January 2011.
3. M/s. CARE (Credit Analysis and Research Limited) has reaffirmed the credit rating of CARE AAA (Is) {Triple A (Issuer)} to CONCOR. The symbols of CARE AAA (Is) are considered to be of the best credit quality, offering highest safety for timely servicing of debt obligations.
4. As per ET survey of listed companies in India for 2009-10, CONCOR has been ranked No.161 in top 500 companies of India in terms of turnover and No.85 in terms of net profit respectively. In Transport & Logistics sector, CONCOR has been ranked No.3 in terms of turnover, and No.1 in terms of net profit.
5. CONCOR received the first ever award called All India Maritime and Logistics Awards, 2010 (MALA) for "Inland Container Depot Operator of the year" from Exim India & Fairplay Exposition Group. The award was conferred during a function held in Mumbai.
6. CONCOR's Inland Container Depot (ICD), Dadri has been selected for Annual Indian Maritime Awards 2010 for "ICD of the year" for high level of the reliability in customer service during the year 2009-10.
7. The company has been selected for conferring of Rolta Corporate Awards 2010 by Dun & Bradstreet for being the best Indian company under the "Transport & Logistics" sector. The award will be conferred on CONCOR in the last week of April in Mumbai. Dun & Bradstreet has also ranked CONCOR among the India's Top 500 Companies with ranking of No. 133 in total income, No. 65 in Net Profit listing and No. 79 in Net Worth listing.

### FOREIGN EXCHANGE EARNINGS & OUTGO

During the year, there was no foreign exchange earnings, the details of foreign exchange outgo are as under:-

	(₹ in lakh)
Foreign exchange outgo	
a) Import on CIF basis Stores & Spares	26.12
b) Capital Goods / Advances	4935.34
c) Others	14.38

### PRESIDENTIAL DIRECTIVES

No Presidential Directives were received from the Government during the financial year 2010-11.

### RAJBHASHA

There has been considerable progress in the use of Official Language Hindi in Official work of CONCOR. The provisions of Section 3(3) of the Official Languages Act have been fully complied with and letters received in Hindi were also replied in Hindi. All efforts were made to correspond with offices situated in 'A', 'B' and 'C' regions in Hindi as per targets set by the Department of Official Language.

Quarterly meetings of Official Language Implementation Committee were held regularly under the chairmanship of Managing Director to review the progress made in promoting use of Hindi in CONCOR and the decisions taken therein were complied with.

Hindi Pakhwara was organized from 14th to 28th September, 2010 in which various competitions like short essay Writing, Noting & Drafting, Typing on Computer etc. were held. About 95 officers and staff took part in these competitions. A Kavi Sammelan was also organized during the pakhwara in which 8 poets of repute took part. Successful officers and employees were given cash award and certificate by Managing Director in the closing

## DIRECTORS' REPORT

ceremony organized at the end of Hindi Pakhwara. 128 officers/employees were given Cash Awards for doing their official work in Hindi under 'CONCOR Rajbhasha Puraskar Yojna' for the year 2009-2010. CONCOR was also conferred with the Consolation Prize of Narakas Rajbhasha Shield for the year 2008-09 for its excellent performance in official language Hindi by the Town Official Language Implementation Committee (Undertakings) Delhi. The Office also organized a 'HAMARA UPKRAM' on essay writing competition for PSU's under the aegis of Town Official Language Implementation Committee on 10th November 2010 in which 29 officers and staff from various PSU's participated.

CONCOR has enriched library with books of reputed Hindi authors. The Number of books in the Library has increased to 1105. Leading Newspapers as well as monthly and fortnightly magazines continue to be subscribed to. To promote original writing in Hindi 'Madhubhasika' a literary magazine is published quarterly. Excellent articles published in this magazine are also suitably awarded. It is also uploaded on the company's website.

CONCOR's website is bilingual and all the computers have Unicode facility to work bilingually.

### VIGILANCE

With a view to bring about systems Improvements, Vigilance Division continued its focus on 'Preventive Vigilance' during 2010-11. Thirteen Preventive / Surprise Checks and Five Intensive Examinations of major works were conducted at various Regional Offices / Inland Container Depots / Container Freight Stations and Project works. In addition, 07 cases were registered /investigated on the basis of complaints and other information.

A sum of ₹ 1.44 crores was recovered from various contractors / customers during the financial year. In addition, 17 improvements in systems and procedures were recommended to various functional divisions on the basis of experience gained through preventive examination and other investigations. The system improvements have been adopted and implemented, which are aimed at improved physical and financial performance in various terminals.

Suitable penal action was taken against erring officials/contractors.

The Vigilance Awareness Period was observed in Corporate Office as well as in Regional Offices by undertaking various activities. A "Hand Book on Vigilance" was released during the Vigilance Awareness Period in October 2010 at Corporate Office and North West Region. Interactive sessions were also organized at Corporate Office and at all regional levels in order to create awareness about various aspects of vigilance. In addition, nine training programmes and one terminal managers conference was organized at Corporate Office in January 2011 wherein a detailed presentation on Quality Management of Contracts was made.

### PARTICULARS OF ENERGY CONSERVATION, TECHNOLOGY ABSORPTION ETC.

Provisions of Section 217(1) (e) of the Companies Act, 1956 read with the Companies (Disclosure of Particulars in the Report of Board of Directors) Rules, 1988 regarding conservation of energy, technology absorption are not applicable to the Company at this stage.

### DIRECTORS' RESPONSIBILITY STATEMENT

Pursuant to the requirement under Section 217(2AA) of the Companies Act, 1956 with respect to Directors Responsibility Statement, it is hereby confirmed:

- (i) That in the preparation of the annual accounts for the financial year ended 31st March, 2011, the applicable accounting standards have been followed along with proper explanation relating to material departures;
- (ii) That the directors have selected such accounting policies and applied them consistently and made judgments and estimates that were reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the profit or loss of the Company for the Year under review;
- (iii) That the directors have taken proper and sufficient care for the maintenance of adequate accounting records



## DIRECTORS' REPORT

in accordance with the provisions of the Companies Act, 1956, for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities;

- (iv) That the directors have prepared the accounts for the financial year ended 31st March, 2011 on a 'going concern' basis.

### CORPORATE GOVERNANCE

Your Company has fully complied with the requirements of Clause 49 of the Listing Agreement and the DPE Guidelines regarding Corporate Governance.

A Report on Corporate Governance, the Certificate on compliance of requirement of Clause 49 of Listing Agreement and DPE Guidelines on Corporate Governance and Management Discussions and Analysis are given as Annexures to this Report.

### CORPORATE SOCIAL RESPONSIBILITY (CSR)

Significant CSR activities were undertaken during the year. Details of some of the major activities are appended below:

A Memorandum of Understanding (MOU) was signed with National Literacy Mission Authority, Department of School Education & Literacy, Ministry of Human Resource Development, Government of India for building Adult Education Centres in the Gram Panchayat and village. Specifically ₹ 65 Lacs were used in development of 20 such centres sponsored in Karnataka with coverage of an estimated 1,47,253 beneficiaries.

MOU was signed with National Foundation for Communal Harmony (NFCH) to support the education of children affected by violence in different States. ₹ 30 Lacs were contributed to NFCH towards this for assisting over 366 children affected by ethnic/communal/terrorist violence in the districts of Kamrup (Assam), Kokrajhar (Assam), Ahmedabad (Gujarat) & Srinagar (Jammu & Kashmir).

### PARTICULARS OF EMPLOYEES

The information required in accordance with the provisions of Section 217(2A) of the Companies Act, 1956 read with the Companies (Particulars of Employees) Rules, 1975 as amended by Company (Particulars of Employees) Rules, 2011 is NIL, as no employee has drawn remuneration in excess of amount specified in said Rules.

### AUDITORS

Being a Government Company, the Comptroller & Auditor General of India has appointed M/s. Kumar Chopra & Associates as Company's Statutory Auditors for the financial year 2010-11.

### BOARD OF DIRECTORS

During the financial year 2010-11, five meetings of the Board of Directors were held for transacting the businesses of the Company. Shri Vinay Mittal, Chairman / Railway Board, joined the Board of CONCOR w.e.f. 26.07.2011 as Part-time Chairman. Lt. Gen. (Retd.) Arvind Mahajan, Dr. (Professor) A.K. Bandyopadhyay and Dr. (Professor) Kausik Gupta joined the Board of CONCOR w.e.f. 13.05.2011 as Independent Directors. During the year and upto the date of this report, the directorship in the company are under:

- Shri Vivek Sahai, Part-time Chairman (upto 30.06.2011)
- Shri Vinay Mittal, Part-time Chairman (w.e.f. 26.07.2011)
- Shri Anil Kumar Gupta, Managing Director
- Shri Harpreet Singh, Director (Projects & Services)
- Shri Yash Vardhan, Director (Intl. Mktg. & Ops.)
- Smt. P.Alli Rani, Director (Finance)
- Shri S.K. Das, Director
- Shri S. Balachandran, Director (upto 31.12.2010)
- Shri V. Sanjeevi, Director (upto 31.12.2010)

## DIRECTORS' REPORT

- Prof. Janat Shah, Director (upto 31.12.2010)
- Shri T.R. Doongaji, Director (upto 03.04.2011)
- Lt. Gen. Arvind Mahajan (Retd.), Director
- Dr. (Professor) A.K. Bandyopadhyay, Director
- Dr. (Professor) Kausik Gupta, Director

### RETIREMENT OF DIRECTORS BY ROTATION

In terms of provisions of the Companies Act, 1956, Shri Anil Kumar Gupta, Shri Harpreet Singh and Smt. P. Alli Rani, Directors are liable to retire by rotation and being eligible, offer themselves for reappointment.

### CODE OF CONDUCT

The Code of Conduct has been laid down for the Board Members and senior management. A copy of the same is available on the website of the Company.

Based on the affirmation received from Board Members and Senior Management Personnel, it is hereby declared that all the members of the Board and Senior Management Personnel have affirmed compliance of Code of Conduct for the financial year ended on March 31, 2011.

### CONCLUSION

Your Company acknowledges the commitment and dedication of all the employees, the support and understanding extended by the Indian Railways, Customs, Ports, Investors and above all the customers who have continued to patronize the services provided by your Company.

For and on behalf of the Board of Directors

Date : 10.08.2011  
Place : New Delhi

(P. Alli Rani)	(Anil Kumar Gupta)
Director (Finance)	Managing Director



## ADDENDUM TO THE DIRECTORS' REPORT 2010-11

Reply to the comments/qualifications in the Auditors' Report for the financial year 2010-11

Points in the Auditors' Report	Auditors' Qualification	Reply of the Management
Point 2 of Auditors Report	Sale/Lease Deeds in respect of Land & Buildings valuing ₹1.45 crore are yet to be executed in favour of the company (Note no. 2, Schedule 3).	The issue of execution of lease/sale deeds of land & buildings valuing ₹ 1.45 crores is being pursued with the concerned authorities.
Point no. (ix)(a) of the annexure to the Auditors Report	<p>The company is generally regular in depositing with appropriate authorities undisputed statutory dues including provident fund, investor education and protection fund, employee's state insurance, income tax, sales tax, wealth tax, service tax, custom duty, excise duty, cess and other material statutory dues applicable to it. According to the information and explanations given to us, <i>the undisputed amounts payable in respect of outstanding statutory dues that were in arrears, as at 31st March 2011 for a period of more than six months from the date they became payable are given below:</i></p> <p><b>NORTHERN REGION</b></p> <ul style="list-style-type: none"> <li>- Name of the Statute: Customs Act, 1962</li> <li>- Nature of dues: Custom Duty (Auction)</li> <li>- Amount (₹ in crore): 1.37</li> <li>- Period to which the amount relates: 1997-98 (₹ 1.08 crore) &amp; 2003-04 (₹ 29.58 lakhs)</li> </ul> <p><b>NORTH WEST REGION</b></p> <ul style="list-style-type: none"> <li>- Name of the Statute: Employees Provident Fund Act</li> <li>- Nature of dues: PF on contractors payments</li> <li>- Amount (₹ in crore): 0.05</li> <li>- Period to which the amount relates: 2009-10</li> <li>- Name of the Statute: Building &amp; Other Workers Welfare Cess Act, 1996</li> <li>- Nature of dues: Cess under Building &amp; Other Workers Welfare Cess Act, 1996</li> <li>- Amount (₹ in crore): 0.97</li> <li>- Period to which the amount relates: Upto 2010-11</li> <li>- Name of the Statute: Madhya Pradesh Municipal Corporation Act, 1961</li> <li>- Nature of dues: Property Tax</li> <li>- Amount (₹ in crore): 0.06</li> <li>- Period to which the amount relates: 2005-06 to 2009-10</li> </ul>	<p>Amount represents custom duty collected on auction of un-cleared cargo. Matter is pending with the Hon'ble High Court as the importers of these consignments have taken stay orders from the Court.</p> <p>The amount has already been deposited with the PF Authorities during FY 2010-11.</p> <p>Amount under reference has been recovered from the payment made to contractors in states other than Delhi. The same will be deposited after the notification is issued by the concerned State Government(s).</p> <p>The amount under reference has been paid to C.M.O, Nagarpalika, Mandideep on 13th April, 2011.</p>
Point no. (ix)(b) of the annexure to the Auditors Report	<p>According to the information &amp; explanations given to us, dues of income tax, sales tax, wealth tax, service tax, customs duty, excise duty and cess that have not been deposited on account of any dispute are given below:</p> <ul style="list-style-type: none"> <li>- Forum where dispute pending: CESTAT</li> <li>- Nature of dues: Service Tax Finance Act, 1994</li> <li>- Amount (₹ in crore): 0.01</li> <li>- Period to which the amount relates: 1st May 2003 to 16th July 2003</li> </ul>	<p>This matter is in appeal with the concerned authorities.</p>

<ul style="list-style-type: none"> <li>- <i>Forum where dispute pending: CCE (Appeals)</i></li> <li>- <i>Nature of dues: Service Tax Finance Act, 1994</i></li> <li>- <i>Amount (₹ in crore): 0.01</i></li> <li>- <i>Period to which the amount relates: January 2004 to March 2004</i></li> </ul> <p><i>Forum where dispute pending: Sub-Registrar, Vadodara</i></p> <ul style="list-style-type: none"> <li>- <i>Nature of dues: Additional stamp duty</i></li> <li>- <i>Amount (₹ in crore): 0.20</i></li> <li>- <i>Period to which the amount relates: 2003-04</i></li> </ul> <p><i>Forum where dispute pending: Appellate Authority VAT</i></p> <ul style="list-style-type: none"> <li>- <i>Nature of dues: Penalty u/s 86(19) of DVAT Delhi</i></li> <li>- <i>Amount (₹ in crore): 0.33</i></li> <li>- <i>Period to which the amount relates: 14th December 2005</i></li> </ul> <p><i>Forum where dispute pending: Appellate Authority VAT Delhi</i></p> <ul style="list-style-type: none"> <li>- <i>Nature of dues: Sales Tax (NR) Delhi Sales Tax Act</i></li> <li>- <i>Amount (₹ in crore): 0.01</i></li> <li>- <i>Period to which the amount relates: 1997-98</i></li> </ul> <p><i>Forum where dispute pending: Appellate Authority VAT Delhi</i></p> <ul style="list-style-type: none"> <li>- <i>Nature of dues: Sales Tax (NR) Delhi Sales Tax Act</i></li> <li>- <i>Amount (₹ in crore): 0.08</i></li> <li>- <i>Period to which the amount relates: 2000-01</i></li> </ul> <p><i>Forum where dispute pending: Appellate Authority VAT Delhi</i></p> <ul style="list-style-type: none"> <li>- <i>Nature of dues: Delhi VAT Act</i></li> <li>- <i>Amount (₹ in crore): 0.11</i></li> <li>- <i>Period to which the amount relates: Year 2008-09</i></li> </ul> <p><i>Forum where dispute pending: Municipal Corp, Ludhiana</i></p> <ul style="list-style-type: none"> <li>- <i>Nature of dues: Octroi under local taxes</i></li> <li>- <i>Amount (₹ in crore): 0.16</i></li> <li>- <i>Period to which the amount relates: 2007-08</i></li> </ul> <p><i>Forum where dispute pending: Appellate Authority Service Tax, Ludhiana</i></p> <ul style="list-style-type: none"> <li>- <i>Nature of dues: Service Tax Finance Act, 1994</i></li> <li>- <i>Amount (₹ in crore): 0.13</i></li> <li>- <i>Period to which the amount relates: 2007-08</i></li> </ul> <p><i>Forum where dispute pending: District Court Kanpur</i></p> <ul style="list-style-type: none"> <li>- <i>Nature of dues: Water Tax- Jal Sansthan Kanpur</i></li> <li>- <i>Amount (₹ in crore): 0.69</i></li> <li>- <i>Period to which the amount relates: 2000-01 to date.</i></li> </ul>	<p>As per the orders of Appellate Authority, this matter has been referred to the concerned assessing authority for re-assessment.</p> <p>This matter is in appeal with the concerned authorities.</p> <p>In this matter against the orders of Appellate Authorities, CONCOR had filed a Writ Petition in May 2006 in the Hon'ble Delhi High Court for quashing of various detention orders, seizing/detaining rolling stock and imposition of penalty. The Hon'ble Delhi High Court had stayed operation of the penalty orders passed by the authorities. VAT Tribunal vide its orders dated 30.11.09 has directed the Company to deposit 50% amount of demand in each appeal. However, a fresh writ petition against this order has been filed in the Hon'ble High Court at Delhi in February 2010 for which COD's permission is being obtained.</p> <p>The matter is in appeal with the concerned authorities.</p> <p>The matter is in appeal with the concerned authorities.</p> <p>The matter is in appeal with the concerned authorities.</p> <p>In this matter, appeal has been decided in favour of CONCOR and Court has directed the Municipal Corporation of Ludhiana (MCL) to refund ₹ 0.16 crore to CONCOR. MCL, has however, filed an appeal in the Hon'ble High Court against such orders.</p> <p>The matter is in appeal with the concerned authorities.</p> <p>A suit against Jal Sansthan Kanpur has been filed in the District Court, Kanpur.</p>
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# ANNEXURES TO THE DIRECTORS' REPORT

## CORPORATE GOVERNANCE

### CORPORATE PHILOSOPHY

CONCOR's mission is to provide efficient and reliable multimodal logistics support for the country's EXIM and domestic trade and commerce, and to ensure growing shareholder value. The company is committed to maintaining a high growth rate and maximizing return on capital employed through the optimal use of its resources. As always, it strives to conduct its business according to the best principles of good Corporate Governance.

### BOARD OF DIRECTORS

As on the date of this report, the Board of Directors of the Company consists of five Executive Directors, including a Managing Director and a vacant position, Two Govt. Nominee Non-executive Directors, including a Part-time Non-executive Chairman and three part-time Non-executive Directors (Independent).

The Board met 5 (Five) times, on the following dates, for transacting business during the financial year 2010-11:

Board Meeting No.	Board Meeting Dates
140	27th April, 2010
141	19th July, 2010
142	19th Oct, 2010
143	21th Dec., 2010
144	18th Jan, 2011

CONCOR's Board framed the Code of Conduct for Board Members and Senior Management Personnel, effective from First day of January, 2006. Further, the Provisions of Code of Conduct have been affirmed to be complied with by the Board Members as well as the Senior Management Personnel.

The Directors, attendance at the Board Meetings during the year, the last Annual General Meeting and the number of other directorships and committee memberships (as provided) are given below:

Sl. No.	Category of Directorship	Name of Director	No. of Board Mtgs Attended	Attendance at last AGM	No. of other Committee Membership/ Chairmanship	No. of other Directorship/ Chairmanship
<b>(I) Part-time Non-Executive Chairman</b>						
1.	Chairman (Chairman & Member Traffic, Railway Board)	Sh. Vivek Sahai <sup>a</sup>	Four	Yes	Nil	Three
<b>(II) Executive Directors</b>						
2.	Managing Director	Sh. Anil Kumar Gupta	Five	Yes	Nil	Three
3.	Director (Finance)	Smt. P. Alli Rani	Five	Yes	Six	Six
4.	Director (Domestic)	-	-	-	-	-
5.	Director (Projects & Services)	Sh. Harpreet Singh	Five	Yes	One	Two
6.	Director (Intl. Marketing & Ops.)	Sh. Yash Vardhan	Five	-	One	Seven
<b>(III) Govt. Nominee Non-Executive Directors (Ministry of Railways)</b>						
7.	Director {Executive Director TT(F), Ministry of Railways}	Sh. S. K. Das	Five	Yes	Nil	One
<b>(IV) Part-time Non-Executive Directors (Independent)</b>						
8.	Director	Sh. S. Balachandran <sup>*</sup>	Two	Yes	Six	Two
9.	Director	Sh. V. Sanjeevi <sup>*</sup>	Four	Yes	Two	Nil
10.	Director	Shri Janat Shah <sup>*</sup>	Three	Yes	Nil	Two
11.	Director	Shri T.R. Doongaji <sup>**</sup>	Five	Yes	Three	Nil

<sup>a</sup>Superannuated on 30.06.2011

<sup>\*</sup>Term of directors expired on 31.12.2010

<sup>\*\*</sup>Term of director expired on 03.04.2011



## CORPORATE GOVERNANCE

### REMUNERATION COMMITTEE & POLICY

Your Company has a Standing Committee of the Board viz., 'HR & Remuneration Committee' to examine and provide inputs for HR Policies and initiatives of the Company besides finalization of the annual variable pay and policy for its distribution across the Executives and Non-Unionized Supervisors. The Composition of the Committee as on the date of this report is as under:-

Lt. Gen. (Retd.) Arvind Mahajan, Director	-	Member
Dr. (Professor) A.K. Bandyopadhyay, Director	-	Member
Shri S.K. Das, Director	-	Member

As a Government of India Undertaking, the Functional Directors are appointed by President of India through Ministry of Railways. Their remuneration is drawn as per industrial dearness allowance (IDA) pay - scales and terms and conditions determined by the Government. The details of remuneration of Functional Directors for the financial year 2010-11 is as under :

(Figures in ₹ Lakh)

Name of the Directors	Salary & Allowances	Perquisites	Performance Incentive	Retirement Benefits*	Total
Sh. Anil Kumar Gupta, Managing Director	18.19	7.60	9.95	5.28	41.02
Sh. Harpreet Singh, Director(Projects & Services)	22.35	6.09	7.33	4.30	40.07
Sh. Yash Vardhan, Director (Int. Marketing & Operations)	16.00	5.66	6.88	4.48	33.02
Smt. P.Alli Rani, Director(Finance)	15.91	5.92	5.09	3.37	30.29

\*Based on actuarial value of employers' contribution in PF, HPL/EL and gratuity benefits.

The Government nominee directors do not draw any remuneration from the company, they draw their remuneration from the Government. The part-time non-executive directors are paid a sitting fee of ₹ 20,000/- per meeting attended by them.

### AUDIT COMMITTEE

At the beginning of the year, the Audit Committee comprised of the following directors:

Shri S. Balachandran, Independent Director	-	Chairman
Shri V. Sanjeevi, Independent Director	-	Member
Prof. Janat Shah, Independent Director	-	Member

During the year, consequent to expiry of term of all the members of the above Audit Committee on 31st December, 2010, in interim period, an adhoc Audit Committee was constituted, which after the nomination of three independent directors on the board of the company has been re-constituted as under :

Lt. Gen. (Retd.) Arvind Mahajan, Independent Director	-	Member
Dr. (Professor) Kausik Gupta, Independent Director	-	Member
Shri S.K. Das, Director	-	Member

The Committee met four times during the financial Year 2010-11 on 27.04.2010, 19.07.2010, 19.10.2010 and 18.01.2011. The details of the attendance of the Committee members, at the above meetings, are as under :

Name of Members	No. of Meetings Attended
Shri S. Balachandran	Three
Shri V. Sanjeevi	Three
Shri Janat Shah	Two
Shri M.S. Khan*	One
Shri T.R. Doongaji*	One
Shri S.K. Das*	One

\*Members of Adhoc Committee



## CORPORATE GOVERNANCE

In terms of DPE Guidelines on Corporate Governance, the Audit Committee has now been renamed as 'Audit & Ethics Committee' and its terms of reference has also been expanded. Group General Manager(Finance & Company Secretary) acts as Secretary to this Committee.

The Committee reviews the Company's broad structure, various capital and civil projects, business expansion plans & annual / quarterly financial Results before submission to the Board. Further, the Committee reviews with the management the adequacy of internal audit function and internal control systems and discusses with internal auditors any significant findings and follow up thereon from time to time. The Committee attempts to ensure that decision making in the company is objective, and that there are adequate internal controls to ensure efficient realization of revenue, and due propriety of expenditure.

### SHAREHOLDERS' / INVESTORS' GRIEVANCE COMMITTEE

The shareholders' / investors' grievance committee comprises:-

Executive Director TT (F), Railway Board / <i>Director nominated by Ministry of Railways</i>	- Member
Director (Finance) / CONCOR	- Member
Director (Intl. Marketing & Operations) / CONCOR	- Member

Executive Director TT (F), Railway Board / Director nominated by Ministry of Railways is the Chairman of the Committee.

Group General Manager(Finance & Company Secretary) acts as the secretary of the Committee and is also Compliance Officer in terms of Listing Agreement with the Stock Exchanges. No Investor Complaint was pending at the end of financial year 2010-11.

### SHARE TRANSFER COMMITTEE & SYSTEM

The Share Transfer Committee during the year was reconstituted as under :

Director (Finance)	- Chairman
Director (International Marketing & Operations)	- Member
Group General Manager (Finance & Company Secretary)	- Member

The trading of shares is in Demat form due to Compulsory Dematerialization of CONCOR's shares w.e.f. 31st May, 1999.

The Company has appointed M/s. Beetal Financial & Computer Services (P) Ltd. as Registrar and Share Transfer Agents, to effect the transfer of shares, depository connectivity and other related work. No request for transfer in respect of shares in physical mode has been received during the financial year 2010-11 is pending.

### GENERAL BODY MEETINGS

Details of date, location and time of last three AGMs are as under :

AGM Date	Location	Time
17.09.2010	Auditorium National Railway Museum, Nyaya Marg, Near Bhutan Embassy, Chanakyapuri, New Delhi- 110021.	3.30 p.m.
19.09.2009	Air Force Auditorium, Subroto Park, New Delhi – 110010	3.00 p.m.
25.08.2008	Stein Auditorium, Habitat world, India Habitat Centre, Gate No. 3, Lodhi Road, New Delhi – 110003	3.00 p.m.

There is no proposal to be conducted through postal ballot at the ensuing AGM.

## CORPORATE GOVERNANCE

### DISCLOSURES

- (i) During the year, there was no transaction of material nature with the directors or their relatives that had potential conflict with the interest of the company.
- (ii) Transactions with related parties as per requirements of Accounting Standards issued by the Institute of Chartered of India are disclosed in relevant Schedule to the Balance Sheet of the Company.
- (iii) There were no instances of penalties / strictures imposed on the Company by the Stock Exchanges or SEBI or any statutory authority due to non compliance on any matter related to capital markets during the last three years.

### MEANS OF COMMUNICATION

Regarding Electronic means of communications, the Quarterly Un-audited financial results, shareholding pattern and Annual Report are uploaded on CONCOR website [www.concorindia.com](http://www.concorindia.com) and these are updated from time to time. Tenders of various Regions/ Departments are uploaded on the website and also on Government portal <https://tenders.gov.in> for giving wide publicity and ensuring transparency in tendering process.

### GENERAL SHAREHOLDER INFORMATION

- |       |   |  |
|-------|---|--|
| (i)   | Number of Annual General Meeting  | 23rd AGM   |
|       | Date  | : 19th September, 2011   |
|       | Time  | : 16:00 Hrs.   |
|       | Venue   | : Auditorium, National Railway Museum, Nyaya Marg,<br>Near Bhutan Embassy, Chanakyapuri, New Delhi-110021  |
| (ii)  | Financial Calendar  |  |
|       | The unaudited financial results of<br>1st, 2nd, 3rd and 4th quarter       | Within 45 days of<br>close of quarter.   |
|       | Limited Review Report for above<br>Quarterly un-audited Financial Results | Within 45 days<br>of close of quarter  |
|       | Approval and authentication of annual<br>accounts by Board of Directors   | In the month of<br>July, 2011  |
|       | Adoption of audited Annual Accounts by Shareholders                       | Before end of September, 2011  |
| (iii) | Date of Book Closure (both days inclusive)                                | 08.09.2011 to 19.09. 2011  |
| (iv)  | Dividend Payment Date   | Within 30 days of Declaration  |
| (v)   | Listing on Stock Exchanges  | (a) The Bombay Stock Exchange Ltd.,<br>Phiroze Jeejeebhoy Towers,<br>Dalal Street Fort, Mumbai – 400001.<br><br>(b) National Stock Exchange of India Ltd.,<br>"Exchange Plaza" Bandra - Kurla Complex,<br>Bandra (E), Mumbai – 400051. |
| (vi)  | Security Code and ISIN No.  |  |
|       | NSE   | CONCOR   |
|       | BSE   | 531344   |
|       | ISIN  | INE111A01017   |



## CORPORATE GOVERNANCE

(vii) Market Price Data (in ₹)

Month	NSE		BSE	
	High	Low	High	Low
April'10	1459.70	1280.20	1500.00	1286.80
May'10	1359.60	1202.60	1354.90	1203.10
June'10	1359.00	1203.65	1355.00	1205.10
July'10	1445.00	1322.00	1449.95	1311.30
Aug'10	1438.00	1246.60	1452.95	1239.70
Sept'10	1395.00	1281.40	1356.00	1284.30
Oct'10	1373.90	1266.20	1375.00	1269.00
Nov'10	1352.00	1076.00	1360.00	1072.10
Dec'10	1325.00	1215.20	1306.00	1220.00
Jan'11	1283.95	1190.00	1289.00	1160.00
Feb'11	1227.00	1058.10	1223.70	1051.00
March'11	1280.10	1108.40	1251.00	1100.65

(viii) Stock Exchange Index

Month	NSE		BSE	
	High	Low	High	Low
April'10	5399.65	5160.90	18047.80	17276.80
May'10	5278.70	4786.45	17536.86	15960.15
June'10	5366.75	4961.05	17919.62	16318.39
July'10	5477.50	5225.60	18237.56	17395.58
Aug'10	5549.80	5348.90	18475.27	17819.99
Sept'10	6073.50	5403.05	20267.98	18027.12
Oct'10	6284.10	5937.10	20854.55	19768.96
Nov'10	6338.50	5690.35	21108.64	18954.2
Dec'10	6147.30	5721.15	20552.03	19074.57
Jan'11	6181.05	5416.65	20664.80	18038.48
Feb'11	5599.25	5177.70	18690.97	17295.62
March'11	5872.00	5348.20	19575.16	17792.17

- (ix) Registrar and Share Transfer Agents M/s Beetal Financial & Computer Services (P) Ltd.  
 BEETAL HOUSE, 3rd Floor, 99, Madangir,  
 Behind Local Shopping Centre, New Delhi-110055.  
 Phone No.011-29961282-83  
 E-mail id: [beetal@beetalfinancial.com](mailto:beetal@beetalfinancial.com)

(x) Distribution of Shareholding as on 31.03.2011

Particulars	No. of Shares	Percentage
(a) Government of India	81999802	63.09
(b) Banks, Financial Institutions,	7561587	5.81
(c) Foreign Institutional Investors	35378619	27.22
(d) Mutual Funds and UTI	918746	0.71
(e) Bodies Corporate	2941870	2.26
(f) Indian Public	1105335	0.85
(g) NRIs / OCBs	37994	0.03
(h) Others	38841	0.03
	<b>129982794</b>	<b>100.00</b>

## CORPORATE GOVERNANCE

(xi) **Dematerialization of Shares and liquidity**

For electronic trading of shares, CONCOR has an agreement with NSDL & CDSL. Out of 4,79,82,992 Shares listed on Stock Exchanges 4,79,80,755 Shares were in demat mode as on 31.03.2011.

(xii) Outstanding GDRs / ADRs / Warrants or any convertible instruments: N. A.

(xiii) Plant locations: The Company has total 61 Container Terminals of which 18 are Exim, 13 are Domestic and 30 are Combined as on 31.03.2011.

(xiv) Address for Correspondence

Group General Manager (Finance & Company Secretary)  
Container Corporation of India Ltd.,  
CONCOR Bhawan,  
C-3, Mathura Road, New Delhi – 110076.  
Ph. No. 41673149

(xv) Recently, as part of its 'Green Initiatives', Government has permitted Companies to provide various documents to its Shareholders in electronic form i.e. through e-mail. Your Company is fully committed towards such an initiative and has accordingly requested its Shareholders to provide or update their e-mail ids with their respective DPs/Company Registrar, as the case may be, and give their option for receiving documents in electronic form.



## MANAGEMENT DISCUSSION AND ANALYSIS

### INDUSTRY OVERVIEW

The Indian Multimodal scene has witnessed the advent of multiple container train operators since 2006. Presently, there are 15 container train operators (besides CONCOR) who have signed Concession Agreements with Indian Railways for running of Container Trains for a period of 20 years, extendable by another 10 years. Almost all the 15 players have commenced their train services. Some of these players have set up their own terminal facilities also. While the operations of the new entrants to the business started in a limited way by two operators in April, 2007, the number has now grown to 15 excluding CONCOR and the volumes being transported by these operators have continuously grown with the induction of new rakes. These operators have been using Goods Sheds/terminals of Indian Railways as well, for their operations. With the emergence of a number of new ports, viz., Mundra, Pipavav, Vizag, Tuticorin, Vallarpadam and a few other ports on the west coast, the hinterland connectivity in the country is expected to increase resulting in increased levels of hinterland penetration of container traffic in the years to come.

With the changed external business environment, your company placed emphasis on providing total logistics and transport solutions to its customers by exploring the possibilities of expanding the presence of the company in all the segments of the transport value chain in the EXIM as well as Domestic segments. Possibilities have been explored for strategic alliances, both for the optimal utilization of infrastructure as well as for expansion into other segments of the value chain.

### EXIM & DOMESTIC BUSINESS

The unprecedented recession in the world economy had impacted the EXIM business of the country during last two fiscals. 2010-11 witnessed a change with overall EXIM traffic reaching a level of 20,18,551 TEUs (in 2010-2011) as compared to 18,82,277 TEUs handled the last financial year, which was 7.24% higher than the last year's performance. This increase in the EXIM business of CONCOR was inspite of gradual induction of rolling stock by other train operators. With continuance of the recessionary trend and the stiff competition from the other train operators, it will be a challenge to retain our share and growth. In order to attract more volumes, your company will continue to match and strive to surpass the services offered by other operators in terms of quality of services and pricing.

Domestic booking was affected by introduction of commodity-specific rail haulage structure by Indian Railways in December, 2010. Total traffic in this segment during 2010-11 was 5,43,746 TEUs, as against 5,38,970 TEUs handled in 2009-10, reflecting a marginal growth of 0.89%. Nevertheless, as a result of judicious pricing and distribution, the revenue in Domestic segment witnessed a modest growth of 3.65% in the year 2010-11 as compared to the previous year.

With the sustained efforts of the Management and Staff of your Company, the performance achievements during the year under review on all the Performance Parameters have matched the ambitious targets set in the Memorandum of Understanding (MoU) signed with the Government. Your Company expects to achieve "Very Good" MoU rating for the year 2010-11.

### INTERNAL CONTROL SYSTEMS

CONCOR has in place well defined roles, responsibilities and authorities for employees at various levels. This, coupled with robust internal MIS systems, ensures appropriate information flow to facilitate effective monitoring. Adherence to these processes is monitored through frequent internal audits. The company has an internal audit system that requires the internal audit firms to certify the appropriateness of internal controls in operation. The internal auditors are external firms directly reporting to the management at higher level, which also ensures their independence. Reports of the internal auditors are reviewed, compliances are ensured and the reports along with the compliances are put up to Audit Committee periodically.

## MANAGEMENT DISCUSSION AND ANALYSIS

### SECURED AND UNSECURED LOANS

No secured and unsecured loans were taken during FY 2010-11.

### FIXED ASSETS

(₹ in Crore)

Year ended March 31	2011	2010	%age Growth
Original Cost of Assets	3286.15	2988.86	9.95
Less Accumulated Depreciation	959.13	825.00	16.26
<b>NET FIXED ASSETS</b>	<b>2327.02</b>	<b>2163.86</b>	<b>7.54</b>

An amount to the tune of ₹ 310.46 crores was capitalized during the year. The main additions were on account of construction of Terminal Infrastructure, purchase of Wagons/ Handling equipments.

### WAGONS

During the year under review, 565 high speed wagons have been added to the existing fleet of CONCOR owned wagons; increasing the holding of high speed wagons to 9309 nos. Total wagons holding is 10,666 as on 31.03.2011.

### INVENTORIES

The company being a service company does not have stock in trade. The inventory is represented by stores and spares kept by the company for maintenance of its own equipments.

### SUNDRY DEBTORS

Sundry debtors are 0.45.% of the operating income of the year. Provision for doubtful debts wherever considered necessary has been made.

### CASH AND BANK BALANCE

The company keeps all its cash balances in short term fixed deposits with the banks. These cash reserves have been retained for financing the expansion plans as well as investments in JVs as per the Capex plan of the Company.

### INCOME

Income from operations has grown by 3.30% over FY2009-10. Between the two business segments i.e. EXIM & Domestic, EXIM segment contributes the major share of freight revenues. Increase in business volumes and successful induction and running of High Speed Wagons have been the main reasons for the company's growth.

### EXPENSES

Terminal and other service expenses have increased by 3.77% over FY2009-10. The increase in direct expenses in the current year is due to rise in corresponding operating income and increase in rail freight expenses.

