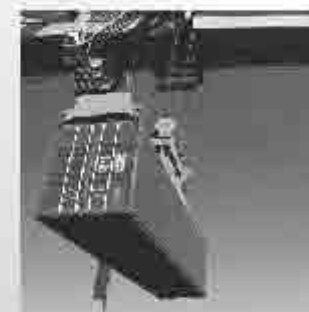




Responsive, Cost Effective, Efficient & Reliable Logistics Solutions



Annual Report 2008 - 2009

Container Corporation of India Limited



CONTAINER CORPORATION OF INDIA LTD.
CONCOR BHAWAN
C-3, Mathura Road, Opposite Apollo Hospital, New Delhi - 110 076
Phone : 4167 3093, 94, 95 & 96 Fax : 41673112
E-mail : co@concorindia.com Web: <http://www.concorindia.com>

मिशन

"हमारा मिशन अपने व्यावसायिक सहयोगियों और शेयरधारकों के साथ मिलकर कॉर्पोरेट को एक उत्कृष्ट कंपनी बनाने का है। अपने व्यावसायिक सहयोगियों के सक्रिय सहयोग से तथा लागतप्रवण एवं वृद्धि सुनिश्चित करके अपने ग्राहकों को अनुकूलियता, लागत प्रभावी, रक्ष और विश्वस्तनीय संभारतंत्र साधन उपलब्ध कराकर हम अवरुध ही ऐसा कर पाएँगे। हम अपने ग्राहकों की पहली पसंद बने रहने के लिए प्रयासरत हैं। हम अपने सामाजिक दायित्वों के प्रति बुद्धिपूर्वक 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, निष्पक्ष प्रेषित, परिष्कृत अभिमुख संगठन बनने बिसय मुख लक्ष्य उद्देश्यों को प्रतिस्थापन विस्तार होगा"

"हम संसाधनों का साम्प्रदाय उपयोग 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 निरंतर नए और बेहतर विकल्प खोजेंगे। ग्राहकों की सुविधा और संतुष्टि ही हमारा ध्येय होगा। हम अपने व्यावसायिक प्रतिस्पर्धियों से सीखेंगे और श्रेष्ठता हेतु उत्तम प्रयासरत रहेंगे।"

"हम अपने संगठन के लक्ष्यों और मिशन के समर्थन में परिष्कृत निष्पक्ष लक्ष्य निर्धारित करेंगे। हम अपने प्रतिस्पर्धियों के मुकाम से स्वयं ही मानक स्थापित करेंगे तथा अपने संगठन की अग्रगति के लिए अपने व्यवसाय और परिचालन के सभी क्षेत्रों में एक संव्यवसायिक, सक्षम और समर्थित टीम के रूप में कार्य करेंगे।"

"हम व्यवसाय-सम्पन्न उच्चतम मानकों का अनुसरण करेंगे तथा उदरगम्य निश्चित इतनी के रूप में सामाजिक दायित्वों का निर्वहन करते हुए व्यावसायिक सट्टावप के लिए सार्वजनिक मूल्यांश में अत्यधिक वृद्धि करेंगे।"

"हम अपने अवशिष्टकर्म कार्यों में पूर्णतः सतर्कता, ईमानदारी, पारदर्शिता और निष्पक्षता बनाए रखेंगे। हम किसी भी क्षेत्र में जो श्रेष्ठता के उच्च अवर्तन बनाए रखने हेतु प्रयत्न करेंगे।"

Objectives

"We will be a customer focused, performance driven, result oriented organisation, focused 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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भारतीय कंटेनर निगम लिमिटेड
CONTAINER CORPORATION OF INDIA LTD.
Multimodal Logistics Professionals

10 Years Performance at A Glance - Financial & Physical

Financial

(Rs. In Crore)

Description	1999-00	2000-01	2001-02	2002-03	2003-04	2004-05	2005-06	2006-07	2007-08	2008-09
Paid Up Capital	64.99	64.99	64.99	64.99	64.99	64.99	64.99	64.99	64.99	129.98
Reserves & Surplus	542.77	711.43	844.32	1036.52	1312.25	1633.77	2026.18	2564.84	3118.93	3632.23
Capital Employed (Net Fixed Assets + Working Capital + Investment)	559.53	723.88	956.75	1115.62	1391.35	1684.86	2069.47	2588.31	3185.52	3710.28
Net Worth (Paid Up capital + Reserves - Preliminary expenses to the extent not written off)	607.76	776.42	909.31	1101.51	1377.24	1698.76	2091.17	2629.83	3183.92	3762.21
Fixed Assets (Gross Block)	457.57	605.00	752.65	982.50	1198.79	1538.62	1793.61	2025.33	2244.24	2640.95
Income from Operations	831.42	1075.92	1286.46	1483.44	1764.43	1995.12	2426.30	3057.34	3347.34	3417.16
Other Income	33.46	34.00	48.95	50.40	42.97	48.21	62.86	84.60	162.99	211.09
Total Income	864.88	1109.92	1335.41	1533.84	1807.40	2043.33	2489.16	3141.94	3510.33	3628.25
Gross Profit	287.89	356.29	422.64	474.74	554.00	676.22	753.39	975.83	1054.84	1142.15
Depreciation	22.62	27.27	33.47	43.94	55.28	66.62	83.26	93.58	106.34	115.91
Net Profit Before Tax	265.27	329.02	389.17	430.80	498.72	609.60	670.13	882.25	948.50	1026.24
Provision for Taxation	90.00	112.25	139.31	160.25	142.45	180.73	146.47	186.17	197.98	234.73
Net Profit	177.59	216.65	249.48	272.85	367.59	428.60	525.80	703.82	752.21	791.20
Dividend	35.75	43.54	64.99	71.48	81.24	94.23	116.98	142.98	168.98	181.98
Earning Per Share : (in Rs.)	27.32	33.33	38.39	41.98	56.56	65.95	80.90	54.15	57.87	60.87
Physical TEUs)*										
International Handling	664490	753368	905058	1031925	1251618	1376516	1556714	1715661	1977399	1854959
Domestic Handling	238661	291360	326775	351238	350501	351460	373848	389605	470370	453273
Total	903151	1044728	1231833	1383163	1602119	1727976	1930562	2105266	2447769	2308232

* Twenty foot equivalent units

Company Information

BOARD OF DIRECTORS

Shri Shri Prakash
Chairman (Non-Executive)

Shri Rakesh Mehrotra
Managing Director

Shri Suresh Kumar
Director (Finance)
(upto 30.06.2009)

Shri Anil Kumar Gupta
Director (Domestic Division)

Shri Harpreet Singh
Director (Projects & Services)

Shri Yashvardhan
Director (Intl. Marketing & Opn.)

Shri S.K. Das
Director

Shri S. Balachandran
Director

Shri Janat Shah
Director

Shri V. Sanjeevi
Director

Shri T.R. Doongaji
Director

Shri Ravi Khandelwal
Executive Director
(Accounts & Company Secretary)

STATUTORY AUDITORS

M/s. Hingorani M. & Co.,
New Delhi

BRANCH AUDITORS

M/s. Ghosh & Pande.,
Kolkata
M/s. Kalyanasundaram & Co.,
Chennai
M/s Ambalal Patel & Co.,
Ahmedabad
M/s P. Parikh & Associates.,
Mumbai

BANKERS

ABN Amro Bank
Allahabad Bank
Bank of India
Canara Bank
Central Bank of India
CitiBank
Corporation Bank
Deutsche Bank
HDFC Bank Ltd.
ICICI Bank Ltd.
Punjab National Bank
Standard Chartered Bank
State Bank of India
Syndicate Bank
United Bank of India
AXIS Bank
Indian Bank
IDBI Bank
Yes Bank

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.



भारतीय कंटेनर निगम लिमिटेड
CONTAINER CORPORATION OF INDIA LTD.
Multimodal Logistics Professionals

Notice

Notice is hereby given that the 21th Annual General Meeting of the Shareholders of the Company will be held as under :-

Day : Saturday
Date : 19th September, 2009
Time : 15:00 Hrs.
Venue : Air Force Auditorium, Subroto Park, New Delhi-110 010

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, 2009, 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, 2009.
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 Yash Vardhan, who retires by rotation and being eligible, offers himself for reappointment.
5. To appoint a Director in place of Shri S.K. Das, who retires by rotation and being eligible, offers himself for reappointment.
6. To take note of the appointment of M/s. Hingorani M. & Co., 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. Hingorani M. & Co., Chartered Accountants as Statutory Auditors of the Company for the financial year 2008-09 in terms of the order no. CA. V/COY/CENTRAL GOVT., CCIL(5)/234 dated 06.08.2007 of C & AG 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 Shri Prakash be and is hereby appointed as Part-time Chairman of the Company w.e.f. 23.10.2008 in terms of Railway Board's order no. 2004/PL/51/3 dated 23.10.2008 and shall be liable to retire by rotation."
8. "RESOLVED that Shri Tehmuras R. Doongaji be and is hereby appointed as Director of the Company w.e.f. 04.04.2008 in terms of Railway Board's order no. 2005/PL/51/1 dated 04.04.2008 and shall be liable to retire by rotation."

By order of Board of
CONTAINER CORPORATION OF INDIA LIMITED

Date : 11.08.2009
Place : New Delhi

(RAVI KHANDELWAL)
Executive Director (A/cs) & COMPANY SECRETARY



Notes

- (a) 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.
- (b) 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.
- (c) The Register of Members and Share Transfer Books will remain close from 8th September to 19th September, 2009 (both days inclusive).
- (d) 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.
- (e) Dividend on Equity shares as recommended by the Directors for the year ended on 31st March, 2009 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 7th September, 2009.
- (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 7th September, 2009.
- (f) Pursuant to the provisions of Section 205A(5) of the Companies Act, 1956, dividends for the financial year ended 31st March, 2002 and thereafter, which remains unclaimed for a period of seven years from the date of transfer of the same will be transferred to Investor Education and Protection fund established by Central Government. Shareholders who have not encashed their dividend warrant (s) so far for the financial year ended 31st March, 2002 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.

EXPLANATORY STATEMENT PURSUANT TO SEC. 173(2) OF THE COMPANIES ACT, 1956 Item No. 7

The Government of India has appointed Sh. Shri Prakash as Part-time Chairman of the Company w.e.f. 23.10.2008 in terms of Railway Board's order no. 2004/PL/51/3 dated 23.10.2008

Accordingly, the Company has filed the requisite particulars of Shri Shri Prakash, 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 appointment is required to be confirmed in the forthcoming Annual General Meeting.

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

Item No.8

The Government of India has appointed Shri Tehmuras R. Doongaji as Director of the Company w.e.f. 04.04.2008 in terms of Railway Board's order no. 2005/PL/51/1 dated 04.04.2008

Accordingly, the Company has filed the requisite particulars of Shri Tehmuras R. Doongaji, 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 appointment is required to be confirmed in the forthcoming Annual General Meeting
None of the Directors except Shri Tehmuras R. Doongaji, is concerned or interested in the resolution.

By order of Board of
CONTAINER CORPORATION OF INDIA LIMITED

(RAVI KHANDELWAL)
Executive Director (A/cs) & Company Secretary

Date : 11.08.2009
Place : New Delhi



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, 2009.

Financial Results

Particulars	(Rs.Crore)	
	2008-09	2007-08
Income from operations	3417.16	3347.30
Profit before depreciation & tax (PBDT)	1142.15	1054.84
Profit before tax (PBT)	1026.24	948.50
Provision for tax	234.73	197.98
Profit after tax (PAT)	791.51	750.52
Profit available for appropriations	791.20	752.21
APPROPRIATIONS:		
Interim Dividend	77.99	71.49
Proposed Final Dividend	103.99	97.49
Corporate tax on dividend	30.93	28.72
Transfer to general reserves	79.12	75.22
Balance carried to Balance Sheet	499.17	479.29
Earnings per share (Rs.)*	60.87	57.87

* After considering bonus issue of shares after 31.03.2008

Dividend

Keeping in view the company's Capex requirements, the Board recommends a final dividend of 80% on the paid up share capital of Rs.129.98 Crores. An interim dividend @ 60% has already been paid. The total dividend payment for the year 2008-09 is Rs. 181.98 crore as compared to Rs. 168.98 crore (excluding dividend tax) for the FY -2007-08.

Financial Highlights

The operating turnover of your company registered a growth of 2.09% during the year under review, increasing from Rs. 3347.30 crore in the previous year to Rs. 3417.16 crore. Total expenditure increased by 1.57% & after adjusting the expenditure of Rs 2602.01 crore as compared to Rs. 2561.83 crore in the previous year, the profit before tax works out to Rs. 1026.24 crore, which shows a growth of 8.19%. After making provisions for income tax, prior period/tax adjustments, the net profit available for appropriations stands at Rs 791.20 crore, which is a growth in net profit of 5.18%. Increase in Profit After Tax (PAT) is due to growth in the operating turnover and other income of the company.

Operational Performance

Handling at Terminals (In TEUs)	F/Y 2008-09	F/Y 2007-08	% age growth
Exim	18,54,959	19,77,399	-6.2
Domestic	4,53,273	4,70,370	-3.63
Total	23,08,232	24,47,769	-5.70

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.

Listing and Dematerialization of Concor's 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, 4,79,79,056 shares were in Demat mode as on 31st March, 2009.

Capital Expenditure

Capital Expenditure of Rs 413.28 crore approx. was incurred mainly on development/expansion of terminals, acquisition of wagons, handling equipments and IT Infrastructure etc.

New Terminal & Terminal Network Expansion

- Madhosingh (Mirzapur) in U.P. has been commissioned on 06/10/2008. In addition, MOU has been signed with H.P. Govt. for setting up at ICD at Baddi.

During the year under review, construction works at Moradbad, Dronagiri, Ratlam, Sanathnagar, Amingaon, Dadri and Kota were also taken up.

High Speed Wagons

During the year 2008-09, 1395 high speed wagons have been added to the existing fleet of CONCOR owned wagons, increasing the holding of high speed wagons to 8117 nos.

CONTAINERS

The total number of containers (owned as well as on lease) was 13,576 as on 31.03.2009.

Container Handling Equipment

Five new Reach Stacker machines have been commissioned during the year 2008-09.

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 63 locations. The Terminal Management System for Domestic (DTMS), for EXIM (ETMS), ERP for Oracle Financial, HR Payroll was implemented for the expanded network of terminals and 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 (CCLS) at ICD/ Tughlakabad has also been introduced which enables the customers to file their documents electronically from their own offices. As part of Business Continuity Plan, CONCOR has established Backup site for commercial applications.

Standardisation/ Certifications

The process of ISO-9001:2008 Quality Systems Certification was taken up for Sixteen Offices/ Terminals during the year and the Final Certification Audit was carried out by M/s. Quality Management Services (an accredited Certifying Agency). The Certification Process has been completed by 31st March 2009 and ISO Certification received for all the 16 units. As on 31-03-09, as many as 51 units out of 68 units of the Company have been ISO certified.

Joint Ventures/ Strategic Alliances

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 Logistics 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 expansion into other segments of the value chain.

Human Resource Management

Human Resources are considered as key assets of CONCOR. The main focus of the HR philosophy is to align with the business of the organization. The company has succeeded in maintaining and raising job satisfaction, morale and productivity of the employees even in the face of global recession which is evident from the following successful HR measures taken during the financial year to attract and manage talent in CONCOR:

1. The working strength of the company rose from 1134 to 1176. However, the cost of staff continues to remain around 2.5 % of total costs despite the implementation of the revised pay scales as per the recommendations of the 2nd Wage Revision Committee for Public Sector Undertakings as accepted by the Govt. Of India.
2. Skill Development of the employees was given special attention through in-house and external training programmes. Overall 920 employees underwent training through various development programmes.



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 attrition rate of below 2 percent.

In recognition of the HR practices of CONCOR, Amity University has awarded CONCOR with "Amity Best HR Practices Award for Innovations in Human Resource Accounting" at the fifth Global HR Summit, 2008.

Industrial Relations

Industrial relations remained harmonious and peaceful and no man-days were lost during the financial year. The company carried out two successful settlements with the CONCOR Employee's Union during the financial year.

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. Liaison Officer has been appointed to ensure implementation of the Government Directives.

Representation of SCs, STs, OBCs and PHs as on 31.03.2009

Category	No. of Employees in Reserved Categories as on 31.03.2009	
	Number	% of Total Manpower
Schedule Caste	175	15.02
Schedule Tribe	41	3.51
Other Backward Classes	251	21.6
Physically Handicapped	21	1.8

Details of SC, ST, OBC, and PHs candidates who joined CONCOR during the financial year 2008-09 :

Category	No. of Candidates Joined in Reserved Categories during the year 2008-09
Schedule Caste	08
Schedule Tribe	01
Other Backward Classes	21
Physically Handicapped	3

Special Achievements

1. The Customer Satisfaction Index (as determined by an independent survey by an outside agency) for the year 2008 stood at an all time high of 87.5% as against 81% achieved during the year 2007.
2. During the year 2008-09, ISO-9000-2008 Certification was obtained for Sixteen Terminals of CONCOR.
3. CONCOR received the prestigious Dun & Bradstreet- ROLTA Corporate Award-2008 for being the Top Indian Company in Logistics & Transportation Sector. The Company has received this award for the second year in succession.

FOREIGN EXCHANGE EARNINGS

Details of total foreign exchange earnings and outgo during the year are as under:

	(Rs. in lakh)
Foreign exchange earnings	-
Foreign exchange outgo	
a) Import on CIF basis Stores & Spares	23.26
b) Capital Goods / Advances	9738.82
c) Others	59.71

Presidential Directives Received From The Government

Railway Board vide letter no. 2008PL/49/2 dated 23.03.2009 has issued Presidential Directive under Article - 71 of Memorandum and Articles of Association, for implementation of Revised Pay scales w.e.f. 01.01-2007 in respect of Board Level and below Board level Executives and Non-unionized Supervisors.

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 Languages.