### ADMINISTRATIVE EXPENSES

The decrease in administrative expenses is 11.17% over FY 2009-10.

### EMPLOYEE REMUNERATION

The employee cost has grown by 4.26% over FY 2009-10 which is on account of annual increments, promotion, increase in dearness allowance, provision for employee benefits, etc.



## MANAGEMENT DISCUSSION AND ANALYSIS

### TAXATION

In making income tax provision, the requirements of Accounting Standard -22 are duly complied with. As detailed in the notes on accounts, this has resulted in a deferred tax provision of ₹17.66 crores during the year. Like in the previous year, in the current year also, the company has availed tax benefit under section 80-IA of the Income Tax Act, 1961.

### OUTLOOK

CONCOR's total throughput for the year 2010 – 2011 was 25,62,297 TEUs as against 24,21,247 TEUs handled during last fiscal, reflecting a growth of 5.83%. This helped your company cross the milestone of handling over 2.5 million TEUs during a single fiscal, the only hinterland logistic operator in India to do so. In tonnage terms, this resulted in our handling an all time high figure of 27.75 million tons of containerized cargo.

Component wise, the overall growth of 5.83% was made possible on account of segmental growth of 7.24% in the EXIM throughput. This has been on account of slight improvement in the international scenario which helped us in taking the increase upto 7.24% from the meager level of growth of over 1.47% recorded during 2009-10. However, there was a slump in domestic growth which was confined to meager increase of 0.89% in 2010-11, as against a very healthy growth of over 18.9% recorded during 2009-10. While this dip was essentially a result of some changes in policies relating to rating of some commodities, your company has already started initiating a slew of measures to give impetus to the domestic segment.

Overall, the throughput grew by 5.83% during 2010-11 as against 4.9% growth recorded during fiscal 2009-10.

### STRATEGY TO MEET THE CHALLENGES

Against the backdrop of the outlook presented above, your company has formulated a three pronged strategy for maintaining its profitability in the face of the challenges of an increasingly competitive market.

- \* Customer delight by way of efficient response and integrated multi modal services.
- \* Increase in revenue by diversification and product differentiation
- \* Management of costs by technological innovation

Action plans for each of these categories in the short term less (than 2 years) medium term (2 to 5 years) and long term (more than 5 years) have been formulated.

For and on behalf of the Board of Directors

Date : 10.08.2011  
Place : New Delhi

<b>(P. Alli Rani)</b> Director (Finance)	<b>(Anil Kumar Gupta)</b> Managing Director
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## CERTIFICATE

To the members of

**Container Corporation of India Limited**

We have examined the compliance of conditions of Corporation Governance by CONTAINER CORPORATION OF INDIA LIMITED for the year ended 31st March 2011, as stipulated in Clause 49 of the Listing Agreement of the said company with Stock Exchanges and the guidelines issued by the 'Department of Public Enterprises'.

The Compliance of conditions of Corporate Government is the responsibility of the Management. Our examination was limited to the 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 statement 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 above mentioned Listing Agreement, and the guidelines issued by the 'Department of Public Enterprises'.

We further state such compliance is neither an assurance as to future viability of the Company nor the efficiency or effectiveness with which the management has conducted the affairs of the Company.

For **Akhil Rohatgi & Co.**

Place : New Delhi  
Date : 03.08.2011

**(Akhil Rohatgi)**  
Company Secretary in Practice  
F.C.S.: 1600  
C.P. No. 2317



## BALANCE SHEET AS AT 31ST MARCH 2011

(₹ in Crore)

SCHEDULE		AS AT		AS AT	
		31.03.2011		31.03.2010	
SOURCES OF FUNDS					
SHAREHOLDERS' FUNDS					
Share Capital	1	129.98		129.98	
Reserves & Surplus	2	4,847.83	4,977.81	4,206.42	4,336.40
DEFERRED TAX LIABILITY (NET OF DEFERRED TAX ASSET)			228.56		210.90
TOTAL			5,206.37		4,547.30
APPLICATION OF FUNDS					
FIXED ASSETS					
Gross Block	3	3,286.15		2,988.86	
Less: Depreciation/Amortisation		959.13		825.00	
Net Block		2,327.02		2,163.86	
Add: Capital Works in progress (including advances)		319.14	2,646.16	206.43	2,370.29
INVESTMENTS	4		243.96		240.54
CURRENT ASSETS, LOANS & ADVANCES					
(A) Current Assets	5	2,392.69		2,092.54	
(B) Loans & Advances		474.27	2,866.96	479.84	2,572.38
LESS : CURRENT LIABILITIES & PROVISIONS					
(A) Current Liabilities	6	396.64		489.94	
(B) Provisions		154.07	550.71	145.97	635.91
NET CURRENT ASSETS			2,316.25		1,936.47
Significant Accounting Policies	10				
Notes on Accounts	11				
TOTAL			5,206.37		4,547.30

Schedules 1 to 11 form an integral part of the accounts

(HARISH CHANDRA)  
GGM (FIN) & COMPANY SECRETARY

(P. ALLI RANI)  
DIRECTOR(FINANCE)

(ANIL KUMAR GUPTA)  
MANAGING DIRECTOR

**As per our report of even date  
For Kumar Chopra & Associates  
Chartered Accountants**

Dated: 21.07.2011  
Place: New Delhi

(R K Aggarwal)  
Partner

**PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 31ST MARCH 2011**

(₹ in Crore)

	SCHEDULE	YEAR ENDED 31.03.2011	YEAR ENDED 31.03.2010
<b>INCOME</b>			
Income from Operations		3,828.12	3,705.68
Other income	7	202.06	180.05
<b>TOTAL</b>		<b>4,030.18</b>	<b>3,885.73</b>
<b>EXPENDITURE</b>			
Terminal and Other Service Charges		2,612.42	2,517.40
Employees Remuneration & Benefits	8	87.43	83.86
Administrative & Other Expenses	9	126.83	142.78
Depreciation/Amortisation		145.23	135.10
<b>TOTAL</b>		<b>2,971.91</b>	<b>2,879.14</b>
<b>PROFIT BEFORE TAX</b>		<b>1,058.27</b>	<b>1,006.59</b>
<b>LESS: PROVISION FOR TAX</b>			
Current Tax		162.11	202.78
Deferred Tax		17.66	17.14
<b>PROFIT AFTER TAX</b>		<b>878.50</b>	<b>786.67</b>
Add/(Less): Prior period adjustments (Net)		0.01	0.49
Add/(Less): Tax adjustments for earlier years (Net)		(2.56)	(0.47)
<b>NET PROFIT</b>		<b>875.95</b>	<b>786.69</b>
<b>APPROPRIATIONS</b>			
Interim Dividend Paid		97.49	77.99
Proposed Final Dividend		103.99	103.99
Corporate Dividend Tax		33.06	30.52
Transfer to General Reserve		87.59	78.67
Balance carried to Balance Sheet		553.82	495.52
		<b>875.95</b>	<b>786.69</b>
Basic and Diluted earning per share of ₹10/- each (₹)		67.39	60.52
(Note No.36, Schedule 11)			
Schedules 1 to 11 form an integral part of the accounts			

(HARISH CHANDRA)  
GGM (FIN) & COMPANY SECRETARY

(P. ALLI RANI)  
DIRECTOR(FINANCE)

(ANIL KUMAR GUPTA)  
MANAGING DIRECTOR

As per our report of even date  
For **Kumar Chopra & Associates**  
Chartered Accountants

Dated: 21.07.2011  
Place: New Delhi

(R K Aggarwal)  
Partner



## SCHEDULE 1: SHARE CAPITAL

	(₹ in Crore)	
	AS AT 31.03.2011	AS AT 31.03.2010
<b>AUTHORISED</b>		
20,00,00,000 Equity Shares of ₹ 10 each	<u>200.00</u>	<u>200.00</u>
<b>ISSUED, SUBSCRIBED AND PAID UP</b>		
12,99,82,794 (P.Yr : 12,99,82,794) Equity shares of ₹ 10/- each fully paid up (Includes 6,49,91,397 equity shares issued as fully paid up Bonus Shares by capitalising General Reserves)	<u>129.98</u>	<u>129.98</u>
<b>TOTAL</b>	<u>129.98</u>	<u>129.98</u>

## SCHEDULE 2: RESERVES & SURPLUS

	(₹ in Crore)	
	AS AT 31.03.2011	AS AT 31.03.2010
<b>GENERAL RESERVE</b>		
Opening Balance	<u>458.95</u>	<u>380.28</u>
Add: Transfer from Profit & Loss Account	<u>87.59</u>	<u>78.67</u>
	<b>546.54</b>	<b>458.95</b>
<b>PROFIT AND LOSS ACCOUNT</b>		
Opening Balance	<u>3,747.47</u>	<u>3,251.95</u>
Addition during the Year	<u>553.82</u>	<u>495.52</u>
	<b>4,301.29</b>	<b>3,747.47</b>
<b>TOTAL</b>	<u><b>4,847.83</b></u>	<u><b>4,206.42</b></u>

### SCHEDULE 3 : FIXED ASSETS

(₹ in Crore)

Description	GROSS BLOCK				DEPRECIATION/AMORTISATION				NET BLOCK	
	As at 01.04.2010	Additions during the Year	Sale/ Adjustments	As at 31.03.2011	As At 01.04.2010	For the Year	On Sale/ Adjustments	Upto 31.03.2011	As at 31.03.2011	As at 31.03.2010
<b><u>Tangible Assets</u></b>										
Freehold Land	12.27	0.39	-	12.66	-	-	-	-	12.66	12.27
Leasehold Land	117.23	24.09	-	141.32	15.72	2.48	-	18.20	123.12	101.51
Buildings	587.07	59.12	1.91	644.28	132.66	19.26	1.05	150.87	493.41	454.41
Railway Siding	50.66	26.09	-	76.75	16.31	2.81	-	19.12	57.63	34.35
Plant & Machinery	1908.23	183.79	-	2092.02	511.76	101.60	-	613.36	1478.66	1396.47
Containers	92.61	-	0.38	92.23	27.25	4.38	0.27	31.36	60.87	65.36
Electrical Fittings	49.39	2.61	0.16	51.84	30.51	3.51	0.14	33.88	17.96	18.88
Computers	53.29	9.06	7.10	55.25	34.53	5.01	6.60	32.94	22.31	18.76
Furniture & Fixtures	10.16	0.69	-	10.85	5.79	0.62	(0.01)	6.42	4.43	4.37
Office Equipment	7.96	1.18	0.06	9.08	2.84	0.42	0.02	3.24	5.84	5.12
Telephone Systems	1.55	0.09	-	1.64	0.76	0.07	-	0.83	0.81	0.79
Air Conditioner	5.64	0.34	0.04	5.94	1.56	0.28	0.02	1.82	4.12	4.08
Vehicles	0.62	0.08	0.09	0.61	0.45	0.04	0.07	0.42	0.19	0.17
Capital Expenditure *	23.38	0.09	3.43	20.04	22.59	0.30	2.94	19.95	0.09	0.79
Sub-total	2920.06	307.62	13.17	3214.51	802.73	140.78	11.10	932.41	2282.10	2117.33
<b><u>Intangible Assets</u></b>										
Software	18.80	2.84	-	21.64	14.18	1.95	-	16.13	5.51	4.62
Registration Fee	50.00	-	-	50.00	8.09	2.50	-	10.59	39.41	41.91
Sub-total	68.80	2.84	-	71.64	22.27	4.45	-	26.72	44.92	46.53
Total	2988.86	310.46	13.17	3286.15	825.00	145.23	11.10	959.13	2327.02	2163.86
Capital Work-in-Progress (including Advances of ₹ 200.62 Crore {Previous Year ₹ 93.87 Crore})									319.14	206.43
Grand Total									2646.16	2370.29
Previous year	2640.95	350.35	2.44	2988.86	691.98	135.10	2.08	825.00	2163.86	

\*Refer Note No. 15(b) of Schedule 11

- Note: 1) Gross Block of Plant & Machinery and Containers includes ₹ 1.87 crore (Previous Year ₹ 1.87 crore), and ₹ 0.10 crore (Previous Year ₹ 0.10 crore) respectively for items retired from active use due to obsolescence/condemnation.
- 2) Gross Block of Land and Buildings includes assets valuing ₹ 1.45 crore (Previous Year ₹ 1.45 crore) in respect of which sale/lease deeds are yet to be executed.
- 3) Gross Block of Buildings includes freehold buildings valuing ₹ 21.38 crore (Previous year ₹ 19.46 crore)



## SCHEDULE 4 : INVESTMENTS

(₹ in Crore)

	AS AT 31.03.2011	AS AT 31.03.2010
<b>LONG TERM INVESTMENTS (AT COST)</b>		
<b>TRADE INVESTMENTS (UNQUOTED)</b>		
<b>I. In Business Arrangements</b>		
– With Hindustan Aeronautics Ltd. and Mysore Sales International Ltd. by the name of "Joint Working Group - Air Cargo Complex".	-	0.87
– With Hindustan Aeronautics Ltd. by the name of "HALCON".	3.19	3.19
	<b>3.19</b>	4.06
<b>II. In Shares of Joint Ventures</b>		
4,706,695 Equity shares of ₹ 10/- each fully paid up in Star Track Terminals Pvt. Ltd. (P.Y. 4,706,695)	4.71	4.71
2,940,000 Equity shares of ₹ 10/- each fully paid up in Albatross CFS Pvt. Ltd. (P.Y. 2,940,000)	2.94	2.94
2,443,630 Equity shares of ₹ 10/- each fully paid up in Trident Terminals Pvt. Ltd. (P.Y. 2,443,630)	2.44	2.44
117,780,000 Equity shares of ₹ 10/- each fully paid up in Gateway Terminals India Pvt. Ltd. (P.Y. 117,780,000)	117.78	117.78
2,048,200 Equity shares of ₹ 10/- each fully paid up in CMA-CGM Logistics Park (Dadri) Pvt. Ltd. (P.Y. 2,048,200)	2.05	2.05
54,600,300 Equity shares of ₹ 10/- each fully paid up in India Gateway Terminal Pvt. Ltd. (P.Y. 54,600,300)	54.60	54.60
NIL Equity shares of ₹ 10/- each fully paid up in Integrated Infra Log Pvt. Ltd. (P.Y. 5,000)	-	0.01
980,000 Equity shares of ₹ 10/- each fully paid up in Infinite Logistics Solutions Pvt. Ltd. (P.Y. 980,000)	0.98	0.98
857,500 Equity shares of ₹ 10/- each fully paid up in Hind CONCOR Terminals (Dadri) Pvt. Ltd. (P.Y. 857,500)	0.86	0.86
49,000 Equity shares of ₹ 10/- each fully paid up in Container Gateway Limited (P.Y. 49,000)	0.05	0.05
3,716,160 Equity shares of ₹ 10/- each fully paid up in Allcargo Logistics Park Pvt. Ltd. (P.Y. 1,135,167)	3.71	1.13
1,775,000 Equity shares of ₹ 10/- each fully paid up in CONYK Cartrac Pvt. Ltd. (P.Y.50,000)	1.77	0.05
	<b>191.89</b>	187.60
<b>III. In Shares of Foreign Joint Venture</b>		
80,000 Equity shares of Nepalese Rupiah 100/- (Equivalent INR 62.50) each fully paid up in Himalayan Terminals Pvt. Ltd.,Nepal (P.Y. 80,000)	0.50	0.50
	<b>0.50</b>	0.50
<b>IV. In Shares of Indian Subsidiary (Wholly Owned)</b>		
48,273,810 Equity shares of ₹ 10/- each fully paid up in Fresh and Healthy Enterprises Ltd. (P.Y. 48,273,810)	48.38	48.38
	<b>48.38</b>	48.38
<b>TOTAL ( I+II+III+IV)</b>	<b>243.96</b>	240.54

**SCHEDULE 5: CURRENT ASSETS, LOANS AND ADVANCES**

	(₹ in Crore)	
	AS AT 31.03.2011	AS AT 31.03.2010
<b>A. CURRENT ASSETS</b>		
<b>INVENTORIES</b>		
(As taken, valued & certified by the Management)		
Stores & Spare Parts (At Cost) (Note No.20, Schedule 11)	6.95	7.25
Less: Provision for Obsolete Stores	<u>0.69</u>	<u>0.26</u>
	<u>6.26</u>	<u>6.99</u>
<b>SUNDRY DEBTORS</b>		
Outstanding for period exceeding six months		
Unsecured Considered good	3.73	2.68
Unsecured Considered doubtful	<u>2.25</u>	<u>2.02</u>
	<u>5.98</u>	<u>4.70</u>
Less: Provision for doubtful debts	<u>2.25</u>	<u>2.02</u>
Others		2.68
Unsecured Considered good	<u>13.54</u>	<u>14.96</u>
	<u>17.27</u>	<u>17.64</u>
<b>CASH AND BANK BALANCES</b>		
Cash in hand (Including Imprest)	0.23	0.27
Cheques in hand	12.07	16.39
Remittance in transit	-	0.01
Balance with Scheduled Banks		
– in Current Accounts	44.04	32.77
– in Flexi Deposits	2.74	160.61
– in Term Deposits	<u>2,236.60</u>	<u>1,779.46</u>
	<u>2,283.38</u>	<u>1,972.84</u>
	<u>2,295.68</u>	<u>1,989.51</u>
<b>OTHER CURRENT ASSETS</b>		
Interest accrued on deposits, loans and advances	<u>73.48</u>	<u>78.40</u>
<b>TOTAL CURRENT ASSETS - A</b>	<u>2,392.69</u>	<u>2,092.54</u>
<b>B. LOANS AND ADVANCES</b>		
LOAN TO WHOLLY OWNED SUBSIDIARY - FHCL (Unsecured)	28.14	33.64
LOANS TO EMPLOYEES (Secured)	20.73	18.32
LOANS TO OTHERS (Unsecured)	-	0.20
<b>ADVANCES (Unsecured)</b>		
Recoverable in cash or in kind or for value to be received	23.06	89.37
Less : Provision for doubtful advances	<u>1.83</u>	<u>1.75</u>
DEPOSITS (Unsecured)		
- Govt. Authorities	8.67	2.45
- Others	1.24	1.18
Less : Provision for doubtful deposits	<u>0.03</u>	<u>0.03</u>
	<u>1.21</u>	<u>1.15</u>
<b>ADVANCE INCOME TAX/TDS (NET OF PROVISIONS)</b>	<u>394.29</u>	<u>336.46</u>
<b>TOTAL LOANS AND ADVANCES - B</b>	<u>474.27</u>	<u>479.84</u>
<b>TOTAL (A + B)</b>	<u>2,866.96</u>	<u>2,572.38</u>



## SCHEDULE 6: CURRENT LIABILITIES AND PROVISIONS

(₹ in Crore)

	AS AT 31.03.2011	AS AT 31.03.2010
<b>A. CURRENT LIABILITIES</b>		
Sundry Creditors		
- Micro & Small Enterprises	-	-
- Others	221.71	299.53
Advances / Deposits from Customers	108.63	80.31
Unclaimed Dividend (*)	0.10	0.09
Book Overdraft (Note No.12, Schedule 11)	12.41	58.73
Others	53.79	51.28
<b>TOTAL CURRENT LIABILITIES - A</b>	<b>396.64</b>	<b>489.94</b>
<b>B. PROVISIONS</b>		
Proposed Final Dividend	103.99	103.99
Corporate Dividend Tax	16.87	17.27
Employee Retirement Benefits	30.28	24.71
Corporate Social Responsibility	2.93	-
<b>TOTAL PROVISIONS - B</b>	<b>154.07</b>	<b>145.97</b>
<b>TOTAL (A + B)</b>	<b>550.71</b>	<b>635.91</b>

(\*) An amount of ₹ 50,699/- (Previous Year : ₹ 2,30,060/-) has been deposited in the Investor Education and Protection Fund.

## SCHEDULE 7: OTHER INCOME

(₹ in Crore)

	YEAR ENDED 31.03.2011	YEAR ENDED 31.03.2010
<b>Interest earned on :</b>		
-Short Term Bank Deposits /ICDs (TDS ₹ 14.61Crore; Previous Year: ₹ 20.13 Crore)	145.85	147.31
- Loans to Employees	1.03	0.78
- Loan to Wholly Owned Subsidiary - FHEL (TDS ₹ 0.05 Crore; Previous Year: ₹ Nil Crore)	0.49	-
- Loan to IRWO (Note No.13, Schedule 11) (TDS ₹ NIL Crore; Previous Year: ₹ 0.01 Crore)	0.01	0.02
Dividend from JV Company	5.30	0.30
Profit on Sale of Fixed Assets	0.08	0.01
Excess provision written back (Note No.26, Schedule11)	27.66	15.74
Miscellaneous Income	21.64	15.78
Share in Profit of Business Arrangement (Note No.17(b), Schedule11)	-	0.11
<b>TOTAL</b>	<b>202.06</b>	<b>180.05</b>



**SCHEDULE 8: EMPLOYEES REMUNERATION AND BENEFITS**

(₹ in Crore)

	YEAR ENDED 31.03.2011	YEAR ENDED 31.03.2010
Salary, Allowances & Other Employee Benefits	67.46	64.48
Contribution to PF, FPF, ESI & Labour Welfare Fund	4.73	5.20
Rent for Leased Accomodation (Net)	1.77	1.57
Employee Welfare & Medical	11.59	9.85
Gratuity	1.35	2.51
Staff Training	0.53	0.25
<b>TOTAL</b>	<b>87.43</b>	<b>83.86</b>

**SCHEDULE 9: ADMINISTRATIVE AND OTHER EXPENSES**

(₹ in Crore)

	YEAR ENDED 31.03.2011	YEAR ENDED 31.03.2010
Printing & Stationery	1.98	2.11
Traveling and Conveyance (Including Directors' Traveling ₹ 0.33 Crore; Previous year ₹ 0.44Crore)	10.86	10.17
Rent and Licence fee for office building	1.67	1.56
Electricity & Water	5.09	5.19
Repairs & Maintenance :		
– Buildings	5.98	4.01
– Plant & Machinery	2.60	3.91
–Others	17.33	14.02
Security Expenses	29.90	26.54
Vehicle Running & Maintenance Expenses	0.04	0.04
Business Development	1.47	1.53
Postage, Telephone & Internet	2.64	2.68
Books & Periodicals	1.66	1.48
Bank Charges	0.30	0.09
Legal & Professional Charges	4.09	4.28
Insurance	1.36	1.22
Fees & Subscriptions	0.13	0.15
Advertisement	1.81	1.70
Auditors' Remuneration		
– Audit Fee	0.08	0.08
– Tax Audit Fee	0.02	0.02
– Other Services	0.08	0.07
–Out of Pocket	0.08	0.06
Rebate & Discounts	26.21	52.11
Rates & Taxes	3.07	3.26
Hazardous Waste Incineration	-	0.33
Donations	0.03	0.01
Miscellaneous Expenses (Note No.16(a) & 17(a), Schedule 11)	7.57	6.14
Investments written off	0.01	-
Provision for :		
Doubtful Debts	0.26	0.02
Doubtful Advances	0.08	-
Obsolete Stores	0.43	-
<b>TOTAL</b>	<b>126.83</b>	<b>142.78</b>



## SCHEDULE 10: SIGNIFICANT ACCOUNTING POLICIES:

### 1. Accounting Convention & Concepts:

The financial statements are prepared under the historical cost convention on accrual basis, in accordance with the applicable mandatory Accounting Standards and relevant presentation requirements of the Companies Act, 1956. Accounting Policies not referred to otherwise are consistent with generally accepted accounting principles.

### 2. Fixed Assets & Capital Work in Progress:

- i) Fixed assets are stated at cost of acquisition or construction, less accumulated depreciation. Cost of acquisition is net of interest on capital advances and duty credits and is inclusive of freight, duties, taxes and other incidental expenses. In respect of assets due for capitalisation where final bills/claims are to be received/passed, the capitalisation is based on the engineering estimates. Final adjustments, for costs and depreciation are made retrospectively in the year of ascertainment of actual cost and finalisation of claim. Machinery spares which can be used only in connection with an item of fixed asset and whose use is expected to be irregular are capitalised. Capital work in progress includes the cost of fixed assets that are not yet ready for their intended use, advances paid to acquire fixed assets and the cost of assets not put to use before the Balance Sheet date.
- ii) Provision for stamp duty payable on the immovable properties is made as and when conveyance deed for the properties is executed and the liability is ascertained.
- iii) Grants received towards specific fixed assets are deducted from the gross value of the asset or capital work in progress as the case may be. Unutilised amount out of grant received is shown as current liability.

### 3. Intangible Assets:

#### i) Software:

Expenditure on computer software, which is not an integral part of hardware, is capitalised as an intangible asset. The cost of software includes license fee and implementation cost and is capitalised in the year of its implementation. Software is amortized over five years.

#### ii) Registration Fee:

The registration fee paid to Ministry of Railway (MOR) for approval for movement of container trains on Indian Railways is capitalized as an Intangible Asset. The registration fee is amortized over a period of 20 years.

### 4. Borrowing Costs:

Borrowing costs attributable to the acquisition or construction of qualifying assets are capitalized as part of the cost of such assets and all other borrowing costs are charged to revenue. A qualifying asset is one that necessarily takes substantial period of time to get ready for intended use.

### 5. Investments:

- i) Long term investments are stated at cost. A provision for diminution in value is made to recognise a decline other than temporary in nature.
- ii) Current investments are stated at lower of cost or fair value.

### 6. Inventories:

Stores and spare parts are valued at cost on weighted average basis. Provision for obsolescence is made, whenever required.

### 7. Depreciation/Amortization:

- i) Depreciation on fixed assets including assets created on leasehold land is provided on "Straight Line Method" at the rates and in the manner prescribed in Schedule XIV of the Companies Act, 1956, except for Roads/Pavements/Boundary wall/ Warehouses and Electrical Fittings of terminals on which depreciation has been provided @ 3.34% and 10.34% respectively and for upgraded BFKI Wagons @ 6.79%.

## SCHEDULE 10: SIGNIFICANT ACCOUNTING POLICIES:

- ii) Leasehold land other than acquired on perpetual lease is amortized over the period of lease. Leasehold buildings are amortized over the period of lease or useful life of the building as per rates prescribed under Schedule XIV, whichever is less.
- iii) Capital expenditure on enabling assets, like roads, culverts & electricity transmissions etc., the ownership of which is not with the Company are charged off to revenue in the accounting period of incurrence of such expenditure. However, capital expenditure on enabling assets, ownership of which rests with the company and which have been created on land not belonging to the Company is written off to the P&L Account over its approximate period of utility or over a period of 5 years, whichever is less. For this purpose, land is not considered to be belonging to the company, if the same is not owned or leased/licensed to the company.

### 8. Impairment of Assets:

An asset is treated as impaired when the carrying amount of assets exceeds its recoverable value. An impairment loss is charged to the Profit and Loss Account in the year in which an asset is identified as impaired.

### 9. Retirement Benefits:

- i) Gratuity liability to employees is provided for on accrual basis based on valuation done by an independent actuary as at the Balance Sheet date. Contributions are made to approved Gratuity Fund created in a Trust set up by the Company for this purpose.
- ii) Liability for leave travel concession & leave salary payable to employees is provided for on accrual basis based on valuation done by an independent actuary as at the Balance Sheet date.
- iii) Contribution to defined contribution plans such as Provident Fund and Family Pension Fund are charged to the Profit & Loss Account as and when accrued.

### 10. Foreign Currency Transactions:

- i) Income & Expenditure denominated in foreign currencies are recorded at the exchange rate prevailing on the date of transaction.
- ii) Loans, Current liabilities and Current assets in foreign currencies are translated at the exchange rate prevailing at the end of financial year.
- iii) Gains or losses due to foreign exchange fluctuations are recognised in the Profit & Loss Account.

### 11. Income from Operations (Terminal & other Service Charges):

Rail Freight Income & related Expenses are accounted for at the time of issue of RRs by Indian Railways whereas Road Transportation/Handling Income & related Expenses are accounted for at the time of booking of containers. Terminal service charges and wharfage are accounted for on receipt/at the time of release of containers on "completed service contract method".

### 12. Claims/Counter-claims/Penalties/Awards:

Claims/counter-claims/penalties/awards are accounted for in the year of its settlement.

### 13. Taxes on Income:

- i) Provision for current tax is made in accordance with the provisions of the Income Tax Act, 1961.
- ii) Disputed income tax liabilities are accounted for on the finalization of assessments.

### 14. Provisions, Contingent Liabilities & Contingent Assets:

Provisions are recognised in respect of obligations where, based on the evidence available, their existence on the Balance Sheet date is considered probable.

Contingent liabilities are determined on the basis of available information. These liabilities are not provided for and disclosed by way of notes on accounts.

Contingent assets are not recognized in the accounts.



## SCHEDULE – 11: NOTES ON ACCOUNTS:

1. Estimated amount of Contracts remaining to be executed on Capital Account and not provided for (Net of advances):

	(₹ in Crore)	
	2010-11	2009-10
a) In relation to joint ventures	20.26	11.97
b) Others	249.56	188.74

2. Contingent liabilities not provided for:

a) Outstanding Letters of Credit & bank guarantees	39.56	44.30
b) Bank guarantees/bid bonds for joint ventures	126.32	167.92
c) Claims against the Company not acknowledged as debt, net of advances/payments under protest, arbitration, court orders, etc. [include claims of ₹ 356.68 crore (previous year: ₹ 311.92 crore) pending in arbitration/courts pursuant to arbitration awards]	769.50	720.38

Contingent liabilities are disclosed to the extent of claims received and include an amount of ₹ 11.61 crore (previous year: ₹ 10.56 crore), which may be reimbursable to the company. Any further interest demand on the basic claim is not considered where legal cases are pending, as the claim itself is not certain. No provision has been made for the contingent liabilities stated above, as on the basis of information available, careful evaluation of facts and past experience of legal aspects of the matters involved, it is not probable that an outflow of future economic benefits will take place.

- d) As per assessment orders under section 143(3) of the Income Tax Act, 1961, the Assessing Officer (AO) disallowed certain claims of the company, mainly deduction under section 80IA in respect of Rail System for assessment years 2003-04 to 2007-08 and Inland Ports (ICDs/CFSS) for assessment years 2003-04 to 2008-09 and raised demands of tax and interest totalling to ₹ 423.30 crore. In appeal, for AY 2003-04 to 2007-08, CIT (A) allowed claim u/s 80IA towards Rail System, whereas, for Inland Ports, the claim has been disallowed. On this matter, the decision of CIT (A) has been upheld by ITAT for AY 2003-04 to 2005-06 & the company has already filed appeal(s) against the orders of ITAT in Hon'ble Delhi High Court. On the similar issue for AY 2006-07 & 2007-08, the decision of AO has been upheld by CIT (A) & the company has now filed appeal(s) against the orders of CIT (A) in Hon'ble ITAT. Appeal for AY 2008-09 is pending with CIT (A). The Hon'ble Committee on Disputes (COD) has granted permission to the company for pursuing appeal on the matter of ICD deduction u/s 80IA before the Hon'ble Delhi High Court for AY 2003-04 to 2005-06, while the department's application seeking permission to pursue appeal on the matter of rail system deduction u/s 80IA before the Hon'ble Delhi High Court for AY 2003-04 to 2005-06 has been rejected.
- e) CIT (A) upheld the orders of AO imposing and thereby recovering penalty of ₹ 26.70 crore against the company's claim of deduction in respect of Inland Ports for AY 2003-04 to 2005-06. Appeal(s) filed with the Hon'ble ITAT against the above orders of CIT (A) have been decided in company's favour vide orders dated 17th June, 2011. On the similar issue for AY 2006-07 & 2007-08, AO has imposed/recovered a penalty of ₹ 41.94 crore against which the company has filed an appeal with CIT (A).
- f) Disputed income tax liabilities have been summarized as:

Assessment Year	Nature of Dispute	Amount (₹ in Crore)
2003-04	• Penalty u/s 271(1)(c)	5.30
	• Regular Assessment	5.30
2004-05	• Penalty u/s 271(1)(c)	9.64
	• Regular Assessment	9.53
2005-06	• Penalty u/s 271(1)(c)	11.76
	• Regular Assessment	12.19
2006-07	• Penalty u/s 271(1)(c)	17.10
	• Regular Assessment	17.78
2007-08	• Penalty u/s 271(1)(c)	24.84
	• Regular Assessment	24.84
2008-09	• Regular Assessment	62.25
<b>Consolidated Amount</b>	• <b>Penalty u/s 271(1)(c)</b>	<b>68.64</b>
	• <b>Regular Assessment</b>	<b>131.89</b>

All the above disputed tax liabilities have been paid/recovered by the department, except an amount of ₹ 14.92 crore on account of penalty for AY 2006-07, for which an application has been given to the department for adjustment from the refund due for other assessment years.

## SCHEDULE – 11: NOTES ON ACCOUNTS:

3. The company entered into a contract for supply of 1320 wagons by Hindustan Engineering and Industries Ltd (HEI). After the supply of 1050 wagons, the contract was terminated during FY 2004-05, for non-fulfilment of obligations on the part of HEI. Company invoked the bank guarantee of ₹ 5.99 crore for refund of unadjusted advance and ₹ 7.37 crore towards performance guarantee for non-fulfilment of terms of contract on the part of HEI. The matter has been referred to an Arbitration Tribunal and arbitration proceedings are in progress. The amount realized from invocation of performance guarantee stands credited to "Current Liabilities".
4. The Company has executed "Custodian cum Carrier Bonds" of ₹ 22,169.28 crore (previous year: ₹ 20,866.00 crore) in favour of Customs Department under the Customs Act, 1962. These bonds are of continuing nature, for which claims may be lodged by the Custom Authorities.
5. As in earlier years, provision for tax for the year is after considering tax deduction of ₹ 164.64 crore (previous year: ₹ 118.00 crore) under section 80IA of the Income Tax Act, 1961 in respect of Rail System & Inland Container Depots (Inland Ports).
6. Haulage charges for transportation of containers by rail upto 30.07.2010 were paid on fortnightly basis to Indian Railways at the rates prescribed by the Ministry of Railways (MOR) from time to time. However, w.e.f 31.07.2010, Indian Railways have introduced Terminal Management System (TMS), where the Haulage charges are paid upfront on generation of Railway Receipts (RRs) from the TMS. Reconciliation of the amount paid/payable to railway is done on an ongoing basis periodically and difference, if any, is adjusted in the payments for the ensuing periods and/or claims is preferred against railways.
7.
  - i) Income from operations consists of revenue from freight, handling, terminal service charges, demurrage and other operating income and is net of waivers of ₹ 0.08 crore (previous year: ₹ 0.50 crore).
  - ii) Terminal & other service charges include expenses for rail freight, handling, road transportation and other operating expenses. These also include ₹ 14.03 crore (previous year ₹ 14.99 crore) and ₹ 2.67 crore (previous year ₹ 2.29 crore) towards power & fuel and consumption of stores & spare parts respectively.
8.
  - i) Loans and Advances include ₹ 1.17 crore (previous year: ₹ 1.11 crore) given to Customs & Port Trust.
  - ii) Loans to employees include ₹ 0.09 crore (previous year: ₹ 0.12 crore) being amount due from Directors and officers of the company. Maximum outstanding balance during the year was ₹ 0.11 crore (previous year: ₹ 0.12 crore).
9. During the year, the company realised ₹ 8.99 crore (previous year: ₹ 18.22 crore) (net of auction expenses) from auction of undelivered containers. Out of the amount realized, ₹ 1.71 crore (previous year: ₹ 4.13 crore) is paid/payable as custom duty, ₹ 6.02 crore (previous year: ₹ 10.25 crore) has been recognised as income and the balance of ₹ 1.26 crore (previous year: ₹ 3.84 crore) has been shown under Current Liabilities.
10. Depreciation on assets created on leasehold land is provided in line with the accounting policy of the company irrespective of the land lease period, as the leases are likely to be renewed/extended.
11. Current liabilities-others includes ₹ 0.23 crore (previous year: ₹ 0.25 crore) towards unutilised grant received for acquisition of specific fixed assets in CONCOR/business arrangement. Amount of ₹ 4.25 crore (previous year: ₹ 0.38 crore) towards capital grants received & utilised during the year for acquisition of fixed assets has been deducted from the gross value of fixed assets.
12. Book Overdraft represents cheques issued by the company pending clearance against the flexi/other deposits with the banks.
13. During the year 1998-99, the company gave loan of ₹ 2.00 crore to Indian Railway Welfare Organization (IRWO) at simple interest of 8.5% p.a. in terms of Presidential Directives received from the Ministry of Railways. The amount is being repaid as per schedule and the amount of loan outstanding as at 31.03.2011 is ₹ NIL (previous year: ₹ 0.20 crore).



## SCHEDULE – 11: NOTES ON ACCOUNTS:

14. Details of capital expenditure on enabling assets created on land not belonging to the company, control & possession of which rests with the company (Refer Schedule -3) are as under:

(₹ in Crore)

PARTICULARS	As at 31-03-2011	As at 31-03-2010
Building	3.58	6.94
Railway Siding	10.93	10.84
Plant & Machinery	3.04	3.04
Electrical Fittings	2.29	2.36
Furniture	0.03	0.03
Others	0.17	0.17
<b>Total</b>	<b>20.04</b>	<b>23.38</b>

15. a) During the year, the company changed its accounting policy for revenue recognition **from** "Freight, Handling income and related expenses are accounted for at the time of booking of containers. Terminal service charges and wharfage are accounted for on receipt/ at the time of release of containers on completed service contract method" **to** "Rail Freight Income & related Expenses are accounted for at the time of issue of RRs by Indian Railways whereas Road Transportation/Handling Income & related Expenses are accounted for at the time of booking of containers. Terminal service charges and wharfage are accounted for on receipt/at the time of release of containers on "completed service contract method".