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 organised from 14th to 28th Sept., 08 in which various competitions like Essay Writing & Noting Drafting, Typing on Computer, etc. were held. About 70 officers and staff took part in these competitions. Managing Director gave away cash awards and certificates to all the award winning officers and staff in a function organised on the occasion of closing ceremony of Hindi Pakhwara 2008. A Kavi Sammelan was also organised during the Pakhwara in which 10 poets of repute took part. 201 officers/employees were given Cash Awards for doing their official work in Hindi under CONCOR Rajbhasha Puraskar Yojna. CONCOR was also conferred with the 1st Prize of Narakas Rajbhasha Shield for the year 2007-08 for its excellent performance in official language Hindi by the Town Official Language Implementation Committee (Undertakings) Delhi. The half-yearly Hindi magazine 'Madhubhashika' which was started last year, has been made a quarterly magazine to promote and encourage literary talent of CONCOR staff.



Hon'ble 2nd Sub Committee of Committee of Parliament on Official Language, visited CONCOR on 9th February 2009 to inspect the progressive use of Hindi in official work and expressed its satisfaction on the work done in Hindi.

Hindi books of reputed authors are kept in the Library at Corporate Office. The Number of books in the Library has increased to 946. Leading Hindi Newspapers as well as monthly and fortnightly magazines continue to be subscribed.

CONCOR's website is bilingual and all the computers have the facility for working bilingually.

Vigilance

With a view to have systems Improvements, Vigilance Division continued its focus on 'Preventive Vigilance' during 2008-09. Twelve Preventive/Surprise Checks and Four Intensive Examinations of major works were conducted at various Regional Offices/Inland Container Depots /Container Freight Stations and Project works. In addition, 16 cases were registered /investigated on the basis of complaints and other information.

At the instance of Vigilance Wing, a sum of Rs.1.01 Crores was recovered from various contractors / customers during the financial year. In addition, eight 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 improving the physical and financial performance in various terminals.

A focus on cost effectiveness in services led to review of the requirement and deployment of handling infrastructure, which yielded a saving of Rs.2.90 crores from the running expenditure.

Suitable penal action was taken against the erring officials / contractors. CONCOR was the first Railway PSU to adopt and implement the Integrity Pact.

The Vigilance Awareness Week was observed in Corporate Office as well as in Regional Offices by undertaking various activities. Nine training programmes, one workshop and two interactive sessions were organized in different regions in order to create awareness about various aspect of vigilance.

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:

- That in the preparation of the annual accounts for the financial year ended 31st March, 2009, the applicable accounting standards have been followed along with proper explanation relating to material departures;
- 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;
- 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;
- That the directors have prepared the accounts for the financial year ended 31st March, 2009 on a 'going concern' basis.

Particulars of Employees

Information in accordance with the provisions of Section 217(2A) of the Companies Act, 1956 read with the Companies (Particulars of Employees) Rules, 1975 regarding employees in given in Annexure to the Directors' Report.

Auditors

M/s. Hingorani M & Co., Chartered Accountants, New Delhi, were appointed as Company's Statutory Auditors for the Financial year 2008-09.

Board Of Directors

During the financial year 2008-09, six meetings of the Board of Directors were held for transacting the business of the Company. Shri Shri Prakash joined CONCOR as Chairman w.e.f. 23.10.2008. Shri Tehmuras R. Doongaji was appointed as Director w.e.f. 04.04.2008.

The following Directors held the office till the date of Report :-

- Shri Shri Prakash, Part-time Chairman;
- Shri Rakesh Mehrotra, Managing Director;
- Shri Suresh Kumar, Director (Finance);
- Shri Anil Kumar Gupta, Director (Domestic Div);
- Shri Harpreet Singh, Director (Projects & Services);
- Shri Yash Vardhan, Director (Intl. Mktg. & Ops.);
- Shri S.K. Das, Director
- Shri S.Balachandran, Director
- Shri Janat Shah, Director
- Shri V. Sanjeevi, Director
- Shri T.R. Doongaji, Director.

Retirement of Directors by Rotation

In terms of provisions of the Companies Act, 1956, Shri Anil Kumar Gupta, Shri Yash Vardhan and Shri S.K. Das, 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, 2009.

Conclusion

Your Company acknowledges the commitment and dedication of all the employees, the support and understanding extended by the Indian Railways, Customs, Ports 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 : 07.08.2009

Place : New Delhi

(Shri Prakash)

Chairman

Addendum-I to the Directors' Report 2008-09

Reply to the comments/qualifications in the Auditors' Report for the financial year 2008-09

Points in the Auditors' Report	Auditors' Qualification	Reply of the Management
Point 3(i) of Auditors report	Sale/Lease Deeds in respect of Land & Buildings valuing Rs.7.93 Crore are yet to be executed in favour of the company (Note no. 2, Schedule 3).	The Sale/Lease deeds for assets under reference is being pursued with the concerned authorities.
Point 3(ii) of Auditors report	Balances of Sundry Debtors, Loans & Advances, Deposits, Sundry Creditors (including Indian Railways) have not been confirmed/reconciled. (Note no. 13, Schedule 11)	The balances have already been reconciled as per our books of accounts. Confirmation/reconciliation of these balances with outside parties is being done whenever required as an ongoing process.
Point 3(iii) of Auditors report	We are unable to comment on the shortfall, if any, in the value of non-moving stock of stores & spare parts. (Note no. 21, schedule 11).	As per the accounting policy of the Company, inventories have been valued at cost on weighted average basis. The items of inventory under reference by their very nature are essentially required to be kept and are fit for their intended use. As such, there is no shortfall in their value.
Point no. (ix)(a) of the annexure to the auditors report	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,2009 for a period of more than six months from the date they became payable are given below: NORTHERN REGION -Name of the Statute: Customs Act, 1962 -Nature of the dues: Customs Duty -Amount (Rs. in crore): 0.90 -Period to which the amount relates: Upto 2000-01 NORTHERN REGION -Name of the Statute: Customs Act, 1962 -Nature of the dues: Customs Duty -Amount (Rs. in crore): 0.02 -Period to which the amount relates: 2002-03 NORTH WEST REGION -Name of the Statute: Finance Act,1994 -Nature of the dues: Service Tax (NWR) -Amount (Rs. in crore): 0.10 -Period to which the amount relates: 2005-06 In addition the company has made provision for property tax payable in respect of its assets at various locations amounting to Rs.11.51 crore upto 31st March 2009, on estimated basis, pending commencement/completion of assessments by the appropriate authorities.	Demand of custom duty was raised on the pilfered goods during financial year 2000-01 & 2002-03. This amount of custom duty is payable on the receipt of adjudication order/confirmation of demand. The payment is being released in cases where adjudication orders have already been received. The amount under reference is actually Rs.1.06 lakhs, which has already been deposited in June,2009. Taking a conservative view, provision for property tax has been done pending any demand or commencement/ completion of assessments by the appropriate authorities.
Point no. (ix)(b) of the annexure to the auditors report	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:	

Points in the Auditors' Report	Auditors' Qualification	Reply of the Management
	-Name of the Statute/Authority: Finance Act, 1994 -Nature of the dues: Service Tax -Amount (Rs. in crore): 0.01 -Period to which the amount relates:1st May 2003 to 16th July 2003	The matter is pending with concerned appellate authority.
	-Name of the Statute/Authority: Finance Act, 1994 -Nature of the dues: Service Tax -Amount (Rs. in crore): 0.01 -Period to which the amount relates: January 2004 to March 2004	As per the orders of Appellate Authority, this matter has been referred to the assessing Authority for re-assessment.
	-Name of the Statute/Authority: Sub-registrar, vadodara -Nature of the dues: Additional stamp duty -Amount (Rs. in crore): 0.20 -Period to which the amount relates: 2003-04	The matter is in Appeal with the concerned authorities.
	-Name of the Statute/Authority: Delhi Value Added Tax, 2004 -Nature of the dues: Penalty u/s 86(19) -Amount (Rs. in crore): 0.31 -Period to which the amount relates: 14th December 2005	In this matter against the orders of the authorities, CONCOR has filed a Writ Petition in May,2006 in the Hon'ble High Court at Delhi for quashing of various detention orders, seizing/detaining rolling stock and imposition of penalty. The Hon'ble High Court has stayed operation of the penalty orders passed by the authorities.
	-Name of the Statute/Authority: Sales Tax Act -Nature of the dues: Sales Tax (NR) -Amount (Rs. in crore): 0.01 -Period to which the amount relates: Year 1997-98	The matter is in Appeal with concerned authorities.
	-Name of the Statute/Authority: Sales Tax Act -Nature of the dues: Sales Tax (NR) -Amount (Rs. in crore): 0.08 -Period to which the amount relates: Year 2000-01	The matter is in Appeal with concerned authorities.
	-Name of the Statute/Authority: Sales Tax Act -Nature of the dues: Sales Tax (SR) -Amount (Rs. in crore): 0.42 -Period to which the amount relates: Year 2000-01	A Notice of demand imposing a penalty of Rs.0.42 crore for the Assessment year 2003-04 was received against which an appeal was made to Deputy Commissioner, Commercial Taxes (DCCT) and a writ petition was filed before Honb'le High Court of Kerala challenging the penalty imposed. Honb'le High Court of Kerala has stayed the recovery proceedings and has directed DCCT to consider & dispose the case at their end. The matter is pending with DCCT.
	-Name of the Statute/Authority: Building & Other Workers Welfare Cess Act,1996 -Nature of the dues: Cess -Amount (Rs. in crore): 0.42 -Period to which the amount relates: Year 2008-09	Refer note no.33 of Schedule 11. An amount of Rs.4.13 lakh which was due has been deposited.
Point no. (xiv) of the annexure to the Auditors report	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. However, letters of allotment/Share Certificates in one joint venture Company costing Rs.0.05 Crore are not available with the company. (Note to Schedule 4).	The matter is in Arbitration.

Annexure 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. The Company strives to conduct its business according to the best principles of good Corporate Governance as indicated by the disclosures given in the annexure.

Board of Directors

The Board of Directors of the Company consists of five Executive Directors including a Managing Director, Two Govt. Nominee Non-executive Directors including a Part-time Non-executive Chairman and four part-time Non-executive Directors (Independent).

The Board met 6 (Six) times for transacting business during the financial year 2008-09 on the following dates:

Board Meeting No.	Board Meeting Dates
128	23rd April, 2008
129	12th June, 2008
130	16th July, 2008
131	24th Sept, 2008
132	15th Oct, 2008
133	23rd Jan, 2009

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 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
(I) Part-time Non-Executive Chairman						
1.	Member Traffic Railway Board	Sh. V. N. Mathur#	Four	Yes	Nil	Two
		Sh. Shri Prakash#	One	N.A.	Nil	Two
(II) Executive Directors						
2.	Managing Director	Sh. Rakesh Mehrotra	Six	Yes	Nil	Three
3.	Director (Finance)	Sh. Suresh Kumar	Six	Yes	Two	Two
4.	Director (Domestic)	Sh. Anil Kumar Gupta	Six	Yes	Five	Nil
5.	Director (Projects & Services)	Sh. Harpreet Singh	Six	Yes	Two	Nil
6.	Director (Intl. Marketing & Ops.)	Sh. Yash Vardhan	Six	N.A.	One	Two
(III) Govt. Nominee Non-Executive Directors (Ministry of Railways)						
7.		Sh. S. K. Das	Five	Yes	One	Nil
(IV) Part-time Non-Executive Directors (Independent)						
8.		Sh. S. Balachandran	Six	Yes	Seven	One
9.		Sh. V. Sanjeevi	Six	Yes	Two	Nil
10.		Sh. Janat Shah	Four	Yes	One	Nil
11.		Sh. T.R. Doongaji	Five	Yes	Two	Nil

Sh. Shri Prakash appointed w.e.f. 23.10.2008 vice Shri V.N. Mathur

Remuneration Committee & Policy

During the year, your Company has constituted 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 bonus/ variable pay and policy for its distribution across the Executives and Non-Unionized Supervisors.

As a Government of India Undertaking, the Functional Directors are appointed by President of India through Ministry of Railways. Remuneration is drawn as per industrial dearness allowance (IDA) pay - scales and terms and conditions determined by the Government. The details of remuneration of Directors for the financial year 2008-09 is as under -:

Name of the Directors	Salary & Allowances (Rs.)	Perquisites (Rs.)	Performance Incentive/ Benefits (Rs.)	Retirement Benefits (Rs.)	Total (Rs.)
Sh. Rakesh Mehrotra	17,18,119	3,98,460	20,29,200	9,97,332	51,43,111
Sh. Suresh Kumar	17,57,016	4,10,775	14,98,130	5,45,779	42,11,700
Sh. Anil Kumar Gupta	19,59,952	2,12,051	14,43,830	14,36,343	50,52,176
Sh. Harpreet Singh	17,46,832	4,31,893	14,23,820	5,32,741	41,35,286
Sh. Yash Vardhan	14,46,598	6,59,321	9,77,847	3,90,152	34,73,918
Total	86,28,517	21,12,500	73,72,827	39,02,347	2,20,16,191

The remuneration drawn by the Directors includes arrears of pay/allowances and PRP for the previous years arising out of the implementation of 2nd Wage Revision for PSU employees w.e.f 01.01.2007. The Government nominee directors do not draw any remuneration from the company. They draw their remuneration from the Government as Government officials. The part-time non-executive directors are paid a sitting fee Rs.20,000/- per meeting attended by them.

Performance Related Pay (PRP)

The company has introduced the system of Performance Related Pay (PRP) in replacement of PLI scheme earlier in vogue. The PRP System has been introduced w.e.f 2007-08 and the payments under this system are linked to the Performance of the Company vis-à-vis the targets set in the Memorandum of Understanding (MOU) signed with Ministry of Railways and performance of individual executives / non-unionised supervisors. In order to have a robust and Transparent Performance Management System, a detailed study has been commissioned by engaging the services of an outside expert agency. The revised system of Performance Appraisal will be implemented after the recommendations arising out of the study are examined by the HR and Remuneration Committee and approved by the Board of the Company.

Audit Committee

The Audit Committee comprise of the following Independent Directors as its members:

Mr. S. Balachandran	-	Chairman
Mr. V. Sanjeevi	-	Member
Prof. Janat Shah	-	Member

Shri Ravi Khandelwal, Executive Director (Accounts) & Company Secretary is the Secretary of the Committee.

The Audit Committee met five times during the financial Year 2008-2009 on 23.04.2008, 12.06.2008, 16.07.2008, 15.10.2008 and 23.01.2009. The details of the attendance of the Committee members are as under:-

Name of Members	No. of Meetings Attended
Shri S. Balachandran	Five
Shri V. Sanjeevi	Five
Shri Janat Shah	Four

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 / Director nominated by Ministry of Railways	-	Member
Director (Finance) / CONCOR	-	Member
Director (IM & O) / CONCOR	-	Member

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

Shri Ravi Khandelwal, Executive Director (Accounts) & Company Secretary is the secretary of the Committee and also Compliance Officer in terms of Listing Agreement with the Stock Exchanges. No Investor Complaint was pending at the end of financial year 2008-09.

Share Transfer Committee & System

The Share Transfer Committee comprises:-

Director (Finance)	-	Chairman
Director (DD)	-	Member
Executive Director (A/Cs & CS)	-	Member

The trading and holding of shares is in Compulsory 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 (RTA), to effect the transfer of shares and other related jobs. No request for transfer in respect of shares in physical mode received during the financial year 2008-09 is pending

General Body Meetings

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

AGM Date	Location	Time
25.08.2008	Stein Auditorium, Habitat world, India Habitat Centre, Gate No. 3, Lodhi Road, New Delhi – 110003	3:00 p.m.
22.08.2007	-----DO-----	3:30 p.m.
04.09.2006	-----DO-----	3:00 p.m.

There is no proposal to be conducted through postal ballot at the ensuing AGM to be held on 19th September, 2009.

Disclosures

- 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.
- Transactions with related parties as per requirements of Accounting Standard (AS-18) 'Related Party Disclosures' issued by the Institute of Chartered of India are disclosed in Schedule -11.
- 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 and these are updated based on information provided 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 and wide publicity in tendering process.



General Shareholder Information

(i) Number of Annual General Meeting	21st AGM
Date	19th September, 2009
Time	15:00 Hrs.
Venue	Air Force Auditorium, Subroto Park, New Delhi-110 010
(ii) Financial Calendar	
1st quarter financial results (un-audited)	Within one month of close of quarter.
2nd quarter financial results (un-audited)	Within one month of close of quarter.
3rd quarter financial results (un-audited)	Within one month of close of quarter.
4th quarter financial results (un-audited)	Within one month of close of quarter
Limited Review Report for quarterly financial results (un-audited)	Within Two months of close of quarter
Approval and authentication of annual accounts by Board of Directors	Before end of June, 2009
Adoption of audited Annual Accounts by Shareholders.	Before end of September, 2009
(iii) Date of Book Closure	8th September to 19th September, 2009 (both days inclusive)
(iv) Dividend Payment Date	Within 30 days of declaration at AGM
(v) Listing on Stock Exchanges	(a) The Stock Exchange, Mumbai Phiroze Jeejeebhoy Towers, Dalal Street Fort, Mumbai – 400001. (b) National Stock Exchange of India Ltd. , "Exchange Plaza" Bandra - Kurla Complex, Bandra (E), Mumbai – 400051.
(vi) Stock Code	
NSE	CONCOR
BSE	CONCOR

(vii) Market Price Data

Month	NSE		BSE	
	High	Low	High	Low
April'08	1884.95	852.00	1875.55	866.00
May '08	950.00	832.25	951.00	855.00
June' 08	883.00	723.15	864.00	730.00
July' 08	870.00	727.85	865.00	735.00
Aug.'08	914.45	815.10	912.00	828.00
Sept.'08	924.90	800.00	915.00	780.05
Oct.' 08	855.00	590.05	849.75	590.55
Nov.'08	697.95	541.40	700.00	540.00
Dec.'08	649.90	551.25	662.90	550.10
Jan. '09	758.95	619.85	749.90	615.15
Feb.'09	730.00	626.85	725.00	625.40
March'09	729.00	606.60	725.00	610.50

The Share Prices are after issue of 1 : 1 Bonus Shares to its Shareholders by the Company.