Consequent upon such change, income from operations is lower by ₹ 9.82crores; terminal & other service charges are lower by ₹ 7.60 crore & net profit before tax is lower by ₹ 2.22 crore.

b) During the year, the company changed its accounting policy related to amortization of capital expenditure on land not belonging to the company **from** "Capital expenditure on land not belonging to the company is written off to the profit and loss account over its approximate period of utility or over a relatively brief period not exceeding five years, whichever is less. For this purpose, land is not considered to be belonging to the company if the same is not owned or leased/ licensed to the company." **to** "Capital expenditure on enabling assets, like roads, culverts & electricity transmissions etc., the ownership of which is not with the Company are charged off to revenue in the accounting period of incurrence of such expenditure. However, capital expenditure on enabling assets, ownership of which rests with the company and which have been created on land not belonging to the Company is written off to the P&L Account over its approximate period of utility or over a period of 5 years, whichever is less. For this purpose, land is not considered to be belonging to the company, if the same is not owned or leased/licensed to the company."

Consequent upon such change, depreciation during the year is higher by ₹ 41.25 lakhs with a matching decline in the profit before tax.

16. (a) Miscellaneous expenses include loss on sale of fixed assets ₹ 94.97 lakhs (Previous Year: ₹ 23.59 lakhs) and exchange fluctuation (loss) ₹ 0.04 lakhs (previous year: ₹ 0.05 lakhs).
- (b) Wagons and containers damaged in an accident have not been written off pending settlement of claim. The estimated claim realized/realizable and provision for loss of wagons totalling to ₹ 1.36 crore (Previous year: ₹ 1.36 crore) is continued to be adjusted in the accumulated depreciation since FY 2008-09.
17. (a) As per the tripartite business arrangement of the company with Hindustan Aeronautics Ltd. and Mysore Sales International Ltd. for operating air cargo complex at Bangalore (JWG-ACC), a loss of ₹ 0.45 crore (Previous year: ₹ 0.51 crore) being company's share in the entity as per audited accounts upto 14th January, 2011 (being the date of exit by CONCOR) has been accounted for under 'Miscellaneous Expenses.' Consequent upon such exit, CONCOR's share of investment in the business arrangement stands debited to "Loans & Advances".
- (b) HALCON is a business arrangement of the company with Hindustan Aeronautics Ltd. for operating an Air Cargo Complex and ICD at Nasik. A profit of ₹ 0.08 lakhs (Previous year: ₹ 10.89 lakhs) being company's share in the entity as per unaudited accounts for the year ended 31st March, 2011 has been accounted for under 'Miscellaneous Income'.

## SCHEDULE – 11: NOTES ON ACCOUNTS:

18. Works carried out by Railways/its units for the company are accounted for on the basis of correspondence / estimates/advice etc.
19. Land license fee paid/payable to the Indian Railways (IR) is calculated on the basis of number of twenty feet equivalent units (TEUs) handled in terms of instructions issued by Ministry of Railways from time to time. The company lodged claim of ₹ 2.82 crore towards land license fee paid to Indian Railways for internal movement of empty containers during the years 1999-2000 to 2003-04. The case is being continuously followed up with Railway authorities for its recovery. However, as a matter of prudence, the same will be accounted for on receipt/acceptance.
20. Stores & spare parts include items costing ₹ 2.01 crore (previous year: ₹ 2.16 crore), which have not been consumed during last three years. These items by their very nature are essentially to be kept and are fit for their intended use.

21. Details of Managerial Remuneration paid/payable to Directors:

(₹ in Crore)

Managing & Whole Time Directors	2010-11	2009-10
Salary & allowances	1.02	1.57
Value of perquisites	0.25	0.43
Contribution to Gratuity, Provident Fund, Pension and Leave Encashment	0.17	0.53
<b>Total</b>	<b>1.44</b>	<b>2.53</b>

Further, Managing Director and whole time directors have been allowed to use the company car for private use for which necessary recoveries are being made in accordance with the instructions issued by Govt. of India from time to time.

22. Prior period adjustments include the following:

(₹ in Crore)

	2010-11	2009-10
<b><u>Income</u></b>		
Income from operations	1.41	0.52
Other Income	0.52	-
<b>Total (A)</b>	<b>1.93</b>	<b>0.52</b>
<b><u>Expenses</u></b>		
Terminal & other service charges [Net of recovery for expenses of ₹ 1.16 (previous year: ₹ NIL)]	1.68	-
Rebate Expenses	-	0.01
Legal & Professional	-	0.02
Repair & Maintenance	0.07	-
Depreciation	0.14	-
Others	0.03	-
<b>Total (B)</b>	<b>1.92</b>	<b>0.03</b>
<b>Net Prior Period Adj. (A– B)</b>	<b>0.01</b>	<b>0.49</b>

23. Remittance in foreign currency for dividend:

The company has not remitted any amount in foreign currency on account of dividend during the year.



## SCHEDULE – 11: NOTES ON ACCOUNTS:

### 24 Details of expenditure and earnings in foreign currency (on payment basis):

(₹ in Lakh)

	2010-11	2009-10
(a) Expenditure in Foreign Currency:		
(i) Books & periodicals	0.28	-
(ii) Travelling	13.60	19.07
(iii) Meetings & conference	0.50	2.73
(iv) Fee & subscription	-	2.55
(b) Value of Imports on C.I.F. basis in respect of:		
(i) Stores & Spares	26.12	23.15
(ii) Capital Goods (including advances)	4935.34	5661.49

### 25 Expenditure on consumption of Stores & Spares:

(₹ in Crore)

	2010-11		2009-10	
	Amount	% age	Amount	% age
i) Imported	0.56	21%	0.22	10 %
ii) Indigenous	2.10	79%	2.07	90 %

### 26. Excess provisions written back during the year are as follows:

(₹ in Crore)

Particulars	2010-11	2009-10
a) Rail Freight & Demurrage	1.03	2.22
b) Road Freight	0.20	-
c) Handling	1.38	3.05
d) Terminal & service charges	0.44	0.15
e) Custom cost recovery	0.97	0.17
f) Rates & Taxes	8.68	0.19
g) Auction	2.34	1.04
h) Rebate & Discount	4.13	1.31
i) Salary arrears	3.11	0.76
j) Others	5.38	6.85
<b>TOTAL</b>	<b>27.66</b>	<b>15.74</b>

27. The Company has not received any intimation from the suppliers regarding their status under the Micro, Small and Medium Enterprises Development Act, 2006 as at the Balance Sheet date and therefore no such disclosures under the said Act have been made.

28. a) As per Presidential Directives received during FY 2008-09, Employee's Salaries and Perquisites have been revised w.e.f 1st January, 2007. Disbursement pursuant to such directives was/is being made to the eligible employees.

b) Pursuant to DPE circular in respect of 2nd pay committee recommendations, the company is in the process of framing a pension scheme for its employees. Pending finalization of the scheme, a provision of ₹ 4.03 crore



## SCHEDULE – 11: NOTES ON ACCOUNTS:

(Previous year: ₹ 0.50 crore) has been made on the basis of actuarial valuation towards company's contribution to the Scheme.

c) The impact of pay revision in respect of custom cost recovery & security expenses, etc. payable to the Govt. is being accounted for as and when the claims are finalized.

29. Provisions relating to disclosure of information as required by other sub-clauses of Clause-3 of Part-II of Schedule VI to the Companies Act, 1956, are not applicable, as the company has no manufacturing activity.
30. During FY 2009-10, company received duty credit entitlement scrips amounting to ₹ 82.46 crore (₹ 29.75 crore in May 2009 and ₹ 52.71 crore in February, 2010) under the Served From India Scheme (SFIS) of the Govt. of India. As per the scheme, the scrips can be utilized within two years for duty credit for import of capital goods & payment of excise duty on domestic purchases. During the current financial year 2010-11, an amount of ₹ 14.24 crore (previous year: ₹ 8.28 crore) has been utilized for custom duty credit on import of capital goods and ₹ 17.41 crore (Previous year: ₹ 7.87 crore) for excise duty credit on domestic purchase, leaving a balance of ₹ 34.66 crore as on 31.03.2011. During the year, there is no expired amount, which remained unutilized (Previous year: ₹ 33.12 crore).

During the current financial year 2010-11, company received additional SFIS scrips amounting to ₹ 99.18 crore in September 2010; thus leaving a cumulative balance of ₹ 133.84 crore as on 31.03.2011 (Previous year: ₹ 66.31 crore)

31. The Govt. has imposed cess on building and other construction works under the provisions of the Delhi Building and Other Construction Workers (Regulation of Employment and Conditions of Service) Rules, 2002, Building and other Construction Workers Welfare Cess Act, 1996 and Building and Other Construction Workers Cess Rules, 1998. Similar cess has also been imposed by some other States. During FY 2008-09, a notice was received from the Labour Department at Delhi for payment of ₹ 46.05 lakhs towards this cess from 1996 onwards. Since the Gazette notification for levy of cess has been issued in August 2005, the liability from that date amounting to ₹ 4.13 Lakh has been deposited in FY 2008-09, which is recoverable from the contractors.
32. The Company has, with effect from 1st April, 2007, adopted Accounting Standard 15, Employee Benefits (revised 2005), issued by the Institute of Chartered Accountants of India (ICAI). The disclosures as required as per the above accounting standard are as under:

**(a) Defined Contribution plans:**

- (i) Employers' contribution to Provident Fund
- (ii) Employers' contribution to Employees Pension scheme, 1995

Company pays fixed contribution to Provident Fund at predetermined rates to a separate trust, which invests the fund in permitted securities. The contribution to the fund for the period is recognized as expense and is charged to the profit & loss account. The obligation of the company is limited to such fixed contribution. However, the trust is required to pay a minimum rate of interest on contributions to the members as specified by Government. During the year, the company has recognized the following amounts in the profit and Loss Account.

- (i) Employers' contribution to Provident Fund ₹ 3.93 crore (previous year: ₹ 4.42 crore)
- (ii) Employers' contribution to Employees Pension scheme, 1995 ₹ 0.79 crore (Previous year: ₹ 0.78 crore)

**(b) Defined benefit plans:**

**Gratuity:**

The Company has a defined benefit gratuity plan, which is regulated as per the provisions of Payment of Gratuity Act, 1972. The scheme is funded by the company and is managed by a separate trust. The liability for the same is recognized on the basis of actuarial valuation.



## SCHEDULE – 11: NOTES ON ACCOUNTS:

### Leave Travel Concession :

The company provides LTC facility to its employees, which is regulated in accordance with the policy framed in this regard. The liability for the same is recognized on the basis of actuarial valuation.

### Leave Encashment :

The company has a defined benefit leave encashment plan for its employees. Under this plan, they are entitled to encashment of earned leaves and medical leaves subject to certain limits and other conditions specified for the same. The liabilities towards leave encashment have been provided on the basis of actuarial valuation.

### Post Retirement Medical Benefits :

The company has formed a medical trust, which takes care of medical needs of its employees after their retirement. Their entitlement for reimbursement of medical expenses is regulated as per the policy in vogue. The liability for the same is recognized on the basis of actuarial valuation.

### Long-term Medical Liability :

As per the medical policy in vogue, employees are entitled for reimbursement of medical expenses equivalent to one-month basic pay plus DA in a calendar year. If in any particular year, the employee does not spend the full amount, the balance is carried forward to the subsequent years. The liability for the same is recognized on the basis of actuarial valuation.

**(c) Summarized Position:** The details of various defined benefits recognised in the Profit and Loss Account, Balance Sheet and the funded status are as under:

### Expenses Recognised in Profit and Loss Account:

(₹ in lakh)

	Gratuity (Funded)		Leave Encashment (Non-Funded)		Post Retirement Medical Benefits (Funded)	
	2010-11	2009-10	2010-11	2009-10	2010-11	2009-10
Current service cost	124.99	116.54	180.78	183.47	-	-
Interest cost on benefit obligation	107.64	74.70	152.02	89.53	-	-
Expected return on plan assets	(94.87)	(72.51)	-	-	-	-
Net actuarial (Gains)/ Loss	(2.91)	132.10	(6.11)	509.67	-	-
Expenses recognised in profit and loss account	134.85	250.83	326.69	782.67	-	-

### Amount Recognised in the Balance Sheet:

Present Value of Obligations as at 31st March (i)	1498.58	1308.35	1977.94	1847.77	10.17	-
Fair Value of Plan Assets as at 31st March (ii)	1375.96	1069.76	-	-	-	-
Difference (ii) - (i)	(122.62)	(238.59)	(1977.94)	(1847.77)	(10.17)	-
Net asset/(Liabilities) recognised in the Balance sheet	(122.62)	(238.59)	(1977.94)	(1847.77)	(10.17)	-

### Change in the Present value of the defined benefit obligation:

Present value of obligation as at 1st April	1308.35	995.95	1847.80	1193.74	10.17	-
Interest cost	107.64	74.70	152.02	89.54	-	-
Current service cost	124.99	116.54	180.78	183.46	-	-
Benefits paid	(39.49)	(10.96)	(196.52)	(128.64)	-	-
Net actuarial (gains)/loss on obligation	(2.90)	132.12	(6.11)	509.67	-	-

**SCHEDULE – 11: NOTES ON ACCOUNTS:**

Present value of defined benefits obligation as at 31st March	<b>1498.58</b>	1308.35	<b>1977.94</b>	1847.77	<b>10.17</b>	-
<b>Change in the fair value of plan assets:</b>						
Fair value of Plan Assets as at 1st April	<b>1069.76</b>	587.11	-	-	-	-
Expected return on plan assets	-	72.51	-	-	-	-
Contribution by Employer	<b>250.83</b>	421.07	-	-	-	-
Benefits paid	<b>(39.49)</b>	(10.96)	-	-	-	-
Actuarial gain/(loss)	-	0.03	-	-	-	-
Fair value of Plan Assets as at 31st March	<b>1375.96</b>	1069.76	-	-	-	-

**Expenses recognised in Profit and Loss Account:**

(₹ in lakh)

	Interest guarantee Liability PF (Non-Funded)		Long Term Medical Liability (Non-Funded)		Leave Travel Concession (Non-Funded)	
	2010-11	2009-10	2010-11	2009-10	2010-11	2009-10
Current service cost	-	-	-	-	<b>29.45</b>	33.07
Interest cost on benefit obligation	-	-	-	-	<b>4.91</b>	4.39
Expected return on plan assets	-	-	-	-	-	-
Net actuarial Gains (Loss)	-	-	-	-	<b>32.21</b>	6.42
Expenses recognised in profit and loss account	-	-	-	-	<b>65.97</b>	43.88

**Amount Recognised in the Balance Sheet:**

Present Value of Obligations as at 31st March (i)	<b>128.16</b>	118.41	<b>206.91</b>	-	<b>62.05</b>	65.52
Fair Value of Plan Assets as at 31st March (ii)	-	-	-	-	-	-
Difference (ii) - (i)	<b>(128.16)</b>	(118.41)	<b>(206.91)</b>	-	<b>(62.05)</b>	(65.52)
Net asset/(Liabilities) recognised in the Balance sheet	<b>(128.16)</b>	(118.41)	<b>(206.91)</b>	-	<b>(62.05)</b>	(65.52)

**Change in the Present value of the defined benefit obligation:**

Present value of obligation as at 1st April	<b>118.41</b>	118.41	<b>206.91</b>	-	<b>65.52</b>	58.50
Interest cost	-	-	-	-	<b>4.91</b>	4.39
Current service cost	-	-	-	-	<b>29.45</b>	33.07
Benefits paid	-	-	-	-	<b>(70.04)</b>	(36.85)
Net actuarial gains/(loss) on obligation	<b>9.75</b>	-	-	-	<b>32.21</b>	6.42
Present value of defined benefits obligation as at 31st March	<b>128.16</b>	118.41	<b>206.91</b>	-	<b>62.05</b>	61.52

**Change in the fair value of plan assets:**

Fair value of Plan Assets as at 1st April	-	-	-	-	-	-
Expected return on plan assets	-	-	-	-	-	-
Contribution by Employer	-	-	-	-	-	-
Benefits paid	-	-	-	-	-	-
Actuarial gain/(loss)	-	-	-	-	-	-
Fair value of Plan Assets as at 31st March	-	-	-	-	-	-



## SCHEDULE – 11: NOTES ON ACCOUNTS:

(d) **Details of plan assets:** The details of the plan assets (gratuity) at cost are as follows:

	As on 31-03-2011	As on 31-03-2010
		(₹ in lakh)
i) State Government securities	99.25	49.35
ii) Central Government securities	252.01	213.01
iii) Corporate Bond/debentures	850.81	670.26
iv) Others	13.91	133.94
	----- 1215.98 -----	----- 1066.56 -----

(e) **Actuarial assumptions:** Principal assumptions used for actuarial Valuations are:

**1. Long Term Medical Liability**

Period	2010-11	2009-10
Discount rate	8 % per annum	-
Normal Retirement Age	60 Years	-
Mortality	LIC 94-96 Ultimate	-
Expected rate of return	0	-
Withdrawal rate (Per Annum)	2.00% p.a. (18 to 60 Years)	-

**2. Leave Encashment**

Period	2010-11	2009-10
Discount rate	8.25 % per annum	7.50%
Salary Growth Rate	5.00 % per annum	5.00%
Mortality	LIC 94-96 Ultimate	LIC 94-96 Ultimate
Expected rate of return	0	0
Withdrawal rate (Per Annum)	2.00% p.a. (18 to 60 Years)	3.00% p.a. (up to 30 Years) 2.00% p.a. (31 to 44 Years) 1.00% p.a. (above 44Years)

**3. Post Retirement Medical Benefits**

Period	2010-11	2009-10
Discount rate	8.00% per annum	-
Mortality post retirement	LIC a 96-98 annuitants ultimate	-

**4. Interest guarantee liability PF**

Period	2010-11	2009-10
Discount rate	8 % per annum	-

**5. Gratuity**

Period	2010-11	2009-10
Discount rate	8.25 % per annum	7.50%
Salary Growth Rate	5.00 % per annum	5.00%
Mortality	LIC 94-96 Ultimate	LIC 94-96 Ultimate
Expected rate of return	7.76% per annum	12.35%
Withdrawal rate (Per Annum)	2.00% p.a. (18 to 60 Years)	3.00% p.a. (up to 30 Years) 2.00% p.a. (31 to 44 Years) 1.00% p.a. (above 44Years)

**6. Leave Travel Concession**

Period	2010-11	2009-10
Discount rate	7.5 % per annum	7.50%
Salary Growth Rate	5.00 % per annum	5.00%
Mortality	LIC 94-96 Ultimate	LIC 94-96 Ultimate
Withdrawal rate (Per Annum)	3.00% p.a. (up to 30 Years) 2.00% p.a. (31 to 44 Years) 1.00% p.a. (above 44Years)	3.00% p.a. (up to 30 Years) 2.00% p.a. (31 to 44 Years) 1.00% p.a. (above 44Years)

## SCHEDULE – 11: NOTES ON ACCOUNTS:

### 33. Segment Information as per Accounting Standard-17:

#### (a) Primary Segments:

The company is organized on All-India basis into two major operating divisions- EXIM and Domestic. The divisions are the basis on which the company reports its primary segment information. Both EXIM and Domestic divisions of the company are engaged in handling, transportation & warehousing activities.

Segment revenue and expenses directly attributable to EXIM and Domestic segments are allocated to the two segments. Joint revenue and expenses have been allocated on a reasonable basis. Segment assets include all operating assets used by a segment and consist principally of inventories, sundry debtors, cash & bank balances, loans & advances, other current assets and fixed assets net of provisions. Similarly, segment liabilities include all operating liabilities and consist principally of sundry creditors, advance from customers, other liabilities and provisions. Segment assets and liabilities do not, however, include provisions for taxes. Joint assets & liabilities have been allocated to segments on a reasonable basis.

The information about business segments on primary reporting format is as under:

(₹ in Crore)

Particulars	EXIM		Domestic		Un-allocable		Total	
	2010-11	2009-10	2010-11	2009-10	2010-11	2009-10	2010-11	2009-10
<b>REVENUE</b>								
Segment Revenue	<b>2991.45</b>	2898.49	<b>836.67</b>	807.19	-	-	<b>3828.12</b>	3705.68
<b>RESULT</b>								
Segment Result	<b>824.41</b>	759.11	<b>78.67</b>	112.06	-	-	<b>903.08</b>	871.17
Corporate Expenses					<b>46.87</b>	44.63	<b>46.87</b>	44.63
Operating Profit							<b>856.21</b>	826.54
Interest & other Income					<b>202.06</b>	180.05	<b>202.06</b>	180.05
Income Taxes					<b>179.77</b>	219.92	<b>179.77</b>	219.92
Prior Period Adjustments (Net)					<b>0.01</b>	0.49	<b>0.01</b>	0.49
Tax adjustments for earlier years (Net)					<b>(2.56)</b>	(0.47)	<b>(2.56)</b>	(0.47)
<b>Net Profit</b>							<b>875.95</b>	786.69
<b>OTHER INFORMATION</b>								
Segment Assets	<b>1778.16</b>	1708.41	<b>591.50</b>	599.27	-	-	<b>2369.66</b>	2307.68
Unallocated Corporate Assets					<b>3387.42</b>	2875.53	<b>3387.42</b>	2875.53
Total Assets							<b>5757.08</b>	5183.21
Segment Liabilities	<b>258.35</b>	302.94	<b>90.33</b>	94.02	-	-	<b>348.68</b>	396.96
Unallocated Corporate Liabilities					<b>5408.40</b>	4786.25	<b>5408.40</b>	4786.25
Total Liabilities							<b>5757.08</b>	5183.21
Capital Expenditure	<b>238.18</b>	225.49	<b>47.61</b>	122.13	<b>24.67</b>	2.73	<b>310.46</b>	350.35
Depreciation	<b>106.87</b>	100.19	<b>36.95</b>	33.01	<b>1.41</b>	1.90	<b>145.23</b>	135.10
Non cash expenses other than depreciation	<b>1.68</b>	0.14	<b>0.09</b>	0.04	<b>(0.03)</b>	0.08	<b>1.74</b>	0.26

#### Note(s):

- Prior period adjustments have not been allocated to any segment.
- Unallocated Corporate Liabilities include ₹ 4,977.81 crore (previous year: ₹ 4,336.40 crore) on account of Shareholders' Funds.

(b) **Secondary Segments:** The operations of the Company are mainly confined to the geographical territory of India & there is no reportable secondary segment.



## SCHEDULE – 11: NOTES ON ACCOUNTS:

### 34. Related Party Disclosures as per Accounting Standard-18:

a) Key Management Personnel: Directors of the Company:

(₹ in lakh)

Name of Related Party	Nature of Transaction (excl. reimbursable)			
	Remuneration paid including perks		Loans and advances receivable	
<b>i) Whole Time Directors:</b>	<b>2010-11</b>	<b>2009-10</b>	<b>2010-11</b>	<b>2009-10</b>
Anil K. Gupta, Managing Director w.e.f 31.12.2009	41.02	44.93	1.65	2.13
Rakesh Mehrotra, Ex-Managing Director up to 31.10.2009	-	59.93	-	-
Suresh Kumar, Ex-Director (Finance) up to 30.06.2009	-	23.30	-	-
P. Alli Rani, Director (Finance) w.e.f 31.08.2009	30.29	31.89	4.36	5.74
Harpreet Singh, Director (Projects & Services)	40.07	49.06	2.77	3.31
Yash Vardhan, Director (IM&O)	33.02	43.51	-	-
<b>ii) Nominated/Independent Directors:</b>	Sitting Fee			
Janat Shah (w.e.f 01.01.2008)	1.20	0.80		
S. Balachandran (w.e.f 01.01.2008)	1.00	1.80		
V. Sanjeevi (w.e.f 01.01.2008)	2.00	2.40		
T. Doongaji (w.e.f 04.04.2008)	1.80	2.20		
M.S Khan (Single sitting)	0.20	-		
<b>b) Joint Ventures:</b>				
i. Star Track Terminals Pvt. Ltd.				
ii. Trident Terminals Pvt. Ltd.				
iii. Albatross CFS Pvt. Ltd.				
iv. Gateway Terminals India Pvt. Ltd.				
v. JWG-Air Cargo Complex (A business arrangement) (#)				
vi. Himalayan Terminals Pvt. Ltd. (Foreign Joint Venture)				
vii. CMA-CGM Logistics Park (Dadri) Pvt. Ltd.				
viii. HALCON (A business arrangement)				
ix. India Gateway Terminal Pvt. Ltd.				
x. Integrated Infra Log Pvt. Ltd. (*)				
xi. Infinite Logistics Solutions Pvt. Ltd.				
xii. Hind CONCOR Terminals (Dadri) Pvt. Ltd.				
xiii. Container Gateway Limited				
xiv. Allcargo Logistics Park Pvt. Ltd.				
xv. CONYK Cartrac Pvt. Ltd.				

(#) Business arrangement stands terminated on 14th January, 2011.

(\*) Consequent upon striking off the company's name from ROC, investment in JV Company has been written off.

## SCHEDULE – 11: NOTES ON ACCOUNTS:

### c) Wholly owned Subsidiary: Fresh And Healthy Enterprises Ltd.

Transactions relating to parties referred to at (b) & (c) above are:

(₹ in lakh)

	Joint ventures		Subsidiary	
	2010-11	2009-10	2010-11	2009-10
Rent, Maintenance charges, interest & dividend income received/receivable	760.21	282.18	-	-
Share in the income recognized	(44.90)	(39.73)	-	-
Investment (Net) made during the year	430.10	3745.67	-	-
BG/Bid Bonds for JVs	126.32	167.92	-	-
<b>Balances As on 31st March</b>				
-Security deposit received	204.92	204.92	-	-
-Current assets, loans & advances	46.49	197.11	2814.33	3364.33
-Investments	19558.34	19215.24	4838.00	4838.00
-Current Liabilities & Provisions	16.95	10.72	-	-

### 35. Leases - Accounting Standard –19:

i) In respect of assets taken on lease/rent:

(₹ in Crore)

	2010-11	2009-10
(a) The future minimum lease payments under non-cancellable operating leases entered into on or after 1st April, 2001 are:		
(i) Not later than one year	0.83	2.22
(ii) Later than one year and not later than five years	-	1.01
(iii) Later than five years	-	-

(b) Lease payments recognized in the accounts are ₹ 18.14 crore (previous year: ₹ 17.51 crore).

(c) Sub lease recoveries recognized in the accounts are ₹ 0.41 crore (previous year: ₹ 0.12 crore).

The operating leases are in respect of containers, office premises and accommodation provided to staff. The period of lease arrangements varies from case to case.

ii) In respect of assets leased/rented out:

(₹ in Crore)

	2010-11	2009-10
Gross Carrying amount (Buildings & Warehouses)	22.63	22.63
Accumulated Depreciation	4.67	4.22
Depreciation during the year	0.45	0.45

### 36. Earning per share (EPS): The calculation of EPS as per Accounting Standard (AS)-20 is as under:

	2010-11	2009-10
Profit after tax, prior period adjustments & tax adjustments for earlier years as per Profit and Loss Account (₹ in crore)	875.95	786.69
Weighted average number of equity shares of face value ₹ 10/- each	129,982,794	129,982,794
Basic and diluted earning per share (in rupees)	67.39	60.52



## SCHEDULE – 11: NOTES ON ACCOUNTS:

### 37. Accounting for Taxes on Income - Accounting Standard-22:

Components of Deferred Tax Asset and Liability:

(₹ in Crore)

	2010-11	2009-10
i. Deferred Tax Liability:		
Difference between book and tax depreciation	<u>242.58</u>	<u>224.22</u>
ii. Deferred tax asset:		
Expenditure covered by section 43B	9.11	11.57
Provision for doubtful advances/debts/stores	1.50	1.28
Others	<u>3.41</u>	<u>0.47</u>
	<u>14.02</u>	<u>13.32</u>
iii. Net deferred tax liability [i-ii]	<u>228.56</u>	<u>210.90</u>

### 38. Financial Reporting of Interests in Joint Ventures – Accounting Standard – 27:

a) Brief description of Joint Ventures of the Company where investments have been made are:

Particulars	Country of incorporation	(%) Holding
<b>Star Track Terminals Pvt. Ltd.:</b> A Joint venture with Maersk India Pvt. Ltd. for setting up and running a CFS at Dadri, U.P.	India	49
<b>Trident Terminals Pvt. Ltd.:</b> A Joint venture with Transworld group of companies for CFS at Dadri, U.P.	India	49
<b>Albatross CFS Pvt. Ltd.:</b> A Joint venture with Transworld group of Companies for CFS at Dadri, U.P.	India	49
<b>Gateway Terminals India Pvt. Ltd.:</b> A Joint Venture with Maersk A/S, Copenhagen for third berth at JN Port, Mumbai.	India	26
<b>@JWG-Air Cargo Complex:</b> A business arrangement with Hindustan Aeronautics Ltd. and Mysore Sales International Ltd. for air cargo business at Bangalore.	India	33.33
<b>Himalayan Terminals Pvt. Ltd.:</b> A joint venture with Nepalese Enterprises (Interstate Multimodal Transport Pvt. Ltd. of Nepal & Nepal Transit & Warehouse Co. Ltd.) & Transworld group of companies for management and operation of rail container terminal at Birgunj (Nepal).	Nepal	40
<b>#CMA-CGM Logistics Park (Dadri) Pvt. Ltd.:</b> A joint venture with "Ameya Logistics Pvt. Ltd." (Previous year: CMA CGM Global India Pvt. Ltd.) for CFS at Dadri, UP.	India	49
<b>HALCON:</b> A business arrangement with Hindustan Aeronautics Ltd. for operating an air cargo complex & ICD at Ozar airport, Nasik.	India	50
<b>India Gateway Terminal Pvt. Ltd.:</b> A joint venture with Dubai Port International (DPI) for setting up and managing Container Terminals at Cochin.	India	15
<b>*Integrated Infra Log Pvt. Ltd.:</b> A joint Venture with IL&FS Infrastructure Development Corporation Ltd. to carry on the business of establishing, acquiring, developing, managing & maintaining logistic infrastructure, etc.	India	50



## SCHEDULE – 11: NOTES ON ACCOUNTS:

<b>Hind CONCOR Terminals (Dadri) Pvt. Ltd.:</b> A Joint Venture with Hind Terminals Pvt. Ltd. for CFS at Dadri, U.P.	India	49
<b>Infinite Logistics Solutions Pvt. Ltd.:</b> A Joint Venture with Transport Corporation of India Ltd. to establish logistics freight terminals and provide integrated logistics services across the country.	India	49
<b>Container Gateway Ltd.:</b> A Joint Venture with Gateway Rail Freight Pvt. Ltd. for operations of existing rail/road container terminal at Garhi Harsaru, Gurgaon (Haryana)	India	49
<b>Allcargo Logistics Park Pvt. Ltd.:</b> A joint Venture with Allcargo Global Logistics Ltd. for setting up and running CFS at Dadri.	India	49
<b>##CONYK Cartrac Pvt. Ltd.:</b> A Joint Venture with NYK Auto Logistics (India) Ltd. (Previous year: NYK Line (India) Ltd. for setting up & dealing in business of developing Completely Built up Unit (CBU) Vehicle Logistics.	India	50

@ Business arrangement stands terminated on 14th January, 2011.

# During the year, 51% Shareholding in JV was acquired by “**Ameya Logistics Pvt. Ltd.**” from **CMA CGM Global India Pvt. Ltd.**

\*Consequent upon striking off the company's name from ROC, investment in JV Company has been written off.

## During the year, 50% Shareholding in JV was acquired by “**NYK Auto Logistics (India) Ltd**” from “**NYK Line (India) Ltd.**”

- b) Company's share of assets, liabilities, income, expenditure, contingent liabilities & capital commitments in the Joint Ventures, to the extent of information available, is as follows:

(₹ in lakh)

	Assets	Liabilities	Income	Expenditure	Contingent Liabilities & Capital Commitments
Star Track Terminal Pvt. Ltd.	<b>1170.90</b> (1249.88)	<b>307.31</b> (553.02)	<b>938.76</b> (1251.73)	<b>778.56</b> (1008.83)	- (350.42)
Trident Terminals Pvt. Ltd.	<b>799.37</b> (824.76)	<b>623.99</b> (628.90)	<b>281.08</b> (271.11)	<b>299.72</b> (251.06)	- (2695.00)
Albatross CFS Pvt. Ltd.	<b>1299.08</b> (1254.00)	<b>261.03</b> (751.37)	<b>1557.30</b> (1642.89)	<b>1373.75</b> (1455.71)	<b>254.59</b> (256.18)
*Gateway Terminals India Pvt. Ltd.	<b>25,753.45</b> (30,662.84)	<b>15,647.60</b> (19,944.32)	<b>10,879.16</b> (10,414.89)	<b>10,046.54</b> (9529.15)	<b>22,820.74</b> (23,318.16)
^JWG-Air Cargo Complex	- (211.30)	- (188.52)	<b>35.10</b> (0.24)	<b>80.16</b> (17.11)	- -
#Himalayan Terminals Pvt. Ltd	<b>238.88</b> (114.03)	<b>90.47</b> (105.73)	<b>487.78</b> (387.36)	<b>346.54</b> (317.36)	- -
CMA-CGM Logistics Park (Dadri) Pvt. Ltd.	<b>864.16</b> (739.22)	<b>327.46</b> (413.31)	<b>899.00</b> (782.37)	<b>674.15</b> (576.13)	<b>245.00</b> (245.00)
HALCON	<b>328.01</b> (403.46)	<b>20.15</b> (95.69)	<b>95.92</b> (144.06)	<b>95.83</b> (133.17)	- -



## SCHEDULE – 11: NOTES ON ACCOUNTS:

	Assets	Liabilities	Income	Expenditure	Contingent Liabilities & Capital Commitments
India Gateway Terminal Pvt. Ltd.	<b>15,702.26</b> (10,884.67)	<b>9494.74</b> (6222.49)	<b>1591.89</b> (1379.50)	<b>2423.34</b> (1730.88)	- (7525.91)
Integrated Infra Log Pvt. Ltd.	- (-)	- (-)	- (-)	- (0.29)	- (-)
Hind CONCOR terminals Pvt. Ltd.	<b>24.10</b> (101.56)	<b>0.12</b> (15.81)	- (-)	- (-)	- (-)
Infinite Logistics Solutions Pvt. Ltd.	<b>82.29</b> (80.37)	<b>5.74</b> (2.64)	<b>8.54</b> (4.53)	<b>9.71</b> (3.88)	- -
Allcargo Logistics Park Pvt. Ltd.	<b>656.15</b> (120.08)	<b>39.53</b> (6.56)	- (-)	- (-)	- (396.68)
CONYK Cartrac Pvt. Ltd.	<b>179.32</b> (6.59)	<b>3.36</b> (1.68)	<b>1.91</b> (1.58)	<b>3.14</b> (1.67)	- -
Container Gateway Ltd.	<b>6.40</b> (6.24)	<b>1.50</b> (1.34)	- -	- -	- -

**In the above statement:**

- Previous year figures in brackets are audited.
- Current year figures are un-audited, unless otherwise stated.
- \*Current year figures are audited for 9 months ended 31st December, 2010.
- ^Current year figures are audited upto 14th January, 2011 i.e. date of exit by CONCOR.
- #Previous figures are audited for year ended 16th July, 2010.

39. In the opinion of the management, during the year there are no indications that impairment of any asset has taken place. Accordingly, no provision for impairment of assets is required as per Accounting Standard 28.

40. Pending issuance of notification under Section 441A of the Companies Act, 1956, no provision has been made towards cess on the turnover of the company.

41. As per Accounting Standard 29, the particulars of provisions are as under:

(₹ in Crore)

	2010-11			2009-10		
	Property Tax	Rent to Railway	Gratuity & Leave Encashment	Property Tax	Rent to Railway	Gratuity & Leave Encashment
Opening balance	<b>12.31</b>	<b>2.49</b>	<b>21.49</b>	10.80	2.21	16.87
Add: Adjustment in Opening balance	-	-	<b>0.38</b>	-	-	-
Addition during the year	<b>2.23</b>	<b>0.24</b>	<b>4.59</b>	3.22	0.28	10.36
Amount used /incurred	<b>1.52</b>	<b>1.35</b>	<b>4.46</b>	1.52	-	5.74
Unused amount reversed						
During the year	<b>7.65</b>	-	<b>0.84</b>	0.19	-	-
Closing balance	<b>5.37</b>	<b>1.38</b>	<b>21.16</b>	12.31	2.49	21.49

## SCHEDULE – 11: NOTES ON ACCOUNTS:

The above provisions are in the nature of statutory liabilities and liabilities on account of terms of employment, etc. The timing of payment for the same would be: gratuity-in accordance with payment of gratuity Act, leave encashment-as per company's policy, property tax and rent to railways- normally on demand. There is a certainty about these payments in future and no reimbursement is expected against any of the above.

42. The disclosure, in terms of clause 32 of the listing agreement is as under:

- a) Loan to wholly owned subsidiary, M/s Fresh & Healthy Enterprises Ltd. (FHEL): ₹ 28.14 crore (previous year: ₹ 33.64 crore). Maximum amount outstanding during the year is ₹ 33.64 crore (previous year: ₹ 38.64 crore).
- b) Other Loans and advances:

(₹ in Crore)

Name	Repayment beyond seven years				Rate of interest is below Section 372A Of the Companies Act, 1956			
	Amount outstanding as on		Maximum amount outstanding during FY		Amount outstanding as on		Maximum amount outstanding during FY	
	31st March 2011	31st March 2010	2010-11	2009-10	31st March 2011	31st March 2010	2010-11	2009-10
IRWO	-	0.20	<b>0.20</b>	0.40	-	-	-	-
Miscellaneous staff loans*	<b>18.37</b>	16.01	<b>20.07</b>	16.62	<b>12.03</b>	11.38	<b>12.75</b>	12.55
FHEL**	-	-	-	-	<b>28.14</b>	33.64	<b>33.64</b>	38.64

\* The list being too long, names are not specified.