(vii) Stock Exchange Index

Month	NSE		BSE	
	High	Low	High	Low
April'08	5230.75	4628.75	17480.74	15297.96
May '08	5298.85	4801.90	17735.70	16196.02
June' 08	4908.80	4021.70	16632.72	13405.54
July' 08	4539.45	3790.20	15130.09	12514.99
Aug.'08	4649.85	4201.85	15579.78	14002.43
Sept.' 08	4558.00	3715.05	15107.01	12153.55
Oct., '08	4000.50	2252.75	13203.86	7697.39
Nov.'08	3240.55	2502.90	10945.41	8316.39
Dec.'08	3110.45	2570.70	10188.54	8467.43
Jan. '09	3147.20	2661.65	10469.72	8631.60
Feb.'09	2969.75	2677.55	9724.87	8619.22
March'09	3123.35	2539.45	10127.09	8047.17

(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.

(x) Distribution of Shareholding as on 31.03.2009

Particulars	No. of Shares	Percentage
(a) Government of India	81999802	63.09
(b) Banks, Financial Institutions	7450555	5.73
(c) Foreign Institutional Investors	33787712	25.99
(d) Mutual Funds and UTI	3500733	2.69
(e) Bodies Corporate	1229618	0.95
(f) Indian Public	1487028	1.14
(g) NRIs / OCBs	162129	0.12
(h) Others	365217	0.29
	129982794	100.00

(xi) Dematerialization of Shares and liquidity:

For electronic trading of shares, CONCOR has agreement with NSDL & CDSL. Out of 4,79,82,992 Shares listed on Stock Exchanges, 4,79,79,056 Shares were in demat mode as on 31.03.2009.

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

(xiii) Plant locations : The Company has 49 Nos. of Inland Container Depots (ICDs) and 9 Nos. of Domestic Container Terminals as on 31.03.2009.

(xiv) Address for Correspondence

Shri Ravi Khandelwal,
Executive Director (Accounts) & Company Secretary,
Container Corporation of India Ltd.,
CONCOR Bhawan, C-3, Mathura Road, New Delhi – 110076.
Ph. No. 41673149



Details of directors seeking re-appointment / appointment at the forthcoming Annual General Meeting

Name	Date of Birth	Date of appointment	Qualifications	Expertise in specific functional areas	List of other Public companies in which Directorship held	Details of Other Committee Membership
Sh. Shri Prakash	28.12.1949	23.10.2008	PG in Maths, M.B.A	Operations, Planning, Information Technology, Safety and General Management	Two *	NIL
Sh. Anil Kumar Gupta	24.09.1956	16.02.2006	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	Four\$	Four\$\$
Sh. Yash Vardhan	24.08.1956	28.09.2007	M.Sc & M. Phil	Railway Operations Commercial, Safety and Planning. Setting up & management of container terminals	Two#	One##
Sh. S. K. Das	22.08.1959	01.10.2007	B.A., PGDM & MDM	Rail Transport Logistic	NIL	One **
Sh. Tehmuras R. Doongaji	04.11.1943	04.04.2008	M. A. (Pol.Sc.), M.A. (Pol.Sc.); USA; Dip. Business Management	General corporate management; Turnaround strategy; Quality management;	Two@	One@@

Name of the Companies :

- * 1. Indian Railway Catering & Tourism Corporation Ltd. 2. Pipavav Railway Corporation Ltd.
\$ 1. Fresh & Healthy Enterprises Ltd. 2. Infinite Logistics Solutions Pvt. Ltd. 3. Integrated Infra Log Pvt. Ltd. 4. Gateway Terminals India Pvt. Ltd.
\$\$ 1. Container Corporation of India Ltd.- Member of Share Transfer Committee 2. Fresh & Healthy Enterprises Ltd.- Member of Audit Committee 3. Gateway Terminals India Pvt. LTD.- Member of Audit Committee 4. Infinite Logistics Solutions Pvt. Ltd.- Member of Tariff Review & HR Review Committee
1. Hind CONCOR Terminals (Dadri) Pvt. Ltd. 2. All Cargo Logistics Park Pvt. Ltd.
1. Container Corporation of India Ltd.- Member of Shareholders Grievance Committee
** 1. Container Corporation of India Ltd.- Member of Shareholders Grievance Committee
@ 1. The Associated Building Co. Ltd. 2. Forbes & Company Ltd..
@@ 1. Forbes & Company Ltd. - Member of Audit Committee

ANNEXURE TO DIRECTORS' REPORT (Particulars of Employees)

Sr. No.	Name	Designation & Nature of Duties	Remuneration Gross. (In Rs.)	Qualifications	Date of Commencement of Employment	Total Experience (Years)	Age (Years)	Last Employment
1	Sh. Rakesh Mehrotra	Managing Director	51,43,111.00	B.Sc.GRAD. I. MECH.E (LONDON), GRAD.I. PROD.E (LONDON), A.M.I.ELECT.E (LONDON)	12.12.2001	40 Years	59	Indian Railways
2	Sh. Suresh Kumar	Director (Finance)	42,11,700.00	M.Sc. (Physics), MBA (Finance)	03.11.2005	34 Years	60	Indian Railways
3	Sh. Anil Kumar Gupta	Director (Domestic)	50,52,176.00	M.A., M.Phil. Economics, M.B.A (NMP)	29.12.1989	26 Years	52	Indian Railways
4	Sh. Harpreet Singh	Director (P&S)	41,35,286.00	Grad.I.Mech.E (LONDON), AMIE (Mech. Engg.), Institution of Engineers India, AMIE (Elect, Engg.), Institution of Engineers India, MBA (Finance)	10.05.2000	29 Years	51	Indian Railways
5	Sh Yash Vardhan	Director (IM&O)	34,73,918.00	MSC, MPHIL	10.03.2003	25 Years	52	Indian Railways
6	Smt. P. Alli Rani	Executive Director (Finance)	24,90,283.00	MA, MPHIL	06.09.2006	23 Years	49	Indian Railways
7	Sh. Ravi Khandelwal	Executive Director (Accounts & CS)	33,27,576.00	B.COM, LL.B, AICWA, FCS, MBA (Finance)	11.01.1989	31 Years	51	Hindustan Gums & Chemicals Ltd.
8	Sh. Pavan Kumar Kaul	Executive Director (CR & BD)	33,57,599.00	MA, MFG (Master Mariner), Dip. In Logistic Mgmt.	20.11.1996	30 Years	52	Shipping Corp. of India Ltd.
9	Sh. Anurag Mathur	Executive Director (MIS)	30,33,272.00	MSC, M.TECH, PGDIP	29.05.2001	26 Years	48	A E PC
10	Sh. N. L. Manjoka	Group General Manager (P&D)	24,26,045.00	AMIE, PGDIP	16.10.1996	17 Years	50	Indian Railways

- Notes:- (i) Gross Remuneration shown above is subject to Tax and Comprises salary, allowances, perquisites, performance incentive benefits and retirement benefits. Salary arrears paid on account of pay revision for the period under review have also been taken into account.
(ii) The nature of employment in cases of employees at Sr. No. 1 to 5 is contractual and for the remaining it is a regular employment.
(iii) Experience in the fields/ functions relevant to the functions discharged by concerned officers in CONCOR has only been taken into account.

Management Discussion and Analysis

Industry Overview

The Indian Multimodal scene has witnessed the advent of multiple container train operators since 2006-07. Presently, 15 container train operators (besides CONCOR) are operating in the business domain after having signed the Concession Agreement with Indian Railways for running of Container Trains for a period of 20 years, extendable by another 10 years. Out of these 15 players, 13 have commenced their train services. While two of these have an alliance with CONCOR and are operating their services from CONCOR terminals, the remaining are operating from other facilities. While the operations of 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 carried by these operators have grown with induction of new rakes. These operators have also been using Goods Sheds/terminals of Indian Railways as well for their operation in the domestic sector. With the emergence of number of new ports, viz., Mundra, Pipavav, Vizag, Tuticorin, Vallarpadam and some other ports in Gujarat, the hinterland movement of containers in the country will be greatly impacted. This is likely to result in increased level of hinterland penetration of container traffic in the near future.

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 targets set in the Memorandum Of Understanding (MOU) signed with the Government. Your company expects to achieve "Excellent" MOU Rating even for the year 2008-09.

Exim & Domestic Business

The unprecedented recession in the world economy impacted the EXIM & Domestic business of the country as well. The impact of recession was more pronounced in the second half of the year 2008-09. The first half of the financial year witnessed a growth of 5.6% in EXIM volumes handled by the Company as compared to the same period of last financial year. However, the overall EXIM traffic in 2008-09 was 23,08,232 TEUs, during the period under review as compared 24,47,769 TEUs of the last financial year. In the Domestic business segment, the outward booking was 2,29,085 TEUs as compared to booking of 2,31,543 TEUs in the fiscal 2007-08 and the total handling was 4,53,273 TEUs during FY 2008-09 as compared to 4,70,370 TEUs in the FY 2007-08.

Despite worldwide economic slowdown and competition posed by other players, CONCOR has retained the business of its existing customers. 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 grow. In order to attract more volume, your company will continue to match and strive to surpass the services offered by other operators in terms of quality of services and pricing.





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 and compliances are ensured and the reports along with the compliances are put up to Audit Committee periodically.

Secured and Unsecured Loans

No secured and unsecured loans were taken during FY 2008-09.

Fixed Assets

(Rs. Crore)			
Year ended March 31	2009	2008	%age Growth
Original Cost of Assets	2640.95	2244.24	17.68
Less Accumulated Depreciation	691.98	579.09	19.49
NET FIXED ASSETS	1948.97	1665.15	17.04

An amount to the tune of Rs. 413.28 crore was capitalized during the year. The main additions are on accounts of construction of Terminal Infrastructure, purchase of Wagons, Handling equipments etc.

Wagons

During the year under review, 1395 high speed wagons have been added to the existing fleet of CONCOR owned wagons; increasing the holding of high speed wagons to 8117 nos.

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 0.52% 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 2.09% over FY 2007-08. 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 reduced by 1.76% over FY 2007-08. The decline in direct expenses in the current year is due to marginal growth in operating income.

Administrative Expenses

The increase in administrative expenses is 41.16% over FY 2007-08.

Employee Remuneration

The employee cost has grown by 46.98% over FY 2007-08 which is on account of provision for the impact of salary revision w.e.f. 01.01.2007 and on account of annual increments, promotion, increase in dearness allowance, provision for performance linked pay (PLI/PRP) etc.



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 Rs.20.08 Crore 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

The year 2008 will go down in history as a tough year for the global economy, and, in many ways, a challenging year for the Indian Economy. The series of global events resulting into a meltdown / down turn, which unfolded in the second half of the year under review, had its impact on India as well and the outlook still appears to be uncertain. CONCOR has also been affected adversely as its business fortunes are closely linked to India's export-import (EXIM) trade.

Strategy To Meet The Challenges

Your Company has the advantage of very low fixed costs which constitute approximately 10% of the total expenses and the remaining costs are variable costs linked to business volumes. As such, it does not present as big a challenge as they do to other Companies. Your Company's efforts on the cost management front helped in reducing cost and maintaining profit margins even in a volume decline scenario. The focus on cost management strategies will continue so as to maintain profitability even in a shrinking market scenario. Your Company is also alive to the competitive scenario and has been dynamic in taking suitable pricing initiatives on selective basis. Further, Quality of Service being one of the key determinants for customer choice, your Company is taking all the necessary steps to remain the market leader in terms of excellence in quality of service and providing value for money to its customers.

For and on behalf of the Board of Directors

Date : 07.08.2009
Place : New Delhi

(Shri Prakash)
Chairman



Certificate

To the Members of

CONTAINER CORPORATION OF INDIA LIMITED

We have examined the compliance of conditions of Corporate Governance by CONTAINER CORPORATION OF INDIA LIMITED for the year ended 31st March, 2009, as stipulated in Clause 49 of the Listing Agreement of the said Company with Stock Exchanges.

The Compliance of conditions of Corporate Governance 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.

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.

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

Place : New Delhi
Date : 31.07.2009



BALANCE SHEET AS AT 31ST MARCH, 2009

				(Rs. in Crore)	
		SCHEDULE		AS AT 31.03.2009	AS AT 31.03.2008
SOURCES OF FUNDS					
SHAREHOLDERS' FUNDS					
Share Capital	1	129.98		64.99	
Reserves & Surplus	2	<u>3,632.23</u>	3,762.21	<u>3,118.93</u>	3,183.92
DEFERRED TAX LIABILITY (NET OF DEFERRED TAX ASSET)			193.76		173.68
TOTAL			<u>3,955.97</u>		<u>3,357.60</u>
APPLICATION OF FUNDS					
FIXED ASSETS					
Gross Block	3	2,640.95		2,244.24	
Less: Depreciation/Amortisation		<u>691.98</u>		<u>579.09</u>	
Net Block		1,948.97		1,665.15	
Add: Capital Works in progress (including advances)		<u>245.69</u>	2,194.66	<u>172.08</u>	1,837.23
INVESTMENTS	4		203.08		155.36
CURRENT ASSETS, LOANS & ADVANCES					
(A) Current Assets	5	1,861.43		1,601.97	
(B) Loans & Advances		<u>316.52</u>	2,177.95	<u>300.14</u>	1,902.11
LESS : CURRENT LIABILITIES & PROVISIONS					
(A) Current Liabilities	6	480.18		414.37	
(B) Provisions		<u>139.54</u>	<u>619.72</u>	<u>122.73</u>	<u>537.10</u>
NET CURRENT ASSETS			1,558.23		1,365.01
Significant Accounting Policies	10				
Notes on Accounts	11				
TOTAL			<u>3,955.97</u>		<u>3,357.60</u>

Schedules 1 to 11 form an integral part of the accounts

RAVI KHANDELWAL
ED(Accounts) & Company Secretary

Anil Kumar Gupta
Director (Domestic)

RAKESH MEHROTRA
Managing Director

As per our report of even date
For Hingorani M. & CO.
Chartered Accountants

Date : 17.07.2009
Place : New Delhi

PARDEEP KUMAR
Partner



PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 31ST MARCH, 2009

		(Rs. in Crore)	
SCHEDULE	YEAR ENDED 31.03.2009	YEAR ENDED 31.03.2008	
INCOME			
Income from Operations	3,417.16	3,347.34	
Other income	7	211.09	162.99
TOTAL	3,628.25	3,510.33	
EXPENDITURE			
Terminal and Other Service Charges	2,250.63	2,290.95	
Employees Remuneration & Benefits	8	80.84	55.00
Administrative & Other Expenses	9	154.63	109.54
Depreciation/Amortisation	115.91	106.34	
TOTAL	2,602.01	2,561.83	
PROFIT BEFORE TAX	1,026.24	948.50	
LESS: PROVISION FOR TAX			
Current Tax	213.64	184.54	
Deferred Tax	20.08	12.58	
Fringe Benefit Tax	1.01	0.86	197.98
PROFIT AFTER TAX	791.51	750.52	
Add/(Less): Prior period adjustments (Net)	0.21	(0.20)	
Add/(Less): Tax adjustments for earlier years (Net)	(0.52)	1.89	
NET PROFIT	791.20	752.21	
APPROPRIATIONS			
Interim Dividend Paid	77.99	71.49	
Proposed Final Dividend	103.99	97.49	
Corporate Dividend Tax	30.93	28.72	
Transfer to General Reserve	79.12	75.22	
Balance carried to Balance Sheet	499.17	479.29	
	791.20	752.21	
Basic and Diluted earning per share of Rs. 10/- each (Rs.) (Note No. 38 , Schedule 11)	60.87	57.87	

RAVI KHANDELWAL
ED(Accounts) & Company Secretary

Anil Kumar Gupta
Director (Domestic)

RAKESH MEHROTRA
Managing Director

As per our report of even date
For Hingorani M. & CO.
Chartered Accountants

Date : 17.07.2009
Place : New Delhi

PARDEEP KUMAR
Partner



SCHEDULE 1: SHARE CAPITAL

		(Rs. in Crore)	
		AS AT 31.03.2009	AS AT 31.03.2008
AUTHORISED			
20,00,00,000 Equity Shares of Rs. 10/- each		200.00	200.00
ISSUED, SUBSCRIBED AND PAID UP			
12,99,82,794 (PYr : 6,49,91,397) Equity shares of Rs.10/- each fully paid up(Include 6,49,91,397 equity shares (P.Y. Nil) issued as fully paid up Bonus Shares by capitalising General Reserves)		129.98	64.99
TOTAL		129.98	64.99

SCHEDULE 2: RESERVES & SURPLUS

	(Rs. in Crore)			
	AS AT 31.03.2009		AS AT 31.03.2008	
GENERAL RESERVE				
Opening Balance	366.15		291.35	
Less: Charge on account of transitional provision under Accounting Standard 15	-		0.42	
	366.15		290.93	
Less: Capitalised by issue of Bonus Shares	64.99		-	
	301.16		290.93	
Add: Transfer from Profit & Loss Account	79.12	380.28	75.22	366.15
PROFIT AND LOSS ACCOUNT				
Opening Balance	2,752.78		2,273.49	
Addition during the Year	499.17	3,251.95	479.29	2,752.78
TOTAL		3,632.23		3,118.93

SCHEDULE 3: FIXED ASSETS

Description	Gross Block				Depreciation/Amortisation			Net Block		
	As at 01.04.08	Additions during the year	Sale/ Adjustments	As at 31.03.09	As at 01.04.08	For the year	On Sale / Adjustments	Up to 31.03.09	As at 31.03.09	As at 31.03.08
Tangible Assets										
Freehold Land	12.18	0.03	-	12.21	-	-	-	-	12.21	12.18
Leasehold Land	104.84	10.75	-	115.59	10.71	2.59	-	13.30	102.29	94.13
Buildings	482.47	26.12	0.00	508.59	99.84	15.62	0.00	115.46	393.13	382.63
Railway Siding	41.33	5.20	0.00	46.53	11.88	2.02	0.00	13.90	32.63	29.45
Plant & Machinery	1361.61	349.64	15.28	1695.97	339.40	79.06	2.11	416.35	1279.62	1022.21
Containers	48.32	-	0.76	47.56	22.47	2.28	0.49	24.26	23.30	25.85
Electrical Fittings	42.70	4.37	0.00	47.07	23.94	3.12	0.00	27.06	20.01	18.76
Computers	40.16	12.44	0.46	52.14	27.86	4.16	0.40	31.62	20.52	12.30
Furniture & Fixtures	8.68	0.70	0.01	9.37	4.73	0.59	0.00	5.32	4.05	3.95
Office Equipment	6.33	1.33	0.05	7.61	2.21	0.33	0.03	2.51	5.10	4.12
Telephone Systems	1.48	0.08	0.02	1.54	0.58	0.13	0.01	0.70	0.84	0.90
Air Conditioner	5.05	0.47	0.02	5.50	1.09	0.24	0.01	1.32	4.18	3.96
Vehicles	0.59	0.00	0.04	0.55	0.45	0.02	0.04	0.43	0.12	0.14
Capital Expenditure *	23.29	0.02	-0.07	23.38	20.65	1.13	-0.07	21.85	1.53	2.64
Sub-total	2179.03	411.15	16.57	2573.61	565.81	111.29	3.02	674.08	1899.53	1613.22
Intangible Assets										
Software	15.21	2.13	-	17.34	10.19	2.12	-	12.31	5.03	5.02
Registration Fee	50.00	0.00	-	50.00	3.09	2.50	-	5.59	44.41	46.91
Sub-total	65.21	2.13	-	67.34	13.28	4.62	-	17.90	49.44	51.93
Total	2244.24	413.28	16.57	2640.95	579.09	115.91	3.02	691.98	1948.97	1665.15
Capital Work-in-Progress (including Advances of Rs. 131.18 Crore {Previous Year Rs.118.21 Crore})									245.69	172.08
Grand Total									2194.66	1837.23
Previous year	2025.33	220.63	1.72	2244.24	473.81	106.34	1.06	579.09	1665.15	

* Refer Note No. 15 of Schedule 11

- Note: 1) Gross Block of Plant & Machinery and Containers includes Rs. 1.87 crore (Previous Year Rs.1.87 crore), and Rs. 0.10 crore (Previous Year Rs.0.10 crore) respectively for items retired from active use due to obsolescence/condemnation.
- 2) Gross Block of Land and Buildings includes assets valuing Rs.7.93 crore (Previous Year Rs.15.51 crore) in respect of which sale/lease deeds are yet to be executed.
- 3) Gross Block of Buildings includes freehold buildings valuing Rs.9.75 crore (Previous year Rs.9.75 crore)
- 4) Depreciation provided during the current year includes Rs.2.15 crore (Dr.) [Previous Year Rs.0.93 crore (Dr.)] related to prior period (Net).