\*\* Wholly owned subsidiary

43. a) Unless otherwise stated, the figures are in rupees crores.
- b) Previous year's figures have been recast/regrouped/rearranged wherever considered necessary to conform to this year's classification.



## SCHEDULE – 11: NOTES ON ACCOUNTS (Cont'd)

### 44 Balance Sheet Abstract and Company's General Business Profile (IN TERMS OF AMENDMENT TO SCHEDULE VI PART IV)

#### I. Registration Details

Registration No.	030915	STATE CODE	55
Balance Sheet Date	31 Date	03 Month	2011 Year

#### II. Capital Raised during the year

<b>Public / Euro Issue</b>	(₹ in crores)
Right Issue	
NIL	NIL
Bonus Issue	Private Placement
NIL	NIL

#### III. Position of Mobilisation and Deployment of Funds

Total Liabilities	Total Assets
5,757.08	5,757.08
Sources of Funds :	
Paid-up Capital	Reserves & Surplus
129.98	4,847.83
Secured Loans	Unsecured Loans
-	-
Current Liabilities	Deferred Tax Liabilities
550.71	228.56
Application of Funds :	
Net Fixed Assets	Investments
2,646.16	243.96
Current Assets	Misc. Expenditure
2,866.96	-
Accumulated Losses	
-	

#### IV. Performance of the Company

Turnover (Including Other Income)	(₹ in crores)
4,030.18	Total Expenditure
Profit Before Tax	2,971.91
1,058.27	Profit After Tax
EPS (Rupees)	875.95
67.39	Dividend %
	155%

#### V. Generic Names of Three Principal Products / Services of Company (as per monetary terms)

Item Code No. (ITC Code)	1. Transportation of containers.
Product Description	2. Handling of containers.
	3. Parking of containers.
	Not applicable.
	Not applicable.

#### "SIGNATURES TO SCHEDULE 1 TO 11"

(HARISH CHANDRA)  
GGM (FIN) & COMPANY SECRETARY

(P. ALLI RANI)      (ANIL KUMAR GUPTA)  
DIRECTOR(FINANCE)      MANAGING DIRECTOR

**As per our report of even date  
For Kumar Chopra & Associates  
Chartered Accountants**

## AUDITORS' REPORT

### To the Members of Container Corporation of India Limited

We have audited the attached Balance Sheet of Container Corporation of India Limited as at 31st March, 2011, and the Profit & Loss Account and also the Cash Flow Statement of the company for the year ended on that date annexed thereto, in which are incorporated the accounts of six regions audited by respective branch auditors appointed by the Comptroller and Auditor General of India, relied upon by us and the accounts of Northern Region, North Central Region and Corporate Office, New Delhi audited by us. These financial statements are the responsibility of the company's management. Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in India. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

- 1) As required by the Companies (Auditor's Report) Order, 2003, as amended by the Companies (Auditor's Report) (Amendment) Order, 2004, issued by the Central Government of India in terms of section 227 (4A) of the Companies Act, 1956, and on the basis of such examination of the books and records of the Company as we considered appropriate and the information and explanations given during the course of audit and after considering the reports of branch auditors, we enclose in the Annexure a statement on the matters specified in Paragraphs 4 and 5 of the said Order.
- 2) Further to our comments in the Annexure referred to in paragraph 1 above, we report that:  
*Sale/Lease Deeds in respect of Land & Buildings valuing ₹ 1.45 Crore are yet to be executed in favour of the company (Note no. 2, Schedule 3).*
- 3) We further report that:
  - a) We have 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 appears from our examination of those books and proper returns adequate for the purpose of our audit have been received from the branch auditors in respect of the regions audited by them.
  - c) The reports of the branch auditors on the accounts of regions audited by them have been received and considered by us in preparing this report after making such adjustments, as we considered necessary.
  - d) The Balance Sheet, Profit & Loss Account and Cash Flow Statement dealt with by this report are in agreement with the books of account.
  - e) In our opinion, the Balance Sheet, Profit & Loss Account and Cash Flow Statement dealt with by this report comply with Accounting Standards referred to in sub-section (3C) of Section 211 of the Companies Act, 1956.
  - f) In terms of Department of Company Affairs GSR 829 (E) dated 21st October 2003, Government Companies are exempt from applicability of provisions of Section 274 (1) (g) of the Companies Act, 1956.
  - g) In our opinion and to the best of our information and according to the explanations given to us, the said accounts, *subject to our comments in paragraphs 3 above (no financial impact)* read together with Significant Accounting Policies and Notes on Accounts, give the information required by the Companies Act, 1956, in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India-
  - i) in the case of Balance Sheet, of the state of affairs of the company as at 31st March, 2011;
  - ii) in the case of Profit & Loss Account, of the profit for the year ended on that date; and
  - iii) in the case of Cash Flow Statement, of the cash flows for the year ended on that date.

For **KUMAR CHOPRA & ASSOCIATES**

Chartered Accountants  
Firm Regn.No:000131N

(CA. R. K. Aggarwal)  
Partner  
M. No. 081510

Place: New Delhi  
Date: 21.07.2011

**ANNEXURE REFERRED TO IN PARAGRAPH 1 OF OUR REPORT OF EVEN DATE ON THE ACCOUNTS OF CONTAINER CORPORATION OF INDIA LIMITED FOR THE YEAR ENDED 31st MARCH, 2011.**

- (i) (a) The company has generally maintained proper records showing full particulars, including quantitative details and situation of its fixed assets.
- (b) As per the information and explanations given to us, fixed assets have been physically verified by the management during the year in phased manner, which in our opinion, is reasonable having regards to the size of the company and nature of Fixed Asset. The discrepancies noticed on such verification were not material.
- (c) The company has disposed/written off some of its fixed assets during the year. However, in our opinion this has not affected the going concern status of the company.
- (ii) (a) The inventory of the company consisting of stores and spare parts has been physically verified by the management on test check basis. In our opinion, the frequency of verification is reasonable.
- (b) The procedures of physical verification of inventories followed by the management are generally reasonable and adequate in relation to the size of the company and the nature of its business.
- (c) The company is maintaining proper records of inventory. The discrepancies noticed on verification between the physical stocks and the book records were not material.
- (iii) (a) According to the information and explanations given to us, the company has not granted any loans, secured or unsecured to companies, firms or other parties covered in the register maintained under section 301 of the Companies Act, 1956.
- (b) Not applicable in view of para (a) above.
- (c) Not applicable in view of para (a) above.
- (d) Not applicable in view of para (a) above.
- (e) The company has not taken any loans, secured or unsecured from companies, firms or other parties covered in the register maintained under section 301 of the Companies Act, 1956.
- (f) Not applicable in view of para (e) above.
- (g) Not applicable in view of para (e) above.
- (iv) In our opinion and according to the information and explanations given to us, there are adequate internal control systems commensurate with the size of the company and the nature of its business with regard to the purchase of stores and spare parts, fixed assets and for rendering services.
- (v) (a) According to the information and explanations given to us, we are of the opinion that there are no contracts or arrangements that need to be entered into the register maintained under section 301 of the Companies Act, 1956.
- (b) Not applicable in view of para (a) above.
- (vi) The company has not accepted any deposits from the public in terms of section 58A and 58AA and other relevant provisions of the Companies Act, 1956.
- (vii) In our opinion, the company has an internal audit system, which is generally commensurate with the size and nature of its business.
- (viii) As informed to us, the Central Government has not prescribed maintenance of cost records under section 209 (1) (d) of the Companies Act, 1956, in respect of the business of the company.
- (ix) (a) The company is generally regular in depositing with appropriate authorities undisputed statutory dues including provident fund, investor education and protection fund, employee's state insurance, income tax, sales tax, wealth tax, service tax, custom duty, excise duty, cess and other material statutory dues applicable to it. According to the information and explanations given to us, *the undisputed amounts payable in respect of outstanding statutory dues that were in arrears, as at 31st March, 2011 for a period of more than six months from the date they became payable are given below:*

Name of the Statute	Nature of the Dues	Amnt. (₹ in Crore)	Period to which the amount Relates
Customs Act, 1962	Custom Duty (Auction) (Northern Region)	1.37	1997-98 ₹ 1.08 cr. 2003-04 ₹ 29.58lac.
Employees provident fund Act	PF on contractors payments (NWR)	0.05	2009-10
Building & Other Workers Welfare Cess Act, 1996	Cess under Building & Other Workers Welfare Cess Act, 1996	0.97	UPTO 2010-11
Madhya Pradesh Municipal Corporation Act 1961	Property Tax	0.06	2005-06 to 2009-10

- (B) According to the information & explanations given to us, *dues of income tax, sales tax, wealth tax, service tax, customs duty, excise duty and cess that have not been deposited on account of any dispute are given below:*

Forum where dispute pending	Nature of the Dues	Amt (₹ in Cr.)	Period to which the amount relates
CESTAT	Service Tax Finance Act 1994	0.01	01st May 2003 to 16th July 2003
CCE(Appeals)	Service Tax Finance Act 1994	0.01	January 2004 to March 2004
Sub-registrar Vadodora	Additional Stamp Duty	0.20	2003-04
Appellate authority VAT	Penalty u/s 86(19) of DVAT Delhi	0.33	14th December 2005
Appellate authority VAT Delhi	Sales Tax (NR) Delhi Sales tax act	0.01	Year 1997-98
Appellate authority VAT Delhi	Sales Tax (NR) Delhi Sales tax act	0.08	Year 2000-01
Appellate authority VAT Delhi	Delhi VAT Act	0.11	Year 2008-09
Municipal Corp Ludhiana	OCTEROI under local taxes	0.16	2007-08
Appellate authority	Service Tax	0.13	2007-08
Service tax Ludhiana	Finance Act 1994		
Dist. Court Kanpur	Water Tax-Jal Sansthan Kanpur	0.69	2000-01 to date

- (x) The company has neither accumulated losses as at the end of the financial year nor has incurred any cash losses during the financial year covered by our audit and also in the immediately preceding financial year.
- (xi) The company has not defaulted in repayment of dues to financial institution or banks. The company has not issued any debentures.
- (xii) The company has not granted loans and advances on the basis of security by way of pledge of shares, debentures and other securities.
- (xiii) In our opinion, the company is not a chit fund or a nidhi mutual benefit fund/society.
- (xiv) In our opinion and according to the information and explanations given to us, the company is not dealing in shares, securities and other investments. The investments in the shares of joint ventures & subsidiary company are held by the company in its own name and are not traded.
- (xv) The company has given counter indemnity to the guarantor (a joint venture partner) in relation to the guarantor providing payment guarantees to the banks for loans raised by the joint venture company, to the extent of 26% (the shareholding of the company in joint venture) of the loan and interest outstanding. As at 31st March, 2011, the amount of such counter indemnity works out to ₹ 126.32 Crore. In our opinion, the terms and conditions thereof are not prima-facie prejudicial to the interests of the company.
- (xvi) The company has not taken any term loans during the year.
- (xvii) As the company has not raised any funds on short-term basis, this clause is not applicable.
- (xviii) The company has not made any preferential allotment of shares to parties or companies covered in the register maintained under section 301 of the Companies Act, 1956.
- (xix) The company has not issued any debentures during the year.
- (xx) As the company has not raised money by public issues during the year, this clause is not applicable.
- (xxi) As per the information and explanations given to us, no fraud on or by the company has been noticed or reported during the year.

For **KUMAR CHOPRA & ASSOCIATES**

Chartered Accountants

Firm Regn.No:000131N

(CA. R. K. Aggarwal)

Partner

M. No. 081510

Place: New Delhi

Date: 21.07.2011

## CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2011

	(₹ in Crore)	
	2010-2011	2009-2010
<b>A CASH FLOW FROM OPERATING ACTIVITIES</b>		
Net Profit Before Tax and Extraordinary Items	1,058.27	1,006.59
Adjustment for :-		
Depreciation/Amortisation	145.23	135.10
Interest & Dividend Income	(152.68)	(148.41)
Provision for doubtful debts/advances/stores	0.74	0.02
Investments written off	0.01	-
Loss/profit on Sale of fixed Assets	0.87	0.22
<b>Operating Profit Before Working Capital Changes</b>	<b>1,052.44</b>	<b>993.52</b>
Adjustment for :-		
Trade & Other Receivables	62.88	4.50
Inventories	0.30	(1.91)
Trade Payable & Provisions	(84.80)	14.40
Cash Generated from Operations	1,030.82	1,010.51
Prior Period Adjustments	0.01	0.49
Direct Taxes paid	(222.50)	(368.49)
Net Cash from Operating Activities (A)	<b>808.33</b>	<b>642.51</b>
<b>B CASH FLOW FROM INVESTING ACTIVITIES</b>		
Purchase of Fixed Assets	(314.71)	(350.73)
Sale of Fixed Assets	1.20	0.14
Govt. grant received & utilized for acquisition of fixed assets	4.25	0.38
Capital Work-in-Progress/advances	(112.71)	39.46
Purchase of Investment	(3.43)	(37.46)
Interest, Dividend & Other Income	152.68	148.41
Advances/loans - Subsidiary	5.50	(6.00)
Net Cash used in Investing Activities (B)	<b>(267.22)</b>	<b>(205.80)</b>
<b>C CASH FLOW FROM FINANCING ACTIVITIES</b>		
Dividend paid (including tax on dividend)	(234.94)	(212.92)
<b>Net Cash from Financing Activities (C)</b>	<b>(234.94)</b>	<b>(212.92)</b>
<b>Net Change in Cash &amp; Cash Equivalents (A+B+C)</b>	<b>306.17</b>	<b>223.79</b>
OPENING BALANCE OF CASH & CASH EQUIVALENTS	1,989.51	1,765.72
CLOSING BALANCE OF CASH & CASH EQUIVALENTS (See Note 2)	<b>2,295.68</b>	<b>1,989.51</b>

Note: (1) Previous year figures have been re-grouped/rearranged wherever considered necessary to conform to this years' classifications.

(2) Cash and Cash equivalents included in the cash flow statement comprise the following

	2010-11	2009-10
Balance Sheet amount:		
Cash in hand (Including Imprest)	0.23	0.27
Cheques in hand	12.07	16.39
Remittance in transit	-	0.01
Balance with Scheduled Banks		
- in Current Accounts	44.04	32.77
- in Flexi Deposits	2.74	160.61
- in Term Deposits	2,236.60	1,779.46
	<b>2,295.68</b>	<b>1,989.51</b>

(HARISH CHANDRA)

GGM (FIN) & COMPANY SECRETARY

(PALLI RANI)

DIRECTOR(FINANCE)

(ANIL KUMAR GUPTA)

MANAGING DIRECTOR

As per our report of even date

For **Kumar Chopra & Associates**

Chartered Accountants

Place: New Delhi

Dated : 21.07.2011

(R K Aggarwal)

Partner



**Statement Pursuant to Section 212 (1)(e) of the Companies Act, 1956,  
relating to Company's interest in the Subsidiary Company**

NAME OF THE SUBSIDIARY COMPANY	FRESH & HEALTHY ENTERPRISES LTD.
1. The Financial year of the subsidiary Company ended on	31.03.2011
2. Date from which it became subsidiary Company	01.02.2006
3 (a) Number of Shares held by Container Corporation of India Ltd. alongwith its nominees in the subsidiary at the end of financial year of the Subsidiary company.	4,82,73,810 equity shares of ₹10/- each
(b) Extent of Shareholding	100%
4. The net aggregate amount of Profit/Loss of the subsidiary so far it concerns the members of the holding company	
(a) not dealt with in the holding company accounts:	
(i) for the financial year ended 31.03.2011	Profit ₹ 42,15,873/-
(ii) for the previous financial years of the the subsidiary Company since it become the holding Company's subsidiary	Loss ₹ 39,44,04,955/-
(b) dealt with in the holding company accounts:	
(i) for the financial year ended 31.03.2011	Nil
(ii) for the previous financial years of the the subsidiary since it became the holding company's subsidiary.	Nil

**Harish Chandra**  
GGM (Finance) & Company Secretary

**Anil Kumar Gupta**  
Managing Director

**P. Alli Rani**  
Director (Finance)

Place: New Delhi

Date: 21.07.2011



# FRESH & HEALTHY ENTERPRISES LIMITED

(A Wholly owned subsidiary of CONCOR)

## DIRECTORS' REPORT

To the shareholders

Your Directors are pleased to present their report on the business and operations of the Company together with the Audited Accounts for the financial year ending 31st March, 2011.

### OPERATIONAL REVIEW

The company procured 9361.373 MT of Apples from Shimla/ Kinnaur districts of Himachal Pradesh and sold 9538.54 MT (Inclusive of opening stock of 1374.109 MT) at Delhi, Mumbai, Chennai, Ahmedabad and other Fruit markets throughout India.

During the year under review, the company made significant improvements in operations by ensuring procurement of better quality fruit, quick movement to Rai, Recycling of packing material in very large quantities, putting different varieties and sizes of apples in different chambers to improve quality during storage and innovation in sorting/grading/packing of apples. The attempt has been made to supply international quality fruit of domestic origin to consumer.

### MARKETING REVIEW

Year, 2010-11 has been very good for apple business. FHEL procured 9,361 MT of apples. Bunks of the apples stored were sold in the wholesale markets like Delhi, Chennai, Hyderabad, Bangalore, Mumbai etc. In the year 2010-11, the best of FHEL apples were sold at par with imported (Washington) Apples.

The company supplied apples to all the big Retail Chains namely Wal-Mart, Heritage, More, Reliance, Big Bazaar, Mother Dairy, Big Apple, etc. Apart from this, sizeable volume was sold through M/s. Unifrutti, a MNC in southern markets. In addition a number of buyers from Punjab, Mumbai, and Chennai directly procured fruit from FHEL. In line with our endeavor nearly 80-90% of off-season sales were done at fixed rates.

During Diwali, FHEL sold nearly 132 MT of apples in Gift Packs, of 6,12,&20/25 apples. This is the highest volume sold by any player in the market place. In addition, sale of gift packs continued even afterwards till almost end of March, 2011. Apart from apples FHEL also procured & sold 70 MT of Kinnows on trial basis. During off season FHEL has given chambers on hire for storage of Rice, Garlic & Carrots. We are also ripening Mangoes & Bananas for Retail Chains.

### FINANCIAL REVIEW

During the year under review, Operating turnover of your Company registered a growth of 158% appx., increasing from ₹ 24.92 Cr. in F/Y 2009-10 to ₹ 64.35 Cr. in F/Y 2010-11. Cost of Sales increased by 115% appx., from ₹ 23.78 Cr. in F/Y 2009-10 to ₹ 51.03 Cr. in F/Y 2010-11. Further, Employee Cost, Administrative / other expenses and Interest for F/Y 2010-11 are ₹ 1.43 Cr., ₹ 2.84 Cr. and ₹ 5.08 Cr., respectively. After providing for depreciation, deferred tax and writing off of preliminary expenses amounting to ₹ 3.64 Cr., ₹ 0.19 Cr. and ₹ 0.03 Cr., respectively the Company made landmark achievement by registering Net Profit after Tax of ₹ 0.42 Cr. as against Net Loss of ₹ 9.06 Cr. of previous year.

### CAPITAL STRUCTURE

There is no change in the Authorized Equity Share Capital of ₹ 50 Crore and Issued, Subscribed & Paid up Equity Share Capital of ₹ 48.27 Cr., with Container Corporation of India Ltd. (CONCOR) continuing to hold 100% of the Paid up Equity Share Capital of FHEL during the financial year 2010-11.

## FRESH & HEALTHY ENTERPRISES LIMITED

(A Wholly owned subsidiary of CONCOR)

### SECURED LOANS

During F/Y 2010-11, Your Company paid four installments of ₹ 1.56 Cr. each aggregating to ₹ 6.24 Cr. towards repayment of Loan of ₹ 49.92 Cr. drawn from Axis Bank (formerly known as UTI Bank). After repayment, Secured Term loan from Axis Bank stood at ₹ 36.14 Cr. (inclusive of interest accrued & due of ₹ 0.26 Cr.) on 31st March, 2011.

In order to meet Working capital requirement for F/Y 2010-11, your Company entered into an arrangement with State Bank of Patiala (SBoP) for sanction of Secured Working Capital Limit & Contingency limit of ₹ 36 Cr. & ₹ 4 Cr., respectively. Out of Sanctioned Working Capital limit of ₹ 36 Cr., Company had drawn a sum of ₹ 33.47 Cr. during F/Y 2010-11. After repayment of ₹ 22.29 Cr. to SBoP, Secured Working Capital limit stood at ₹ 11.18 Cr. on 31st March, 2011 and the same was repaid in the month of May, 2011.

### UNSECURED LOAN

Total outstanding loan due to holding Company (CONCOR) stood at ₹ 28.58 Cr. (inclusive of ₹ 11.50 Cr. for 2009-10, ₹ 16.64 Cr. for 08-09 and interest accrued & due of ₹ 0.44 Cr. Net of TDS) as on 31.03.2011.

### CONTROLLED ATMOSPHERE (CA) STORE

In order to increase the shelf life of fruits and vegetables produced in the Country, Company has a Controlled Atmosphere (CA) Store consisting of 3 units of 4000 MT capacity each at Rai, Sonapat. The facility has been operating successfully during the F/Y 2010-11.

### PARTICULARS OF EMPLOYEES

Section 217(2A) of the Companies Act, 1956 read with the Companies (Particulars of Employees) Amendment Rules, 2011 is not applicable.

### HUMAN RESOURCE MANAGEMENT

Human resources are the key assets of FHEL. As on 31.03.2011, the total employee strength of company remained 33 (which includes Regular-16, Adhoc-07, Deputationist-04, Management Trainees -02 and Contractual-04). All the employees have high level of motivation to achieve the objectives. The company also gives training to employees whenever considered necessary.

### INDUSTRIAL RELATIONS

Industrial relations remained harmonious and peaceful and no man-days were lost during the financial year. The company is complying with all the regulations prescribed under labour laws.

### RESERVATION POLICY

FHEL has been following the Presidential Directives and Guidelines issued by the Government of India from time to time regarding reservation for SCs, STs, OBCs, Physically Handicapped and Ex-servicemen in letter and spirit. As on 31.03.2011, the total employees strength remained 33 including 05-OBC, 02-SC and 01-ST.

### PARTICULARS RELATING TO CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION, FOREIGN EXCHANGE EARNINGS & OUTGO

The particulars in respect of Conservation of energy, technology absorption are detailed in the Annexure.

There is no Foreign Exchange earning or outgo during the Financial year 2010-11.

### AUDITORS

M/s. S. S. Poddar & Co., Chartered Accountants, New Delhi were appointed as Company's Statutory Auditors for the F/Y 2010-11. Statutory Auditor is paid remuneration of ₹ 1,08,000/- plus Service Tax, as fixed by Board of Directors'.



## **FRESH & HEALTHY ENTERPRISES LIMITED**

**(A Wholly owned subsidiary of CONCOR)**

### **BOARD OF DIRECTORS**

The Board met 6 (Six) times for transacting business of the Company during the financial year 2010-11.

The tenure of Prof. Janat Shah & Shri T. R. Doongaji, Part-time Non-official Directors' expired on 31.12.2010 & 03.04.2011, respectively.

The following Directors were on Board till the date of the Report -:

- (1) Shri Anil Kumar Gupta, MD, CONCOR & Chairman/FHEL;
- (2) Shri Harpreet Singh, Director (P & S)/CONCOR & Director/FHEL;
- (3) Shri Yash Vardhan, Director (IM & O)/CONCOR & Director/FHEL;
- (4) Ms. P. Alli Rani, Director (Finance)/CONCOR & Director/FHEL.

### **RETIREMENT OF DIRECTORS BY ROTATION**

In terms of provisions of the Companies Act, 1956, Ms. P. Alli Rani, Director, is liable to retire by rotation and being eligible, offers herself for re-appointment.

### **DIRECTORS' RESPONSIBILITY STATEMENT**

Pursuant to the requirement under Section 217(2AA) of the Companies Act, 1956 with respect to Directors Responsibility Statement, it is hereby confirmed:

- (i) That in the preparation of the annual accounts for the financial year ended 31st March, 2011, the applicable accounting standards have been followed along with proper explanation relating to material departures;
- (ii) That the directors have selected such accounting policies and applied them consistently and made judgements and estimates that were reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of financial year and of the profit or loss of the Company for the year under review;
- (iii) That the directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 1956, for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- (iv) That the directors have prepared the accounts for the financial year ended 31st March, 2011 on a 'going concern' basis.

### **CODE OF CONDUCT**

The Company has adopted CONCOR's Code of Conduct for Board Members & Senior Management of the Company.

Based on the affirmation received from Board Members and Senior Management Personnel, it is hereby declared that all the members of the Board and Senior Management Personnel have affirmed compliance of Code of Conduct for the financial year ended on March 31st, 2011.

### **CORPORATE GOVERNANCE REPORT**

Report on Corporate Governance is enclosed.

### **CONCLUSION**

Your Company acknowledges the support and understanding extended by Container Corporation of India Limited, Bankers and Auditors of the Company.

For and on behalf of the Board of Directors

**(Anil Kumar Gupta)**  
CHAIRMAN

Place : New Delhi  
Date : 27.06.2011

## FRESH & HEALTHY ENTERPRISES LIMITED

(A Wholly owned subsidiary of CONCOR)

### ANNEXURE TO THE DIRECTORS' REPORT

#### CORPORATE GOVERNANCE REPORT

Fresh & Healthy Enterprises Ltd. (FHEL) is a Wholly Owned Subsidiary of Container Corporation of India Ltd. (CONCOR) to carry on Cold chain business.

#### COMPANY'S PHILOSOPHY

FHEL's mission is to develop into world class organization using state of the art technologies for procurement, transportation, storage and distribution of fruits and vegetables in the Country. The Company strives to provide value for money to its customers and fulfill aspiration of its stakeholders by providing qualitative and efficient services and to conduct its business according to best principles of good Corporate Governance as indicated by the disclosures given in the Annexure.

#### BOARD OF DIRECTORS

In terms of Article 86 (a) & 86(b) of Articles of Association of Company, MD / CONCOR is the ex-officio Part-time Chairman on the Board of FHEL and all other members of Board are nominated by CONCOR, subject to the provisions of Companies Act, 1956 and Govt. guidelines in force.

The Board of Directors of Company presently consists of four Part-time Directors including a Chairman (Ex-officio) nominated by CONCOR (Holding company).

The Board met 6 (Six) times for transacting business during the financial year 2010-11 on the following dates :-

Board Meeting No.	Board Meeting Dates
26	26th April, 2010
27	19th July, 2010
28	16th August, 2010
29	18th October, 2010
30	20th December, 2010
31	17th January, 2011

The Company has adopted CONCOR's Code of Conduct for Board Members & Senior Management of the Company.

Based on the affirmation received from Board Members and Senior Management Personnel, it is hereby declared that all the members of the Board and Senior Management Personnel have affirmed compliance of Code of Conduct for the financial year ended March 31st, 2011.

The Composition of Directors, attendance at the Board Meetings during the year, the last Annual General Meeting, the number of other directorships and committee memberships are given below :-

Sl. No.	Category of Directorship	Name of Director	No. of Board Mtgs Attended	Attendance at last AGM	No. of other Committee Membership/ Chairmanship	No. of other Directorship/ Chairmanship
<b>(I) Part-time Ex-Officio/Non-Executive Chairman</b>						
1	Managing Director, CONCOR	Sh Anil Kumar Gupta	Six	Yes	Nil	Three
<b>(II) Part-time/Non-Executive Directors</b>						
2	Dir. (P & S)/CONCOR	Sh. Harpreet Singh	Six	Yes	One	Two
3	Dir. (Intl. Mktg & Ops.)	Sh. Yash Vardhan	Six	No	Two	Seven
4	Dir. (Finance)/CONCOR	Ms. P. Alli Rani	Six	Yes	Five	Two
<b>(III) Part-time Non-official /Non-Executive Directors (Independent)</b>						
5		Sh. T. R. Doongaji <sup>^</sup>	Five	Yes	Four	One
6		Prof. Janat Shah <sup>@</sup>	Three	No	One	Five

<sup>^</sup>Term of director expired on 03.04.2011

<sup>@</sup>Term of directors expired on 31.12.2010



## FRESH & HEALTHY ENTERPRISES LIMITED

(A Wholly owned subsidiary of CONCOR)

### AUDIT COMMITTEE

The Audit Committee comprised :-

Shri T. R. Doongaji	-	Chairman
Shri Yash Vardhan	-	Member
Ms. P. Alli Rani	-	Member

On account of expiry of tenure of Directorship of Shri T. R. Doongaji, Part-time Non-Executive Director on 03.04.2011, Shri Harpreet Singh, Director (P & S)/CONCOR was nominated as Member of the Audit Committee.

**Presently, Committee comprises of the following :-**

Shri Harpreet Singh	-	Chairman
Shri Yash Vardhan	-	Member
Ms. P. Alli Rani	-	Member

Ms. Suman Lata, DM(Fin) & CS is the Secretary of the Committee.

The Committee met 4 (Four) times during the financial Year 2010-2011.

The details of the attendance of the members in the Committee meetings held during F/Y 2010-11 are as under :-

S. No.	Name of Members	No. of Committee Meetings Attended
1.	Shri T. R. Doongaji	Four
2.	Shri Yash Vardhan	Four
3.	Ms. P. Alli Rani	Four

The Committee reviews the Company's Annual / quarterly financial Results before submission to the Board. The Committee attempts to ensure that decision making in the company is objective and that there are adequate internal controls to ensure efficient realization of revenue, and due propriety of expenditure.

### Remuneration Committee & Policy

No remuneration is paid to Functional Directors of Holding Company nominated by CONCOR in FHEL. They draw their remuneration from CONCOR as per IDA Pay Scales and terms & conditions determined by Govt.

Part-time Non-Executive Directors (Independent)/FHEL who were also Part-time Non-Executive Directors (Independent) of CONCOR, were paid sitting fee of ₹ 20,000/- per meeting attended by them.

Hence, no Remuneration Committee has been constituted.

### SUBSIDIARY COMPANY

FHEL is a Wholly Owned Subsidiary Company of CONCOR and its turnover or net worth is less than 20% of turnover or net worth, respectively of CONCOR (Holding Company). The Company is voluntarily following Corporate Governance Guidelines and had two Independent Directors of BOD of CONCOR on its Board, and one Independent Director in Audit Committee, who had also been designated as the Chairman of Audit Committee. The Company also follows the practice of putting up of Minutes of Board Meetings of FHEL to the BOD of Holding Company, viz. CONCOR.

### GENERAL BODY MEETINGS

Details of location, time and date of last three AGMs are as under :

AGM Date	Location	Time
16.09.10	Conference Hall, First Floor, Container Corporation of India Ltd. CONCOR Bhawan, C-3, Mathura Road, Opposite Apollo Hospital, New Delhi – 110076	15:00 Hrs.
07.09.2009	-----Do-----	17:00 Hrs.
22.08.2008	-----Do-----	15:00 Hrs.

No Special Resolution was passed during previous three AGMs.

## FRESH & HEALTHY ENTERPRISES LIMITED

(A Wholly owned subsidiary of CONCOR)

### AGM of Current Year

Date : 20.08.2011  
 Time : 10.30 hrs.  
 Venue : Conference Hall, First Floor, Container Corporation of India Ltd. CONCOR Bhawan, C-3, Mathura Road, Opposite Apollo Hospital, New Delhi-110076

### DISCLOSURES

- (i) Transactions with related parties as per requirements of Accounting Standard (AS -18) 'Related Party Disclosures' issued by the Institute of Chartered Accountants of India are disclosed in Schedule 14 (Notes to Accounts).
- (ii) There were no instances of penalties / strictures imposed on the Company by any statutory authority due to non compliance on any matter related to any guidelines issued by Government during the last three years.
- (iii) Compliance with the requirement of these guidelines are detailed in this report
- (iv) FHEL has been following Presidential Directives and Guidelines issued by the Govt. of India from time to time regarding reservation of SCs, STs, OBCs, Physically Handicapped & Ex-Servicemen in letter and spirit.
- (v) No Expenditure has been debited in the Books of Accounts, which is not for the purpose of business.
- (vi) The Company has not incurred any expense which is personal in nature and incurred for the Board of Directors and Top Management.
- (vii) Details of Administrative and office expenses as percentage of total expenses -:

Fin.Year	Admn. & Office Exp. (Rs.in Lakhs)	Total Expenses (Rs. in Lakhs)	Percentage of Admn. & Office Expenses Vis-à-vis Total Expenses
2010-11	284.10	6403.94	4.44%
2009-10	179.43	3462.27	5.18%

### MEANS OF COMMUNICATION

**Financial Results :** The annual, half yearly and quarterly results are regularly posted by the Company on its website [www.fhel.co.in](http://www.fhel.co.in).

**Annual Report :** Annual Report containing inter-alia Audited Annual Accounts, Directors' Report, Auditors' Report and other information is circulated to members and others entitled thereto. Management Discussion & Analysis report forms a part of the Annual report.

### DETAILS OF DIRECTORS SEEKING RE-APPOINTMENT AT THE FORTHCOMING ANNUAL GENERAL MEETING

Name	Date of Birth	Date of appointment	Qualifications	Expertise in specific functional areas	List of Other Companies in which Directorship held	Details of Other Committee Membership
Ms. P. Alli Rani	15.05.1960	09.07.2009	MAMPhil, MBA (Fin)	Worked in Planning Commission, Railway Finance & Telecom Finance for 26 years.	Six\$	Five\$\$

\$ 1. Container Corporation of India Ltd., 2.Himalayan Terminals Pvt. Ltd.Birganj, Nepal 3. Star Track Terminals Pvt. Ltd., Dadri 4. Albatross CFS Pvt. Ltd., Dadri 5. CMA-CGM Logistics Park (Dadri) Pvt. Ltd. 6. Infinite Logistics Solutions Pvt. Ltd.

\$\$ 1.Himalayan Terminals Pvt. Ltd.- Member & Chairperson of Audit Committee 2. Albatross CFS Pvt. Ltd. – Member & Chairperson of Audit Committee 3. Star Track Terminals Pvt. Ltd. – Member of Audit Committee 4. CMA-CGM Logistics Park (Dadri) Pvt. Ltd. – Member of Audit Committee 5. Infinite Logistics Solutions Pvt. Ltd. – Member of Audit Committee



## FRESH & HEALTHY ENTERPRISES LIMITED

(A Wholly owned subsidiary of CONCOR)

### MANAGEMENT DISCUSSION AND ANALYSIS

#### 1. Industry Structure & Developments :

Fruit & vegetable business in India is almost entirely in the unorganized sector. The farm sizes are small and traditionally growers either bring their produce to nearby markets/mandis or send the produce to commission agents for sale. All the players in the supply chain: growers, commission agents, other middlemen and retailers, are totally unorganized. Only recently a few retail chains are also moving slowly and are developing formats which can generate profits. Due to the perishable nature of the Commodity, the emphasis on fresh produce in retail chains is very low and this also is bought from nearby mandis only. Further, the country lacks Cold Chain infrastructure and therefore, generally during the season we see glut in the market & prices dip to unsustainable levels. All factors mentioned above lead to losses of produce.

Most of the Cold Store facilities available are used for Potato storage. There is a gap with respect to availability of Cold Chain Infrastructure & Knowledge of storage of other Fruits & Vegetables. This presents both a problem & an opportunity in this sector.

FHEL is one of the first companies who have invested in specialized CA Store for storage of apples. Over the last 3 years some more facilities have come up in the country.

#### 2. Strength & Weakness :

Strengths -:

- Fruit & Vegetable market in India is huge (approx ₹ 2,00,000 Crore) & hence holds tremendous business potential.
- There is huge latent demand for quality produce, as country is importing large quantities of Fruits.
- High Margins in this trade are possible, as the differential in cost at farm gate & at retail is large.

#### Weaknesses -:

- The sector is highly unorganized.
- Knowledge of Pre Harvest care and Post Harvest Management is lacking and therefore experiments have to be conducted and so process is slow.
- Retail Chains have not come up as expected and so organized distribution is not possible.
- The trade is by & large on credit to stakeholders who do not have bankable credentials.

#### 3. Opportunity & Threats :

##### Opportunities -:

- Once the business is organized for one commodity, it will be easier to do so for other fruits & vegetables and thus, there is opportunity for huge upside in sales.
- Since every year fruit imports are growing impressively, it shows customers are preferring quality fruit and thus organized business can make a significant contribution.

##### Threats -:

- Traditional linkages between middlemen & grower, this affects sourcing of fruit in times of shortages.
- Cheap imports or reduction in custom duty.
- Non-availability of Trained Manpower.

#### 4. Segment-wise or Product-wise Performance

The Company is dealing in logistics of fresh fruits. All the activities of the Company revolve around this business and all the operations are in India. As such, there is no other reportable segment defined by Accounting Standard AS-17 related to Segment reporting.



## FRESH & HEALTHY ENTERPRISES LIMITED

(A Wholly owned subsidiary of CONCOR)

### 5. Outlook :

India is a huge country and the market for quality fruit & Vegetables is growing rapidly. India is the second largest producer of Fruits & vegetables in the world and this business is in excess of nearly ₹ 2,00,000 Crores. Out of this more than ₹ 60,000 crore worth of fruit & vegetables perish due to lack of Cold Chain Infrastructure and lack of organized distribution and marketing. Due to the nature of business and perishable nature of the commodity, it is indeed a big challenge to organize it and generate profits. The company has been able to make substantial improvements in the business each year. Our main focus at present is on apples coming from Himachal Pradesh. The growing areas of Himachal Pradesh are dependent on rainfall for crop.

However, such a risk is once in a few years. Otherwise Himachal Pradesh produces apples worth approx ₹ 2,000 Crore per annum. The apple from Kinnaur Command premium price and company has a substantial presence in this area. The demand for Shimla & Kinnaur apples is expected to remain good.

The Company made landmark achievement by earning Net Profit after tax of ₹ 0.42 Cr. in F/Y 2010-11 as against Net loss of ₹ 9.06 Cr. during previous year.

### 6. Risks & Concerns :

- (i) The business is dependent on weather condition, particularly rainfall.
- (ii) Unorganized nature of the trade.
- (iii) Un-economical small farm holdings
- (iv) Competition from Cheaper imports
- (v) Lack of knowledge
- (vi) Lack of trained manpower
- (vii) Local competition

### 7. Internal Control Systems and their Adequacy :

The Company has in place well defined roles, responsibilities and authorities for employees at various levels. This coupled with robust internal MIS systems, ensures appropriate information flow to facilitate effective monitoring. Adherence to these processes is monitored through frequent internal audits. The Company has internal audit system that requires internal audit firm to certify the appropriateness of internal controls in operation and checks deviations from laid down procedures. The Internal Auditor is the external firm directly reporting to management at higher level, thus ensuring its independence. Reports of internal auditor are reviewed and compliances are ensured.

### 8. SECURED LOANS

During F/Y 2010-11, Your Company paid four installments of ₹ 1.56 Cr. each aggregating to ₹ 6.24 Cr. towards repayment of Loan of ₹ 49.92 Cr. drawn from Axis Bank (formerly known as UTI Bank). After repayment, Secured Term loan from Axis Bank stood at ₹ 36.14 Cr. (inclusive of interest accrued & due of ₹ 0.26 Cr.) on 31st March, 2011.

In order to meet Working capital requirement for F/Y 2010-11, your Company entered into an arrangement with State Bank of Patiala (SBoP) for sanction of Secured Working Capital Limit & Contingency limit of ₹ 36 Cr. & ₹ 4 Cr., respectively. Out of Sanctioned Working Capital limit of ₹ 36 Cr., Company had drawn a sum of ₹ 33.47 Cr. during F/Y 2010-11. After repayment of ₹ 22.29 Cr. to SBoP, Secured Working Capital limit stood at ₹ 11.18 Cr. on 31st March, 2011 and the same was repaid in the month of May, 2011.

### 9. UNSECURED LOAN

Total outstanding loan due to holding Company (CONCOR) stood at ₹ 28.58 Cr. (inclusive of ₹ 11.50 Cr. for 2009-10, ₹ 16.64 Cr. for 08-09 and interest accrued & due of ₹ 0.44 Cr. Net of TDS) as on 31.03.2011.

### 10. Fixed Assets

	(₹ in Crore)		
Year Ended March 31	2011	2010	%age Incr.(Decr.)
Original Cost of Assets	81.69	81.43	0.32
Less : Accumulated Dep.	13.06	9.42	38.64
<b>Net Fixed Assets</b>	<b>68.63</b>	<b>72.01</b>	<b>(4.69)</b>

An amount of ₹ 0.26 Cr. was capitalized during the year. The main addition is on account of purchase of plant & machinery.



## FRESH & HEALTHY ENTERPRISES LIMITED

(A Wholly owned subsidiary of CONCOR)

### 11. Inventory

	Item	Opening	Purchased	Sold	Consumed*	Closing
Apple	Qty (Kgs.) C/Y	13,74,109	93,61,373	95,38,540	2,82,073	9,14,869
	Qty (Kgs.) P/Y	28,17,275	28,55,850	42,05,745	93,271	13,74,109
	Amount (in ₹) C/Y	7,95,35,123	32,55,17,973	58,86,51,869	-	4,74,74,162
	Amount (in ₹) P/Y	12,55,89,888	12,07,64,234	21,86,78,044	-	7,95,35,123
Packing Material	Qty (No.) C/Y	6,34,440	27,07,583	12,97,200	12,82,495	7,62,328
	Qty (No.) P/Y	4,37,513	6,80,491	1,85,883	2,97,681	6,34,440
	Amount (in ₹) C/Y	66,11,502	3,77,37,207	1,78,46,571	1,39,28,438	1,25,73,700
	Amount (in ₹) P/Y	42,33,520	1,03,68,477	43,65,865	36,24,630	66,11,502

\* Consumption includes moisture Loss, spoilage, testing of fruit etc.

### 12. Sundry Debtors

Sundry Debtors are 19.23% of operating income of the year. Provision for doubtful debts are ₹ 12,652/-.

### 13. Cash & Bank

The Company keeps available cash in short term Fixed Deposits with Banks for meeting financial obligations regarding Secured & Unsecured Loans.

### 14. Income

Income from operations has increased by 158.25% over F/Y 2009-10.

### 15. Expenses

Cost of Sales has grown up by 114.59% over F/Y 2009-10.

### 16. Administrative & Other Expenses

The Administrative & other expenses have increased by 58.33% over F/Y 2009-10.

### 17. Employee Remuneration

The Employee Cost has declined by 4.32% in comparison to last year.

### 18. Material Developments in Human Resources, Industrial Relations Front, including number of people employed

Human resources are the key assets of FHEL. As on 31.03.2011, the total employee strength of company remained 33 (which includes Regular-16, Adhoc-07, Deputationist-04, Management Trainees-02 and Contractual-04). All the employees have high level of motivation to achieve the objectives. The company also gives training to employees whenever considered necessary.

Industrial relations remained harmonious and peaceful and no man-days were lost during the financial year. The company is complying with all the regulations prescribed under labour laws.

As on 31.03.2011, the total employees strength remained 33 including 05-OBC, 02-SC and 01-ST.

### 19. Environment Protection and Conservation, Technological Conservation, Renewable Energy Developments, Foreign Exchange Conservation

## FRESH & HEALTHY ENTERPRISES LIMITED

(A Wholly owned subsidiary of CONCOR)

### Environmental protection and conservation, Technological conservation:

The company recognizes the vital importance of providing safe and healthy working environment and it complies with relevant statutory requirement w.r.t Occupational Health and safety within India.

The company believes sound environmental management enhances our competitive strength and benefits by contributing to the overall environment and economical well being of the communities we serve.

### Measures taken for environmental protection and conservation:

The company has facility for **rainwater harvesting pits** at the CA Store, Rai where all the rain water collected (on roof top of the store and pavement) is re-charged to the ground.

The **cull/damaged fruit** which comes out after sorting-grading is **disposed to the pig farms** thereby pollution is arrested.

**Air pollution** is arrested by proper installation of chimney of DG Sets as per the norms of Pollution control board.

**Sound pollution** of DG Sets is avoided by proper installation of Insulated canopy.

Disposal of sewer is made to the HSIIDC sewer treatment plant, thereby causing no **ground pollution**.

**Water conservation** is achieved by using electronic controllers for avoiding overflow of 442KL water tanks and timely detection and rectification of water leakages.

### Foreign Exchange Conservation :

India imports a large volume of Fruits & Vegetables. If we have proper Cold Chain Infrastructure large amount of foreign exchange can be conserved. As per the data bank of Deptt. of Commerce, in 2009-10, nearly, 98,895 MT of apples were imported from across the world and further same is 77,398 MT for the period of April-Sept., 2010. The company's main business is to encourage domestic horticulture which will automatically reduce imports and conserve foreign exchange.

### 20. Corporate Social Responsibility

As a step towards attaining social objective, Company has plan to help thirty orchard owners so as to improve yield with expenditure of ₹ 5 lakhs.



# FRESH & HEALTHY ENTERPRISES LIMITED

(A Wholly owned subsidiary of CONCOR)

## ANNEXURE TO DIRECTORS' REPORT

### PARTICULARS REQUIRED UNDER THE COMPANIES (DISCLOSURE OF PARTICULARS IN THE REPORT OF THE BOARD OF DIRECTORS) RULES, 1988

#### A. CONSERVATION OF ENERGY

During the year 2010-11, regular in-house Audits in areas of Refrigeration and Air Conditioning, Compressed Air, Lube Oil Systems, Lighting, Water Balancing, Cooling Water System, were carried out at Controlled Atmosphere (CA) Store, Rai.

The details of various measures taken during the year under various heads of Energy Conservation are as follows -:

#### 1. POWER CONSUMPTION FOR REFRIGERATION AND AIR CONDITIONING, AUXILIARY UNITS

(a) Energy Saving Screw Compressors and Chillers have been installed and used for refrigeration of CA Store, Processing Area Air Conditioning and Office building. Also, Variable frequency drives (VFDs) have been used for Refrigeration compressors, Cooling coil fan motors (312 motors), Air cooling unit fan motors for Air-conditioning (51 motors), Cooling tower fan motors (6 motors), Carbon dioxide scrubbers (12 motors).

(b) Cooling towers and Condenser water pumps are operated based on ambient conditions and actual requirement.

(c) Optimization of Running of refrigeration compressors and air conditioning system.

(d) Cleaning and replacement of air filters for air compressors, nitrogen generator compressors and diesel generators.

#### 2. Lighting :

Energy Conservation in lighting is achieved by use of Energy efficient tube lights for entire plant, use of CFL's for office building, use of electronic ballasts, cleaning of light fittings for optimum utilization of light illumination and lighting voltage optimization. During the year special care was taken to ensure that lights operated only in areas where it was required. Areas identified and implemented were External lighting, utility area, corridors, sorting hall, packing hall, machine room and office building.

#### 3. Heat energy :

Loss/Gain of heat energy in the cold room is prevented by optimum thermal insulation thickness for stores and cladding for pipe lines for minimal heat loss/ gain, cleaning of chilled water tubes, condenser water tubes and Minimum Infiltration of external Air to Cold Store and processing area by proper sealing of incoming and exit gates.

#### 4. Fuel oil :

By regular and proper preventive maintenance and calibration of components of diesel generators, minimum fuel consumption is ensured. By putting off the Nitrogen Generator plant, Forklifts and Stacker charging, the load on the DG is reduced and these equipment are run when power supply is available from electricity Board.

**FRESH & HEALTHY ENTERPRISES LIMITED****(A Wholly owned subsidiary of CONCOR)****5. Lubricants :**

Optimisation of lubricants consumption is achieved by prescribed topping up of lub oil and attending to lub oil leakages on day to day basis.

**6. Water for cooling towers and processing :**

Water conservation is achieved by use of electronic controllers for avoiding over flow for 442 KL water tanks, re-use of processed water, waste water and fruit washing water for horticulture and timely detection and rectification of water leakages.

**7. Battery chargers for material handling equipments and other purposes :**

Chargers are installed with automatic low current charging devices for energy saving.

**(B) Additional investments & Proposals for reduction in Consumption of Energy:**

Request is submitted to Uttar Haryana Bijli Vitran Nigam Ltd, Haryana for proposing for independent feeder for power supply directly from 132KV Substation to our store. At present the common feeder is supplying power to us along with all nearby industries. In case of any breakdown on HT line of any industry, the entire HT line is shut down. If independent feeder is sanctioned, power availability will increase.

**(C) Impact of measures taken for Energy Conservation:**

The per ton consumption of energy is 234 KWH which is lower than the previous year consumption of 348 KWH.



# FRESH & HEALTHY ENTERPRISES LIMITED

(A Wholly owned subsidiary of CONCOR)

## FORM -A

### Disclosure of particulars with respect of Conservation of Energy

#### A. Power and fuel Consumption

		Current Year	Previous Year
1	Electricity		
1.1	Purchased		
	Unit	2483544.2	1295871.0
	Total Amount	13863501.6	5945858.3
	Rate/Unit	5.582	4.588
1.2	Own Generation		
1.2.1	Through Diesel generator		
	Unit (KWH)	437478.4	496918.4
	Unit per liter of Diesel oil	3.68	3.68
	Cost / Unit	9.64	8.55
1.2.2	Through steam turbine / generator		
	Unit (KWH)	Nil	Nil
	Unit per liter of fuel oil / gas	Nil	Nil
	Cost / Unit	Nil	Nil
2	Coal (specify quality and where used)		
	Quantity (tonnes)	Nil	Nil
	Total Cost	Nil	Nil
	Average rate	Nil	Nil
3	Furnace Oil		
	Quantity (K.Ltrs.)	Nil	Nil
	Total Amount	Nil	Nil
	Average rate	Nil	Nil
4	Others / internal generation (please give details)		
	Quantity	Nil	Nil
	Total Cost	Nil	Nil
	Rate / Unit	Nil	Nil

#### B Consumption per unit of production (per ton of storage of produce)

Detail	Standards (If any)	Current Year	Previous Year
Products unit: Energy cost per ton of storage of produce(in Rs)	-	1448.791	1982.22
Electricity	-		-
Furnace Oil	-		-
Coal (specify quality)	-		-
Others (Specify)	-		-

## FRESH & HEALTHY ENTERPRISES LIMITED

(A Wholly owned subsidiary of CONCOR)

**FORM -B**  
(See rule 2)

**Form for disclosure of particulars with respect to absorption**

**A. Research and development (R & D)**

- 1) Specify areas in which R & D carried out by the company.: Studies were conducted in the in - house laboratory, on the shelf life extension of Guava fruits. Commercial storage of Other fruits and vegetables are Kinnow, Rice, Garlic, Carrot and ripening of Mango & Banana.
- 2) Benefits derived as a result of the above R & D: Storage of Rice, Garlic and Carrot being done for third parties. Further small quantities of Mango and Banana are being ripened for third parties.
- 3) Future plan of action: Trials are proposed to be done with ripening of mangoes and banana on large scale.
- 4) Expenditure on R & D : Nil
  - i. Capital ; Nil
  - ii. Recurring : Nil
  - iii. Total : Nil
  - iv. Total R & D expenditure as a Percentage of total turnover : -

**B. Technology absorption, adaptation and innovation**

1) Efforts, in brief, made towards technology absorption, adaptation and innovation	As of now our focus has been is doing as many trials as is possible to store different fruit & vegetables with this new technology so that utilization of the store is maximized. Thus many trials as mentioned above have been done and these have been quite successful. Due to the same the utilization has been increased substantially.
2) Benefits derived as a result of the above efforts, e.g. product improvement, cost reduction, product development, import substitution, etc	All fruit & vegetable storage is helping the company in offering these commodities for sale in off season. This is increasing consumer satisfaction, import substitution and more remuneration prices for produce to farmers.
3). In case of imported technology (imported during the last 5 years reckoned from the beginning of the financial year), following information may be furnished <ol style="list-style-type: none"> <li>a) Technology imported</li> <li>b) Year of import</li> <li>c) Has technology been fully absorbed</li> <li>d) If not fully absorbed, areas where this has not taken place, reasons therefore and future plans of action</li> </ol>	<ol style="list-style-type: none"> <li>a) CA technology for long term storage of fruit and vegetables.</li> <li>b) 2007-08</li> <li>c) In progress</li> <li>d) Presently used for apples. Trials with other fruits and vegetables under progress.</li> </ol>



# FRESH & HEALTHY ENTERPRISES LIMITED

(A Wholly owned subsidiary of CONCOR)

## BALANCE SHEET AS AT 31ST MARCH 2011

(Amount in ₹)

PARTICULARS	SCHEDULE	Year Ended 31.03.2011 Audited	Year Ended 31.03.2010 Audited
<b>SOURCES OF FUNDS</b>			
<b>SHAREHOLDER'S FUNDS</b>			
Share Capital	1	482,738,100	482,738,100
Reserves and Surplus	2	1,061,900	1,061,900
		<u>483,800,000</u>	<u>483,800,000</u>
<b>LOAN FUNDS</b>	3		
Secured Loan		473,189,389	424,246,518
Unsecured Loan		285,842,750	336,432,750
		<u>759,032,139</u>	<u>760,679,268</u>
<b>Deferred Tax Liability</b>		1,885,245	-
		<u>1,244,717,384</u>	<u>1,244,479,268</u>
<b>APPLICATION OF FUNDS</b>			
<b>FIXED ASSETS</b>	4		
Gross Block		816,922,972	814,316,428
Less: Depreciation		130,652,809	94,244,913
Net Block		<u>686,270,163</u>	<u>720,071,515</u>
<b>CURRENT ASSETS, LOANS &amp; ADVANCES</b>	5		
Inventories		62,230,262	87,680,625
Sundry Debtors		123,715,539	20,849,703
Cash and Bank Balances		4,043,422	29,874,087
Other Current Assets		1,548,506	524,179
Loans & Advances		7,635,853	7,751,823
		<u>199,173,582</u>	<u>146,680,417</u>
<b>LESS: CURRENT LIABILITIES &amp; PROVISIONS</b>	6		
Current Liabilities		28,573,082	14,293,348
Provisions		2,927,361	3,234,271
		<u>31,500,443</u>	<u>17,527,619</u>
<b>NET CURRENT ASSETS</b>		<u>167,673,139</u>	<u>129,152,798</u>
<b>MISCELLANEOUS EXPENDITURE</b>	7		
(to the extent not written off or adjusted)			
Preliminary Expenses		585,000	850,000
		<u>585,000</u>	<u>850,000</u>
<b>PROFIT AND LOSS ACCOUNT</b>			
For the period		(4,215,873)	90,643,062
Opening balance		394,404,955	303,761,893
		<u>1,244,717,384</u>	<u>1,244,479,268</u>
Significant Accounting Policies	13		
Notes to Accounts	14		

Schedules 1 to 14 form an integral part of the accounts.

As per our report of even date  
For S.S. Poddar & Co.  
Chartered Accountant

S.S.Poddar  
Partner  
M.No. 015018

For and on behalf of Board of Directors

Anil Kr. Gupta  
Chairman

P.Alli Rani  
Director

Date: 27.06.2011  
Place: New Delhi

Naresh Kr. Jawa  
CEO

Suman Lata Khanna  
DM(F) & CS



## FRESH & HEALTHY ENTERPRISES LIMITED

(A Wholly owned subsidiary of CONCOR)

### PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 31ST MARCH 2011

(Amount in ₹)

PARTICULARS	SCHEDULE	Year Ended 31.03.2011 Audited	Year Ended 31.03.2010 Audited
<b>INCOME</b>			
Income from Operation	8	643,484,013	249,169,259
Other Income	9	3,011,282	6,414,794
<b>TOTAL</b>		<b>646,495,295</b>	<b>255,584,053</b>
<b>EXPENDITURE</b>			
Cost of Sales	10	510,262,078	237,781,142
Employees Remuneration & Benefits	11	14,281,423	14,926,133
Administrative & Other Expenses	12	28,410,092	17,943,347
Depreciation		36,407,896	36,651,109
Interest		50,767,688	38,177,344
Preliminary Expenses Written Off		265,000	748,040
<b>TOTAL</b>		<b>640,394,177</b>	<b>346,227,115</b>
<b>Profit/(Loss) before Tax</b>		<b>6,101,118</b>	<b>(90,643,062)</b>
Less: Provision for Deferred Tax		<b>1,885,245</b>	<b>-</b>
<b>Profit/(Loss) after Tax</b>		<b>4,215,873</b>	<b>(90,643,062)</b>
<b>Balance Carried to Balance Sheet</b>		<b>4,215,873</b>	<b>(90,643,062)</b>
<b>Basic and Diluted Earning/(Loss) per share of ₹ 10/- each(In ₹)</b>		<b>0.09</b>	<b>(1.88)</b>

Schedules 1 to 14 form an integral part of the accounts.

As per our report of even date  
For S.S. Poddar & Co.  
Chartered Accountant

S.S. Poddar  
Partner  
M.No. 015018

For and on behalf of Board of Directors

Anil Kr. Gupta  
Chairman

P. Alli Rani  
Director

Date: 27.06.2011  
Place: New Delhi

Naresh Kr. Jawa  
CEO

Suman Lata Khanna  
DM(F) & CS



## FRESH & HEALTHY ENTERPRISES LIMITED

(A Wholly owned subsidiary of CONCOR)

### SCHEDULE 1: SHARE CAPITAL

	(Amount in ₹)	
	AS AT 31.03.2011 Audited	AS AT 31.03.2010 Audited
<b>AUTHORISED</b>	<b>500,000,000</b>	<b>500,000,000</b>
5,00,00,000 (Previous year 5,00,00,000)		
Equity Shares of ₹10/- each	<b>482,738,100</b>	<b>482,738,100</b>
<b>ISSUED, SUBSCRIBED &amp; PAID-UP</b>		
4,82,73,810 Equity Shares of ₹10/- each fully paid-up (Previous year 4,82,73,810)		
<b>TOTAL</b>	<b>482,738,100</b>	<b>482,738,100</b>

### SCHEDULE 2: RESERVES & SURPLUS

	(Amount in ₹)	
	AS AT 31.03.2011 Audited	AS AT 31.03.2010 Audited
Share premium	<b>1,061,900</b>	<b>1,061,900</b>
<b>TOTAL</b>	<b>1,061,900</b>	<b>1,061,900</b>

## FRESH & HEALTHY ENTERPRISES LIMITED

(A Wholly owned subsidiary of CONCOR)

### SCHEDULE 3: SECURED & UNSECURED LOANS

(Amount in ₹)

	AS AT 31.03.2011 Audited	AS AT 31.03.2010 Audited
<b>SECURED LOAN</b>		
Term Loan from Axis Bank (Includes Interest Accrued and due ₹ 25,90,277/-)(P/Y ₹ 30,40,760/-)(Secured against first charge on the present and future fixed assets (Movable and immovable) of the Company and second charge on the present and future assets of the company)	361,395,182	424,246,518
Working Capital Limit from State Bank of Patiala (Secured against hypothecation of all current assets both present and future)	111,794,207	-
	<b>473,189,389</b>	<b>424,246,518</b>
<b>UNSECURED LOAN</b>		
Loans from Corporate (Holding Company - Container Corporation of India Ltd.)(Including Interest accrued and due ₹ 44,10,000/-)(P/Y ₹ NIL) (Net of TDS ₹ 4,90,000/-)(P/Y ₹ NIL)	285,842,750	336,432,750
<b>TOTAL</b>	<b>759,032,139</b>	<b>760,679,268</b>

### SCHEDULE 4 : FIXED ASSETS

(Amount in ₹)

Description	GROSS BLOCK				DEPRECIATION/AMORTISATION				NET BLOCK	
	As at 01.04.2010	Additions during the Year	Sale/ Adjustments	As at 31.03.2011	As At 01.04.2010	For the Year	On Sale/ Adjustments	Upto 31.03.2011	As at 31.03.2011	As at 31.03.2010
<b>Tangible Assets</b>										
Building	191,591,146	-	-	191,591,146	16,388,006	6,235,449	-	22,623,455	168,967,691	175,203,140
Plant & Machinery	451,431,297	2,383,719	-	453,815,016	56,980,441	21,877,568	-	78,858,009	374,957,007	394,450,856
Computer	1,145,906	176,146	-	1,322,052	497,806	195,987	-	693,793	628,259	648,100
Furniture & Fittings	1,573,149	46,679	-	1,619,828	389,580	94,915	-	484,495	1,135,333	1,183,569
Bins	168,574,930	-	-	168,574,930	19,989,080	8,003,977	-	27,993,057	140,581,873	148,585,850
<b>Total</b>	814,316,428	2,606,544	-	816,922,972	94,244,913	36,407,896	-	130,652,809	686,270,163	720,071,515
<b>Previous Year</b>	813,150,673	1,165,755	-	814,316,428	57,593,804	36,651,109	-	94,244,913	720,071,515	755,556,869



## FRESH & HEALTHY ENTERPRISES LIMITED

(A Wholly owned subsidiary of CONCOR)

### SCHEDULE 5: CURRENT ASSETS, LOANS AND ADVANCES

	AS AT 31.03.2011 Audited	(Amount in ₹) AS AT 31.03.2010 Audited
<b>INVENTORIES</b>		
(As taken, valued & certified by the Management)		
Fresh Fruits	47,404,162	79,535,123
Packing Materials	12,573,700	6,611,502
WAX	1,534,000	1,534,000
Consumable Goods	718,400	-
<b>TOTAL (a)</b>	<b>62,230,262</b>	<b>87,680,625</b>
<b>SUNDRY DEBTORS</b>		
Outstanding for period exceeding six Months		
Unsecured Considered good	12,652/-	
Unsecured Considered doubtful	12,652/-	
	25,304/-	
Less : Provision for Doubtful Debts	(12,652/-)	25,304
Others Unsecured Considered Goods	123,702,887	20,824,399
<b>TOTAL (b)</b>	<b>123,715,539</b>	<b>20,849,703</b>
<b>CASH AND BANK BALANCES</b>		
Cash including Imprest	1,714	10,000
Balance with Scheduled Banks		
- Current Accounts	3,099,159	11,107,776
- Flexi Deposits	686,222	1,326,321
- Term Deposits*	256,327	17,429,989
<b>TOTAL (c)</b>	<b>4,043,422</b>	<b>29,874,087</b>
*Pledged with Axis Bank against Bank Guarantee to Sales Tax Authorities of ₹ 2,00,000/- (Previous Year ₹ 200000/-)		
<b>OTHER CURRENT ASSETS</b>	1,548,506	524,179
<b>TOTAL(d)</b>	<b>1,548,506</b>	<b>524,179</b>
<b>LOANS AND ADVANCES</b>		
Loans to Employees (Secured)	2,377,011	2,528,287
Advances(Unsecured)		
Recoverable in cash or in kind or for value to be received	45,873	50,633
Deposits(Unsecured)		
- Govt Authorities	2,682,758	2,996,357
- Others	63,000	70,800
Advance Income Tax/TDS (Net of Provisions)	2,467,211	2,105,746
<b>TOTAL(e)</b>	<b>7,635,853</b>	<b>7,751,823</b>
<b>TOTAL (a to e)</b>	<b>199,173,582</b>	<b>146,680,417</b>

## FRESH & HEALTHY ENTERPRISES LIMITED

(A Wholly owned subsidiary of CONCOR)

### SCHEDULE 6: CURRENT LIABILITIES AND PROVISIONS

	(Amount in ₹)	
	AS AT 31.03.2011 Audited	AS AT 31.03.2010 Audited
<b>A. CURRENT LIABILITIES</b>		
Sundry Creditors	9,789,254	5,580,471
Others	18,783,828	8,712,877
<b>TOTAL (a)</b>	<b>28,573,082</b>	<b>14,293,348</b>
<b>PROVISIONS</b>		
Retirement Benefits	2,788,153	3,234,271
Other Provisions	139,208	-
<b>TOTAL (b)</b>	<b>2,927,361</b>	<b>3,234,271</b>
<b>TOTAL (a+b)</b>	<b>31,500,443</b>	<b>17,527,619</b>

### SCHEDULE 7 MISCELLANEOUS EXPENDITURE

	(Amount in ₹)	
	AS AT 31.03.2011 Audited	AS AT 31.03.2010 Audited
<b>Preliminary Expenses</b>		
Opening Balance	850,000	623,040
Add: Incurred During the year	-	975,000
Less: Written Off during the period	265,000	748,040
<b>TOTAL</b>	<b>585,000</b>	<b>850,000</b>

### SCHEDULE 8: INCOME FROM OPERATION

	(Amount in ₹)	
	AS AT 31.03.2011 Audited	AS AT 31.03.2010 Audited
Sale of Fresh Fruits	590,072,961	218,678,044
Sale - Off Seasonal Activity	30,662,546	22,441,976
Sale of Cartons	17,846,571	4,365,865
Sale of Scrap	1,020,326	1,296,571
Cooling Charges	3,881,609	2,386,803
<b>Total</b>	<b>643,484,013</b>	<b>249,169,259</b>



## FRESH & HEALTHY ENTERPRISES LIMITED

(A Wholly owned subsidiary of CONCOR)

### SCHEDULE 9: OTHER INCOME

(Amount in ₹)

	AS AT 31.03.2011 Audited	AS AT 31.03.2010 Audited
<b>Interest earned on :</b>		
- Short Term Deposit with Financial Institutions	-	-
- Short Term Deposit with Banks (TDS ₹ 172,814/-)(P/Y ₹ 142,613/-)	681,191	1,376,273
Miscellaneous Income	2,330,091	5,038,521
<b>TOTAL</b>	<b>3,011,282</b>	<b>6,414,794</b>

### SCHEDULE 10: COST OF SALES

(Amount in ₹)

	AS AT 31.03.2011 Audited	AS AT 31.03.2010 Audited
<b>Cost of Sales</b>		
<b>Opening Stock (A)</b>		
Fresh Fruits	79,535,123	125,589,888
Wax	1,534,000	1,574,000
Packing Material	6,611,502	4,233,520
<b>(A)</b>	<b>87,680,625</b>	<b>131,397,408</b>
<b>Add: Purchases (B)</b>		
Fresh Fruits	327,007,811	120,764,234
Wax	-	-
Packing Material	37,737,207	10,368,477
<b>(B)</b>	<b>364,745,018</b>	<b>131,132,711</b>
<b>Less: Closing Stock (C)</b>		
Fresh Fruits	47,404,162	79,535,123
Wax	1,534,000	1,534,000
Packing Material	12,573,700	6,611,502
<b>(C)</b>	<b>61,511,862</b>	<b>87,680,625</b>
<b>Net (A+B-C)</b>	<b>(a) 390,913,781</b>	<b>174,849,494</b>
<b>Purchase/CA Store/ Storage Expenses</b>		
CA store maintenance	10,295,000	8,308,120
Freight Exp	36,975,521	11,533,294
Handling Expenses	1,523,296	999,070
Loading/Unloading Charges	12,207,291	3,992,178
Power & Fuel	18,618,627	10,116,196
Testing Exps./ Charges /Consumable Goods	32,052	10,180
Procurement Supervision Consultants	7,363,080	4,862,160
Water Spray at Control Room	227,100	57,600
Consumable Goods	1,556,072	469,792
APMC Fees	3,115,647	1,108,327
Performance Award	150,000	120,500
Store Rent	140,886	123,165
Hiring Charges Forklift	-	4,000
<b>(b)</b>	<b>92,204,572</b>	<b>41,704,581</b>
Purchase - Off Seasonal Activity	<b>(c) 27,143,725</b>	<b>21,227,067</b>
<b>TOTAL (a to c)</b>	<b>510,262,078</b>	<b>237,781,142</b>

## FRESH & HEALTHY ENTERPRISES LIMITED

(A Wholly owned subsidiary of CONCOR)

### SCHEDULE 11: EMPLOYEES REMUNERATION AND BENEFITS

(Amount in ₹)

	YEAR ENDED 31.03.2011	YEAR ENDED 31.03.2010
Salary, Allowances & Other Employee Benefits	11,428,821	12,799,571
Contribution to CPF & FPF	1,009,860	930,997
Rent for Leased Accomodation	446,257	500,507
Employee Welfare & Medical	1,368,521	471,379
Gratuity	-	218,193
Training Expenses	27,964	5,486
<b>TOTAL</b>	<b>14,281,423</b>	<b>14,926,133</b>

### SCHEDULE 12: ADMINISTRATIVE AND OTHER EXPENSES

(Amount in ₹)

	AS AT 31.03.2011 Audited	AS AT 31.03.2010 Audited
Printing & Stationer Exp	279,021	182,560
Travelling & Conveyance	1,314,540	1,087,023
Travelling & Conveyance -Dir.	2,400	88,894
Rent Office Space/ Rai Land and Licence Fee	2,355,920	2,187,019
Research & Development Exps.	12,744	-
office/ CA Store Upkeeping Exps,	1,568,907	990,537
Electricity Expenses	47,822	66,768
Repairs & Maintenance		
- Building	17,986	-
- Plant & Machinery	773,102	468,706
Security Expenses	1,085,529	968,546
Office Vehicle/ Car Hire Charges	2,202,837	2,009,642
Business Development	37,144	24,572
Postage, Telephone & Internet	629,633	628,635
Books & Periodicals	8,100	21,550
Bank Charges	47,684	31,416
Legal & Professional Charges	671,502	385,126
Agency Charges-Commission	14,274,335	6,966,472
Insurance Premium	566,849	744,506
Subscription & Membership Fee	3,425	1,625
Exhibition Exps.	-	20,327
Discount	1,601,027	98,753
Advertisement	547,219	661,628
Auditors Remuneration		
- Statutory Audit Fee	83,387	77,210
- Tax Audit Fee	35,737	33,090
Provision for Doubtful Debts	12,652	-
Miscellaneous Expenses	230,590	198,742
<b>TOTAL</b>	<b>28,410,092</b>	<b>17,943,347</b>



# FRESH & HEALTHY ENTERPRISES LIMITED

(A Wholly owned subsidiary of CONCOR)

## SCHEDULE 13: SIGNIFICANT ACCOUNTING POLICIES

### 1. Accounting Convention & Concepts

The financial statements are prepared under the historical cost convention generally on accrual basis, in accordance with the applicable mandatory Accounting Standards and relevant presentational requirements of the Companies Act, 1956. Accounting policies not referred to otherwise are consistent with generally accepted accounting principles.

### 2. Fixed Assets

Fixed Assets are stated at cost of acquisition or construction, less accumulated depreciation. Cost of acquisition is net of interest on capital advances and is inclusive of freight, duties, taxes and other incidental expenses. In respect of assets due for capitalization where final bills /claims are to be received or passed, the capitalization is based on engineering estimates. Final adjustments for cost and depreciation are made retrospectively in the year of ascertainment of actual cost and finalization of claim. Machinery spares which can be used only in connection with an item of fixed asset and whose use is expected to be irregular are capitalized.

### 3. Borrowing cost

Borrowing costs attributable to the acquisition or construction of qualifying assets are capitalized as part of the cost of such assets and all other borrowing costs are charged to revenue. A qualifying asset is one that necessarily takes substantial period of time to get ready for intended use.

### 4. Inventories

Inventories are valued at cost or Net realizable value, whichever is lower. Cost includes direct purchase cost and proportion of direct allocable expenses. Cost is determined on a weighted average basis.

### 5. Depreciation

Depreciation is provided on the straight line method at the rate and in the manner provided in Schedule XIV of the Companies Act, 1956.

### 6. Impairment of assets

An asset is said to be impaired when the carrying amount of asset is more than the recoverable value of the asset. An impairment loss is charged to the Profit & Loss Account in the year in which an asset is identified as impaired.

### 7. Retirement Benefits

Gratuity liability to employees is provided for on accrual basis based on valuation done by an independent actuary as at the balance sheet date.

Liability for leave travel concession & leave salary payable to employees is provided for on accrual basis based on valuation done by an independent actuary as at Balance Sheet date.

Contribution to defined contribution schemes such as Provident fund & Family Pension Fund are charged to Profit and Loss account as and when accrued.

### 8. Revenue Recognition:

#### Sales

Revenue from Sale of Goods is recognized when the significant risk and reward of ownership of goods are transferred to the customer and no significant uncertainty as to its determination or realization exists.

#### Rental Income

Revenue is recognized on accrual basis.

#### Other Income

Revenue is recognized on accrual basis.

### 9. Taxes on income

i) Provision for current tax is made as per applicable provisions of Income Tax Act, 1961.

ii) Deferred tax is recognized, subject to the consideration of prudence on timing differences, being the difference between taxable income and accounting income that originates in one period and are capable of reversal in one or more subsequent years.

### 10. Provisions, Contingent Liabilities & Contingent Assets:

Provisions are recognized in respect of obligations where based on the evidence available, their existence on the Balance Sheet date is considered probable.

Contingent liabilities are determined on the basis of available information. These liabilities are not provided for and disclosed by way of notes on accounts.



## FRESH & HEALTHY ENTERPRISES LIMITED

(A Wholly owned subsidiary of CONCOR)

Contingent assets are not recognized in the accounts unless there are absolute certainties of its recovery in future.

### 11. Preliminary expenses

Preliminary Expenses are amortized over a period of five years.

### 12. Leases

Lease rentals are in the nature of operating lease. Therefore, same are recognized with reference to lease terms.

## SCHEDULE 14 : Notes to Accounts

- Contingent Liabilities not provided for in respect of Bank Guarantee is ₹ 200,000/- (Previous Year: ₹ 200,000/-)
- The company has taken land on lease from HSIIDC Limited for 30 years from 26.03.2003, further expandable for a period of 99 years for which no lease premium has been paid. Lease rent is @ ₹ 1.50 per sq. mtr. per month for 66,400 sq. mtr. area for first 15 years and thereafter will be fixed mutually.
- Sales have been accounted for based on the consignment notes received from the marketing associates.

### 4. Related party disclosure

Related party disclosure as required under accounting standard -18 on "Related Party disclosures" issued by the Institute of Chartered Accountants of India are given below:

#### a) Relationship:

##### i) Parties whose control exists

Holding company Container Corporation of India Ltd.

##### ii) Key management personnel

Shri Anil Kumar Gupta

Shri Harpreet Singh

Ms. P. Alli Rani

Shri Yashvardhan

Shri T.R. Doongaji

Chairman

Director

Director

Director

Director

#### b) The following transactions were carried out with related party in the ordinary course of business :

(Amount in ₹)

	2010-11	2009-10
<b>i) Parties whose control exists (Holding Company)</b>		
Intt. Free Unsecured Loan Taken	NIL	₹ 22,00,00,000
Intt. Free Unsecured Loan Refunded	₹ 5,50,00,000	₹ 16,00,00,000
Interest on Loan	₹ 49,00,000	NIL
TDS Deducted on Interest on Loan	₹ 4,90,000	NIL

##### ii) Key management personnel

Sitting Fee to Directors:

Sh. Janat Shah

Sh. T.R. Doongaji

₹ 60,000

₹ 1,80,000

₹ 60,000

₹ 1,00,000

#### c) Balances at the end of the Year

(Amount in ₹)

	2010-11	2009-10
<b>i) Parties Whose Control Exists (Holding Company)</b>		
Unsecured Loan	₹ 28,14,32,750	₹ 33,64,32,750
Interest Accrued and Due	₹ 44,10,000	NIL
<b>ii) Key management personnel</b>		NIL

### 5. Earning Per Share

Profit/loss after taxation as per Profit and Loss account (₹)

31.03.11

31.03.10

42,15,873

(9,06,43,062)

Weighted Average number of Equity Shares outstanding (Nos.)