SCHEDULE 4: INVESTMENTS

		(Rs. in Crore)	
		AS AT	AS AT
		31.03.2009	31.03.2008
LONG TERM INVESTMENTS (AT COST)			
TRADE INVESTMENTS (UNQUOTED)			
I. In Business Arrangements			
	- With Hindustan Aeronautics Ltd. and Mysore Sales International Ltd. by the name of "Joint Working Group - Air Cargo Complex".	0.87	0.87
	- With Hindustan Aeronautics Ltd. by the name of "HALCON".	3.19	3.19
		<u>4.06</u>	<u>4.06</u>
II. In Shares of Joint Ventures			
4,706,695	Equity shares of Rs.10/- each fully paid up in Star Track Terminals Pvt. Ltd.	4.71	4.71
(P.Y. 4,706,695)			
2,940,000	Equity shares of Rs.10/- each fully paid up in Albatross CFS Pvt. Ltd.	2.94	2.94
(P.Y. 2,940,000)			
2,443,630	Equity shares of Rs.10/- each fully paid up in Trident Terminals Pvt. Ltd.	2.44	2.44
(P.Y. 2,443,630)			
11,77,80,000	Equity shares of Rs. 10/- each fully paid up in Gateway Terminals India Pvt. Ltd.	117.78	83.20
(P.Y. 83,200,000)			
20,48,200	Equity shares of Rs.10/- each fully paid up in CMA-CGM Logistics Park (Dadri) Pvt. Ltd.	2.05	1.42
(P.Y. 1,425,900)			
30,900,300	Equity shares of Rs. 10/- each fully paid up in India Gateway Terminal Pvt. Ltd.	30.90	19.68
(P.Y. 19,678,500)			
5,000	Equity shares of Rs. 10/- each fully paid up in Integrated Infra Log Pvt. Ltd.	0.01	0.01
(P.Y. 5,000)			
980,000	Equity shares of Rs. 10/- each fully paid up in Infinite Logistics Solutions Pvt. Ltd.	0.98	0.98
(P.Y. 980,000)			
857,500	Equity shares of Rs. 10/- each fully paid up in Hind CONCOR Terminals (Dadri) Pvt. Ltd.	0.86	0.37
(P.Y. 367,500)			
49,000	Equity shares of Rs. 10/- each fully paid up in Container Gateway Limited	0.05	0.05
(P.Y. 49,000)			
8,08,500	Equity shares of Rs. 10/- each fully paid up in Allcargo Logistics Park Pvt. Ltd.	0.80	-
(P.Y. Nil)		<u>163.52</u>	<u>115.80</u>
III. In Shares of Foreign Joint Venture			
80,000	Equity shares of Nepalese Rupiah 100/- (Equivalent INR 62.50) each fully paid up in Himalayan Terminals Pvt. Ltd.,Nepal	0.50	0.50
(P.Y. 80,000)		<u>0.50</u>	<u>0.50</u>
IV. In Shares of Indian Subsidiary (Wholly Owned)			
35,000,000	Equity shares of Rs.10/- each fully paid up in Fresh and Healthy Enterprises Ltd.	35.00	35.00
(P.Y. 35,000,000)		<u>35.00</u>	<u>35.00</u>
	TOTAL (I + II + III + IV)	<u>203.08</u>	<u>155.36</u>

Note : Letters of allotment/Share Certificates are not available with the company in respect of the following investments:

S. No.	Name of the Company	As at 31.03.2009		As at 31.03.2008	
		No. of Shares	Amount (Rs. in Crore)	No of Shares	Amount (Rs. in Crore)
1	India Gateway Terminal Pvt.Ltd	-	-	12178500	12.18
2	Infinite Logistics Solution Pvt Ltd	-	-	735000	0.74
3	Container Gateway Limited	49,000	0.05	49000	0.05
			<u>0.05</u>		<u>12.97</u>



SCHEDULE 5: CURRENT ASSETS, LOANS AND ADVANCES

		(Rs. in Crore)	
		AS AT	AS AT
		31.03.2009	31.03.2008
A. CURRENT ASSETS			
INVENTORIES			
(As taken, valued & certified by the Management)			
Stores & Spare Parts (At Cost) (Note No. 21, Schedule 11)	5.34		5.07
Less: Provision for Obsolete Stores	<u>0.26</u>	<u>5.08</u>	<u>0.26</u>
		<u>5.08</u>	<u>4.81</u>
SUNDRY DEBTORS			
Outstanding for period exceeding six months			
Unsecured Considered good	2.02		2.36
Unsecured Considered doubtful	<u>2.00</u>		<u>1.15</u>
	<u>4.02</u>		<u>3.51</u>
Less: Provision for doubtful debts	<u>2.00</u>	<u>2.02</u>	<u>1.15</u>
Others			2.36
Unsecured Considered good		<u>13.70</u>	<u>11.47</u>
		<u>15.72</u>	<u>13.83</u>
CASH AND BANK BALANCES			
Cash in hand (Including Imprest)			
		0.21	0.20
Cheques in hand			
		11.82	12.87
Remittance in transit			
		10.00	0.06
Balance with Scheduled Banks			
- in Current Accounts	36.74		51.34
- in Flexi Deposits	104.24		144.26
- in Term Deposits	<u>1,600.50</u>	<u>1,741.48</u>	<u>1,312.77</u>
		<u>1,763.51</u>	<u>1,508.37</u>
OTHER CURRENT ASSETS			
Interest accrued on deposits, loans and advances		<u>77.12</u>	<u>61.83</u>
TOTAL CURRENT ASSETS - A		<u>1,861.43</u>	<u>1,601.97</u>
B. LOANS AND ADVANCES			
LOAN TO WHOLLY OWNED SUBSIDIARY - FHEL (Unsecured interest free)			
		27.64	19.46
LOANS TO EMPLOYEES (Secured)			
		14.41	11.19
LOANS TO OTHERS (Unsecured)			
		0.40	0.60
ADVANCES (Unsecured)			
For issue of shares in FHEL (Note No. 8(iii),Schedule11)			
- Recoverable in cash or in kind or for value to be received	87.97		83.89
Less : Provision for doubtful advances	<u>1.75</u>	<u>86.22</u>	<u>0.07</u>
		<u>86.22</u>	<u>83.82</u>
DEPOSITS (Unsecured)			
- Govt. Authorities		2.42	2.33
- Others	0.86		0.68
Less : Provision for doubtful deposits	<u>0.03</u>	<u>0.83</u>	<u>0.03</u>
		<u>0.03</u>	<u>0.65</u>
ADVANCE INCOME TAX/TDS (NET OF PROVISIONS)			
		<u>171.22</u>	<u>182.09</u>
TOTAL LOANS AND ADVANCES - B		<u>316.52</u>	<u>300.14</u>
TOTAL (A + B)		<u>2,177.95</u>	<u>1,902.11</u>



SCHEDULE 6: CURRENT LIABILITIES AND PROVISIONS

	(Rs. in Crore)	
	AS AT 31.03.2009	AS AT 31.03.2008
A. CURRENT LIABILITIES		
Sundry Creditors		
- Small Scale Industrial Undertakings	-	-
- Others	246.57	163.32
Advances / Deposits from Customers	85.62	87.75
Unclaimed Dividend (*)	0.10	0.08
Book Overdraft (Note No.12, Schedule 11)	102.24	122.66
Others	45.65	40.56
TOTAL CURRENT LIABILITIES - A	480.18	414.37
B. PROVISIONS		
Proposed Final Dividend	103.99	97.49
Corporate Dividend Tax	17.68	16.57
Employee Retirement Benefits	17.87	8.67
TOTAL PROVISIONS - B	139.54	122.73
TOTAL (A + B)	619.72	537.10

(*) An amount of Rs.62,754/- (Previous Year : Rs.39,518/-) has been deposited in the Investor Education and Protection Fund.



SCHEDULE 7: OTHER INCOME

	(Rs. in Crore)	
	YEAR ENDED 31.03.2009	YEAR ENDED 31.03.2008
Interest earned on :		
- Short Term Bank Deposits /ICDs (TDS Rs. 38.21Crore; Previous Year: Rs.28.02 Crore)	169.14	126.56
- Loans to Employees	0.55	0.44
- Loan to Wholly Owned Subsidiary - FHEL (TDS Rs.0.05 Crore; Previous Year: Rs.0.20 Crore)	0.25	0.87
- Loan to Joint Venture Company (TDS Rs.0.01 Crore; Previous Year:Rs.NIL Crore)	0.07	
- Loan to IRWO (Note No.14, Schedule 11) (TDS Rs. 0.01 Crore; Previous Year: Rs. 0.01 Crore)	0.04	0.06
Dividend from JV Company	0.03	-
Profit on Sale of Fixed Assets	10.26	-
Excess provision written back (Note No.27, Schedule11)	7.52	5.69
Profit From Sale of Investment (Note No.40(c),Schedule11)	1.97	-
Miscellaneous Income	19.35	17.89
Share in Profit of Business Arrangement (Note No.18(a), Schedule11)	1.91	11.48
TOTAL	211.09	162.99

SCHEDULE 8: EMPLOYEES REMUNERATION AND BENEFITS

	(Rs. in Crore)	
	YEAR ENDED 31.03.2009	YEAR ENDED 31.03.2008
Salary, Allowances & Other Employee Benefits	65.72	43.25
Contribution to PF, FPF, ESI & Labour welfare fund	3.05	3.33
Rent for Leased Accomodation (Net)	1.80	1.70
Employee Welfare & Medical	5.61	5.85
Gratuity	4.21	0.69
Staff Training	0.45	0.18
TOTAL	80.84	55.00

SCHEDULE 9: ADMINISTRATIVE AND OTHER EXPENSES

	(Rs. in Crore)	
	YEAR ENDED 31.03.2009	YEAR ENDED 31.03.2008
Printing & Stationery	2.30	2.13
Travelling and Conveyance (Including Directors' Travelling Rs. 0.48 Crore; Previous year Rs.0.31 Crore)	9.58	7.98
Rent and Licence fee for office building	1.47	1.38
Power & Fuel	21.31	16.16
Consumption of Stores & Spares	2.14	1.71
Repairs & Maintenance :		
- Buildings	6.80	4.79
- Plant & Machinery	3.37	1.73
- Others	12.25	10.56
Security Expenses	21.49	18.99
Vehicle Running & Maintenance Expenses	0.04	0.04
Business Development	1.14	1.05
Postage, Telephone & Internet	4.56	4.61
Books & Periodicals	0.29	0.28
Bank Charges	0.06	0.24
Legal & Professional Charges	3.62	5.06
Insurance	0.85	1.32
Fees & Subscriptions	0.10	0.10
Advertisement	1.97	2.78
Auditors' Remuneration		
- Audit Fee	0.08	0.08
- Tax Audit Fee	0.03	0.02
- Other Services	0.08	0.05
- Out of Pocket	0.07	0.05
Rebates and Discounts	45.90	23.35
Rates & Taxes	3.31	2.43
Hazardous waste incineration	1.45	
Bad debts written off	0.01	
Donations	5.11	0.20
Miscellaneous Expenses (Note No.17(a) & 18(b),Schedule 11)	2.72	2.09
Fixed Assets written off	-	0.06
Provision for :		
Doubtful Debts	0.85	0.30
Doubtful Advances	1.68	-
TOTAL	154.63	109.54

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:

- 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.
- 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.
- 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:

- 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.
- 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:

- Long term investments are stated at cost. A provision for diminution in value is made to recognise a decline other than temporary in nature.
- 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:

- 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%.
- Leasehold land and residential accommodation (taken from Indian Railways on lease) are amortised over the period of lease.
- Capital expenditure on land not belonging to the Company is written off to the Profit & 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.

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:

- 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.

- Liability for 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.
- 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:

- Income & Expenditure denominated in foreign currencies are recorded at the exchange rate prevailing on the date of transaction.
- Loans, Current liabilities and Current assets in foreign currencies are translated at the exchange rate prevailing at the end of financial year.
- Gains or losses due to foreign exchange fluctuations on loans/liabilities relating to the acquisition of fixed assets are adjusted to the cost of such fixed assets and those relating to other accounts are recognised in the Profit & Loss Account.

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

Freight, 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:

- Provision for current tax is made in accordance with the provisions of the Income Tax Act, 1961.
- Deferred tax on account of timing difference between taxable and accounting income is provided considering the tax rates and tax laws enacted or substantively enacted by the Balance Sheet date, in accordance with Accounting Standard-22 'Accounting for Taxes on Income' issued by the Institute of Chartered Accountants of India.

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):		(Rs. crore)
	2008-09	2007-08
a) In relation to joint ventures	35.66	115.72
b) Others	147.03	308.96
2. Contingent liabilities not provided for:		
a) Outstanding Letters of Credit & bank guarantees	14.91	45.83
b) Bank guarantees/bid bonds for joint ventures/subsidiary	220.47	191.67
c) Claims against the Company not acknowledged as debt, net of advances/payments under protest, arbitration, court orders, etc. [include claims of Rs.415.05 crore (previous year: Rs.402.65 crore) pending in arbitration/courts pursuant to arbitration awards]	624.52	602.27
Contingent liabilities are disclosed to the extent of claims received and include an amount of Rs.9.91 crore (previous year:Rs.9.55 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 and Inland Container Depots (Inland Ports)for assessment years(A.Y.) 2003-04 to 2006-07 and raised demands of tax and interest totalling to Rs.209.08 crore. The company filed appeals before the Commissioner of Income Tax (Appeals)[CIT(A)] against the said assessment orders. For AY 2003-04 to AY 2005-06, CIT(A) allowed claim u/s 80IA towards Rail System, whereas for Inland Ports the claim has been disallowed. The decision of CIT(A) for 80IA deduction has been upheld by Income Tax Appellate Tribunal (ITAT). The company has filed appeals before the Hon'ble Delhi High Court against the orders of the ITAT for AY 2003-04 and AY 2004-05 and for AY 2005-06 the Company is in the process of filing appeal. The company's appeal for AY 2006-07 is pending with CIT(A).		
e) The Assessing officer (AO)has imposed penalty of Rs.26.70 crore against the company's claim of deduction u/s 80IA in respect of Inland Ports for AY2003-04 to AY2005-06. The company has filed appeals before the CIT(A) against the said orders.		
3. a) The Company entered into a contract with Cimmco Birla Ltd. (CBL) for supply of 1,500 wagons for Rs.163.90 crore. After the supply of 180 wagons, the contract was terminated during the FY-2000-01, for non-fulfilment of obligations on the part of CBL. The Company invoked the Bank Guarantee of Rs.30.42 crore for refund of unadjusted advance and Rs.8.20 crore towards performance guarantee for non-fulfilment of terms of contract. CBL and the company have made claims and counter claims respectively but repudiated by both. The matter had been referred to an Arbitration Tribunal and the award of the Tribunal has been announced. As per the award, the company paid/provided an amount of Rs.19.88 crore during the year 2005-06. This amount has been reduced from the claim amount in contingent liabilities. CBL filed an application before the Hon'ble Delhi High Court for setting aside the remaining part of the award. The company has also filed objections before the Hon'ble Delhi High Court for setting aside the award and refund of performance security with interest and costs and the matter is pending.		
b) 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. The company invoked the bank guarantee of Rs.5.99 crore for refund of unadjusted advance and Rs. 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 "Capital Work In Progress."		
4. The Company has executed "Custodian cum Carrier Bonds" of Rs.18,994.00 crore (previous year: Rs.16,451.00 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, the provision for tax for the year is after considering tax deduction of Rs.110.78 crore (previous year: Rs.124.18 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 are paid on fortnightly basis to Indian Railways at the rates prescribed by the Ministry of Railways (MOR) from time to time. Reconciliation of the amount paid/payable is done on an ongoing basis periodically and difference, if any, is		