4,82,73,810

4,82,73,810

Basic and diluted Earning/loss Per Share (₹)

0.09

(1.88)



## FRESH & HEALTHY ENTERPRISES LIMITED

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6. Pending issuance of Notification u/s 441A of Companies Act, 1956 no provision has been made towards Cess on turnover.
7. Details of expenditure and earnings in foreign currency:

	2010-11	2009-10
a) Expenditure in Foreign Currency:		
Traveling (₹)	NIL	NIL
b) Earning in Foreign Currency:	NIL	NIL

8. Additional information required as per Part II of schedule VI of companies Act 1956 regarding purchase, sale and stock of main items:

	Item	Opening	Purchased	Sold	Consumed*	Closing
Apple	Qty (Kgs.) C/Y	13,74,109	93,61,373	95,38,540	2,82,073	9,14,869
	Qty (Kgs.) P/Y	28,17,275	28,55,850	42,05,745	93,271	13,74,109
	Amount (in ₹) C/Y	7,95,35,123	32,55,17,973	58,86,51,869	-	4,74,74,162
	Amount (in ₹) P/Y	12,55,89,888	12,07,64,234	21,86,78,044	-	7,95,35,123
Packing Material	Qty (No.) C/Y	6,34,440	27,07,583	12,97,200	12,82,495	7,62,328
	Qty (No.) P/Y	4,37,513	6,80,491	1,85,883	2,97,681	6,34,440
	Amount (in ₹) C/Y	66,11,502	3,77,37,207	1,78,46,571	1,39,28,438	1,25,73,700
	Amount (in ₹) P/Y	42,33,520	1,03,68,477	43,65,865	36,24,630	66,11,502

\* Consumption includes moisture Loss, spoilage, testing of fruit etc.

9. As per As-19 amount charged to Profit & Loss Account in respect of operating leases for office premises and accommodation provided to staff is ₹ 27,69,709/- (Previous Year ₹ 26,61,474/-) which is net of recovery of ₹ 32,968/- (Previous Year ₹ 26,052/-). The period of lease arrangements varies from case to case.
10. Income from Operation includes sale of Apples, Kinnows, CFB-carton (boxes), off-seasonal activities and cooling charges.
11. An amount of ₹ 12,652/- (P/Y ₹ NIL) has been provided towards Bad & Doubtful Debtors.
12. The company is dealing in logistics of fresh fruits. All the activities of the company revolve around this business and all the operations are in India. As such there is no other reportable segment defined by Accounting Standard As-17 related to segment reporting.
13. The company has, with effect from 1st April 2010, adopted Accounting Standard 15, Employee Benefits (revised 2005), issued by the Institute of Chartered Accountants of India (ICAI). The disclosure as required as per the above accounting standard are as under:

**(a) Defined Contribution plans:**

- i) Employers' contribution to Provident Fund Company pays fixed contribution to Provident Fund at predetermined rates to a separate trust, 'CONCOR Employees CPF Trust', which invests the fund in permitted securities. The contribution to the fund for the period is recognized as expense and is charged to profit & loss account. The obligation of the company is limited to such fixed contribution. However, the trust is required to pay a minimum rate of interest on contributions to the members as specified by Government. During the year, the company has recognized the following amounts in the profit & loss account.
- ii) Employers' contribution to Provident Fund – ₹ 8.21 Lakh (previous year : ₹ 7.53 lakh)

**(b) Defined Benefit Plans:**

**Gratuity:** The Company has a defined benefit gratuity plan, which is regulated as per the provisions of Payment of Gratuity Act, 1972. The scheme is non funded. The liability for the same is recognized on the basis of actuarial valuation.

**Leave Travel Concession:** The Company provides LTC facility to its employees, which is regulated in accordance with the policy framed in this regard. The liability for the same is recognized on the basis of actuarial valuation.

**Leave Encashment:** The Company has a defined benefit leave encashment plan for its employees. Under this plan, they are entitled to encashment of earned leaves and medical leaves subject to certain limits and other conditions specified for the same. The liabilities towards leave encashment have been provided on the basis of actuarial valuation.

## FRESH & HEALTHY ENTERPRISES LIMITED

(A Wholly owned subsidiary of CONCOR)

**(c) Summarized Position:**

(Amount in ₹)

Particulars	Leave Travel Concession (Non- Funded)		Gratuity (Non- Funded)		Leave Encashment (Non – Funded)	
	2010-11	2009-10	2010-11	2009-10	2010-11	2009-10
Expenses Recognised in Profit & Loss Account	<b>254,941</b>	52,626	-	2,18,193	-	961,730
Amount Recognized in the Balance Sheet :						
Present Value of obligations as at 31st March (i)	<b>1,39,208</b>	-	<b>7,51,563</b>	8,71,392	<b>20,36,590</b>	23,62,879
Fair Value of Plan Assets (ii)	-	-	-	-	-	-
Difference (ii)-(i)	<b>(1,39,208)</b>	-	<b>(7,51,563)</b>	(8,71,392)	<b>(20,36,590)</b>	(23,62,879)
Net Asset/(Liabilities) Recognised in the Balance Sheet	<b>(1,39,208)</b>	-	<b>(7,51,563)</b>	(8,71,392)	<b>(20,36,590)</b>	(23,62,879)

**(d) Actuarial assumptions: Principal assumptions used for actuarial valuation are:**

	2010-11	2009-10
i) Method Used	Projected Unit Credit Method	N/A
ii) Discount Rate	8.00%	N/A
iii) Future Salary Increases	5.50%	N/A

Salary increase rate has been assumed keeping in view the inflation rate on long term basis.

14. During the year the company had no employee drawing remuneration equal to or more than the limits prescribed under the Companies (Particulars of Employees) Amendment Rules, 2011.
15. During the year, provision for current tax is not made as the company has brought forward losses and unabsorbed depreciation amounting to ₹ 58.77 crore upto A/Y 2010-11 in accordance with the provisions of Income Tax Act, 1961.
16. Deferred Tax asset is not being recognized since there is uncertainty regarding sufficient future taxable income being available for realizing such deferred tax asset. However deferred tax liability on profit as per profit & loss account has been created.
17. The Company has not received any intimation from the suppliers regarding their status under the Micro, Small and Medium Enterprise Development Act, 2006, as at the Balance Sheet date and therefore no such disclosures under the said Act have been made.
18. Depreciation on assets created on leasehold land is provided in line with the accounting policy of the company irrespective of the land lease period, as the leases are likely to be renewed /extended.
19. Balances of Sundry Debtors, Loans & Advances, Deposits, Sundry Creditors, etc. are subject to confirmation / reconciliation.
20. During the year expenditure on imported consumable goods was ₹ NIL (previous year: ₹ NIL)
21. Other Income includes ₹ 8,65,856/- of credit received for Haryana VAT for the previous years.
22. The impact of pay revision in respect of security expenses etc. will be accounted for on receipt of claims.
23. In the opinion of the management, during the year there are no indications that impairment of any asset has taken place. Accordingly, no provision for impairment of assets is required as per Accounting Standard 28.
24. Liability towards allowances to employees (based on cafeteria approach) in accordance with CONCOR circular no. CON/HR/276/6/912 dt 23.04.2009 (as per DPE O.M. No. 2(70)/08-DPE(WC)-GLXVI/08 dt 26.11.2008) is ₹ 3,98,901/-. The same will be considered after approval of competent authority.
25. A claim for ₹ 2,15,560/- has been lodged and is under consideration as on 31.03.2011 with M/s United India Assurance Ltd. The same has been settled for ₹ 2,13,760/- on 10.05.2011.
26. A Grant of ₹ 7,13,600/- has been received from National Horticulture Board for procurement of Chiller Units (10Nos.). The same has been procured and accounted at nominal value in accordance with AS-12, Accounting for Government Grant issued by ICAI.



# FRESH & HEALTHY ENTERPRISES LIMITED

(A Wholly owned subsidiary of CONCOR)

27. As per Accounting Standard 29, the particulars are as under:

Particulars	(Amount in ₹)	
	Gratuity & Leave Encashment 2010-11	2009-10
Opening Balance	32,34,271/-	27,28,597/-
Addition during the year	-	11,79,923/-
Amount used/incurred	4,46,118/-	6,74,249/-
Closing Balance	27,88,153/-	32,34,271/-

28. a) Unless Otherwise stated, the figures are in rupees.

b) Previous year's figures have been recast/regrouped/rearranged wherever considered necessary to confirm to this year's classification.

## 29. Balance sheet Abstract and Company's General Profile

(IN TERMS OF AMENDMENT TO SCHEDULE VI Part IV)

### I Registration details

Registration No	U51909DL2006PLC145734		
State code:	55		
Balance sheet Date	31	03	2011
	Date	Month	Year

### II Capital raised during the year (₹ In Thousands)

Public issue	Right Issue
NIL	NIL
Bonus issue	Private Placement
NIL	NIL

### III. Position of Mobilization and Deployment of Funds (₹ In Thousands)

<b>Total liabilities</b>	<b>Total assets</b>
1,276,218	1,276,218

### Sources of Funds

Paid Up capital	Reserves & Surplus
482738	1062
Secured Loan	Unsecured Loan
473189	285843
Current liabilities	Deferred Tax liability
31501	1885
Application of Funds Net Fixed Assets	Investments
686270	NIL
Current Assets	Misc. Expenditure
199174	585
Accumulated Loss	
390189	

### IV Performance of company

Turnover (including other income)	(₹ In Thousands)
646495	Total Expenditure
Profit/(Loss) Before Tax	640394
6101	Profit/(Loss) after tax
	4216

### V. Generic Names of principal Product (As per monetary terms)

Product description	Apple
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"SIGNATURES TO SCHEDULE 1 TO 14"

As per our Report of even date

For S.S.Poddar & Co.

Chartered Accountants

For and on behalf of Board of Directors

S.S.Poddar  
Partner  
M.No. 015018

Anil Kumar Gupta  
Chairman

P.Alli Rani  
Director

Date: 27.06.2011

Place: New Delhi

Naresh Kr. Jawa

C.E.O.

Suman Lata

D.M.(F) & C.S.

## FRESH & HEALTHY ENTERPRISES LIMITED

(A Wholly owned subsidiary of CONCOR)

### AUDITORS' REPORT

The Members of Fresh & Healthy Enterprises Limited

- 1) We have audited the attached balance sheet of Fresh & Healthy Enterprises Limited as at 31st March 2011 and the profit and loss account and the Cash Flow Statement for the year ended on that date annexed thereto. These financial statements are the responsibility of the company's management. Our responsibility is to express an opinion on these financial statements based on our audit.
- 2) We conducted our audit in accordance with the auditing standards generally accepted in India. Those Standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statement. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.
- 3) As required by Companies (Auditors' Report) Order' 2003 issued by Central Government of India in terms of sub-section (4A) of section 227 of the Companies Act, 1956, we enclose in the Annexure a statement on the matters specified in paragraphs 4 and 5 of the said Order.
- 4) Further to our comments in the Annexure referred to above, we report that:
  - (i) We have obtained all the information and explanations, which to the best of our knowledge and belief were necessary for the purposes of our audit;
  - (ii) In our opinion, proper books of account as required by law have been kept by the company so far as appears from our examination of those books.
  - (iii) The balance sheet and profit and loss account and Cash Flow Statement dealt with by this report are in agreement with the books of account
  - (iv) In our opinion, the balance sheet and profit and loss account and Cash Flow Statement dealt with by this report comply with the accounting standards referred to in sub-section (3C) of section 211 of the Companies Act, 1956.
  - (v) In terms of Department of Company Affairs GSR 829(E) dated 21st October, 2003 Government Companies are exempt from applicability of provisions of Section 274(1)(g) of the Companies Act, 1956.
  - (vi) In our opinion and to the best of our information and according to the explanations given to us, the said accounts read together with accounting policies and schedule of notes give the information required by the Companies Act, 1956, in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India:
    - (a) In the case of the balance sheet, of the state of affairs of the company as at 31st March 2011;
    - (b) In the case of the profit and loss account, of the profit for the year ended on that date, and
    - (c) In the case of Cash Flow Statement, of the Cash Flows for the year ended on that date.

For S.S.Poddar & Company  
Chartered Accountants

Place : New Delhi  
Date : 27.06.2011

(S.S.Poddar)  
Partner  
M.No. 015018



## FRESH & HEALTHY ENTERPRISES LIMITED

(A Wholly owned subsidiary of CONCOR)

### ANNEXURE TO AUDITORS' REPORT

Referred to in paragraph 3 of our report of even date

Re.: Fresh & Healthy Enterprises Limited

- (I) (a) The company has maintained proper records showing full particulars Including quantitative details and situation of fixed assets.
- (b) Fixed assets of the company have been physically verified by management during the year and no material discrepancies between the book records and the physical verification have been noticed. In our opinion, the frequency of physical verification is reasonable having regard to the size of the company.
- (c) During the year, the company has not disposed off a major part of the plant and machinery so as to affect the going concern status of the company.
- (II) (a) As informed to us the inventory has been physically verified by the company as at 31st March 2011. Management considered it reasonable to conduct physical verification of all the items once in a year. The procedures of physical verification of inventories followed by the management are reasonable and adequate in relation to the size of the company and the nature of its business.
- (b) In our opinion and according to the explanations given to us, the procedures of physical verification of inventory followed by the management are reasonable and adequate in relation to the size of the company and nature of its business.
- (c) (i) In our opinion and according to the information and explanations given to us, the company has maintained proper records of its inventory.
- (ii) As explained to us the discrepancies noticed on verification between the physical stocks and book records which were not material, have been properly dealt with in the books of accounts.
- (III) (a) As informed, Company has not granted any loan to Companies, firms or other parties covered in the register maintained under section 301 of the Companies Act, 1956 and as such clause 4(iii) (a) to 4(iii)(d) of the Companies (Auditor's Report) Order, 2003(as amended) are not applicable..
- (b) The company has taken an interest free unsecured loan from one company covered in the register maintained under section 301 of the Companies Act, 1956. The maximum amount involved during the year was ₹ 33, 64, 32,750/- and the year end balance of loans taken from such party was ₹ 28, 58, 42,750/-.
- (c) In our opinion, terms and conditions on which loans have been taken from parties listed in the register maintained under section 301 of the Companies Act, 1956 are not, prima facie, prejudicial to the interest of the company.
- (d) The Company has been regular in repaying the principal amounts as stipulated.
- (IV) In our opinion and according to the information and explanations given to us, there are adequate internal control procedures commensurate with the size of the company and the nature of its business with regard to purchases of inventory, fixed assets and with regard to the sale of goods & services. During the course of our audit, we have not observed any continuing failure to correct major weaknesses in internal controls of the company.
- (V) (a) According to the information and explanations given to us, we are of the opinion that the transactions that need to be entered into the register maintained under section 301 of the Companies Act, 1956 have been so entered.
- (b) In our opinion and according to the information and explanations given to us, the transactions made in pursuance of contracts or arrangements entered in the register maintained under section 301 of the Companies Act, 1956 in respect of any party during the year have been made at prices which are reasonable having regard to prevailing market prices at the relevant time.
- (VI) The company has not accepted any deposits from the public. Accordingly paragraph 4(vi) of the order is not applicable.
- (VII) In our opinion, the company has an internal audit system commensurate with the size and nature of its business.

## FRESH & HEALTHY ENTERPRISES LIMITED

(A Wholly owned subsidiary of CONCOR)

- (VIII) In our opinion, the company is not required to maintain cost records under section 209(1) (d) of the companies Act, 1956.
- (IX) (a) According to the records of the Company, the company has generally been regular in depositing with appropriate authorities undisputed statutory dues.
- (b) According to the information and explanations given to us, no undisputed amounts payable in respect of provident fund, investor education protection fund, employees' state insurance, income tax, sales tax, wealth tax, custom duty, excise duty, cess and other undisputed were outstanding at the year end, for a period of more than six months from the date they became payable.
- (c) According to the information and explanation given to us, there are no dues of sale tax, income tax, customs duty, wealth tax, excise duty and cess which have not been deposited on account of any dispute.
- (X) (i) Accumulated losses of the company at the end of the financial year are not less than fifty percent of its net worth.
- (ii) The company has not incurred any cash loss during the year.
- (iii) The company had incurred cash loss in the immediately preceding financial year.
- (XI) In our opinion and according to the information and explanations given to us, the company has not defaulted in repayment of dues to a financial institution, bank or debenture holders as at the balance sheet date.
- (XII) According to the information and explanations given to us and based on the documents and records produced to us the company has not granted loans and advances on the basis of security by way of pledge of shares, debentures and other securities.
- (XIII) In our opinion, the company is not a chit fund or a nidhi mutual benefit fund/ society. Therefore, the provisions of clause 4(XIII) of the Companies (Auditor's Report) Order, 2003 are not applicable to the company.
- (XIV) In our opinion, the company is not dealing in or trading in shares, securities, debentures and other investment. Accordingly, the provisions of clause 4(XIV) of the Companies (Auditor's Report) Order, 2003 are not applicable to the company.
- (XV) In our opinion and according to the information and explanations given to us the company has not given any guarantee for loans taken by its associates or subsidiaries from banks or financial institutions.
- (XVI) In our opinion, the term loans have been applied for the purpose for which they are raised.
- (XVII) According to the information and explanations given to us and on an overall examination of the balance sheet and Cash Flow Statement of the company, we report that the no funds raised on short-term basis have been used for long-term investment.
- (XVIII) On the basis of records available and representations made before us, the company has not made any preferential allotment of shares to any parties or companies covered in the register maintained under section 301 of the Companies Act, 1956.
- (XIX) During the period covered by our audit report, the company did not have any outstanding debentures during the year.
- (XX) During the period covered by our audit report, the company has not raised any money by public Issue.
- (XXI) Based upon the audit procedures performed for the purpose of reporting the true and fair view of the financial statements and as per the information and explanations given by the management, we report that no fraud on or by the company has been noticed or reported during the course of our audit.

For S.S.Poddar & Company  
Chartered Accountants

Place : New Delhi  
Date : 27.06.2011

(S.S.Poddar)  
Partner  
M.No. 015018



# FRESH & HEALTHY ENTERPRISES LIMITED

(A Wholly owned subsidiary of CONCOR)

## CASH FLOW STATEMENT FOR THE PERIOD ENDED 31st March 2011

(Amount in ₹)

	YEAR ENDED 31.03.2011	YEAR ENDED 31.03.2010
<b>A. CASH FLOW FROM OPERATING ACTIVITIES</b>		
Net Profit/ (Loss) before tax and extraordinary items	6,101,118	(90,643,062)
<b>Adjustments for :</b>		
Depreciation	36,407,896	36,651,109
Preliminary Expenses	265,000	748,040
Interest Debited	50,767,688	38,177,344
Interest Earned	(681,191)	(1,376,273)
<b>Operating Profit before Working Capital changes</b>	<b>92,860,511</b>	<b>(16,442,842)</b>
<b>Adjustments for :</b>		
Trade & other receivables	(102,865,836)	25,598,838
Inventories	25,450,363	43,716,783
Fringe Benefit Tax Charged	-	-
Advances & other Current Assets (Decrease)	(902,454)	819,723
Trade & other Payable	13,972,824	(147,101,262)
<b>Cash Flow from operating Activities</b>	<b>28,515,408</b>	<b>(93,408,760)</b>
Less: Taxes paid	-	(75,000)
<b>Net Cash Flow from operating activities</b>	<b>28,515,408</b>	<b>(93,483,760)</b>
<b>B. CASH FLOW FROM INVESTING ACTIVITIES</b>		
Decrease/ (Increase) in Fixed Assets	(2,606,544)	(1,165,755)
Interest Received	675,288	1,311,182
<b>Net Cash from / (Used) in Investing Activities</b>	<b>(1,931,256)</b>	<b>145,427</b>
<b>C. CASH FLOW FROM FINANCING ACTIVITIES</b>		
Issue of Share Capital at premium	-	133,800,000
Preliminary Expenses	-	(975,000)
Increase in Working Capital Limit	111,794,207	-
Proceeds from Borrowings	-	220,000,000
Repayment of Borrowings	(117,400,853)	(222,400,853)
Interest paid	(46,808,171)	(38,627,826)
<b>Net cash from/(Used) in financing Activities</b>	<b>(52,414,817)</b>	<b>91,796,321</b>
<b>Net Increase/(Decrease) in Cash and Cash Equivalents</b>	<b>(25,830,665)</b>	<b>(1,542,012)</b>
Opening cash and Cash Equivalents	29,674,087	31,216,099
Closing Cash and Cash Equivalents	3,843,422	29,674,087
<b>Net Increase/(Decrease) as per Books</b>	<b>(25,830,665)</b>	<b>(1,542,012)</b>

As per our report of even date  
**For S.S. Poddar & Co.**  
Chartered Accountant

S.S.Poddar  
Partner  
M.No. 015018

Date: 27.06.2011  
Place: New Delhi

**For and on behalf of Board of Directors**

Anil Kr. Gupta  
Chairman

P.Alli Rani  
Director

Naresh Kr.Jawa  
CEO

Suman Lata Khanna  
DM(F) & CS



**FRESH & HEALTHY ENTERPRISES LIMITED****(A Wholly owned subsidiary of CONCOR)****COMMENTS OF COMPTROLLER AND AUDITOR GENERAL OF INDIA  
UNDER SECTION 619(4) OF THE COMPANIES ACT, 1956 ON THE  
ACCOUNTS OF FRESH & HEALTHY ENTERPRISES LIMITED FOR THE YEAR  
ENDED 31<sup>st</sup> MARCH 2011.**

The preparation of financial statements of Fresh & Healthy Enterprises Limited for the year ended 31<sup>st</sup> March 2011 in accordance with the financial reporting framework prescribed under the Companies Act, 1956 is the responsibility of the management of the Company. The Statutory Auditor appointed by the Comptroller and Auditor General of India under Section 619(4) of the Companies Act, 1956 is responsible for expressing opinion on these financial statements under Section 227 of the Companies Act, 1956 based on independent audit in accordance with the auditing and assurance standards prescribed by their professional body, the Institute of Chartered Accountants of India. This is stated to have been done by them vide their Audit Report dated 27.06.2011.

I, on behalf of the Comptroller and Auditor General of India, have decided not to review the report of the Statutory Auditors on the accounts of Fresh & Healthy Enterprises Limited for the year ended 31<sup>st</sup> March 2011 and as such have no comments to make under Section 619(4) of the Companies Act, 1956.

For and on the behalf of the Comptroller  
and Auditor General of India

(John K. Sellate)  
Pr. Director of Commercial Audit &  
Ex-Officio Member, Audit Board-IV



## CONSOLIDATED FINANCIAL STATEMENTS

### BALANCE SHEET AS AT 31ST MARCH 2011

				(₹ in Crore)	
SCHEDULE		AS AT 31.03.2011		AS AT 31.03.2010	
<b>SOURCES OF FUNDS</b>					
<b>SHAREHOLDERS' FUND</b>					
Share Capital	1	129.98		129.98	
Reserves & Surplus	2	4,808.81	4,938.79	4,166.98	4,296.96
<b>LOAN FUNDS</b>	3		47.32		42.42
<b>DEFERRED TAX LIABILITY (NET OF DEFERRED TAX ASSET)</b>			228.75		210.90
<b>TOTAL</b>		<b>5,214.86</b>		<b>4,550.28</b>	
<b>APPLICATION OF FUNDS</b>					
<b>FIXED ASSETS</b>					
Gross Block	4	3,367.84		3,070.29	
Less: Depreciation/Amortisation		972.20		834.43	
Net Block		2,395.64		2,235.86	
Add: Capital Works in progress (including advances)		319.14	2,714.78	206.43	2,442.29
<b>INVESTMENTS</b>	5		195.58		192.16
<b>CURRENT ASSETS, LOANS &amp; ADVANCES</b>					
(A) Current Assets	6	2,411.40		2,106.43	
(B) Loans & Advances		446.90	2,858.30	446.98	2,553.41
<b>LESS : CURRENT LIABILITIES &amp; PROVISIONS</b>					
(A) Current Liabilities	7	399.50		491.38	
(B) Provisions		154.36	553.86	146.29	637.67
<b>NET CURRENT ASSETS</b>			2,304.44		1,915.74
<b>MISCELLANEOUS EXPENDITURE</b>					
(To the extent not written off or adjusted)	11				
Preliminary Expenses			0.06		0.09
Significant Accounting Policies	12				
Notes on Accounts	13				
<b>TOTAL</b>		<b>5,214.86</b>		<b>4,550.28</b>	

Schedules 1 to 13 form an integral part of the accounts

(HARISH CHANDRA)  
GGM (FIN) & COMPANY SECRETARY

(P. ALLI RANI)  
DIRECTOR(FINANCE)

(ANIL KUMAR GUPTA)  
MANAGING DIRECTOR

As per our report of even date  
For **Kumar Chopra & Associates**  
Chartered Accountants

Place: New Delhi  
Dated: 21.07.2011

(R K Aggarwal)  
Partner

## CONSOLIDATED FINANCIAL STATEMENTS

### PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 31ST MARCH 2011

(₹ in Crore)

	SCHEDULE	YEAR ENDED 31.03.2011	YEAR ENDED 31.03.2010
<b>INCOME</b>			
Income from Operations		3,892.47	3,730.60
Other income	8	201.87	180.69
<b>TOTAL</b>		<b>4,094.34</b>	<b>3,911.29</b>
<b>EXPENDITURE</b>			
Terminal and Other Service Charges		2,663.45	2,541.18
Employees Remuneration & Benefits	9	88.85	85.35
Administrative & Other Expenses	10	129.67	144.57
Depreciation/Amortisation		148.87	138.77
Interest		4.59	3.82
Preliminary Expenses Written Off		0.03	0.07
<b>TOTAL</b>		<b>3,035.46</b>	<b>2,913.76</b>
<b>PROFIT BEFORE TAX</b>		<b>1,058.88</b>	<b>997.53</b>
<b>LESS: PROVISION FOR TAX</b>			
Current Tax	162.11		202.78
Deferred Tax	17.85	179.96	17.14
<b>PROFIT AFTER TAX</b>		<b>878.92</b>	<b>777.61</b>
Add/(Less): Prior period adjustments (Net)		0.01	0.49
Add/(Less): Tax adjustments for earlier years (Net)		(2.56)	(0.47)
<b>NET PROFIT</b>		<b>876.37</b>	<b>777.63</b>
<b>APPROPRIATIONS</b>			
Interim Dividend Paid		97.49	77.99
Proposed Final Dividend		103.99	103.99
Corporate Dividend Tax		33.06	30.52
Transfer to General Reserve		87.59	78.67
Balance carried to Balance Sheet		554.24	486.46
		<b>876.37</b>	<b>777.63</b>
Basic and Diluted earning per share of ₹ 10/- each (₹)		67.42	59.83

**Schedules 1 to 13 form an integral part of the accounts**

(HARISH CHANDRA)  
GGM (FIN) & COMPANY SECRETARY

(P. ALLI RANI)  
DIRECTOR(FINANCE)

(ANIL KUMAR GUPTA)  
MANAGING DIRECTOR

As per our report of even date  
For **Kumar Chopra & Associates**  
Chartered Accountants



## CONSOLIDATED FINANCIAL STATEMENTS

### SCHEDULE 1: SHARE CAPITAL

	AS AT 31.03.2011	(₹ in Crore) AS AT 31.03.2010
<b>AUTHORISED</b>		
20,00,00,000 Equity Shares of ₹ 10 each	<u>200.00</u>	<u>200.00</u>
<b>ISSUED, SUBSCRIBED AND PAID UP</b>		
12,99,82,794 (P.Yr : 12,99,82,794) Equity shares of ₹ 10/- each fully paid up (Includes 6,49,91,397 equity shares issued as fully paid up Bonus Shares by capitalising General Reserves)	<u>129.98</u>	<u>129.98</u>
<b>TOTAL</b>	<u>129.98</u>	<u>129.98</u>

### SCHEDULE 2: RESERVES & SURPLUS

	AS AT 31.03.2011	(₹ in Crore) AS AT 31.03.2010
<b>GENERAL RESERVE</b>		
Opening Balance	458.95	380.28
Add: Transfer from Profit & Loss Account	<u>87.59</u>	<u>78.67</u>
	546.54	458.95
<b>PROFIT AND LOSS ACCOUNT</b>		
Opening Balance	3,708.03	3,221.57
Addition during the Year	<u>554.24</u>	<u>486.46</u>
	4,262.27	3,708.03
<b>TOTAL</b>	<u>4,808.81</u>	<u>4,166.98</u>

### SCHEDULE 3: LOAN FUNDS

	AS AT 31.03.2011	(₹ in Crore) AS AT 31.03.2010
<b>SECURED LOAN</b>		
Term Loan from Axis Bank (Includes Interest Accrued and due ₹ 0.26 crore)(Previous Year: ₹ 0.30 crore) (Secured against first charge on the present and future fixed assets (Movable and immovable) of the Company and second charge on the present and future assets of the company) (FHEL)	36.14	42.42
Working Capital Limit from State Bank of Patiala (Secured against hypothecation of all current assets both present and future) (FHEL)	11.18	-
<b>TOTAL</b>	<u>47.32</u>	<u>42.42</u>

## CONSOLIDATED FINANCIAL STATEMENTS

### SCHEDULE 4 : FIXED ASSETS

(₹ in Crore)

Description	GROSS BLOCK				DEPRECIATION/AMORTISATION				NET BLOCK	
	As at 01.04.2010	Additions during the Year	Sale/ Adjustments	As at 31.03.2011	As At 01.04.2010	For the Year	On Sale/ Adjustments	Upto 31.03.2011	As at 31.03.2011	As at 31.03.2010
<b>Tangible Assets</b>										
Freehold Land	12.27	0.39	-	12.66	-	-	-	-	12.66	12.27
Leasehold Land	117.23	24.09	-	141.32	15.72	2.48	-	18.20	123.12	101.51
Buildings	606.23	59.12	1.91	663.44	134.29	19.88	1.05	153.12	510.32	471.94
Railway Siding	50.66	26.09	-	76.75	16.31	2.81	-	19.12	57.63	34.35
Plant & Machinery	1953.34	184.03	-	2137.37	517.45	103.79	-	621.24	1516.13	1435.89
Containers	92.61	-	0.38	92.23	27.25	4.38	0.27	31.36	60.87	65.36
Electrical Fittings	49.39	2.61	0.16	51.84	30.51	3.51	0.14	33.88	17.96	18.88
Computers	53.41	9.08	7.10	55.39	34.58	5.03	6.60	33.01	22.38	18.83
Furniture & Fixtures	10.31	0.69	-	11.00	5.84	0.63	(0.01)	6.48	4.52	4.47
Office Equipment	7.99	1.18	0.06	9.11	2.84	0.42	0.02	3.24	5.87	5.15
Bins	16.86	-	-	16.86	2.01	0.80	-	2.81	14.05	14.85
Telephone Systems	1.55	0.09	-	1.64	0.76	0.07	-	0.83	0.81	0.79
Air Conditioner	5.64	0.34	0.04	5.94	1.56	0.28	0.02	1.82	4.12	4.08
Vehicles	0.62	0.08	0.09	0.61	0.45	0.04	0.07	0.42	0.19	0.17
Capital Expenditure *	23.38	0.09	3.43	20.04	22.59	0.30	2.94	19.95	0.09	0.79
Sub-total	3001.49	307.88	13.17	3296.20	812.16	144.42	11.10	945.48	2350.72	2189.33
<b>Intangible Assets</b>										
Software	18.80	2.84	-	21.64	14.18	1.95	-	16.13	5.51	4.62
Registration Fee	50.00	-	-	50.00	8.09	2.50	-	10.59	39.41	41.91
Sub-total	68.80	2.84	-	71.64	22.27	4.45	-	26.72	44.92	46.53
Total	3070.29	310.72	13.17	3367.84	834.43	148.87	11.10	972.20	2395.64	2235.86
Capital Work-in-Progress (including Advances of ₹ 200.62 Crore (Previous Year ₹ 93.87 Crore))									319.14	206.43
<b>Grand Total</b>									<b>2714.78</b>	<b>2442.29</b>
Previous year	2722.27	350.46	2.44	3070.29	697.74	138.77	2.08	834.43	2235.86	

\* Refer Note No. 7 of Schedule 13

- Note: 1) Gross Block of Plant & Machinery and Containers includes ₹ 1.87 crore (Previous Year ₹ 1.87 crore), and ₹ 0.10 crore (Previous Year ₹ 0.10 crore) respectively for items retired from active use due to obsolescence/condemnation.
- 2) Gross Block of Land and Buildings includes assets valuing ₹ 1.45 crore (Previous Year ₹ 1.45 crore) in respect of which sale/lease deeds are yet to be executed.
- 3) Gross Block of Buildings includes freehold buildings valuing ₹ 21.385 crore (Previous year ₹ 19.46 crore)



## CONSOLIDATED FINANCIAL STATEMENTS

### SCHEDULE 5: INVESTMENTS

		(₹ in Crore)	
		AS AT 31.03.2011	AS AT 31.03.2010
<b>LONG TERM INVESTMENTS (AT COST)</b>			
<b>TRADE INVESTMENTS (UNQUOTED)</b>			
<b>I. In Business Arrangements</b>			
	- With Hindustan Aeronautics Ltd. and Mysore Sales International Ltd. by the name of "Joint Working Group - Air Cargo Complex".	-	0.87
	- With Hindustan Aeronautics Ltd. by the name of "HALCON".	<u>3.19</u>	<u>3.19</u>
		<u>3.19</u>	<u>4.06</u>
<b>II. In Shares of Joint Ventures</b>			
4,706,695	Equity shares of ₹10/- each fully paid up in Star Track (P.Y. 4,706,695) Terminals Pvt. Ltd.	<b>4.71</b>	4.71
2,940,000	Equity shares of ₹ 10/- each fully paid up in Albatross (P.Y. 2,940,000) CFS Pvt. Ltd.	<b>2.94</b>	2.94
2,443,630	Equity shares of ₹ 10/- each fully paid up in Trident (P.Y. 2,443,630) Terminals Pvt. Ltd.	<b>2.44</b>	2.44
117,780,000	Equity shares of ₹ 10/- each fully paid up in Gateway (P.Y. 117,780,000) Terminals India Pvt. Ltd.	<b>117.78</b>	117.78
2,048,200	Equity shares of ₹10/- each fully paid up in CMA-CGM (P.Y. 2,048,200) Logistics Park (Dadri) Pvt. Ltd.	<b>2.05</b>	2.05
54,600,300	Equity shares of Rs. 10/- each fully paid up in India (P.Y. 54,600,300) Gateway Terminal Pvt. Ltd.	<b>54.60</b>	54.60
NIL	Equity shares of ₹ 10/- each fully paid up in Integrated Infra (P.Y. 5,000) Log Pvt. Ltd.	-	0.01
980,000	Equity shares of ₹ 10/- each fully paid up in Infinite Logistics (P.Y. 980,000) Solutions Pvt. Ltd.	<b>0.98</b>	0.98
857,500	Equity shares of ₹ 10/- each fully paid up in Hind CONCOR (P.Y. 857,500) Terminals (Dadri) Pvt. Ltd.	<b>0.86</b>	0.86
49,000	Equity shares of ₹ 10/- each fully paid up in Container Gateway (P.Y. 49,000) Limited	<b>0.05</b>	0.05
3,716,160	Equity shares of ₹ 10/- each fully paid up in Allcargo Logistics (P.Y. 1,135,167) Park Pvt. Ltd.	<b>3.71</b>	1.13
1,775,000	Equity shares of ₹ 10/- each fully paid up in CONYK Cartrac (P.Y.50,000) Pvt. Ltd.	<u>1.77</u>	<u>0.05</u>
		<u>191.89</u>	<u>187.60</u>
<b>III. In Shares of Foreign Joint Venture</b>			
80,000	Equity shares of Nepalese Rupiah 100/- (Equivalent INR 62.50) (P.Y. 80,000) each fully paid up in Himalayan Terminals Pvt. Ltd.,Nepal	<b>0.50</b>	0.50
		<u>0.50</u>	<u>0.50</u>
<b>TOTAL ( I+II+III)</b>		<b>195.58</b>	<b>192.16</b>

## CONSOLIDATED FINANCIAL STATEMENTS

### SCHEDULE 6: CURRENT ASSETS, LOANS AND ADVANCES

(₹ in Crore)

	AS AT 31.03.2011	AS AT 31.03.2010
<b>A. CURRENT ASSETS</b>		
<b>INVENTORIES</b>		
(As taken, valued & certified by the Management)		
Stores & Spare Parts (At Cost) (Note No.10, Schedule 13)	11.69	15.20
Add: Packing Material	1.48	0.82
Less: Provision for Obsolete Stores	0.69	0.26
	<u>12.48</u>	<u>15.76</u>
	<u>12.48</u>	<u>15.76</u>
<b>SUNDRY DEBTORS</b>		
Outstanding for period exceeding six months		
Unsecured Considered good	3.73	2.68
Unsecured Considered doubtful	2.25	2.02
	<u>5.98</u>	<u>4.70</u>
Less: Provision for doubtful debts	2.25	2.02
Others		
Unsecured Considered good	25.91	17.04
	<u>29.64</u>	<u>19.72</u>
<b>CASH AND BANK BALANCES</b>		
Cash in hand (Including Imprest)	0.23	0.27
Cheques in hand	12.07	16.39
Remittance in transit	-	0.01
Balance with Scheduled Banks		
- in Current Accounts	44.35	33.88
- in Flexi Deposits	2.81	160.74
- in Term Deposits	2,236.63	1,975.83
	<u>2,283.79</u>	<u>1,781.21</u>
	<u>2,296.09</u>	<u>1,992.50</u>
<b>OTHER CURRENT ASSETS</b>		
Interest accrued on deposits, loans and advances	73.19	78.45
<b>TOTAL CURRENT ASSETS - A</b>	<u>2,411.40</u>	<u>2,106.43</u>
<b>B. LOANS AND ADVANCES</b>		
LOANS TO EMPLOYEES (Secured)	20.97	18.57
LOANS TO OTHERS (Unsecured)	-	0.20
<b>ADVANCES (Unsecured)</b>		
Recoverable in cash or in kind or for value to be received	23.06	89.38
Less : Provision for doubtful advances	1.83	1.75
	<u>21.23</u>	<u>87.63</u>
<b>DEPOSITS (Unsecured)</b>		
- Govt. Authorities	8.94	2.75
- Others	1.25	1.19
Less : Provision for doubtful deposits	0.03	0.03
	<u>1.22</u>	<u>1.16</u>
<b>ADVANCE INCOME TAX/TDS (NET OF PROVISIONS)</b>	<u>394.54</u>	<u>336.67</u>
<b>TOTAL LOANS AND ADVANCES - B</b>	<u>446.90</u>	<u>446.98</u>
<b>TOTAL (A + B)</b>	<u>2,858.30</u>	<u>2,553.41</u>



## CONSOLIDATED FINANCIAL STATEMENTS

### SCHEDULE 7: CURRENT LIABILITIES AND PROVISIONS

	(₹ in Crore)	
	AS AT 31.03.2011	AS AT 31.03.2010
<b>A. CURRENT LIABILITIES</b>		
Sundry Creditors		
- Micro & Small Enterprises	-	-
- Others	<u>222.69</u>	<u>300.10</u>
Advances / Deposits from Customers	108.63	80.31
Unclaimed Dividend (*)	0.10	0.09
Book Overdraft	12.41	58.73
Others	<u>55.67</u>	<u>52.15</u>
<b>TOTAL CURRENT LIABILITIES - A</b>	<b>399.50</b>	<b>491.38</b>
<b>B. PROVISIONS</b>		
Proposed Final Dividend	103.99	103.99
Corporate Dividend Tax	16.87	17.27
Employee Retirement Benefits	30.56	25.03
Corporate Social Responsibility	2.93	-
Other Provisions	<u>0.01</u>	<u>-</u>
<b>TOTAL PROVISIONS - B</b>	<b>154.36</b>	<b>146.29</b>
<b>TOTAL (A + B)</b>	<b>553.86</b>	<b>637.67</b>

(\*) An amount of ₹ 50,699/- (Previous Year : ₹ 2,30,060/-) has been deposited in the Investor Education and Protection Fund.