- adjusted in the payments for the ensuing periods.
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 Rs.0.22 crore (previous year: Rs. 0.53 crore).
 - ii) Terminal & other service charges include expenses for rail freight, handling, road transportation and other operating expenses.
 8. i) Loans and Advances include Rs.0.11 crore (previous year: Rs.0.28 crore) given to Customs & Port Trust.
 - ii) Loans to employees include Rs.0.08 crore (previous year: Rs.0.13 crore) being amount due from Directors and officers of the company. Maximum outstanding balance during the year was Rs.0.14 crore (previous year: Rs.0.18 crore).
 - iii) During 2007-08, the company gave working capital loan of Rs.27.96 crore to its wholly owned subsidiary Fresh and Healthy Enterprises Ltd.(FHEL). The outstanding balance of the said loan amounting to Rs.13.38 crore(including interest accrued upto 30th June,2008 of Rs.0.92 crore) has been transferred to advance for issue of shares in FHEL.
 9. During the year, the company realised Rs.13.16 crore (previous year: Rs.17.84 crore) from auction of undelivered containers. Out of the amount realized Rs.3.48 crore (previous year: Rs.5.30 crore) is paid/ payable as custom duty, Rs.7.63 crore (previous year: Rs.10.00 crore) has been recognised as income and the balance of Rs.2.05 crore (previous year: Rs.2.54 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 Rs.1.57crore(previous year: Rs.3.57 crore) towards unutilised grant received for acquisition of specific fixed assets in CONCOR/business arrangement. The amount of grants received duringthe year are Rs.2.56 crore (previous year: Rs.0.06 crore).
 12. Book Overdraft represents cheques issued by the company pending clearance against the flexi/other deposits with the banks.
 13. Balances of Sundry Debtors, Loans & Advances, Deposits, Sundry Creditors (including Indian Railways), etc. are subject to confirmation /reconciliation.
 14. During the year 1998-99, the company gave loan of Rs.2.00 crore to Indian Railway Welfare Organization (IRWO) at simple interest of 8.5% p.a. in terms of Presidential Directive received from the Ministry of Railways. The amount is being repaid as per schedule, and the amount of loan outstanding as at 31.03.2009 is Rs.0.40 crore (previous year: Rs.0.60 crore).
 15. Details of capital expenditure on land not belonging to the company (Refer schedule-3) are as under:

PARTICULARS	(Rs. in crore)	
	As at 31-03-2009	As at 31-03-2008
Building	6.94	6.85
Railway Siding	10.84	10.84
Plant & Machinery	3.04	3.04
Electrical Fittings	2.36	2.36
Furniture	0.03	0.03
Others	0.17	0.17
Total	23.38	23.29

16. The auditors' remuneration includes an amount of Rs.0.01crore (previous year:Rs.0.01 crore), relating to earlier years.
17. (a) Miscellaneous expenses include loss on sale of fixed assets-Rs.6.27 Lakh(Previous Year:Rs.14.15 lakh), provision for damage of fixed assets Rs.0.44 Lakh (Previous Year: NIL) and exchange fluctuation (loss) Rs.0.10 lakh (previous year: Rs.0.15 lakh).
- (b) The 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 Rs.1.36 crore has been adjusted in the accumulated depreciation.
18. (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), an amount of Rs.1.91 crore being company's share in the profit of the entity, as per unaudited accounts for the year ended 31st March, 2009 (previous year: Rs.11.48 crore), has been accounted for under other income.
- (b) HALCON is a business arrangement of the company with Hindustan Aeronautics Ltd. for operating an Air Cargo Complex and ICD at Nasik. An

amount of Rs.21.61 Lakhs being company's share of loss in HALCON upto 31st March,2009 has been accounted for under Miscellaneous expenses.

19. Works carried out by Railways/ its units for the company are normally accounted for on the basis of correspondence /estimates/advice, etc.
20. 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 Rs.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. However, as a matter of prudence, the same will be accounted for on receipt/acceptance.
21. Stores & spare parts include items costing Rs.2.29 crore (previous year: Rs.2.29 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.
22. Details of Managerial Remuneration paid/payable to Directors:

	(Rs. in crore)	
	2008-09	2007-08
Managing & whole time Directors		
Salary & allowances	1.60	0.38
Value of perquisites	0.21	0.08
Contribution to Gratuity, Provident Fund, Pension and Leave Encashment	0.39	0.10
Total	2.20	0.56

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.

23. Prior period adjustments include the following:

	(Rs. in crore)	
	2008-09	2007-08
<u>Income</u>		
Income from operations	0.31	0.02
Other Income	0.14	-
Total (A)	0.45	0.02
<u>Expenses</u>		
Terminal & other service charges	0.16	0.05
Rebate Expenses	0.04	-
Legal & Professional	-	0.05
Repair & Maintenance	0.01	0.07
Others	0.03	0.05
Total (B)	0.24	0.22
Net Prior Period Adj. (A- B)	0.21	(0.20)

24. Remittance in foreign currency for dividend:

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

25. Details of expenditure and earnings in foreign currency (on payment basis):

	(Rs. in lakh)	
	2008-09	2007-08
a) Expenditure in Foreign Currency:		
i) Books & periodicals	1.15	0.81
(ii) Travelling	45.84	26.64
(iii) Training	1.79	1.65
(v) Meeting & conference	7.44	9.28
(vi) Fee & subscription	3.49	-

- b) Value of Imports on C.I.F. basis in respect of:

i) Stores & Spares	23.26	12.22
ii) Capital Goods (including advances)	9738.82	4546.25

26. Expenditure on consumption of Stores & Spares:

	2008-09		2007-08	
	Amount	% age	Amount	% age
i) Imported	0.23	11%	0.27	16 %
ii) Indigenous	1.90	89%	1.44	84 %

27. Excess provision written back during the year includes:

Particulars	(Rs. in crore)	
	2008-09	2007-08
a) Rail Freight & Demurrage	3.28	0.58
b) Handling	0.79	1.15
c) Terminal & service charges	0.02	0.00
d) Custom cost recovery	0.06	-
e) Rates & Taxes	0.04	0.24
f) Auction	1.08	2.47
g) Others	2.25	*1.25
TOTAL	7.52	5.69

* It includes Rs.0.21 crore on account of decrease in liability as on 31st March, 2007 towards leave encashment on actuarial valuation.

28. 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.
29. (a) Information with regard to amount due to SSI units has been determined on the basis of information available with the Company and relied upon by auditors. To the extent of information available, there are no Small Scale Industrial Undertakings to whom company owes an amount, which is outstanding for more than 30 days (Previous year: NIL).
- (b) 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.
30. a) As per Presidential Directive received during the year Employees Salary and perquisites have been revised w.e.f. 1st January, 2007. Pursuant to this revision, an amount of Rs.19.69 crore (previous year Rs.11.93 crore) has been paid/provided during the year.
- 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, an amount of Rs.0.50 crore has been provided on adhoc basis, 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. will be accounted for on receipt of claims.
31. 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.
32. During September 2007, Company received duty credit entitlement scrips amounting to Rs.125 crore under the Served From India Scheme (SFIS) of the Government 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 year, an amount of Rs.30.16 crore (previous year:Rs.8.39 crore) has been utilized for custom duty credit on import of capital goods and Rs.33.29 crore (previous year:Rs.5.06 crore) for excise duty credit on domestic purchases, leaving a balance of Rs.48.10 crore (previous year: Rs.111.55 crore) as on 31st March, 2009.
33. 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 the year a notice was received from the Labour Department at Delhi for payment of Rs.46.05 lakhs towards this cess from 1996 onward. Since the Gazette notification for levy of cess has been issued in August, 2005, the liability from that date amounting to Rs.4.13 lakh has been deposited, which is recoverable from the contractors.

34. 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. Since the fair value of the assets of the Provident Fund including the returns on the assets thereof, as on the balance sheet date is more than the obligations under the defined contribution plan as per actuarial valuation an amount of Rs.1.99 lakhs (amount provided in Previous year: Rs.7.07 lakhs) has been reversed in Employers' contribution to provident fund on this account. During the year, the company has recognized the following amounts in the profit and Loss Account.

(i) Employers' contribution to Provident Fund - Rs.2.31 crore (Previous year: Rs.2.64 crore)

(ii) Employers' contribution to Employees Pension scheme, 1995 - Rs.0.74 crore (Previous year: Rs.0.69 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 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.

(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:

	Gratuity (Funded)		Leave encashment (Non-Funded)	
	2008-09	2007-08	2008-09	2007-08
Current service cost	95.40	56.06	127.70	77.91
Interest cost on benefit obligation	38.01	36.75	46.63	45.31
Expected return on plan assets	(45.49)	(37.28)	-	-
Net actuarial Gains (loss)	333.14	13.13	420.51	4.51
Expenses recognised in profit and loss account	421.06	68.66	594.84	127.73
Amount recognised in the Balance sheet:				
Present Value of Obligations as at 31st March(i)	995.95	542.97	1193.74	666.04
Fair Value of Plan Assets as at 31st March(ii)	408.84	476.29	-	-
Difference (ii) - (i)	(587.11)	(66.68)	(1193.74)	(666.04)
Net asset/(Liabilities) recognised in the Balance sheet	(587.11)	(66.68)	(1193.74)	(666.04)
Change in the Present value of the defined benefit obligation:				
Present value of obligation as at 1st April	542.97	458.18	666.04	564.84
Interest cost	38.01	36.75	46.63	45.31
Current service cost	95.40	56.06	127.70	77.91
Benefits paid	(13.60)	(21.15)	(67.14)	(26.53)
Net actuarial gains/(loss) on obligation	333.17	13.13	420.51	4.51
Present value of defined benefits obligation as at 31st March	995.95	542.97	1193.74	666.04
Change in the fair value of plan assets:				
Fair value of Plan assets as at 1st April	476.29	369.63	-	-
Expected return on plan assets	45.49	37.28	-	-
Contribution by employer	78.90	90.53	-	-
Benefits paid	(13.59)	(21.15)	-	-
Actuarial gain/(loss)	0.02	-	-	-
Fair value of Plan assets as at 31st March	587.11	476.29	-	-

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

	(Rs. in lakhs)	
	As on 31-03-2009	As on 31-03-2008
i) State Government securities	99.35	51.35
ii) Central Government securities	167.07	160.01
iii) Corporate Bond/debentures	261.51	228.50
iv) Others	59.18	36.43
	<u>587.11</u>	<u>476.29</u>

(e) Actuarial assumptions: Principal assumptions used for actuarial valuation are :

	2008-09	2007-08
	Projected Unit Credit Method	Projected Unit Credit Method
i) Method used	Projected Unit Credit Method	Projected Unit Credit Method
ii) Discount rate	7%	8%
iii) Future salary increases	4.50%	5.50%

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



35. 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 consists 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:

(Rs. in crore)

Particulars	EXIM		Domestic		Un-allocable		Total	
	2008-09	2007-08	2008-09	2007-08	2008-09	2007-08	2008-09	2007-08
REVENUE								
Segment Revenue	2726.10	2,646.71	691.06	700.63	-	-	3417.16	3,347.34
RESULT								
Segment Result	781.88	730.55	86.63	95.60	-	-	868.51	826.15
Corporate Expenses	-	-	-	-	53.36	40.64	53.36	40.64
Operating Profit	-	-	-	-	-	-	815.15	785.51
Interest & other Income	-	-	-	-	211.09	162.99	211.09	162.99
Income Taxes	-	-	-	-	234.73	197.98	234.73	197.98
Prior Period Adjustments (Net)	-	-	-	-	0.21	(0.20)	0.21	(0.20)
Tax adjustments for earlier years (Net)	-	-	-	-	(0.52)	1.89	(0.52)	1.89
Net Profit	-	-	-	-	-	-	791.20	752.21
OTHER INFORMATION								
Segment Assets	1635.54	1,504.71	466.88	370.61	-	-	2102.42	1,875.32
Unallocated Corporate Assets	-	-	-	-	2473.27	2,019.38	2473.27	2,019.38
Total Assets	-	-	-	-	-	-	4575.69	3,894.70
Segment Liabilities	335.14	318.39	82.81	58.37	-	-	417.95	376.76
Unallocated Corporate Liabilities	-	-	-	-	4157.74	3,517.94	4157.74	3,517.94
Total Liabilities	-	-	-	-	-	-	4575.69	3,894.70
Capital Expenditure	350.11	191.39	49.01	27.69	14.16	1.55	413.28	220.63
Depreciation	86.22	79.65	27.66	22.98	2.03	3.71	115.91	106.34
Non cash expenses other than depreciation	0.15	0.11	0.41	0.05	2.05	0.34	2.61	0.50

Note: Prior period adjustments have not been allocated to any segment.

(b) Secondary Segments:

As the operations of the Company are mainly confined to the geographical territory of India, except some overseas shipping transactions, not significant in nature, there is no reportable secondary segment.



36. Related Party Disclosures as per Accounting Standard-18:

a) Key Management Personnel: Directors of the Company :

(Rs. in lakh)

Name of Related Party	Nature of Transaction (excl. reimbursable)			
	Remuneration paid including perks		Loans and advances receivable	
	2008-09	2007-08	2008-09	2007-08
i) Whole time Directors :				
Rakesh Mehrotra, Managing Director	51.43	12.25	0.77	2.08
Suresh Kumar, Director (Finance)	42.12	12.89	0.24	2.19
Anil K. Gupta, Director (Domestic)	50.52	12.27	2.61	3.09
Harpreet Singh, Director (Projects & Services)	41.35	11.69	3.85	4.39
Yash Vardhan, Director (IM&O) w.e.f. 28.09.2007	34.74	6.86	-	-
ii) Nominated/Independent Directors:				
Janat Shah (w.e.f .01.01.2008)	1.60	0.40		
S.Balachandran (w.e.f .01.01.2008)	2.40	0.60		
V.Sanjeevi (w.e.f. 01.01.2008)	2.40	0.40		
T.Doongaji (w.e.f. 04.04.2008)	1.40	-		

b) Joint Ventures:

- 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.

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

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

(Rs. in lakh)

	Joint ventures		Subsidiary	
	2008-09	2007-08	2008-09	2007-08
Rent, Maintenance charges, interest & dividend income received/receivable	202.06	157.77	24.76	87.48
Security Deposit received-balance	203.95	140.79	-	-
Current assets, loans & advances	849.78	0.85	4102.33	1946.00
Investment (Net) made during the year	4772.23	2365.78	-	-
Share in the income recognized	191.26	1148.18	-	-

37. Leases - Accounting Standard –19:

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

	2008-09	2007-08
(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	10.32	10.35
(ii) Later than one year and not later than 5 years	9.20	4.23
(iii) Later than five years	-	-
(b) Lease payments recognized in the accounts are Rs.18.34 crore (previous year: Rs.17.36 crore).		
(c) Sub lease recoveries recognized in the accounts are Rs.0.35 crore (previous year: Rs.0.15 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:

	2008-09	2007-08
Gross Carrying amount (Buildings & warehouses)	22.54	20.02
Accumulated Depreciation	3.77	2.71
Depreciation during the year	0.45	0.41

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

	2008-09	2007-08
Profit after tax, prior period adjustments & tax adjustments for earlier years as per Profit and Loss Account (Rs. in crore)	791.20	752.21
Weighted average number of equity shares of face value Rs.10/- each	129,982,794	64,991,397
Basic and diluted earning per share (in rupees)	60.87	57.87

During the year, the company has allotted bonus shares in the ratio of one fully paid up equity share for each equity share held on the record date. Accordingly, the basic and diluted EPS for FY 2007-08 has been adjusted as per the requirements of AS-20 issued by the ICAI.

39. Accounting for taxes on income - Accounting Standard-22

Components of Deferred Tax Asset and Liability:

	2008-09	2007-08
i. Deferred Tax Liability:		
Difference between book and tax depreciation	204.06	184.68
ii. Deferred tax asset:		
Expenditure covered by section 43B	8.77	5.84
Provision for doubtful advances/debts	1.30	0.44
Others	0.23	4.72
	10.30	11.00
iii. Net deferred tax liability [i-ii]	193.76	173.68

40 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
Star Track Terminals Pvt. Ltd.: A Joint venture with Maersk India Pvt. Ltd. for setting up and running a CFS at Dadri, U.P.	India	49
Trident Terminals Pvt. Ltd.: A Joint venture with Transworld group of companies (previous year: APL India Pvt. Ltd.) for CFS at Dadri, U.P.	India	49
Albatross CFS Pvt. Ltd. : A Joint venture with Transworld group of Companies for CFS at Dadri, U.P.	India	49
Gateway Terminals India Pvt. Ltd.: A Joint Venture with Maersk A/S, Copenhagen for third berth at JN Port, Mumbai.	India	26
JWG-Air Cargo Complex: A business arrangement with Hindustan Aeronautics Ltd. and Mysore Sales International Ltd. for air cargo business at Bangalore.	India	33.33
Himalayan Terminals Pvt. Ltd.: 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
CMA-CGM Logistics Park (Dadri) Pvt. Ltd.: A joint venture with CMA CGM Global India Pvt. Ltd. for CFS at Dadri, U.P.	India	49
HALCON: A business arrangement with Hindustan Aeronautics Ltd. for operating an air cargo complex & ICD at Ozar airport, Nasik.	India	50
India Gateway Terminal Pvt. Ltd.: A joint venture with Dubai Port International (DPI) for setting up and managing Container Terminals at Cochin.	India	15
Integrated Infra Log Pvt. Ltd.: 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
Hind CONCOR Terminals (Dadri) Pvt. Ltd.: A Joint Venture with Hind Terminals Pvt. Ltd. for CFS at Dadri, U.P.	India	49
Infinite Logistics Solutions Pvt. Ltd.: A Joint Venture with Reliance Logistics Pvt. Ltd. to establish logistics freight terminals and provide integrated logistics services across the country.	India	49
Container Gateway Ltd.: A Joint Venture with Gateway Rail Freight Pvt. Ltd. for operations of existing rail/road container terminal at Garhi Harsaru, Gurgaon (Haryana)	India	49
# Allcargo Logistics Park Pvt. Ltd.: A Joint Venture with Allcargo Global Logistics Ltd. for setting up and running CFS at Dadri.	India	49
#Investment made during the year		

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:

(Rs. in lakh)

	Assets	Liabilities	Income	Expenditure	Contingent liabilities & capital commitments
Star Track Terminal Pvt. Ltd.	1312.32 (920.91)	824.25 (578.87)	1058.60 (820.38)	931.95 (675.75)	347.94 (347.94)
Trident Terminals Pvt. Ltd.	879.91 (853.23)	299.54 (743.36)	288.35 (463.59)	253.60 (516.32)	2695.00 (2695.00)
Albatross CFS Pvt. Ltd.	1043.72 (1027.11)	641.68 (723.46)	1165.19 (1096.04)	1065.66 (1043.45)	354.99 (245.87)
*Gateway Terminals India Pvt. Ltd.	33,182.11 (27,193.19)	23,290.40 (21,434.50)	9,799.31 (7104.51)	8,943.25 (7160.68)	2,5027.24 (17,561.32)
JWG-Air Cargo Complex	248.22 (665.15)	226.23 (512.28)	279.13 (1414.57)	215.38 (266.40)	-
#Himalayan Terminals Pvt. Ltd	45.39 (36.31)	123.50 (142.97)	244.61 (212.90)	221.49 (197.85)	-
CMA -CGM Logistics Park (Dadri) Pvt. Ltd.	766.55 (631.01)	199.23 (574.46)	513.05 (251.02)	439.36 (301.90)	245.00 (245.00)
HALCON	354.99 (306.75)	57.89 (7.57)	76.47 (10.85)	77.95 (21.70)	-
India Gateway Terminal Pvt. Ltd.	7808.39 (3043.99)	4676.57 (1,640.78)	1332.38 (1,222.91)	1469.22 (1,376.77)	8794.59 (8,759.88)
Integrated Infra Log Pvt. Ltd.	2.59 (1.53)	1.16 (1.03)	-	0.21	-
Hind CONCOR terminals Pvt. Ltd.	98.09 (40.47)	12.34 (3.72)	-	-	-
Infinite Logistics Solutions Pvt. Ltd.	82.70 (106.78)	6.13 (17.01)	69.39 (69.80)	82.58 (78.03)	85.06 (85.06)
Allcargo Logistics Park Pvt. Ltd.	114.10 (-)	0.57 (-)	-	-	-

* Figures are for year ended 31st December.

The previous year figures are for year ended 15th July,2008 and current year figures are for year ended 31st March,2009.

In the above statement:

- Figures in brackets are for previous year.
- Current year figures are un-audited (provisional) except JWG-Air Cargo complex.
- Previous year figures are audited, except for HALCON.

c) Profit from sale of investments represent gain on sale of entire 51% shareholding of a JV partner acquired during the year in Trident Terminals Pvt. Ltd.

41. 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.

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

(Rs. in crore)

	2008-09			2007-08		
	Property tax	Rent to Railway	Gratuity & Leave encashment	Property tax	Rent to Railway	Gratuity & Leave encashment
Opening balance	9.69	1.93	7.65	8.45	1.69	6.73
Addition during the year	3.31	0.28	10.65	1.70	0.24	2.48
Amount used /incurred	1.45	-	1.43	0.22	-	1.56
Unused amount reversed during the year	0.04	-	-	0.24	-	-
Closing Balance	11.51	2.21	16.87	9.69	1.93	7.65

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.

43. 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.(FHLE) Rs.27.64 crore (previous year Rs.19.46 crore). Maximum amount outstanding during the year is Rs.45.15 crore(previous year:Rs.27.96 crore).
- b) Advance for shares to wholly owned subsidiary: M/s Fresh & Healthy Enterprises Ltd. (FHLE) -Rs.13.38 crores (previous year: NIL).
- c) Other Loans and advances:

(Rs. 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, 2009	31st March, 2008	2008-09	2007-08	31st March, 2009	31st March, 2008	2008-09	2007-08
IRWO	0.40	0.60	0.60	0.80	-	-	-	-
Miscellaneous staff loans*	12.51	9.56	12.92	10.09	10.32	8.21	7.97	8.36

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

44. 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 (Cont'd)
NOTES ON ACCOUNTS (Cont'd)

45 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	2009
	Date	Month	Year
II. Capital Raised during the year			
Public / Euro Issue			(Rs. in crores)
NIL			Right Issue
Bonus Issue			NIL
64.99			Private Placement
			NIL
III. Position of Mobilisation and Deployment of Funds			
Total Liabilities			(Rs. in crores)
4,575.69			Total Assets
Sources of Funds :			4,575.69
Paid-up Capital			Reserves & Surplus
129.98			3,632.23
Secured Loans			Unsecured Loans
-			-
Current Liabilities			Deferred Tax Liabilities
619.72			193.76
Application of Funds :			Investments
Net Fixed Assets			203.08
2,194.66			Misc. Expenditure
Current Assets			-
2177.95			-
Accumulated Losses			-
IV. Performance of the Company			
Turnover (Including Other Income)			(Rs. in crores)
3,628.25			Total Expenditure
Profit Before Tax			2,602.01
1,026.24			Profit After Tax
EPS (Rupees)			791.20
60.87			Dividend %
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 11"

RAVI KHANDELWAL
ED(Accounts) & Company Secretary

Anil Kumar Gupta
Director (Domestic)

RAKESH MEHROTRA
Managing Director

As per our separate report attached
For Hingorani M. & CO.
Chartered Accountants

Date : 17.07.2009
Place : New Delhi

PARDEEP KUMAR
Partner



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, 2009, 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.

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.

- 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.
- Attention is drawn to Note Nos. 2(d) and 5 of Schedule 11. The company has made provision for Income Tax for the year after considering tax deduction of Rs.110.78 crore under section 80IA of the Income Tax Act, 1961 in respect of new Inland Container Depots (Inland Ports) (Rs.29.17 crore) and Rail System (Rs.81.61 crore). The Assessing Officer disallowed the deduction claimed by the company u/s 80IA in earlier years. In appeal, the ITAT upheld the decision of CIT(A) in allowing deduction u/s 80IA in respect of Rail System, whereas for Inland Ports the claim has been disallowed and the company has filed appeals before the Hon'ble Delhi High Court.
- 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 Rs. 7.93 Crore are yet to be executed in favour of the company (Note no. 2, Schedule 3).
 - Balances of Sundry Debtors, Loans & Advances, Deposits, Sundry Creditors (including Indian Railways) have not been confirmed/reconciled. (Note no. 13, Schedule 11).
 - We are unable to comment on the shortfall, if any, in the value of non-moving stock of stores & spare parts. (Note no. 21, Schedule 11).
- We further report that:
 - 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.
 - 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.
 - 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.
 - The Balance Sheet, Profit & Loss Account and Cash Flow Statement dealt with by this report are in agreement with the books of account.
 - 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.
 - 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.
 - 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 (i) above and without considering the observations made in paragraphs 3 (ii) and (iii) above, the effect of which could not be



determined, 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, 2009;
- 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 Hingorani M. & Co.
Chartered Accountants

(Pardeep Kumar)
Partner
M. No. 085630

Place : New Delhi
Date : 17.07.2009



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, 2009

- (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, 2009 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	Amount (Rs. in Crore)	Period to which the amount Relates
Customs Act, 1962	Custom Duty (Northern Region)	0.90	Upto 2000-01
Customs Act, 1962	Custom Duty (Northern Region)	0.02	2002-03
Finance Act, 1994	Service Tax(NWR)	0.10	2005-06



In addition the company has made provision for property tax payable in respect of its assets at various locations amounting to Rs.11.51 Crore upto 31st March,2009, on estimated basis, pending commencement / completion of assessments by the appropriate authorities.

(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:

Name of the Statute/Authority	Nature of the Dues	Amount(Rs. in Crore)	Period to which the amount relates
Finance Act, 1994	Service Tax	0.01	01st May 2003 to 16th July 2003
Finance Act, 1994	Service Tax	0.01	January 2004 to March 2004
Sub-registrar, Vadodara	Additional Stamp Duty	0.20	2003-04
Delhi Value Added Tax, 2004	Penalty u/s 86(19)	0.31	14th December 2005
Sales Tax Act	Sales Tax (NR)	0.01	Year 1997-98
Sales Tax Act	Sales Tax (NR)	0.08	Year 2000-01
Sales Tax Act	Sales Tax (SR)	0.42	Year 2000-01
Building & Other Workers Welfare Cess Act, 1996	Cess	0.42	Year 2008-09

- (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. However, letter of allotment/Share Certificates in one joint venture Company costing Rs. 0.05 Crore are not available with the company. (Note to Schedule 4)
- (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,2009, the amount of such counter indemnity works out to Rs. 220.47 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 Hingorani M. & Co.
Chartered Accountants

(Pardeep Kumar)
Partner
M. No. 085630

Date : 17.07.2009
Place : New Delhi



CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2009

	2008-2009	2007-2008
A CASH FLOW FROM OPERATING ACTIVITIES		
Net Profit Before Tax and Extraordinary Items	1,026.24	948.50
Adjustment for :-		
Depreciation/Amortisation	115.91	106.34
Interest & Dividend Income	(173.96)	(139.41)
Provision for doubtful debts/advances	2.53	0.30
Fixed assets written off	-	0.06
Loss/profit on Sale of fixed Assets	(10.19)	0.14
Operating Profit Before Working Capital Changes	960.53	915.93
Adjustment for :-		
Trade & Other Receivables	(25.40)	(54.06)
Inventories	(0.27)	(0.20)
Trade Payable & Provisions	74.99	49.12
Cash Generated from Operations	1,009.85	910.79
Prior Period Adjustments	0.21	(0.20)
Direct Taxes paid	(204.30)	(191.29)
Net Cash from Operating Activities (A)	805.76	719.30
B CASH FLOW FROM INVESTING ACTIVITIES		
Purchase of Fixed Assets	(411.92)	(220.62)
Sale of Fixed Assets	22.38	0.45
Capital Work-in-Progress/advances	(73.61)	30.75
Purchase of Investment	(47.72)	(23.66)
Interest, Dividend & Other Income	173.96	139.41
Advances/loans - Joint Ventures & Subsidiary(net)	(21.56)	(19.46)
Net Cash used in Investing Activities (B)	(358.47)	(93.13)
C CASH FLOW FROM FINANCING ACTIVITIES		
Dividend paid (including tax on dividend)	(205.28)	(167.26)
Net Cash from Financing Activities (C)	(205.28)	(167.26)
Net Change in Cash & Cash Equivalents (A+B+C)	242.01	458.91
OPENING BALANCE OF CASH & CASH EQUIVALENTS	1,521.50	1,062.59
CLOSING BALANCE OF CASH & CASH EQUIVALENTS	1,763.51	1,521.50

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

RAVI KHANDELWAL
ED(Accounts) & Company Secretary

Anil Kumar Gupta
Director (Domestic)

RAKESH MEHROTRA
Managing Director

As per our report of even date
For Hingorani M. & CO.
Chartered Accountants

Date : 17.07.2009
Place : New Delhi

PARDEEP KUMAR
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	31.03.2009
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.	3,50,00,000 Equity shares of Rs.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 31.03.2009	Loss Rs. 12,04,54,334/-
(ii) for the previous financial years of the subsidiary Company since it became the holding Company's subsidiary	Loss Rs. 18,33,07,559/-
(b) dealt with in the holding company accounts:	
(i) for the financial year ended 31.03.2009	Nil
(ii) for the previous financial years of the subsidiary since it became the holding company's subsidiary.	Nil

RAVI KHANDELWAL
ED (Accounts) & Company Secretary

Anil Kumar Gupta
Director (Domestic)

RAKESH MEHROTRA
Managing Director

Place : New Delhi
Date : 17.07.2009



FRESH & HEALTHY ENTERPRISES LIMITED (FHEL) (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, 2009.

Operational Review

The Company procured 3,86,621 boxes of Apples from Shimla / Kinnaur districts of Himachal Pradesh and sold 4,12,027 boxes (inclusive of opening stock of 1,57,838 boxes) at Delhi, Mumbai, Chennai, Ahmedabad and other Fruit markets.

During the year under review, the Company made significant improvements in operations by ensuring procurement of better quality fruit, quick movement to Rai, innovative modification in material handling system, washing and waxing of apples. The attempt has been made to supply international quality fruit of domestic origin to consumer.

Marketing Review

In the year 2008-09, FHEL sold best quality apples in the Range of Rs. 60/- to Rs. 85/- per Kg. vis a vis the procurement price of Rs. 36.25/- to Rs. 46.25/- per Kg. Contrary to traditional selling practices, i.e. auctioning, nearly 70% of AAA variety apples were sold in Delhi Mandi at fixed prices. For the first time, FHEL sold sizeable quantity of AAA quality apples in 2 and 3 layer packs rather than traditional 5 layer packing for better realization. This initiative has been well received by the market. Your Company tied up with M/s. Unifruiti apart from regular marketing associates for sale of fruit.

During Diwali, FHEL sold nearly 35 MT of apples in gift packs of 6, 12 & 20/25 apples. This is nearly 3 times of the quantity sold last year. To further improve the realization, two new grades & one new count was introduced. Both these initiative were also well received in the market. Further, apart from direct sale to individual buyer, FHEL made supplies to Mother Dairy, ITC, Khet Se, Field Fresh, Spencers, Big Apple, Reliance etc. directly or indirectly.

New Initiatives

Experiments have been done on Grapes & Oranges which are fairly successful. In the coming season, FHEL shall fill up one chamber of each on trial basis.

Financial Review

During the financial year ended on 31st March, 2009, your Company registered an operating turnover of Rs. 35.09 Cr. with other income of Rs. 0.41 Cr. and Cost of Sales amounting to Rs. 35.50 Cr. Further, Employee cost and Administrative / other expenses are Rs. 1.86 Cr. and Rs. 2.00 Cr., respectively. After providing for Depreciation, Interest, writing off of Preliminary Expenses and Fringe Benefit Tax of Rs. 3.63 Cr., Rs. 4.47 Cr., Rs. 0.05 Cr. and Rs. 0.03 Cr., respectively, Company suffered a loss of Rs. 12.04 Cr. for the financial year 2008-09 as against the Net Loss of Rs. 18.14 Cr. of previous year. Further, it may be mentioned that the Net Loss of Rs. 12.04 Cr of F/Y 2008-09 includes the loss of Rs. 4.27 Cr. incurred for the material procured during F/Y 2007-08.

Capital Structure

There is no change in the Authorized Share Capital of Rs. 35 Crore, with Container Corporation of India Ltd. (CONCOR) continuing to hold 100% of the Equity Share Capital of FHEL during the financial year 2008-09.

Conversion of Concor's Loan Into Equity Share Capital

FHEL has refunded a sum of Rs. 7 Cr. to CONCOR during F/Y 2008-09 out of Outstanding Working Capital Loan (2007-08) of 19.46 Cr. as on 31.03.2008. Recently, CONCOR, holding Company has decided to convert the Unpaid Working Capital Loan (F/Y 2007-08) of Rs. 12.46 Cr. together with interest provided thereon till 30th June 2008 aggregating to Rs. 13.38 Cr. into Equity Share Capital by issue and allotment of 1,32,73,810 nos. of Equity Shares of 10/- each, as per valuation of FHEL's Equity shares done by M/s Ernst & Young at Rs. 10.08/- per Equity Share.

Secured Loans

Your Company has paid the maiden installment of Rs. 1.56 Cr. towards repayment of Loan of Rs. 49.92 Cr. drawn from Axis Bank (formerly known as UTI Bank). After such repayment, Secured Term loan from Axis Bank stood at Rs. 48.36 Cr. as on 31st March, 2009.

Unsecured Loan

CONCOR sanctioned an interest free loan of Rs. 33.34 Cr. during F/Y 2008-09 mainly for procurement of Apples. Out of this sanctioned loan, FHEL has drawn a sum of Rs. 32.69 Cr. and refunded Rs. 5.05 during F/Y 2008-09 and the same stood at Rs. 27.64 Cr. as at 31st March, 2009.

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 2008-09.

Particulars of Employees

Section 217(2A) of the Companies Act, 1956 read with the Companies (Particulars of Employees) Rules, 1975 is not applicable.



FRESH & HEALTHY ENTERPRISES LIMITED (FHEL)
(A Wholly owned subsidiary of CONCOR)

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.

Further, your Company has incurred Foreign Exchange Expenditure of Rs. 0.55 lacs on traveling abroad during F/Y 2008-09. There is no Foreign Exchange earning during the year.

Auditors

M/s. S. S. Poddar & Co., Chartered Accountants, New Delhi were appointed as Company's Statutory Auditors for the F/Y 2008-09. The Board of Directors' of the Company fixed a remuneration of Statutory Auditors' of Rs 1,00,000/- plus Service Tax.

Board of Directors

The Board met 6 (Six) times for transacting business of the Company during the financial year 2008-09 on the following dates :-

Board Meeting No.	Board Meeting Dates
13	21 st April, 2008
14	1 st May, 2008
15	10 th June, 2008
16	14 th July, 2008
17	13 th Oct., 2008
18	16 th Jan., 2009

The following Directors held the office till the date of the Report :-

- (1) Shri Rakesh Mehrotra, Chairman;
- (2) Shri Suresh Kumar, Director;
- (3) Shri Anil Kumar Gupta, Director;
- (4) Shri Harpreet Singh, Director.

Retirement of Directors by Rotation

In terms of provisions of the Companies Act, 1956, Shri Harpreet Singh, Director is liable to retire by rotation and being eligible, offers himself 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, 2009, 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, 2009 on a 'going concern' basis.

Audit Committee

The Company is conscious of the concept and the principles underlying the Corporate Governance. As a part of good governance, the Company has been taking steps to implement such concepts. The Board of Directors' has constituted an Audit Committee on 24.07.2006, comprising of :-

Shri Suresh Kumar	-	Chairman;
Shri Anil Kumar Gupta	-	Director;
Shri Harpreet Singh	-	Director.

During the year, the Committee met six times on 21st April, 2008, 1st May, 2008, 10th June, 2008, 14th July, 2008, 13th Oct., 2008 and 15th January, 2009.