### SCHEDULE 8: OTHER INCOME

	(₹ in Crore)	
	YEAR ENDED 31.03.2011	YEAR ENDED 31.03.2010
Interest earned on :		
-Short Term Bank Deposits /ICDs	145.92	147.45
(TDS ₹ 14.63 Crore; Previous Year: ₹ 20.14 Crore)		
-Loans to Employees	1.03	0.78
-Loan to IRWO	0.01	0.02
(TDS NIL; Previous Year: ₹ 0.01 Crore)		
Dividend from JV Company	5.30	0.30
Profit on Sale of Fixed Assets	0.08	0.01
Excess provision written back	27.66	15.74
Miscellaneous Income	21.87	16.28
Share in Profit of Business Arrangement (Note No.9(b), Schedule13)	-	0.11
<b>TOTAL</b>	<b>201.87</b>	<b>180.69</b>



## CONSOLIDATED FINANCIAL STATEMENTS

### SCHEDULE 9: EMPLOYEES REMUNERATION AND BENEFITS

	(₹ in Crore)	
	YEAR ENDED 31.03.2011	YEAR ENDED 31.03.2010
Salary, Allowances & Other Employee Benefits	68.60	65.75
Contribution to PF, FPF, ESI & Labour Welfare Fund	4.83	5.29
Rent for Leased Accomodation (Net)	1.81	1.62
Employee Welfare & Medical	11.73	9.91
Gratuity	1.35	2.53
Staff Training	0.53	0.25
<b>TOTAL</b>	<b>88.85</b>	<b>85.35</b>

### SCHEDULE 10: ADMINISTRATIVE AND OTHER EXPENSES

	(₹ in Crore)	
	YEAR ENDED 31.03.2011	YEAR ENDED 31.03.2010
Printing & Stationery	2.01	2.13
Traveling and Conveyance (Including Directors' Traveling ₹ 0.33 Crore; Previous year ₹ 0.45 Crore)	10.99	10.29
Rent and Licence fee for office building	1.91	1.78
Electricity & Water	5.09	5.20
Repairs & Maintenance :		
-Buildings	5.98	4.01
-Plant & Machinery	2.68	3.96
-Others	<u>17.49</u>	<u>14.12</u>
Security Expenses	30.01	22.09
Vehicle Running & Maintenance Expenses	0.26	26.64
Business Development	1.47	0.24
Postage, Telephone & Internet	2.70	1.53
Books & Periodicals	1.66	2.74
Bank Charges	0.30	1.48
Legal & Professional Charges	4.16	0.09
Insurance	1.42	0.02
Fees & Subscriptions	0.13	0.07
Advertisement	1.86	0.15
Auditors' Remuneration		1.77
-Audit Fee	0.09	0.09
-Tax Audit Fee	0.02	0.02
-Other Services	0.08	0.07
-Out of Pocket	<u>0.08</u>	<u>0.06</u>
Rebate & Discounts	0.27	0.24
Rates & Taxes	26.37	52.12
Hazardous Waste Incineration	3.07	3.26
Donations	-	0.33
Miscellaneous Expenses (Note No.9 (a), Schedule 13)	0.03	0.01
Investments written off	9.03	6.85
Provision for :	0.01	-
Doubtful Debts	0.26	0.02
Doubtful Advances	0.08	-
Obsolete Stores	0.43	-
<b>TOTAL</b>	<b>129.67</b>	<b>144.57</b>



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### SCHEDULE 11 MISCELLANEOUS EXPENDITURE

(To the extent not written off or adjusted)

	YEAR ENDED 31.03.2011	(₹ in Crore) YEAR ENDED 31.03.2010
<b>Preliminary Expenses</b>		
Opening Balance	0.09	0.06
Add: During the year	-	0.10
	0.09	0.16
Less: Written off during the year (1/5th)	0.03	0.07
<b>TOTAL</b>	<b>0.06</b>	<b>0.09</b>

### SCHEDULE 12: SIGNIFICANT ACCOUNTING POLICIES:

#### 1. Accounting Convention & Concepts:

The financial statements are prepared under the historical cost convention on accrual basis, in accordance with the applicable mandatory Accounting Standards and relevant presentation requirements of the Companies Act, 1956. Accounting Policies not referred to otherwise are consistent with generally accepted accounting principles.

#### 2. Fixed Assets & Capital Work in Progress:

- i) Fixed assets are stated at cost of acquisition or construction, less accumulated depreciation. Cost of acquisition is net of interest on capital advances and duty credits and is inclusive of freight, duties, taxes and other incidental expenses. In respect of assets due for capitalisation where final bills/claims are to be received/passed, the capitalisation is based on the engineering estimates. Final adjustments, for costs and depreciation are made retrospectively in the year of ascertainment of actual cost and finalisation of claim. Machinery spares which can be used only in connection with an item of fixed asset and whose use is expected to be irregular are capitalised. Capital work in progress includes the cost of fixed assets that are not yet ready for their intended use, advances paid to acquire fixed assets and the cost of assets not put to use before the Balance Sheet date.
- ii) Provision for stamp duty payable on the immovable properties is made as and when conveyance deed for the properties is executed and the liability is ascertained.
- iii) Grants received towards specific fixed assets are deducted from the gross value of the asset or capital work in progress as the case may be. Unutilised amount out of grant received is shown as current liability.

#### 3. Intangible Assets:

##### i) Software:

Expenditure on computer software, which is not an integral part of hardware, is capitalised as an intangible asset. The cost of software includes license fee and implementation cost and is capitalised in the year of its implementation. Software is amortized over five years.

##### ii) Registration Fee:

The registration fee paid to Ministry of Railway (MOR) for approval for movement of container trains on Indian Railways is capitalized as an Intangible Asset. The registration fee is amortized over a period of 20 years.

#### 4. Borrowing Costs:

Borrowing costs attributable to the acquisition or construction of qualifying assets are capitalized as part of the cost of such assets and all other borrowing costs are charged to revenue. A qualifying asset is one that necessarily takes substantial period of time to get ready for intended use.

#### 5. Investments:

- i) Long term investments are stated at cost. A provision for diminution in value is made to recognise a decline other than temporary in nature.
- ii) Current investments are stated at lower of cost or fair value.

#### 6. Inventories:

- i) Stores and spare parts are valued at cost on weighted average basis. Provision for obsolescence is made, whenever required.

## CONSOLIDATED FINANCIAL STATEMENTS

- ii) Inventories are valued at cost or realizable value, whichever is less.

### 7. Depreciation/Amortization:

- i) Depreciation on fixed assets including assets created on leasehold land is provided on "Straight Line Method" at the rates and in the manner prescribed in Schedule XIV of the Companies Act, 1956, except for Roads/Pavements/Boundary wall/ Warehouses and Electrical Fittings of terminals on which depreciation has been provided @ 3.34% and 10.34% respectively and for upgraded BFKI Wagons @ 6.79%.
- ii) Leasehold land other than acquired on perpetual lease is amortized over the period of lease. Leasehold buildings are amortized over the period of lease or useful life of the building as per rates prescribed under Schedule XIV, whichever is less.
- iii) Capital expenditure on enabling assets, like roads, culverts & electricity transmissions etc., the ownership of which is not with the Company are charged off to revenue in the accounting period of incurrence of such expenditure. However, capital expenditure on enabling assets, ownership of which rests with the company and which have been created on land not belonging to the Company is written off to the P&L Account over its approximate period of utility or over a period of 5 years, whichever is less. For this purpose, land is not considered to be belonging to the company, if the same is not owned or leased/licensed to the company.

### 8. Impairment of Assets:

An asset is treated as impaired when the carrying amount of assets exceeds its recoverable value. An impairment loss is charged to the Profit and Loss Account in the year in which an asset is identified as impaired.

### 9. Retirement Benefits:

- i) Gratuity liability to employees is provided for on accrual basis based on valuation done by an independent actuary as at the Balance Sheet date. Contributions are made to approved Gratuity Fund created in a Trust set up by the Company for this purpose.
- ii) Liability for leave travel concession & leave salary payable to employees is provided for on accrual basis based on valuation done by an independent actuary as at the Balance Sheet date.
- iii) Contribution to defined contribution plans such as Provident Fund and Family Pension Fund are charged to the Profit & Loss Account as and when accrued.

### 10. Foreign Currency Transactions:

- i) Income & Expenditure denominated in foreign currencies are recorded at the exchange rate prevailing on the date of transaction.
- ii) Loans, Current liabilities and Current assets in foreign currencies are translated at the exchange rate prevailing at the end of financial year.
- iii) Gains or losses due to foreign exchange fluctuations are recognised in the Profit & Loss Account.

### 11. Income from Operations (Terminal & other Service Charges):

- i) Rail Freight Income & related Expenses are accounted for at the time of issue of RRs by Indian Railways whereas Road Transportation/Handling Income & related Expenses are accounted for at the time of booking of containers. Terminal service charges and wharfage are accounted for on receipt/at the time of release of containers on "completed service contract method".
- ii) Revenue from Sale of Goods is recognized when the significant risk and reward of ownership of goods are transferred to the customer & no significant uncertainty as to its determination or realization exists.

### 12. Claims/Counter-claims/Penalties/Awards:

Claims/counter-claims/penalties/awards are accounted for in the year of its settlement.

### 13. Taxes on Income:

- i) Provision for current tax is made in accordance with the provisions of the Income Tax Act, 1961.
- ii) Disputed income tax liabilities are accounted for on the finalization of assessments.

### 14. Provisions, Contingent Liabilities & Contingent Assets:

Provisions are recognised in respect of obligations where, based on the evidence available, their existence on the Balance Sheet date is considered probable.

Contingent liabilities are determined on the basis of available information. These liabilities are not provided for and disclosed by way of notes on accounts.

Contingent assets are not recognized in the accounts.

### 15. Preliminary Expenses

Preliminary expenses are amortized over a period of five years (FHEL).



## CONSOLIDATED FINANCIAL STATEMENTS

### SCHEDULE – 13: NOTES ON ACCOUNTS:

#### 1. Basis of Consolidation:

The consolidated financial statements relate to the Container Corporation of India Limited (CONCOR) and its wholly owned subsidiary Fresh and Healthy Enterprises Limited (FHEL), incorporated in India. CONCOR's investments in Joint Ventures (JVs) are for strategic purpose. It does not have control over economic and operating activities of the JVs, but has only protective rights as per the JV Agreements. In view of this, CONCOR's interests in the JVs have not been considered in preparation of Consolidated Financial Statements.

#### a) Basis of Accounting:

- (i) The financial statements of the subsidiary company in the consolidation are drawn up to the same reporting date as that of CONCOR.
- (ii) The consolidated financial statements have been prepared in accordance with Accounting Standard (AS) 21- 'Consolidated Financial Statements' issued by the Institute of Chartered Accountants of India and generally accepted accounting principles.

#### b) Principles of consolidation:

The financial statements of the CONCOR and its subsidiary are combined on a line by line basis by adding together the book value of like items of assets, liabilities, income and expenses, after eliminating intra-group balances, intra group transactions and unrealised profits or losses, if any.

- c) The detailed accounting policies and notes on accounts of CONCOR and FHEL are separately stated in their respective stand alone financial statements and only the notes which are of material nature have been stated in the consolidated financial statements.
  - d) For certain items, CONCOR and its subsidiary have followed different accounting policies. However, the impact of the same is not material.
2. Estimated amount of Contracts remaining to be executed on Capital Account and not provided for (Net of advances):

	(₹ in Crore)	
	2010-11	2009-10
a) In relation to joint ventures	20.26	11.97
b) Others	249.56	188.74
3. Contingent liabilities not provided for:		
a) Outstanding Letters of Credit & bank guarantees	39.58	44.32
b) Bank guarantees/bid bonds for joint ventures	126.32	167.92
c) Claims against the Company not acknowledged as debt, net of advances/payments under protest, arbitration, court orders, etc. [include claims of ₹ 356.68 crore (previous year: ₹ 311.92 crore) pending in arbitration/courts pursuant to arbitration awards]	769.50	720.38

Contingent liabilities are disclosed to the extent of claims received and include an amount of ₹11.61 crore (previous year: ₹ 10.56 crore), which may be reimbursable to the company. Any further interest demand on the basic claim is not considered where legal cases are pending, as the claim itself is not certain. No provision has been made for the contingent liabilities stated above, as on the basis of information available, careful evaluation of facts and past experience of legal aspects of the matters involved, it is not probable that an outflow of future economic benefits will take place.

- d) As per assessment orders under section 143(3) of the Income Tax Act, 1961, the Assessing Officer (AO) disallowed certain claims of the company, mainly deduction under section 80IA in respect of Rail System for assessment years 2003-04 to 2007-08 and Inland Ports (ICDs/CFSS) for assessment years 2003-04 to 2008-09 and raised demands of tax and interest totalling to ₹ 423.30 crore. In appeal, for AY 2003-04 to 2007-08, CIT (A) allowed claim u/s 80IA towards Rail System, whereas, for Inland Ports, the claim has been disallowed. On this matter, the decision of CIT (A) has been upheld by ITAT for AY 2003-04 to 2005-06 & the company has already filed appeal(s) against the orders of ITAT in Hon'ble Delhi High Court. On the similar issue for AY 2006-07 & 2007-08, the decision of AO has been upheld by CIT (A) & the company has now filed appeal(s) against the orders of CIT (A) in Hon'ble ITAT. Appeal for AY 2008-09 is pending with CIT (A). The Hon'ble Committee on Disputes (COD) has granted permission to the company for pursuing appeal on the matter of ICD deduction u/s 80IA before the Hon'ble Delhi High Court for AY 2003-04 to 2005-06, while the department's application seeking permission to pursue appeal on the matter of rail system deduction u/s 80IA before the Hon'ble Delhi High Court for AY 2003-04 to 2005-06 has been rejected.

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- e) CIT (A) upheld the orders of AO imposing and thereby recovering penalty of ₹ 26.70 crore against the company's claim of deduction in respect of Inland Ports for AY 2003-04 to 2005-06. Appeal(s) filed with the Hon'ble ITAT against the above orders of CIT (A) have been decided in company's favour vide orders dated 17th June, 2011. On the similar issue for AY 2006-07 & 2007-08, AO has imposed/recovered a penalty of ₹ 41.94 crore against which the company has filed an appeal with CIT (A).
- f) Disputed income tax liabilities have been summarized as:

Assessment Year	Nature of Dispute	Amount (₹ in Crore)
2003-04	<ul style="list-style-type: none"> <li>Penalty u/s 271(1)(c)</li> <li>Regular Assessment</li> </ul>	5.30 5.30
2004-05	<ul style="list-style-type: none"> <li>Penalty u/s 271(1)(c)</li> <li>Regular Assessment</li> </ul>	9.64 9.53
2005-06	<ul style="list-style-type: none"> <li>Penalty u/s 271(1)(c)</li> <li>Regular Assessment</li> </ul>	11.76 12.19
2006-07	<ul style="list-style-type: none"> <li>Penalty u/s 271(1)(c)</li> <li>Regular Assessment</li> </ul>	17.10 17.78
2007-08	<ul style="list-style-type: none"> <li>Penalty u/s 271(1)(c)</li> <li>Regular Assessment</li> </ul>	24.84 24.84
2008-09	<ul style="list-style-type: none"> <li>Regular Assessment</li> </ul>	62.25
<b>Consolidated Amount</b>	<ul style="list-style-type: none"> <li><b>Penalty u/s 271(1)(c)</b></li> <li><b>Regular Assessment</b></li> </ul>	<b>68.64</b> <b>131.89</b>

All the above disputed tax liabilities have been paid/recovered by the department, except an amount of ₹ 14.92 crore on account of penalty for AY 2006-07, for which an application has been given to the department for adjustment from the refund due for other assessment years.

4. The Company has executed "Custodian cum Carrier Bonds" of ₹ 22,169.28 crore (previous year: ₹ 20,866.00 crore) in favour of Customs Department under the Customs Act, 1962. These bonds are of continuing nature, for which claims may be lodged by the Custom Authorities.
5. As in earlier years, provision for tax for the year is after considering tax deduction of ₹ 164.64 crore (previous year: ₹ 118.00 crore) under section 80IA of the Income Tax Act, 1961 in respect of Rail System & Inland Container Depots (Inland Ports).
6. i) Income from operations consist of revenue from freight, handling, terminal service charges, demurrage and other operating income
- ii) Terminal & other service charges include expenses for rail freight, handling, road transportation & other operating expenses and cost of sales. These also include ₹14.03 crore (previous year ₹ 14.99 crore) and ₹ 2.67 crore (previous year ₹ 2.29 crore) towards power & fuel and consumption of stores & spare parts respectively.
7. Details of capital expenditure on enabling assets created on land not belonging to the company, control & possession of which rests with the company (Refer Schedule -4) are as under:

(₹ in Crore)

PARTICULARS	As at 31-03-2011	As at 31-03-2010
Building	3.58	6.94
Railway Siding	10.93	10.84
Plant & Machinery	3.04	3.04
Electrical Fittings	2.29	2.36
Furniture	0.03	0.03
Others	0.17	0.17
<b>Total</b>	<b>20.04</b>	<b>23.38</b>

8. a) During the year, the company changed its accounting policy for revenue recognition from "Freight, Handling income and related expenses are accounted for at the time of booking of containers. Terminal service charges and wharfage are accounted for on receipt/ at the time of release of containers on completed service contract method" to "Rail Freight Income & related Expenses are accounted for at the time of issue of RRs by Indian



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*Railways whereas Road Transportation/Handling Income & related Expenses are accounted for at the time of booking of containers. Terminal service charges and wharfrage are accounted for on receipt/at the time of release of containers on "completed service contract method".*

Consequent upon such change, income from operations is lower by ₹ 9.82 crore; terminal & other service charges are lower by ₹ 7.60 crore & net profit before tax is lower by ₹ 2.22 crore.

- b) *During the year, the company changed its accounting policy related to amortization of capital expenditure on land not belonging to the company from "Capital expenditure on land not belonging to the company is written off to the profit and loss account over its approximate period of utility or over a relatively brief period not exceeding five years, whichever is less. For this purpose, land is not considered to be belonging to the company if the same is not owned or leased/ licensed to the company." to "Capital expenditure on enabling assets, like roads, culverts & electricity transmissions etc., the ownership of which is not with the Company are charged off to revenue in the accounting period of incurrence of such expenditure. However, capital expenditure on enabling assets, ownership of which rests with the company and which have been created on land not belonging to the Company is written off to the P&L Account over its approximate period of utility or over a period of 5 years, whichever is less. For this purpose, land is not considered to be belonging to the company, if the same is not owned or leased/licensed to the company."*

Consequent upon such change, depreciation during the year is higher by ₹ 41.25 lakhs with a matching decline in the profit before tax.

9. (a) As per the tripartite business arrangement of the company with Hindustan Aeronautics Ltd. and Mysore Sales International Ltd. for operating air cargo complex at Bangalore (JWG-ACC), a loss of ₹ 0.45 crore (Previous year: ₹ 0.51 crore) being company's share in the entity as per audited accounts upto 14th January, 2011 (being the date of exit by CONCOR) has been accounted for under 'Miscellaneous Expenses.' Consequent upon such exit, CONCOR's share of investment in the business arrangement stands debited to "Loans & Advances".

(b) HALCON is a business arrangement of the company with Hindustan Aeronautics Ltd. for operating an Air Cargo Complex and ICD at Nasik. A profit of ₹ 0.08 lakh (Previous year: ₹ 10.89 lakh) being company's share in the entity as per unaudited accounts for the year ended 31st March, 2011 has been accounted for under 'Miscellaneous Income'.

10. Stores & spare parts include items costing ₹ 2.01 crore (previous year: ₹ 2.16 crore), which have not been consumed during last three years. These items by their very nature are essentially to be kept and are fit for their intended use.
11. During FY 2009-10, company received duty credit entitlement scrips amounting to ₹ 82.46 crore (₹ 29.75 crore in May 2009 and ₹ 52.71 crore in February, 2010) under the Served From India Scheme (SFIS) of the Govt. of India. As per the scheme, the scrips can be utilized within two years for duty credit for import of capital goods & payment of excise duty on domestic purchases. During the current financial year 2010-11, an amount of ₹ 14.24 crore (previous year: ₹ 8.28 crore) has been utilized for custom duty credit on import of capital goods and ₹ 17.41 crore (Previous year: ₹ 7.87 crore) for excise duty credit on domestic purchase, leaving a balance of ₹ 34.66 crore as on 31.03.2011. During the year, there is no expired amount, which remained unutilized (Previous year: ₹ 33.12 crore).

During the current financial year 2010-11, company received additional SFIS scrips amounting to ₹ 99.18 crore in September 2010; thus leaving a cumulative balance of ₹ 133.84 crore as on 31.03.2011 (Previous year: ₹ 66.31 crore)

12. The Govt. has imposed cess on building and other construction works under the provisions of the Delhi Building and Other Construction Workers (Regulation of Employment and Conditions of Service) Rules, 2002, Building and other Construction Workers Welfare Cess Act, 1996 and Building and Other Construction Workers Cess Rules, 1998. Similar cess has also been imposed by some other States. During FY 2008-09, a notice was received from the Labour Department at Delhi for payment of ₹ 46.05 lakh towards this cess from 1996 onwards. Since the Gazette notification for levy of cess has been issued in August 2005, the liability from that date amounting to ₹ 4.13 Lakh has been deposited in FY 2008-09, which is recoverable from the contractors.
13. The Company has, with effect from 1st April, 2007, adopted Accounting Standard 15, Employee Benefits (revised 2005), issued by the Institute of Chartered Accountants of India (ICAI). The disclosures as required as per the above accounting standard are as under:

- (a) Defined Contribution plans:

- (i) Employers' contribution to Provident Fund
- (ii) Employers' contribution to Employees Pension scheme, 1995

Company pays fixed contribution to Provident Fund at predetermined rates to a separate trust, which invests the fund in permitted securities. The contribution to the fund for the period is recognized as expense and is

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charged to the profit & loss account. The obligation of the company is limited to such fixed contribution. However, the trust is required to pay a minimum rate of interest on contributions to the members as specified by Government. During the year, the company has recognized the following amounts in the profit and Loss Account.

- (i) Employers' contribution to Provident Fund – ₹ 3.93 crore (previous year: ₹ 4.42 crore)
- (ii) Employers' contribution to Employees Pension scheme, 1995 – ₹ 0.79 crore (Previous year: ₹ 0.78 crore)
- (b) Defined benefit plans:

### Gratuity :

The Company has a defined benefit gratuity plan, which is regulated as per the provisions of Payment of Gratuity Act, 1972. The scheme is funded by the company and is managed by a separate trust. The liability for the same is recognized on the basis of actuarial valuation.

### Leave Travel Concession:

The company provides LTC facility to its employees, which is regulated in accordance with the policy framed in this regard. The liability for the same is recognized on the basis of actuarial valuation.

### Leave Encashment :

The company has a defined benefit leave encashment plan for its employees. Under this plan, they are entitled to encashment of earned leaves and medical leaves subject to certain limits and other conditions specified for the same. The liabilities towards leave encashment have been provided on the basis of actuarial valuation.

### Post Retirement Medical Benefits:

The company has formed a medical trust, which takes care of medical needs of its employees after their retirement. Their entitlement for reimbursement of medical expenses is regulated as per the policy in vogue. The liability for the same is recognized on the basis of actuarial valuation.

### Long-term medical liability

As per the medical policy in vogue, employees are entitled for reimbursement of medical expenses equivalent to one-month basic pay plus DA in a calendar year. If in any particular year, the employee does not spend the full amount, the balance is carried forward to the subsequent years. The liability for the same is recognized on the basis of actuarial valuation.

- (c) **Summarized position (CONCOR):** The details of various defined benefits recognised in the Profit and Loss Account, Balance Sheet and the funded status are as under:

### Expenses recognised in Profit and Loss Account:

(₹ in lakh)

	Gratuity (Funded)		Leave encashment (Non-Funded)		Post retirement medical benefits (Funded)	
	2010-11	2009-10	2010-11	2009-10	2010-11	2009-10
Current service cost	124.99	116.54	180.78	183.47	-	-
Interest cost on benefit obligation	107.64	74.70	152.02	89.53	-	-
Expected return on plan assets	(94.87)	(72.51)	-	-	-	-
Net actuarial (Gains)/ Loss	(2.91)	132.10	(6.11)	509.67	-	-
Expenses recognised in profit and Loss account	134.85	250.83	326.69	782.67	-	-

### Amount recognised in the Balance sheet:

Present Value of Obligations as at 31st March (i)	1498.58	1308.35	1977.94	1847.77	10.17	-
Fair Value of Plan Assets as at 31st March (ii)	1375.96	1069.76	-	-	-	-
Difference (ii) - (i)	(122.62)	(238.59)	(1977.94)	(1847.77)	(10.17)	-
Net asset/(Liabilities) recognised in the Balance sheet	(122.62)	(238.59)	(1977.94)	(1847.77)	(10.17)	-

### Change in the Present value of the defined benefit obligation:

Present value of obligation as at 1st April	1308.35	995.95	1847.80	1193.74	10.17	-
Interest cost	107.64	74.70	152.02	89.54	-	-



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Current service cost	124.99	116.54	180.78	183.46	-	-
Benefits paid	(39.49)	(10.96)	(196.52)	(128.64)	-	-
Net actuarial (gains)/loss on obligation	(2.90)	132.12	(6.11)	509.67	-	-
Present value of defined benefits obligation as at 31st March	1498.58	1308.35	1977.94	1847.77	10.17	-
<b>Change in the fair value of plan assets:</b>						
Fair value of Plan Assets as at 1st April	1069.76	587.11	-	-	-	-
Expected return on plan assets	-	72.51	-	-	-	-
Contribution by Employer	250.83	421.07	-	-	-	-
Benefits paid	(39.49)	(10.96)	-	-	-	-
Actuarial gain/(loss)	-	0.03	-	-	-	-
Fair value of Plan Assets as at 31st March	1375.96	1069.76	-	-	-	-

### Expenses Recognised in Profit and Loss Account:

(₹ in lakh)

	Interest guarantee Liability PF (Non-Funded)		Long term medical liability (Non-Funded)		Leave Travel Concession (Non-Funded)	
	2010-11	2009-10	2010-11	2009-10	2010-11	2009-10
Current service cost	-	-	-	-	29.45	33.07
Interest cost on benefit obligation	-	-	-	-	4.91	4.39
Expected return on plan assets	-	-	-	-	-	-
Net actuarial Gains (Loss)	-	-	-	-	32.21	6.42
Expenses recognised in profit and loss account	-	-	-	-	65.97	43.88

### Amount recognised in the Balance sheet:

Present Value of Obligations as at 31st March (i)	128.16	118.41	206.91	-	62.05	65.52
Fair Value of Plan Assets as at 31st March (ii)	-	-	-	-	-	-
Difference (ii) - (i)	(128.16)	(118.41)	(206.91)	-	(62.05)	(65.52)
Net asset/(Liabilities) recognised in the Balance sheet	(128.16)	(118.41)	(206.91)	-	(62.05)	(65.52)

### Change in the Present value of the defined benefit obligation:

Present value of obligation as at 1st April	118.41	118.41	206.91	-	65.52	58.50
Interest cost	-	-	-	-	4.91	4.39
Current service cost	-	-	-	-	29.45	33.07
Benefits paid	-	-	-	-	(70.04)	(36.85)
Net actuarial gains/(loss) on obligation	9.75	-	-	-	32.21	6.42
Present value of defined benefits obligation as at 31st March	128.16	118.41	206.91	-	62.05	61.52

### Change in the fair value of plan assets:

Fair value of Plan Assets as at 1st April	-	-	-	-	-	-
Expected return on plan assets	-	-	-	-	-	-
Contribution by Employer	-	-	-	-	-	-
Benefits paid	-	-	-	-	-	-
Actuarial gain/(loss)	-	-	-	-	-	-
Fair value of Plan Assets as at 31st March	-	-	-	-	-	-



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**Summarized position (FHEL):** The details of various defined benefits recognised in the Profit and Loss Account, Balance Sheet and the funded status are as under:

(Amount in ₹)

Particulars	Leave Travel Concession (Non – Funded)		Gratuity (Non- Funded)		Leave Encashment (Non- Funded)	
	2010-11	2009-10	2010-11	2009-10	2010-11	2009-10
Expenses Recognised in						
Profit & Loss Account	<b>254,941</b>	52,626	-	2,18,193	-	961,730
Amount Recognized in the Balance Sheet:						
Present Value of obligations as at 31st March (i)	<b>1,39,208</b>	-	<b>7,51,563</b>	8,71,392	<b>20,36,590</b>	23,62,879
Fair Value of Plan Assets (ii)	-	-	-	-	-	-
Difference (ii)-(i)	<b>(1,39,208)</b>	-	<b>(7,51,563)</b>	(8,71,392)	<b>(20,36,590)</b>	(23,62,879)
Net Asset/(Liabilities) recognised in the Balance Sheet	<b>(1,39,208)</b>	-	<b>(7,51,563)</b>	(8,71,392)	<b>(20,36,590)</b>	(23,62,879)

**(d) Details of plan assets:** The details of the plan assets (gratuity) at cost are as follows:

(₹ in lakh)

	As on 31-03-2011	As on 31-03-2010
i) State Government securities	<b>99.25</b>	49.35
ii) Central Government securities	<b>252.01</b>	213.01
iii) Corporate Bond/debentures	<b>850.81</b>	670.26
iv) Others	<b>13.91</b>	133.94
	<b>1215.98</b>	1066.56

**(e) Actuarial assumptions (CONCOR):** Principal assumptions used for actuarial Valuations are:

**1. Long Term Medical Liability**

Period	2010-11	2009-10
Discount rate	8% per annum	-
Normal Retirement Age	60 Years	-
Mortality	LIC 94-96 Ultimate	-
Expected rate of return	0	-
Withdrawal rate (Per Annum)	2.00% p.a. (18 to 60 Years)	-

**2. Leave Encashment**

Period	2010-11	2009-10
Discount rate	8.25 % per annum	7.50%
Salary Growth Rate	5.00 % per annum	5.00%
Mortality	LIC 94-96 Ultimate	LIC 94-96 Ultimate
Expected rate of return	0	0
Withdrawal rate (Per Annum)	2.00% p.a. (18 to 60 Years)	3.00% p.a. (up to 30 Years) 2.00% p.a. (31 to 44 Years) 1.00% p.a. (above 44 Years)

**3. Post Retirement Medical Benefits**

Period	2010-11	2009-10
Discount rate	8.00% per annum	-
Mortality post retirement	LIC a 96-98 annuitants ultimate	-



## CONSOLIDATED FINANCIAL STATEMENTS

### 4. Interest guarantee liability PF

Period	2010-11	2009-10
Discount rate	8 % per annum	-

### 5. Gratuity

Period	2010-11	2009-10
Discount rate	8.25 % per annum	7.50%
Salary Growth Rate	5.00 % per annum	5.00%
Mortality	LIC 94-96 Ultimate	LIC 94-96 Ultimate
Expected rate of return	7.76% per annum	12.35%
Withdrawal rate (Per Annum)	2.00% p.a. (18 to 60 Years)	3.00% p.a. (up to 30 Years)
		2.00% p.a. (31 to 44 Years)
		1.00% p.a. (above 44Years)

### 6. Leave Travel Concession

Period	2010-11	2009-10
Discount rate	7.5 % per annum	7.50%
Salary Growth Rate	5.00 % per annum	5.00%
Mortality	LIC 94-96 Ultimate	LIC 94-96 Ultimate
Withdrawal rate (Per Annum)	3.00% p.a. (up to 30 Years)	3.00% p.a. (up to 30 Years)
	2.00% p.a. (31 to 44 Years)	2.00% p.a. (31 to 44 Years)
	1.00% p.a. (above 44Years)	1.00% p.a. (above 44Years)

**Actuarial assumptions (FHEL):** Principal assumptions used for actuarial valuation are:

	2010-11	2009-10
i) Method Used	Projected Unit Credit Method	N/A
ii) Discount Rate	8.00%	N/A
iii) Future Salary Increases	5.50%	N/A

Salary increase rate has been assumed keeping in view the inflation rate on long term basis.

### 14. Segment Information as per Accounting Standard-17:

#### (a) Primary Segments:

The company is organized on All-India basis into two major operating divisions- EXIM and Domestic. The divisions are the basis on which the company reports its primary segment information. Both EXIM and Domestic divisions of the company are engaged in handling, transportation & warehousing activities.

Segment revenue and expenses directly attributable to EXIM and Domestic segments are allocated to the two segments. Joint revenue and expenses have been allocated on a reasonable basis. Segment assets include all operating assets used by a segment and consist principally of inventories, sundry debtors, cash & bank balances, loans & advances, other current assets and fixed assets net of provisions. Similarly, segment liabilities include all operating liabilities and consist principally of sundry creditors, advance from customers, other liabilities and provisions. Segment assets and liabilities do not, however, include provisions for taxes. Joint assets & liabilities have been allocated to segments on a reasonable basis.

The information about business segments on primary reporting format is as under:

(₹ in Crore)

Particulars	EXIM		Domestic		Un-allocable		Total	
	2010-11	2009-10	2010-11	2009-10	2010-11	2009-10	2010-11	2009-10
<b>REVENUE</b>								
Segment Revenue	2991.45	2898.49	836.67	807.19	64.35	24.92	3892.47	3730.60
<b>RESULT</b>								
Segment Result	824.41	759.11	78.67	112.06	5.39	(5.88)	908.47	865.29
Corporate Expenses					46.87	44.63	46.87	44.63
Operating Profit							861.60	820.66
Interest & other Income					201.87	180.69	201.87	180.69
Interest Expenses					4.59	3.82	4.59	3.82
Income Taxes					179.96	219.92	179.96	219.92

## CONSOLIDATED FINANCIAL STATEMENTS

Prior Period Adjustments (Net)					0.01	0.49	0.01	0.49
Tax adjustments for earlier years (Net)					(2.56)	(0.47)	(2.56)	(0.47)
<b>Net Profit</b>							<b>876.37</b>	<b>777.63</b>
<b>OTHER INFORMATION</b>								
Segment Assets	1778.16	1708.41	591.50	599.27	-	-	2369.66	2307.68
Unallocated Corporate Assets					3399.06	2880.27	3399.06	2880.27
Total Assets							5768.72	5187.95
Segment Liabilities	258.35	302.94	90.33	94.02	-	-	348.68	396.96
Unallocated Corporate Liabilities					5420.04	4790.99	5420.04	4790.99
Total Liabilities							5768.72	5187.95
Capital Expenditure	238.18	225.49	47.61	122.13	24.93	2.84	310.72	350.46
Depreciation	106.87	100.19	36.95	33.01	5.05	5.57	148.87	138.77
Non cash expenses other than depreciation	1.68	0.14	0.09	0.04	(0.03)	0.08	1.74	0.26

**Note(s):**

- Prior period adjustments have not been allocated to any segment.
- Unallocated Corporate Liabilities include ₹ 4,938.79 crore (previous year: ₹ 4,296.96 crore) on account of Shareholders' Funds.

**(b) Secondary Segments:**

The operations of the Company are mainly confined to the geographical territory of India & there is no reportable secondary segment.