The Committee reviews Company's broad based structure and financial Results before submission to the Board of Directors.

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

Place : New Delhi
Date : 16.06.2009

(Rakesh Mehrotra)
Chairman



FRESH & HEALTHY ENTERPRISES LIMITED (FHEL)
(A Wholly owned subsidiary of CONCOR)

Balance Sheet As At 31st March 2009

(Amount in Rs.)

SCHEDULE	AS AT 31.03.2009	AS AT 31.03.2008
SOURCES OF FUNDS		
SHAREHOLDER'S FUNDS		
Share Capital	350,000,000	350,000,000
	<u>350,000,000</u>	<u>350,000,000</u>
LOAN FUNDS		
Secured Loan	487,097,853	502,810,687
Unsecured Loan	276,432,749	201,366,117
	<u>763,530,602</u>	<u>704,176,804</u>
	<u>1,113,530,602</u>	<u>1,054,176,804</u>
APPLICATION OF FUNDS		
FIXED ASSETS		
Gross Block	813,150,673	826,056,666
Less: Depreciation	57,593,804	21,833,189
Net Block	<u>755,556,869</u>	<u>804,223,477</u>
	<u>755,556,869</u>	<u>804,223,477</u>
CURRENT ASSETS, LOANS & ADVANCES		
Inventories	131,397,408	115,561,971
Sundry Debtors	46,448,540	30,494,783
Cash and Bank Balances	31,416,099	10,658,975
Other Current Assets	617,456	586,034
Loans & Advances	8,338,178	23,133,631
	<u>218,217,681</u>	<u>180,435,394</u>
	<u>218,217,681</u>	<u>180,435,394</u>
LESS: CURRENT LIABILITIES & PROVISIONS		
Current Liabilities	161,868,990	113,078,317
Provisions	2,759,891	1,887,389
	<u>164,628,881</u>	<u>114,965,706</u>
	<u>164,628,881</u>	<u>114,965,706</u>
NET CURRENT ASSETS		
MISCELLANEOUS EXPENDITURE	53,588,800	65,469,688
(to the extent not written off or adjusted)		
Preliminary Expenses	623,040	1,176,080
	<u>623,040</u>	<u>1,176,080</u>
	<u>623,040</u>	<u>1,176,080</u>
PROFIT AND LOSS ACCOUNT		
For the Year	120,454,334	181,429,343
Opening balance	183,307,559	1,878,216
	<u>1,113,530,602</u>	<u>1,054,176,804</u>
	<u>1,113,530,602</u>	<u>1,054,176,804</u>
Significant Accounting Policies	12	
Notes on Accounts	13	
Schedules 1 to 13 form an integral part of the accounts		

As per our report of even date

For S S Poddar & Co.

Chartered Accountants

S S Poddar

Partner

M No.15018

Date : 16.06.2009

Place: New Delhi

Rakesh Mehrotra
Chairman

Suresh Kumar
Director

Naresh Kr. Jawa
C.E.O.

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

For and on behalf of the Board of Directors



FRESH & HEALTHY ENTERPRISES LIMITED (FHEL)
(A Wholly owned subsidiary of CONCOR)

Profit & Loss for the Year Ended 31st March 2009

	SCHEDULE	(Amount in Rs.)	
		Year Ended 31.03.2009	Year Ended 31.03.2008
INCOME			
Income from Operation	7	350,901,608	171,359,685
Other Income	8	4,147,612	6,525,309
TOTAL		<u>355,049,220</u>	<u>177,884,994</u>
EXPENDITURE			
Cost of Sales	9	355,011,691	275,581,984
Employees Remuneration & Benefits	10	18,647,982	10,857,012
Administrative & Other Expenses	11	20,032,084	16,107,227
Depreciation		36,262,739	21,696,520
Interest		44,673,346	34,183,746
Preliminary Expenses Written Off		553,040	553,040
TOTAL		<u>475,180,882</u>	<u>358,979,529</u>
Profit/(Loss) before Tax		(120,131,662)	(181,094,535)
Less : Fringe Benefit Tax		322,672	334,808
Profit/(Loss) after Tax		<u>(120,454,334)</u>	<u>(181,429,343)</u>
Balance Carried to Balance Sheet		(120,454,334)	(181,429,343)
Basic and Diluted Earning/(Loss) per share of Rs.10/- each(In Rs.) (Note No:6 of Schedule 13)		(3.44)	(5.18)

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

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

For and on behalf of the Board of Directors

S S Poddar
Partner
M No.15018

Rakesh Mehrotra
Chairman

Suresh Kumar
Director

Naresh Kr. Jawa
C.E.O.

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

Date : 16.06.2009
Place: New Delhi



FRESH & HEALTHY ENTERPRISES LIMITED (FHEL)
(A Wholly owned subsidiary of CONCOR)

Schedules forming part of the accounts

SCHEDULE 1: SHARE CAPITAL

	(Amount in Rs.)	
	AS AT 31.03.2009	AS AT 31.03.2008
AUTHORIZED 3,50,00,000 (Previous year 3,50,00,000) Equity Shares of Rs.10/- each	<u>350,000,000</u>	<u>350,000,000</u>
ISSUED, SUBSCRIBED & PAIDUP 3,50,00,000 Equity Shares of Rs.10/- each fully paid-up (Previous year 3,50,00,000)	350,000,000	350,000,000
TOTAL	<u>350,000,000</u>	<u>350,000,000</u>



FRESH & HEALTHY ENTERPRISES LIMITED (FHEL)
(A Wholly owned subsidiary of CONCOR)

SCHEDULE 2: SECURED & UNSECURED LOANS

(Amount in Rs.)

	AS AT 31.03.2009	AS AT 31.03.2008
SECURED LOAN		
Term Loan from Axis Bank (Includes Interest accrued of Rs. 34,91,242/-)(Previous Year Rs. 36,03,863/-) (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)	487,097,853	502,810,687
UNSECURED LOAN		
Loans from Corporate (Interest Free) (Includes Interest accrued of Rs. NIL/- (Net of TDS))(Previous Year Rs. 67,66,117/- (Net of TDS) Holding Company, Container Corporation of India Ltd.)	276,432,749	201,366,117
TOTAL	<u>763,530,602</u>	<u>704,176,804</u>



FRESH & HEALTHY ENTERPRISES LIMITED (FHEL)
(A Wholly owned subsidiary of CONCOR)

SCHEDULE 3: FIXED ASSETS

(Amount in Rs.)

Description	Gross Block				Depreciation				Net Block	
	As at 01.04.08	Additions during the year	Sale/ Adjustment	As at 31.03.09	As at 01.04.08	For the year	Sale / Adjustment	Up to 31.03.09	As at 31.03.09	As at 31.03.08
Tangible Assets										
Building	209,364,568	-	17,773,422	191,591,146	4,227,735	6,235,449	310,627	10,152,557	181,438,589	205,136,833
Plant & Machinery	447,440,027	9,636,289	6,599,164	450,477,152	13,389,074	21,690,203	191,497	34,887,780	415,589,372	434,050,953
Computer	1,080,602	-	-	1,080,602	142,720	175,165	-	317,885	762,717	937,882
Furniture & Fittings	1,336,664	90,179	-	1,426,843	162,669	87,810	-	250,479	1,176,364	1,173,995
Bins	166,834,805	1,740,125	-	168,574,930	3,910,991	8,074,112	-	11,985,103	156,589,827	162,923,814
Total	826,056,666	11,466,593	24,372,586	813,150,673	21,833,189	36,262,739	502,124	57,593,804	755,556,869	804,223,477
Previous Year	754,724	825,301,942	-	826,056,666	136,669	21,696,520	-	21,833,189	804,223,477	618,055



FRESH & HEALTHY ENTERPRISES LIMITED (FHEL)
(A Wholly owned subsidiary of CONCOR)

SCHEDULE 4: CURRENT ASSETS, LOANS AND ADVANCES

	(Amount in Rs.)	
	AS AT 31.03.2009	AS AT 31.03.2008
INVENTORIES (As taken, valued & certified by the Management)		
Fresh Fruits	125,589,888	115,316,443
Packing Materials	4,233,520	245,528
WAX	1,574,000	-
TOTAL (a)	<u>131,397,408</u>	<u>115,561,971</u>
SUNDRY DEBTORS(Unsecured and considered good)		
More than Six Months	-	18,966
Less than Six Months	46,448,540	30,475,817
TOTAL (b)	<u>46,448,540</u>	<u>30,494,783</u>
CASH AND BANK BALANCES		
Cash including Imprest	6,880	3,008
Balance with Scheduled Banks		
- Current Accounts	11,009,219	10,455,967
- Deposits Accounts*	20,400,000	200,000
TOTAL (c)	<u>31,416,099</u>	<u>10,658,975</u>
*Pledged with Sales Tax Authorities of Rs.2,00,000(Previous Year Rs.200000/-)		
OTHER CURRENT ASSETS	617,456	586,034
TOTAL(d)	<u>617,456</u>	<u>586,034</u>
LOANS AND ADVANCES		
Loans to Employees (Secured)	2,730,400	1,651,221
Loan & Advances to Employees (Unsecured) (Recoverable in cash or in kind or for value to be received)	173,170	15,726,641
Deposits(Unsecured)		
- Govt Authorities	3,470,899	3,779,216
- Others	149,348	319,770
Tax Deducted at Source	1,814,361	1,656,783
TOTAL(e)	<u>8,338,178</u>	<u>23,133,631</u>
TOTAL (a to e)	<u>218,217,681</u>	<u>180,435,394</u>



FRESH & HEALTHY ENTERPRISES LIMITED (FHEL)
(A Wholly owned subsidiary of CONCOR)

SCHEDULE 5: CURRENT LIABILITIES AND PROVISIONS

	(Amount in Rs.)	
	AS AT 31.03.2009	AS AT 31.03.2008
CURRENT LIABILITIES		
Sundry Creditors	10,765,569	103,767,209
Others	151,103,421	9,311,108
TOTAL (a)	<u>161,868,990</u>	<u>113,078,317</u>
PROVISIONS		
Retirement Benefits	2,728,597	1,870,399
Provision for FBT(Net of Advance Fringe Benefit Tax Rs.2,91,378/-(Previous Year-Rs.4,64,220/-))	31,294	16,990
TOTAL (b)	<u>2,759,891</u>	<u>1,887,389</u>
TOTAL (a + b)	<u>164,628,881</u>	<u>114,965,706</u>



FRESH & HEALTHY ENTERPRISES LIMITED (FHEL)
(A Wholly owned subsidiary of CONCOR)

SCHEDULE 6: MISCELLANEOUS EXPENDITURE

	(Amount in Rs.)	
	AS AT 31.03.2009	AS AT 31.03.2008
Preliminary Expenses		
Opening Balance	1,176,080	1,729,120
Less: Written Off during the year (1/5th)	<u>553,040</u>	<u>553,040</u>
TOTAL	<u>623,040</u>	<u>1,176,080</u>



FRESH & HEALTHY ENTERPRISES LIMITED (FHEL)
(A Wholly owned subsidiary of CONCOR)

SCHEDULE 7: INCOME FROM OPERATION

	(Amount in Rs.)	
	AS AT 31.03.2009	AS AT 31.03.2008
Sale of Apples	338,877,733	162,126,818
Sale - Off Seasonal Activity	2,748,163	-
Sale of Cartons	8,233,778	8,388,534
Cooling Charges	<u>1,041,934</u>	<u>844,333</u>
	<u>350,901,608</u>	<u>171,359,685</u>



FRESH & HEALTHY ENTERPRISES LIMITED (FHEL)
(A Wholly owned subsidiary of CONCOR)

SCHEDULE 8: OTHER INCOME

	(Amount in Rs.)	
	AS AT 31.03.2009	AS AT 31.03.2008
Interest earned on :		
- Short Term Deposit with Financial Institutions (TDS-Rs.NIL)(Previous Year-Rs.115499/-)	-	509,699
- Short Term Deposit with Bank (TDS-Rs.1,33,965/-)(Previous Year-Rs.9,83,284/-)	673,990	4,939,127
Miscellaneous Income	3,473,622	1,076,483
TOTAL	4,147,612	6,525,309



FRESH & HEALTHY ENTERPRISES LIMITED (FHEL)
(A Wholly owned subsidiary of CONCOR)

SCHEDULE 9: COST OF SALES

	(Amount in Rs.)	
	AS AT 31.03.2009	AS AT 31.03.2008
Cost of Sales		
Opening Stock (A)		
Fresh Fruits	115,316,443	-
Wax	-	-
Packing Material	245,528	612,038
(A)	115,561,971	612,038
Add: Purchases (B)		
Fresh Fruits	274,349,914	304,971,325
Wax	2,049,030	-
Packing Material	20,582,883	10,542,185
(B)	296,981,827	315,513,510
Less: Closing Stock (C)		
Fresh Fruits	125,589,888	115,316,443
Wax	1,574,000	-
Packing Material	4,233,520	245,528
(C)	131,397,408	115,561,971
Net (A+B-C) (a)	281,146,390	200,563,577
Purchase/CA Store/Storage Expenses		
CA store maintenance	8,462,680	4,865,022
Freight Exp	26,242,811	33,280,392
Handling Expenses	1,463,598	2,319,617
Loading/Unloading Charges	6,949,691	3,360,684
Power & Fuel	20,025,586	21,495,839
Testing Charges/Consumable Goods	57,433	16,359
Procurement Supervision Consultants	4,950,408	4,793,043
Water Spray at Control Room	187,375	-
Consumable Goods	199,860	-
APMC Fees	2,517,635	2,740,965
Rent- Collection Center ODDI/ Cold Storage Charges	182,880	2,029,501
Rent Pre Coler Site	-	51,232
Store Rent	33,557	-
Hiring Charges Forklift	-	65,753
(b)	71,273,514	75,018,407
Purchase - Off Seasonal Activity(c)	2,591,787	-
TOTAL (a to c)	355,011,691	275,581,984



FRESH & HEALTHY ENTERPRISES LIMITED (FHEL)
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SCHEDULE 10: EMPLOYEES REMUNERATION AND BENEFITS

	(Amount in Rs.)	
	AS AT 31.03.2009	AS AT 31.03.2008
Salary, Allowances & Other Employee Benefits	15,762,626	8,250,738
Contribution to CPF & FPF	1,072,907	637,570
Rent for Leased Accommodation	719,197	720,032
Employees Welfare & Medical	951,685	984,803
Gratuity	119,067	173,600
Training Expenses	22,500	90,269
TOTAL	18,647,982	10,857,012



FRESH & HEALTHY ENTERPRISES LIMITED (FHEL)
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SCHEDULE 11: ADMINISTRATIVE & OTHER EXPENSES

	(Amount in Rs.)	
	AS AT 31.03.2009	AS AT 31.03.2008
Printing & Stationery Exp	826,891	414,868
Travelling & Conveyance (Includes foreign Travelling Rs.2,18,223/- (Pr.Year Rs.NIL))	1,177,992	876,101
Rent Office Space/ Rai Land and Licence Fee	2,048,267	2,097,186
Electricity Expenses (Nehru Place & Shimla)	17,011	130,857
Repairs & Maintenance		
- Building	598,300	429,595
- Plant & Machinery	47,819	48,383
Security Expenses	858,100	479,805
Office Vehicle/ Car Hire Charges	1,965,991	1,870,886
Business Development	21,073	262,780
Postage , Telephone & Internet	552,344	571,890
Books & Periodicals	17,314	11,676
Bank Charges	103,126	248,788
Legal & Professional Charges	865,645	56,859
Agency Charges-Commission	9,170,853	4,854,375
Insurance Premium	1,346,174	908,139
Subscription & Membership Fee	2,275	3,007
Advertisement	145,792	1,323,298
Auditors Remuneration		
- Statutory Audit Fee	77,210	
- Tax Audit Fee	33,090	
- Expenses	10,340	
	120,640	67,416
Miscellaneous Expenses	146,477	1,451,318
TOTAL	20,032,084	16,107,227



FRESH & HEALTHY ENTERPRISES LIMITED (FHEL)
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SCHEDULE 12: 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.

Capital work in progress includes the cost of fixed assets that are not yet ready for their intended use, advances paid to acquire/ construction of fixed assets, direct costs, related incidental expenses (including cost of borrowed funds for acquisition /construction) incurred during construction of the assets till the assets 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 realizable value, whichever is lower. Cost includes direct purchase cost and a 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 as at the balance sheet date.

The accrued liability for leave salary payable to employees has been provided at cash value of leaves due to the employees at the end of the year.

Contribution to defined contribution schemes such as Provident fund & Family Pension 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.



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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.
- iii) Provision for Fringe Benefit Tax is made as per applicable provisions of the Income Tax Act, 1961.

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.

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.



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SCHEDULE 13 :NOTES TO ACCOUNTS

- Contingent Liabilities not provided for in respect of Bank Guarantee is Rs. 200,000/- (P/Y- Rs. 200,000/-)
- The company has taken land on lease from HSIDC Limited for 30 years further expandable for a period of 99 years for which no lease premium has been paid. Lease rent is @ Rs.1.50 per sq. mtr. per month for 66,400 sq. mtr. area for first 15 years and thereafter will be fixed mutually.
- There is no disposal of Fixed Assets. Fixed Assets of the company has been written back by a sum of Rs. 243.73 Lakhs on account of excess capitalization under the head 'Building and Plant & Machinery in earlier years because of pending settlement of bills of 'M/s INFRA COOL', the supplier. Depreciation has been reversed accordingly.
- Sales have been accounted for based on the consignment notes and the invoices received from the marketing associates.
- Related party disclosure

Related party disclosure as required under accounting standard 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

Rakesh Mehrotra	Chairman
Suresh Kumar	Director
Anil Kumar Gupta	Director
Harpreet Singh	Director

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

(Amount in Rs.)

i) Parties whose control exists (Holding Company)

	2008-09	2007-08
Intt. Free Unsecured Loan Taken	Rs. 32,69,00,000	Rs 27, 96, 00,000
Intt. Free Unsecured Loan Refunded	Rs. 5,00,00,000	
Unsecured Loan Refunded(07-08)	Rs. 7,00,00,000	Rs. 8, 50, 00,000
Intt. Free Unsecured Loan treated as advance for Share Capital	Rs. 4,67,251	
Unsecured Loan treated as advance for Share Capital	Rs. 12,46,00,000	
Interest treated as advance for Share Capital	Rs.87,32,749	
Loan Interest provided	Rs. 24,76,874	Rs 87,48,535

ii) Key management personnel

Nil

c) Balances at the end of the Year

(Amount in Rs.)