**15. Related Party Disclosures as per Accounting Standard-18:****a) Key Management Personnel:** Directors of the Company:

(₹ in lakh)

Name of Related Party	Nature of Transaction (excl. reimbursable)			
	Remuneration paid including perks		Loans and advances receivable	
<b>Whole Time Directors:</b>	<b>2010-11</b>	<b>2009-10</b>	<b>2010-11</b>	<b>2009-10</b>
Anil K. Gupta, Managing Director w.e.f 31.12.2009	41.02	44.93	1.65	2.13
Other Directors	103.38	207.69	7.13	9.05

**b) Joint Ventures:**

- Star Track Terminals Pvt. Ltd.
  - Trident Terminals Pvt. Ltd.
  - Albatross CFS Pvt. Ltd.
  - Gateway Terminals India Pvt. Ltd.
  - JWG-Air Cargo Complex (A business arrangement) (#)
  - Himalayan Terminals Pvt. Ltd. (Foreign Joint Venture)
  - CMA-CGM Logistics Park (Dadri) Pvt. Ltd.
  - HALCON (A business arrangement)
  - India Gateway Terminal Pvt. Ltd.
  - Integrated Infra Log Pvt. Ltd. (\*)
  - Infinite Logistics Solutions Pvt. Ltd.
  - Hind CONCOR Terminals (Dadri) Pvt. Ltd.
  - Container Gateway Limited
  - Allcargo Logistics Park Pvt. Ltd.
  - CONYK Cartrac Pvt. Ltd.
- (#) Business arrangement stands terminated on 14th January, 2011.  
 (\*) Consequent upon striking off the company's name from ROC, investment in JV Company has been written off.



## CONSOLIDATED FINANCIAL STATEMENTS

Transactions relating to parties referred above are:

	(₹ in lakh)	
	2010-11	2009-10
Rent, Maintenance charges, interest & dividend income received/receivable	760.21	282.18
Share in the income recognized	(44.90)	(39.73)
Investment (Net) made during the year	430.10	3745.67
BG/Bid Bonds for JVs	126.32	167.92
<b>Balances As on 31st March</b>		
-Security deposit received	204.92	204.92
-Current assets, loans & advances	46.49	197.11
-Investments	19558.34	19215.24
-Current Liabilities & Provisions	16.95	10.72

### 16. Leases - Accounting Standard -19:

(i) In respect of assets taken on lease/rent:

	(₹ in Crore)	
	2010-11	2009-10
(a) The future minimum lease payments under non- cancellable operating leases entered into on or after 1st April, 2001 are:		
(i) Not later than one year	0.83	2.22
(ii) Later than one year and not later than 5 years	-	1.01
(iii) Later than five years	-	-

(b) Lease payments recognized in the accounts are ₹ 18.42 crore (previous year: ₹17.76 crore).

(c) Sub lease recoveries recognized in the accounts are ₹ 0.42 crore (previous year: ₹ 0.12 crore).

The operating leases are in respect of containers, office premises and accommodation provided to staff. The period of lease arrangements varies from case to case.

(ii) In respect of assets leased/rented out:

	(₹ in Crore)	
	2010-11	2009-10
Gross Carrying amount (Buildings & Warehouses)	22.63	22.63
Accumulated Depreciation	4.67	4.22
Depreciation during the year	0.45	0.45

### 17. Earning per share (EPS): The calculation of EPS as per Accounting Standard (AS)-20 is as under:

	2010-11	2009-10
Profit after tax, prior period adjustments & tax adjustments for earlier years as per Profit and Loss Account (₹ in crore)	876.37	777.63
Weighted average number of equity shares of face value ₹ 10/- each	129,982,794	129,982,794
Basic and diluted earning per share (in rupees)	67.42	59.83

### 18. Accounting for Taxes on Income - Accounting Standard-22:

Components of Deferred Tax Asset and Liability:

	(₹ in Crore)	
	2010-11	2009-10
i. Deferred Tax Liability:		
Difference between book and tax depreciation	242.77	224.22

## CONSOLIDATED FINANCIAL STATEMENTS

ii. Deferred tax asset:		
Expenditure covered by section 43B	9.11	11.57
Provision for doubtful advances/debts/stores	1.50	1.28
Others	<u>3.41</u>	<u>0.47</u>
	<u>14.02</u>	<u>13.32</u>
iii. Net deferred tax liability [i-ii]	<u>228.75</u>	<u>210.90</u>

### 19. Financial Reporting of Interests in Joint Ventures – Accounting Standard – 27:

a) Brief description of Joint Ventures of the Company where investments have been made are:

Particulars	Country of incorporation	(%) Holding
<b>Star Track Terminals Pvt. Ltd.:</b> A Joint venture with Maersk India Pvt. Ltd. for setting up and running a CFS at Dadri, U.P.	India	49
<b>Trident Terminals Pvt. Ltd.:</b> A Joint venture with Transworld group of companies for CFS at Dadri, U.P.	India	49
<b>Albatross CFS Pvt. Ltd.:</b> A Joint venture with Transworld group of Companies for CFS at Dadri, U.P.	India	49
<b>Gateway Terminals India Pvt. Ltd.:</b> A Joint Venture with Maersk A/S, Copenhagen for third berth at JN Port, Mumbai.	India	26
<b>@JWG-Air Cargo Complex:</b> A business arrangement with Hindustan Aeronautics Ltd. and Mysore Sales International Ltd. for air cargo business at Bangalore.	India	33.33
<b>Himalayan Terminals Pvt. Ltd.:</b> A joint venture with Nepalese Enterprises (Interstate Multimodal Transport Pvt. Ltd. of Nepal & Nepal Transit & Warehouse Co. Ltd.) & Transworld group of companies for management and operation of rail container terminal at Birgunj (Nepal).	Nepal	40
<b>#CMA-CGM Logistics Park (Dadri) Pvt. Ltd.:</b> A joint venture with "Ameya Logistics Pvt. Ltd." (Previous year: CMA CGM Global India Pvt. Ltd.) for CFS at Dadri, UP.	India	49
<b>HALCON:</b> A business arrangement with Hindustan Aeronautics Ltd. for operating an air cargo complex & ICD at Ozar airport, Nasik.	India	50
<b>India Gateway Terminal Pvt. Ltd.:</b> A joint venture with Dubai Port International (DPI) for setting up and managing Container Terminals at Cochin.	India	15
<b>*Integrated Infra Log Pvt. Ltd.:</b> A joint Venture with IL&FS Infrastructure Development Corporation Ltd. to carry on the business of establishing, acquiring, developing, managing & maintaining logistic infrastructure, etc.	India	50
<b>Hind CONCOR Terminals (Dadri) Pvt. Ltd.:</b> A Joint Venture with Hind Terminals Pvt. Ltd. for CFS at Dadri, U.P.	India	49
<b>Infinite Logistics Solutions Pvt. Ltd.:</b> A Joint Venture with Transport Corporation of India Ltd. to establish logistics freight terminals and provide integrated logistics services across the country.	India	49
<b>Container Gateway Ltd.:</b> A Joint Venture with Gateway Rail Freight Pvt. Ltd. for operations of existing rail/road container terminal at Garhi Harsaru, Gurgaon (Haryana)	India	49



## CONSOLIDATED FINANCIAL STATEMENTS

<b>Allcargo Logistics Park Pvt. Ltd.:</b> A joint Venture with Allcargo Global Logistics Ltd. for setting up and running CFS at Dadri.	India	49
<b>##CONYK Cartrac Pvt. Ltd.:</b> A Joint Venture with NYK Auto Logistics (India) Ltd. (Previous year: NYK Line (India) Ltd.) for setting up & dealing in business of developing Completely Built up Unit (CBU) Vehicle Logistics.	India	50

@ Business arrangement stands terminated on 14th January, 2011.

# During the year, 51% Shareholding in JV was acquired by "Ameya Logistics Pvt. Ltd." from CMA CGM Global India Pvt. Ltd.

\*Consequent upon striking off the company's name from ROC, investment in JV Company has been written off.

## During the year, 50% Shareholding in JV was acquired by "NYK Auto Logistics (India) Ltd" from "NYK Line (India) Ltd."

- b) Company's share of assets, liabilities, income, expenditure, contingent liabilities & capital commitments in the Joint Ventures, to the extent of information available, is as follows:

(₹ in lakh)

	Assets	Liabilities	Income	Expenditure	Contingent Liabilities & Capital Commitments
Star Track Terminal Pvt. Ltd.	<b>1170.90</b> (1249.88)	<b>307.31</b> (553.02)	<b>938.76</b> (1251.73)	<b>778.56</b> (1008.83)	- (350.42)
Trident Terminals Pvt. Ltd.	<b>799.37</b> (824.76)	<b>623.99</b> (628.90)	<b>281.08</b> (271.11)	<b>299.72</b> (251.06)	- (2695.00)
Albatross CFS Pvt. Ltd.	<b>1299.08</b> (1254.00)	<b>261.03</b> (751.37)	<b>1557.30</b> (1642.89)	<b>1373.75</b> (1455.71)	<b>254.59</b> (256.18)
*Gateway Terminals India Pvt. Ltd.	<b>25,753.45</b> (30,662.84)	<b>15,647.60</b> (19,944.32)	<b>10,879.16</b> (10,414.89)	<b>10,046.54</b> (9529.15)	<b>22,820.74</b> (23,318.16)
^JWG-Air Cargo Complex	- (211.30)	- (188.52)	<b>35.10</b> (0.24)	<b>80.16</b> (17.11)	- -
#Himalayan Terminals Pvt. Ltd	<b>238.88</b> (114.03)	<b>90.47</b> (105.73)	<b>487.78</b> (387.36)	<b>346.54</b> (317.36)	- -
CMA -CGM Logistics Park (Dadri) Pvt. Ltd.	<b>864.16</b> (739.22)	<b>327.46</b> (413.31)	<b>899.00</b> (782.37)	<b>674.15</b> (576.13)	<b>245.00</b> (245.00)
HALCON	<b>328.01</b> (403.46)	<b>20.15</b> (95.69)	<b>95.92</b> (144.06)	<b>95.83</b> (133.17)	- -
India Gateway Terminal Pvt. Ltd.	<b>15,702.26</b> (10,884.67)	<b>9494.74</b> (6222.49)	<b>1591.89</b> (1379.50)	<b>2423.34</b> (1730.88)	- (7525.91)
Integrated Infra Log Pvt. Ltd.	- (-)	- (-)	- (-)	- (0.29)	- (-)
Hind CONCOR terminals Pvt. Ltd.	<b>24.10</b> (101.56)	<b>0.12</b> (15.81)	- (-)	- (-)	- (-)
Infinite Logistics Solutions Pvt. Ltd.	<b>82.29</b> (80.37)	<b>5.74</b> (2.64)	<b>8.54</b> (4.53)	<b>9.71</b> (3.88)	- -

## CONSOLIDATED FINANCIAL STATEMENTS

Allcargo Logistics Park Pvt. Ltd.	<b>656.15</b> (120.08)	<b>39.53</b> (6.56)	- (-)	- (-)	- (396.68)
CONYK Cartrac Pvt. Ltd.	<b>179.32</b> (6.59)	<b>3.36</b> (1.68)	<b>1.91</b> (1.58)	<b>3.14</b> (1.67)	- -
Container Gateway Ltd.	<b>6.40</b> (6.24)	<b>1.50</b> (1.34)	- -	- -	- -

**In the above statement:**

- Previous year figures in brackets are audited.
- Current year figures are un-audited, unless otherwise stated.
- \*Current year figures are audited for 9 months ended 31st December, 2010.
- ^Current year figures are audited upto 14th January, 2011 i.e. date of exit by CONCOR.
- #Previous figures are audited for year ended 16th July, 2010.

20. In the opinion of the management, during the year there are no indications that impairment of any asset has taken place. Accordingly, no provision for impairment of assets is required as per Accounting Standard 28.

21. As per Accounting Standard 29, the particulars of provisions are as under:

(₹ in Crore)

	2010-11			2009-10		
	Property Tax	Rent to Railway	Gratuity & Leave encashment	Property Tax	Rent to Railway	Gratuity & Leave encashment
Opening balance	12.31	2.49	21.82	10.80	2.21	17.15
Add: Adjustment in opening balance	-	-	0.38	-	-	-
Addition during the year	2.23	0.24	4.59	3.22	0.28	10.48
Amount used /incurred	1.52	1.35	4.50	1.52	-	5.81
Unused amount reversed during the year	7.65	-	0.84	0.19	-	-
Closing Balance	5.37	1.38	21.45	12.31	2.49	21.82

The above provisions are in the nature of statutory liabilities and liabilities on account of terms of employment, etc. The timing of payment for the same would be: gratuity-in accordance with payment of gratuity Act, leave encashment-as per company's policy, property tax and rent to railways- normally on demand. There is a certainty about these payments in future and no reimbursement is expected against any of the above.

22. Book Overdraft represents cheques issued by the company pending clearance against the flexi/other deposits with the banks.

23. a) Unless otherwise stated, the figures are in rupees crore.

b) Previous year's figures have been recast/regrouped/rearranged wherever considered necessary to conform to this year's classification.



## SCHEDULE – 13: NOTES ON ACCOUNTS (Cont'd)

### 24 Balance Sheet Abstract and Company's General Business Profile (IN TERMS OF AMENDMENT TO SCHEDULE VI PART IV)

#### I. Registration Details

Registration No.	030915	STATE CODE	55
Balance Sheet Date	31	03	2011
	Date	Month	Year

#### II. Capital Raised during the year

Public / Euro Issue	(₹ in crores)
NIL	Right Issue
Bonus Issue	NIL
NIL	Private Placement
	NIL

#### III. Position of Mobilisation and Deployment of Funds

Total Liabilities	(₹ in crores)	Total Assets
5,768.72		5,768.72
Sources of Funds :		
Paid-up Capital	Reserves & Surplus	
129.98	4,808.81	
Secured Loans	Unsecured Loans	
47.32	-	
Current Liabilities	Deferred Tax Liabilities	
553.86	228.75	
Application of Funds :		
Net Fixed Assets	Investments	
2,714.78	195.58	
Current Assets	Misc. Expenditure	
2,858.30	0.06	
Accumulated Losses		
-		

#### IV. Performance of the Company

Turnover (Including Other Income)	(₹ in crores)	Total Expenditure
4,094.34		3,035.46
Profit Before Tax		Profit After Tax
1,058.88		876.37
EPS (Rupees)		Dividend %
67.42		155%

#### V. Generic Names of Three Principal Products / Services of Company (as per monetary terms)

	1. Transportation of containers.
	2. Handling of containers.
	3. Parking of containers.
Item Code No. (ITC Code)	Not applicable.
Product Description	Not applicable.

#### "SIGNATURES TO SCHEDULE 1 TO 13"

(HARISH CHANDRA)  
GGM (FIN) & COMPANY SECRETARY

(P. ALLI RANI)  
DIRECTOR(FINANCE)

(ANIL KUMAR GUPTA)  
MANAGING DIRECTOR

As per our report of even date  
For **Kumar Chopra & Associates**  
Chartered Accountants



## CONSOLIDATED FINANCIAL STATEMENTS

### CONSOLIDATED CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2011

(₹ in Crore)

	2010-2011	2009-2010
<b>A CASH FLOW FROM OPERATING ACTIVITIES</b>		
Net Profit Before Tax and Extraordinary Items	1,058.88	997.53
Adjustment for :-		
Depreciation/Amortisation	148.87	138.77
Interest Paid	4.59	3.82
Interest & Dividend Income	(152.26)	(148.55)
Provision for doubtful debts/advances/stores	0.74	0.02
Preliminary Expenses	0.03	0.07
Investments written off	0.01	-
Loss/profit on Sale of fixed Assets	0.87	0.22
Operating Profit Before Working Capital Changes	1,061.73	991.88
Adjustment for :-		
Trade & Other Receivables	52.98	(6.33)
Inventories	2.85	2.46
Trade Payable & Provisions	(83.41)	13.08
Cash Generated from Operations	1,034.15	1,001.09
Prior Period Adjustments	0.01	0.49
Direct Taxes paid	(222.54)	(368.52)
Net Cash from Operating Activities (A)	811.62	633.06
<b>B CASH FLOW FROM INVESTING ACTIVITIES</b>		
Purchase of Fixed Assets	(314.97)	(350.84)
Sale of Fixed Assets	1.20	0.14
Govt. grant received & utilized for acquisition of fixed assets	4.25	0.38
Capital Work-in-Progress/advances	(112.71)	39.46
Purchase of Investment	(3.43)	(24.08)
Interest, Dividend & Other Income	152.26	148.55
Net Cash used in Investing Activities (B)	(273.40)	(186.39)
<b>C CASH FLOW FROM FINANCING ACTIVITIES</b>		
Interest Paid	(4.59)	(3.82)
Dividend paid (including tax on dividend)	(234.94)	(212.92)
Proceeds of Long-Term Loan	4.90	(6.29)
<b>Net Cash from Financing Activities (C)</b>	(234.63)	(223.03)
<b>Net Change in Cash &amp; Cash Equivalents (A+B+C)</b>	303.59	223.64
OPENING BALANCE OF CASH & CASH EQUIVALENTS	1,992.50	1,768.86
CLOSING BALANCE OF CASH & CASH EQUIVALENTS (See Note 2)	2,296.09	1,992.50
Note: (1) Previous year figures have been re-grouped/rearranged wherever considered necessary to conform to this years' classifications.		
(2) Cash and Cash equivalents included in the cash flow statement comprise the following Balance Sheet amount:		
	2010-11	2009-10
Cash in hand (Including Imprest)	0.23	0.27
Cheques in hand	12.07	16.39
Remittance in transit	-	0.01
Balance with Scheduled Banks		
- in Current Accounts	44.35	33.88
- in Flexi Deposits	2.81	160.74
- in Term Deposits	2,236.63	1,781.21
	2,296.09	1,992.50

(HARISH CHANDRA)  
GGM (FIN) & COMPANY SECRETARY

(P. ALLI RANI)  
DIRECTOR(FINANCE)

(ANIL KUMAR GUPTA)  
MANAGING DIRECTOR

As per our report of even date  
For **Kumar Chopra & Associates**  
Chartered Accountants

Place: New Delhi  
Dated: 21.07.2011

(R K Aggarwal)  
Partner



# CONSOLIDATED FINANCIAL STATEMENTS

## AUDITORS' REPORT

To the Board of Directors of

### Container Corporation of India Limited

We have audited the attached consolidated Balance Sheet of Container Corporation of India Limited (the company) and its subsidiary (collectively referred to as CCIL group) as at 31st March, 2011, and the consolidated Profit & Loss Account and also the consolidated Cash Flow Statement for the year ended on that date annexed thereto. These financial statements are the responsibility of the company's management. Our responsibility is to express an opinion on these financial statements based on our audit.

1. We conducted our audit in accordance with auditing standards generally accepted in India. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.
2. We did not audit the financial statements of subsidiary namely Fresh & Healthy Enterprises Ltd. whose financial statements reflect total assets of ₹ 85.39 crore as on 31.03.2011 and total revenue of ₹ 64.65 crore and net cash outflow of ₹ 2.58 crore for the year ended 31.03.2011. These financial statements have been audited by other auditors whose report has been furnished to us and our opinion in so far it relates to the amounts included in respect of subsidiary is based solely on the report of other auditors.
3. We report that the consolidated financial statements have been prepared by the company in accordance with the requirements of accounting standards (AS) 21 'Consolidated Financial statements' of the Companies Accounting Rules 2006.
4. We further report that:  
*Sale/Lease Deeds in respect of Land & Buildings valuing ₹ 1.45 Crore are yet to be executed in favour of the company (Note no. 2, Schedule 4).*
5. Based on our audit and on consideration of report of the other auditor on separate Financial Statements and on the other financial information of the component and to the best of our information and according to the explanations given to us, we are of the opinion that the said accounts, *subject to our comments in paragraphs 4 above (no financial impact)* read together with Significant Accounting Policies and Notes on Accounts, give a true and fair view in conformity with the accounting principles generally accepted in India:
  - i. in the case of consolidated Balance Sheet, of the state of affairs of the CCIL Group as at 31st March, 2011;
  - ii. in the case of consolidated Profit & Loss Account, of the profit for the year ended on that date; and
  - iii. in the case of consolidated Cash Flow Statement, of the cash flows for the year ended on that date.

For **KUMAR CHOPRA & ASSOCIATES**

Chartered Accountants

FRN:000131N

(CA. R K Aggarwal)

Partner

M. No. 081510

Place: New Delhi

Date: 21.07.2011

## COMMENTS OF THE COMPTROLLER AND AUDITOR GENERAL OF INDIA UNDER SECTION 619(4) OF THE COMPANIES ACT, 1956 ON THE ACCOUNTS OF CONTAINER CORPORATION OF INDIA LIMITED FOR THE YEAR ENDED 31<sup>st</sup> MARCH 2011

The preparation of financial statements of Container Corporation of India Limited for the year ended 31<sup>st</sup> March 2011 in accordance with the financial reporting framework prescribed under the Companies Act, 1956 is the responsibility of the management of the company. The statutory auditors appointed by the Comptroller and Auditor General of India under section 619(2) of the Companies Act 1956 are responsible for expressing opinion on these financial statement under section 227 of the Companies Act, 1956 based on the independent audit in accordance with the auditing and assurance standards prescribed by their professional body, the Institute of Chartered Accountants of India. This is stated to have been done by them vide their Audit Report dated 21.07.2011.

I, on the behalf of the Comptroller and Auditor General of India, have conducted a supplementary audit under section 619(3) (b) of the Companies Act, 1956 of the financial statements of Container Corporation of India Limited for the year ended 2011. This supplementary audit has been carried out independently without access to the working papers of the statutory auditors and is limited primarily to inquiries of the statutory auditors and company personnel and a selective examination of some of the accounting records.

On the basis of my audit nothing significant has come to my knowledge which would give rise to any comment upon or supplement to Statutory Auditors' report under section 619(4) of the Companies Act, 1956.

For and on the behalf of the Comptroller  
and Auditor General of India

(John K. Sellate)  
Pr. Director of Commercial Audit &  
Ex-Officio Member, Audit Board-IV

Place: New Delhi  
Dated. 17.08.2011



## PROXY FORM

### CONTAINER CORPORATION OF INDIA LTD.

(A Govt. of India Undertaking)

Regd. office : CONCOR Bhawan, C-3, Mathura Road, Opp. Apollo Hospital, New Delhi - 110076

D.P. Id\* .....

Regd. Folio No.....

Client Id\* .....

I/We.....of.....  
..... being a member / members of CONTAINER CORPORATION OF INDIA LTD. hereby appoint  
.....of.....  
.....or failing him .....of  
.....as my / our proxy to vote for me / us and on my /our behalf at the  
**23<sup>rd</sup> ANNUAL GENERAL MEETING** to be held on 19th September, 2011 at Auditorium, National Railway Museum,  
Nyaya Marg, Near Bhutan Embassy, Chanakyapuri, New Delhi-110021 or any adjournment thereof.

Signed this.....day of .....2011

\* Applicable for investors holding shares in electronic form.

Affix Re. 1  
Revenue  
Stamp

#### Note :

- (1) The proxy in order to be effective should be duly stamped, completed and signed and must be deposited at the Registered office of the Company not less than 48 hours before the time for holding the aforesaid meeting. The Proxy need not be a member of the Company.
- (2) Member holding shares under more than one folio may use photo copy of this proxy form for other folios. The Company shall provide additional forms on request.

NOTE : 1. No gift will be distributed in the Annual General Meeting.  
2. Members are requested to bring their copy of Annual Report.

## ATTENDANCE SLIP

CONTAINER CORPORATION OF INDIA LTD.

(A Govt. of India Undertaking)

Regd. office : CONCOR Bhawan, C-3, Mathura Road, Opp. Apollo Hospital, New Delhi - 110076

PLEASE FILL ATTENDANCE SLIP AND HAND IT OVER AT THE ENTERANCE OF MEETING VENUE.

Joint shareholders may obtain additional Attendance Slip at the venue of the meeting.

D.P. Id\* .....

Regd. Folio No. ....

Client Id\* .....

NAME AND ADDRESS OF THE SHAREHOLDER

No. of Share(s) held :

I hereby record my presence at the **23rd ANNUAL GENERAL MEETING** of the Company held on 19th September, 2011 at Auditorium, National Railway Museum, Nyaya Marg, Near Bhutan Embassy, Chanakyapuri, New Delhi-110021.

(Signature of the Member or proxy)

\* Applicable for investors holding shares in electronic form.

NOTE : 1. No gift will be distributed in the Annual General Meeting.  
2. Members are requested to bring their copy of Annual Report.



## ECS

### CONTAINER CORPORATION OF INDIA LTD.

(A Govt. of India Undertaking)

Regd. office : CONCOR Bhawan, C-3, Mathura Road, Opp. Apollo Hospital, New Delhi - 110076

Dear Shareholder,

#### SUBJECT : ELECTRONIC CLEARING SERVICE (ECS) FOR DIVIDEND PAYMENT

We are pleased to advise that the Board of Directors have recommended final dividend @ 80% i.e. ₹ 8/- per share in addition to interim dividend @ 75%, already paid for the financial year 2010-11, subject to approval by the shareholders at the Annual General Meeting. The Register of Members will be closed during the period 08th September, 2011 to 19th September, 2011 (both days inclusive).

Securities and Exchange Board of India (SEBI) vide its circular dated 15th October, 2001 has advised that "all companies should mandatorily use ECS facility for distributing dividends or other cash benefits to the investors wherever the ECS facility is available and in the absence of availability of ECS facility, the Companies may use warrants for distributing the dividends".

SEBI has also advised the Companies to mandatorily print the bank account details of the shareholders on the dividend warrants / payment instruments in the absence of ECS facility.

We are extending the facility to the shareholders of Electronic Clearing Services (ECS) provided by Reserve Bank of India for dividend payment upto Rs. 5 lakhs. Needless to mention that dividend payment through ECS avoids the risks like postal delay, loss in transit, fraudulent encashment etc.

Under the ECS facility, your bank will credit the dividend amount in your bank account on due date and indicate the credit entry as "ECS" in your Pass Book/Bank Statement without issuing or handling paper instrument/warrant.

In order to avail the ECS facility, the shareholders are requested to fill and sign the enclosed ECS mandate form. The form thereafter be sent –

In case of shareholder holding shares in Physical Mode to –

**Beetal Financial & Computer Services (P) Ltd.**

Unit : Container Corporation of India Ltd.,

Beetal House, 3rd Floor, 99 Madangir, Behind Local Shopping Centre, New Delhi-110062.

Ph: 011-29961280-83 Fax: 011-29961284

E-mail: beetal@beetalfinancial.com website: www.beetalfinancial.com

In case of shareholder holding shares in Electronic Mode/Dematerialized form to-  
The **Depository Participant** with whom your account is maintained.

All information should be accurate and complete so that you get the credit of dividend in time. Kindly attach a photocopy of a cheque from your cheque book issued by your bank for verifying the accuracy of the MICR code no. indicated at the bottom of the cheque. Please note that these instructions will supersede all your previous bank mandates/details including those that may have been incorporated at the time of opening a beneficiary account with the Depository Participant.

In view of the advantages of the ECS facility of payment of dividend, it is advised that the shareholders may avail of the facility.

Yours faithfully,

For **Container Corporation of India Limited**

(Harish Chandra)

Group General Manager (Finance & Company Secretary)

Date : 10.08.2011

Place : New Delhi

## ECS MANDATE FORM

### CONTAINER CORPORATION OF INDIA LTD.

(A Govt. of India Undertaking)

CONCOR Bhawan, C-3, Mathura Road, Opp. Apollo Hospital, New Delhi - 110076

Electronic Clearing Service Mandate Form

To,

**Beetal Financial & Computer Services (P) Ltd.**

Unit : Container Corporation of India Ltd.,

Beetal House, 3rd Floor, 99 Madangir, Behind Local Shopping Centre,

New Delhi-110062. (In case of Shareholding in Physical form)

To

The Depository Participant concerned

(In case of shareholding in Electronic form)

Dear Sir,

**Subject : ECS Mandate for Dividend Payment**

Folio No. : ..... / Client ID : ..... DP ID: .....

This is in response to the letter dated 10th August, 2011 of Container Corporation of India Ltd. regarding the ECS facility for payment of dividend. The following is the updation of my bank account details and I hereby affirm my choice to opt for payment of dividend through ECS.

I understand that Container Corporation of India Ltd. also reserves the right to send the dividend payable to me by a physical dividend warrant / draft, on account of any unforeseen circumstances beyond the control of Container Corporation of India Ltd., that may affect the payment of dividend through ECS.

1. First Shareholder's Name: Shri /Smt/Kum./M/s. \_\_\_\_\_
2. First Shareholder's Address: \_\_\_\_\_  
 \_\_\_\_\_  
 \_\_\_\_\_ Pin Code \_\_\_\_\_
3. Particulars of bank:  
 Bank Name \_\_\_\_\_  
 Branch \_\_\_\_\_  
 (Name & Address & Telephone No.) \_\_\_\_\_  
 Bank City \_\_\_\_\_  
 Account No. (As appearing in Cheque Book) \_\_\_\_\_  
 Account Type \_\_\_\_\_  
 9 digit MICR No. \_\_\_\_\_  
 as appearing on the Cheque  
 (Please enclose cancelled / photocopy of cheque)
4. PAN/GIR No. \_\_\_\_\_

I hereby declare that the particulars given above are correct and complete. If the transaction is delayed or not effected at all for reasons of incomplete or incorrect information, I would not hold Container Corporation of India Ltd. responsible. I also agree for printing of the bank details on the dividend warrant / DD if the payment of dividend is effected by warrant / DD.

Place :

Date :

(Sole / First shareholder)

(Signature should be as per the specimen sign.

recorded with Container Corp. of India Ltd.)

**Certification by the Bank**

(This is required if cancelled cheque / photocopy of the cheque is not enclosed)

Certified that the Bank details furnished above are correct as per our records.

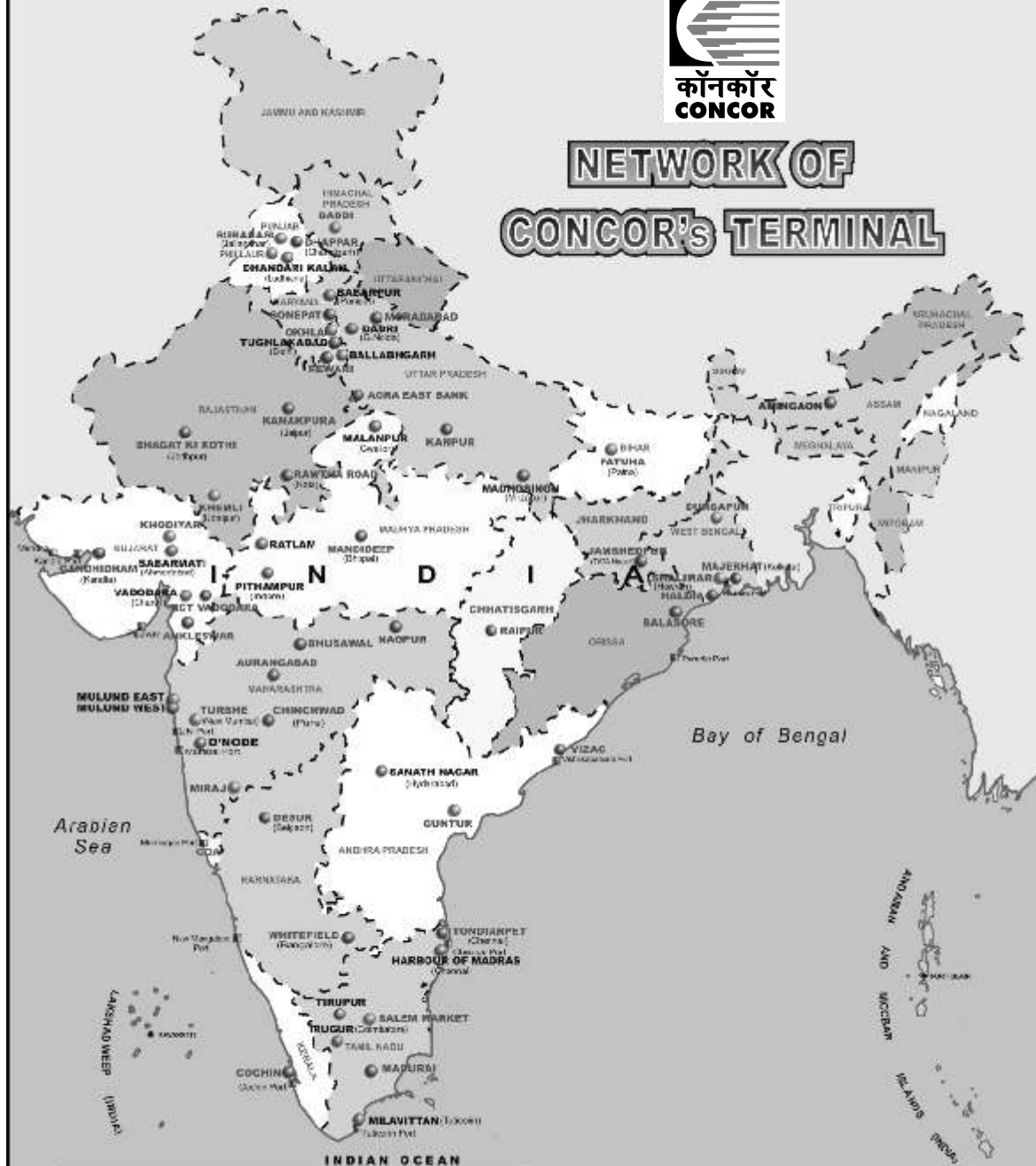
(Bank Stamp)

Date :

Signature of authorized official of the Bank



## NETWORK OF CONCOR'S TERMINAL



- Exim Terminals
- Domestic Terminals
- Combined Terminals
- Future Terminals
- Major/Container Handling Ports

Not to scale  
As on: 31/07/07

This is a Guide Map only. It has no correctness with State boundaries.



## NOTES

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## NOTES

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## OFFICES

### CONTAINER CORPORATION OF INDIA LTD.

CONCOR Bhawan, C-3, Mathura Road,  
Opp. Apollo Hospital, New Delhi-110 076  
Tel. : 41673093, 94, 95 & 96 Fax: 41673112  
E-mail : [co@concorindia.com](mailto:co@concorindia.com)  
Website : [www.concorindia.com](http://www.concorindia.com)

## REGIONAL OFFICES

### CENTRAL REGION

Container Corporation of India Ltd.  
BPCL Building, 1st Floor, 7 Chitnavis Marg,  
Near National Fire Service College,  
Civil Lines, Nagpur-440001  
Phones : 0712-2540406,2540551  
Fax : 0712-2554485  
E-mail : [cr.ro@concorindia.com](mailto:cr.ro@concorindia.com)

### NORTHERN WESTERN REGION

Container Corporation Of India Ltd.,  
North West Region 301, B- Block,  
3rd Floor, Sakar-VII, Nehru Bridge Corner,  
Ashram Road, Ahmedabad-380006.  
Phones : 079-40273333  
Fax : 079-40273334  
E-mail : [nwr.ro@concorindia.com](mailto:nwr.ro@concorindia.com)

### EASTERN REGION

Container Corporation of India Ltd.  
10th Floor, Metro Rail Bhawan,  
33/1, Jawaharlal Nehru Road,  
Kolkata-700 071 (W.B.)  
Phones : 033-22267151, 52, 53, 54  
Fax : 033-22267106  
E-mail : [er.ro@concorindia.com](mailto:er.ro@concorindia.com)

### SOUTHERN REGION

Container Corporation of India Ltd.,  
No. 51, Montieth Road, First Floor,  
Egmore, Chennai-600 008  
Phone : 044-28591931-34, 28591936,28591937  
Fax : 044-28591935  
E-mail : [sr.ro@concorindia.com](mailto:sr.ro@concorindia.com)

### NORTHERN REGION

Container Corporation of India Ltd.  
Inland Container Depot,  
Tughlakabad New Delhi-110020  
Phone : 011-26368100,26362180  
(Rly. 7358/59/60)  
Fax : 011-26368085  
E-mail : [nr.ro@concorindia.com](mailto:nr.ro@concorindia.com)

### SOUTH CENTRAL REGION

Container Corporation of India Ltd.  
NO.602, 6th Floor, Navketan Building,  
Opp : Clock Tower, Sarojini Devi Road,  
Secunderabad-500003  
Phone : 040-27808938, 27808939,  
66315240, 66315241  
Fax : 040-27800346  
E-mail : [scr.ro@concorindia.com](mailto:scr.ro@concorindia.com)

### NORTHERN CENTRAL REGION

Container Corporation of India Ltd.  
No.502, 5th Floor, P-5, Ocean Plaza  
Sector-18  
Noida-201301, U.P.  
Phone : 0120-4052900  
E-mail : [ncr.mis@concorindia.com](mailto:ncr.mis@concorindia.com)  
Fax : 0120-2516310

### WESTERN REGION

Container Corporation of India Ltd.  
5th Floor, New Administrative Bldg.,  
Central Railway, D.N. Road, Fort  
Mumbai-400001  
Phones : 022-22622053-54, 22679699, 22623725  
Fax : 022-22624497  
E-mail : [wr.ro@concorindia.com](mailto:wr.ro@concorindia.com)



***Think Container, Think CONCOR***  
**CONTAINER CORPORATION OF INDIA LTD.**  
(A Govt. of India Undertaking)

Regd. Office: CONCOR Bhawan, C-3, Mathura Road,  
Opp. Apollo Hospital, New Delhi-110 076  
Tel. : 41673093, 94, 95 & 96 Fax: 41673112  
E-mail : [co.pro@concorindia.com](mailto:co.pro@concorindia.com)  
Website: [www.concorindia.com](http://www.concorindia.com)