	2008-09	2007-08
Parties Whose Control Exists (Holding Company)		
Advance for Share Capital	Rs. 13,38,00,000	NIL
(Included in Current Liabilities - Others)		
Intt. free Unsecured Loan (08-09)	Rs. 27,64,32,749	Rs. 19, 46, 00,000
Loan Interest Payable	Nil	Rs.67,66,117
(Net of TDS)		
(Refer Point no. 16)		
ii) Key management personnel	Nil	



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6. Earning Per Share

	31.03.09	31.03.08
Profit/loss after taxation as per Profit and loss account (Rs.)	(120,454,334)	(18, 14,29,343)
Weighted Average number of Equity Shares outstanding (Nos.)	3, 50, 00,000	3,50,00,000
Basic and diluted Earning/loss Per Share (Rs.)	(3.44)	(5.18)
7. Pending issuance of Notification u/s 441A of Companies Act, 1956 no provision has been made towards Cess on turnover.		
8. Expenditure in foreign currency		

Travelling (Rs.)

2008-09	2007-08
55,412/-	-

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

Particulars	Fruits		CFB Cartons		Wax	
	Qty(boxes)	Amount(Rs.)	Qty(No)	Amount(Rs.)	Qty(Ltr)	Amount
Opening Stock	1,57,838	11,53,16,443	9,697	2,45,528	-	-
Purchases	3,86,621	27,43,49,914	6,21,302	1,64,81,122	2,826	20,49,030
Sale	4,12,027	33,88,77,733	2,76,230	82,33,778	-	-
Consumed	-	-	1,17,256	49,97,352	597	4,75,030
Closing Stock	1,37,428	12,55,89,888	2,37,513	34,95,520	2,229	15,74,000

Note:

- Fruit boxes are of 20 Kgs. each. Boxes of lesser/higher quantity have been converted into boxes of 20 Kgs.
- Difference of 4996 (Excess) boxes is on account of self generation caused by repacking.
- As per As-19 amount charged to Profit & Loss Account in respect of operating leases for CA store, office and staff is Rs 25,40,810 (Previous Year Rs. 28,07,218) which is net of recovery of Rs. 2,26,654 (Previous Year Rs. 49,921).
- Income from Operation includes sale of Apples, CFB-carton (boxes), off-seasonal activities and cooling charges.
- All Previous year's figures have been recast/regrouped/rearranged wherever considered necessary to conform to this year's classification. Unless otherwise stated, all figures have been rounded off to the nearest rupees.
- 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.
- The company has provided a sum of Rs. 39,38,651/- in respect of arrears which is included in basic salary w.e.f. 01.01.2007 on account of recommendations of 2nd pay revision committee. It consists of provision of Rs. 4,10,884/- for year 2006-07, Rs. 17,24,155/- for year 2007-08 and Rs.18,03,612/- for year 2008-09. In addition to that the company has also provided a sum of Rs. 28,15,593/- in respect of ex-gratia cum bonus to employees. It consists of Rs. 18,610/- for year 2006-07, Rs. 11,74,468/- for year 2007-08 and Rs.16,22,515/- for year 2008-09.
- Gratuity liability to employees has been provided for on accrual basis as at the balance sheet date. Keeping in view the meager strength of employees, Actuarial valuation has not been done as required by AS-15 (Revised 2005) "Employee Benefit".
- Concor/holding Co. has communicated the approval for conversion of outstanding loan along with interest aggregating to a sum of Rs. 13.38 crore as on 30.06.2008 into Equity share capital of Rs. 10/- each based on the valuation of Equity Share of the company at the rate of Rs. 10.08/- per share done by M/s Ernst & Young. The Equity share will be issued after increase in Authorised Share Capital in accordance with the required compliance.
- During the year the company had no employee drawing remuneration equal to or more than the limits prescribed under the Companies (Particulars of Employees) Rules, 1975.
- During the year, provision for current tax is not made as the company is under tax holiday as per Section 80-IB of Income Tax Act, 1961.
- Deferred Tax asset is not being recognized since there is uncertainty regarding sufficient future taxable income being available for realizing such deferred tax asset.
- The Company is in the process of determining and obtaining the information from the suppliers covered under The Micro, Small and Medium Enterprise Development Act, 2006, as at 31st March, 2009. However no supplier has reported his coverage under the Act.



FRESH & HEALTHY ENTERPRISES LIMITED (FHEL)
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21. 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	2009
	Date	Month	Year
II Capital raised during the year (Rs. In Thousands)			
Public issue	Right Issue		
NIL	NIL		
Bonus issue	Private placement		
NIL	NIL		
III Position of Mobilization and Deployment of Funds (Rs. In Thousands)			
Total liabilities	Total assets		
1278159	1278159		
Sources of Funds			
<u>Paid Up capital</u>	<u>Reserves & Surplus</u>		
350000	NIL		
<u>Secured Loan</u>	<u>Unsecured Loan</u>		
487098	276432		
<u>Current liabilities</u>	<u>Deferred Tax liability</u>		
164629	Nil		
Application of Funds			
<u>Net Fixed Assets</u>	<u>Investments</u>		
755557	NIL		
<u>Current Assets</u>	<u>Misc. Expenditure</u>		
218218	623		
<u>Accumulated Loss</u>			
303761			
IV Performance of company (Rs. In Thousands)			
<u>Turnover (including other income)</u>	<u>Total Expenditure</u>		
355049	475181		
<u>Profit/Loss Before Tax</u>	<u>Profit(loss) After Tax</u>		
(120132)	(120454)		
V. Generic Names of principal Product (As per monetary terms)			
Product description	Apple		

As per our Report attached
For S S Poddar & Co.
Chartered Accountants

S S Poddar
Partner
M No.15018

Date : 16.06.2009
Place: New Delhi

For and on behalf of the Board of Directors

Rakesh Mehrotra
Chairman

Suresh Kumar
Director

Naresh Kr. Jawa
C.E.O.

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



FRESH & HEALTHY ENTERPRISES LIMITED (FHEL)
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Auditors' Report

To The Members of
Fresh & Healthy Enterprises Limited

- We have audited the attached Balance Sheet of Fresh & Healthy Enterprises Limited as at March 31, 2009 and also 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.
- 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.
- As required by the Companies (Auditor's Report) Order, 2003 issued by the 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.
- Further to our comments in the Annexure referred to above, we report that:
 - 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;
 - 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;
 - The balance sheet, profit and loss account and cash flow statement dealt with by this report are in agreement with the books of account;
 - In our opinion, the balance sheet, 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, subject to Note No. 15 appearing in Schedule 13' Notes to Accounts' in connection with non-compliance of As -15 (Revised) regarding gratuity to employees.
 - 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.
 - In our opinion and to the best of our information and according to the explanations given to us, the said 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;
 - in the case of the Balance Sheet, of the state of affairs of the Company as at March 31, 2009;
 - in the case of the Profit and Loss Account, of the Loss for the year ended on that date; and
 - in the case of Cash Flow Statement, of the Cash Flows for the year ended on that date.

For S. S. Poddar & Co. Chartered Accountants
S. S. Poddar

Partner
Membership No.: 15018

Place : New Delhi
Date : 16.06.2009

FRESH & HEALTHY ENTERPRISES LIMITED (FHEL)
(A Wholly owned subsidiary of CONCOR)

Re: Fresh & Healthy Enterprises Limited
Annexure referred to in paragraph 3 of our report of even date

- 1) (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) There was no substantial disposal of fixed assets during the year.
- 2) (a) As informed to us the inventory was physically verified by the management as at 31st March, 2009. Management considered it reasonable to conduct physical verification of all items once in a year.
(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 the nature of its business.
(c) (i) On the basis of our examination of the records of inventory, we are of the opinion that the company needs to improve the quality of the inventory records by introducing proper Inventory Ledgers in proper quantitative unit so as to be commensurate with the size and nature of its business
(ii) However, we would like to state that the discrepancies noticed on verification between the physical stocks and book records which were not material, have been properly dealt within the books of accounts.
- 3) (a) As informed, the 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 unsecured loan from one Company covered in the register maintained under Section 301 of the Act. The maximum amount involved during the year was Rs. 45,15,00,000/- and the year end balance of the loan taken from such party was Rs. 27,64,32,749/-.
(c) In our opinion, the rate of interest and other terms and conditions on which loan has been taken from Company 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 and has been regular in payment of interest.
- 4) In our opinion and according to the information and explanations given to us, there is an adequate internal control system commensurate with the size of the Company and the nature of its business, for the purchase of inventory, fixed assets and for the sale of goods and services. During the course of our audit, we have not observed any continuing failure to correct major weakness in internal control system of the company.
- 5) (a) According to the information and explanations provided by the management, we are of the opinion that the particulars of contracts or arrangements referred to in section 301 of the Act that need to be entered into the register maintained under section 301 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 and 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 the prevailing market prices at the relevant time.
- 6) The Company has not accepted any deposits from the public. Accordingly paragraph 4(vi) of the order is not applicable.
- 7) In our opinion, the Company has an internal audit system commensurate with the size and nature of its business.
- 8) To the best of our knowledge and as explained, the Central Government has not prescribed maintenance of cost records under clause (d) of sub-section (1) of section 209 of the Companies Act, 1956 for the Company.

FRESH & HEALTHY ENTERPRISES LIMITED (FHEL)
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- 9) (a) According to the records of the Company, the Company has been generally regular in depositing the undisputed statutory dues with the appropriate authorities.
(b) According to the information and explanations given to us, no undisputed amounts payable in respect of provident fund, employees' state insurance, income-tax, wealth-tax, service tax, sales-tax, customs duty, excise duty, cess and other undisputed statutory dues 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 explanations given to us, there are no dues on income-tax, sales-tax, wealth-tax, service tax, custom duty, excise duty and cess which have not been deposited on account of any dispute.
- 10) The Company was incorporated on 1st February, 2006. Since a period of five years has not elapsed from the date of incorporation, we are of the opinion that no comments is required under clause (x) of the paragraph 4 of the order regarding the erosion of 50% of the net worth and cash losses in the current and in the immediately financial year.
- 11) According to the records of the Company examined by us and the information and explanations given to us, the Company has not defaulted in repayment of dues to any financial institution or bank or debenture holder as at the balance sheet date.
- 12) 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.
- 13) 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 (as amended) are not applicable to the Company.
- 14) In our opinion, the Company is not dealing in or trading in shares, securities, debentures and other investments. Accordingly, the provisions of clause 4(xiv) of the Companies (Auditor's Report) Order, 2003 (as amended) are not applicable to the Company.
- 15) 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 bank or financial institutions.
- 16) In our opinion, the term loans have been applied for the purpose for which they are raised.
- 17) 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 no funds raised on a short term basis have been used for long term investment.
- 18) 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.
- 19) The Company did not have any outstanding debentures during the year.
- 20) The Company has not raised any money through a public issue during the year.
- 21) 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 & Co. Chartered Accountants

S. S. Poddar
Partner
Membership No.: 15018

Place : New Delhi
Date : 16.06.2009

FRESH & HEALTHY ENTERPRISES LIMITED (FHEL)
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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 2008-09, 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 (17 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.

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 from manufacturer's representative and calibration of components of diesel generators, minimum fuel consumption is ensured.

5. Lubricants :

Optimisation of lubricants consumption is achieved by prescribed topping up of lube oil, use of waste lube oil for general mechanical fitting works and attending to lube 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

During the year Electricity Connection from State Electricity Board was received. This has resulted in substantial savings in diesel consumption and overall energy bill.

(C) Impact of measures taken for Energy Conservation

This is the second year of operation of CA Store. In the first year (2007-08) the CA store was operational only for 7 ½ months (14.08.2007 to 31.03.2008) and the energy bill was Rs. 2.15 Cr. During 2008-09 (full year) the energy bill was Rs.2.0 Cr., even though Electricity connection from State Electricity Board was received in end of July 07. Thus there has been substantial saving and this aspect shall be keenly watched every year.

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FORM A

Disclosure of particulars with respect to Conservation of Energy

A. Power and Fuel Consumption

	Current Year	Previous year
1 Electricity		
a) Purchased		
Unit	1711760.0	Not Available
Total amount	7847791.4	Nil
Rate/Unit	4.585	Nil
b) Own Generation		
(i) Through Diesel generator		
Unit (KWH)	1444257.08	2752871
Unit per Ltr. of diesel oil	3.93	3.99
Cost/Unit	Rs. 8.236	7.68
(ii) Through steam turbine/generator		
Unit	Nil	Nil
Unit per Ltr. 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		
Rate/Unit		

B. Consumption per unit of production (per ton of storage of apples)

Details	Standards (If Any)	Current year	Previous year
Products (with details) unit			
- Apples storage energy cost per ton.	-	2369.90	2581.9
Electricity	-	-	-
Furnace Oil	-	-	-
Coal (Specify quality)	-	-	-
Others (Specify)	-	-	-

C. TECHNOLOGY ABSORPTION

Specific Areas in which R & D activities have been carried out during 2008-09;

Controlled Atmosphere (CA) Technology is being used for long term storage of apples. During the year trials have been done with storage of mangoes, pears, grapes and oranges. While the trials with grapes and oranges have been fairly successful, these were not successful with mangoes and pears.



FRESH & HEALTHY ENTERPRISES LIMITED (FHEL)
(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 fruits and vegetables, Mangoes, Pears, Grapes & Oranges..
- 2) Benefits derived as a result of the above R & D:
Commercial scale storage of Grapes & Oranges can be done in future.
- 3) Future plan of action Trials are proposed to be done with mangoes and pears
- 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	Controlled Atmosphere Technology along with automation and controls were obtained from ICA, UK.
2) Benefits derived as a result of the above efforts, e.g. product improvement, cost reduction, product development, import substitution, etc	By adapting the CA Technology shelf life of apples for marketing was increased to make them available round the year
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	
a) Technology imported	a) CA technology for long term storage of fruit and vegetables.
b) Year of import	b) 2007-08
c) Has technology been fully absorbed	c) In progress
d) If not fully absorbed, areas where this has not taken place, reasons therefore and future plans of action	d) Presently used for apples. Trials with other fruits and vegetables under progress



FRESH & HEALTHY ENTERPRISES LIMITED (FHEL)
(A Wholly owned subsidiary of CONCOR)

Cash Flow Statement for the Year Ended 31st March 2009

(Amount in Rs.)

	For the year ended 31.03.2009	For the year ended 31.03.2008
A. CASH FLOW FROM OPERATING ACTIVITIES		
Net Profit/ (Loss) before tax and extraordinary items	(120,454,334)	(181,429,343)
Adjustments for :		
Depreciation	35,760,615	21,696,520
Preliminary Expenses	553,040	553,040
Interest Debited	44,673,346	25,435,211
Interest Earned	(897,350)	(5,448,826)
Operating Profit before Working Capital changes	(40,364,683)	(139,193,398)
Adjustments for :		
Trade & other receivables(Increase)	(15,953,757)	19,059,624
Inventories (Increase)	(15,835,437)	(114,949,933)
Fringe Benefit Tax charged to P&L	322,672	-
Advances & other Current Assets (Decrease)	14,879,790	-
Trade & other Payable (Decrease)	49,631,880	9,832,849
Cash Flow from operating Activities	(7,319,535)	(225,250,858)
Less: Fringe Benefit Tax Paid	(291,378)	(317,818)
Net Cash Flow from operating activities	(7,610,913)	(225,568,676)
B. CASH FLOW FROM INVESTING ACTIVITIES		
Decrease/ (Increase) in Fixed Assets	12,905,993	(286,794,871)
Interest Received	784,599	5,818,486
Net Cash from / (Used) in Investing Activities	13,690,592	(280,976,385)
C. CASH FLOW FROM FINANCING ACTIVITIES		
Proceeds from borrowing	326,900,000	474,091,479
Utilisation of Borrowing	-	(85,000,000)
Repayment of Borrowings	(269,400,213)	-
Interest paid	(42,819,334)	(21,831,348)
Net cash from/(Used) in financing Activities	14,680,453	367,260,131
Net Increase/(Decrease) in Cash and Cash Equivalents	20,760,132	(139,284,930)
Opening cash and Cash Equivalents	10,455,967	149,740,897
Closing Cash and Cash Equivalents	31,216,099	10,455,967
Net Increase/(Decreased) as per Books	20,760,132	(139,284,930)

For and on behalf of the Board of Directors

For S S Poddar & Co.
Chartered Accountants

S S Poddar
Partner
M No.15018

Rakesh Mehrotra
Chairman

Suresh Kumar
Director

Naresh Kr. Jawa
C.E.O.

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

Date : 16.06.2009
Place: New Delhi

FRESH & HEALTHY ENTERPRISES LIMITED (FHEL)
(A Wholly owned subsidiary of CONCOR)

Addendum-I to the Directors' Report 2008-09

Reply to the comments/qualifications in the Auditors' Report for the financial year 2008-09

Points in the Auditors' Report	Auditors' Comments/qualifications	Reply of the Management
Point 4(iv) of Auditors' Report	In our opinion the Balance Sheet, Profit & Loss A/c 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, subject to Note no. 15 appearing in Schedule-13 'Notes to Accounts' in connection with non-compliance of AS-15 (Revised) regarding gratuity to employees.	The gratuity liability for employees has been provided on accrual basis. Keeping in view, the meagre strength of employees, actuarial valuation has not been done. This has been clarified in note no. 15 in Schedule-13 in Notes to Accounts.
Point no 2(c)(i) of the annexure to the Auditors' Report	On the basis of our examination of the records of inventory, we are of the opinion that the company needs to improve the quality of the inventory records by introducing proper Inventory Ledgers in proper quantitative unit so as to be commensurate with the size and nature of its business.	The company is maintaining proper records for inventory control which is commensurate with the size and nature of the business. The records mainly comprise of Arrival & Dispatch Register, G.R. Book (arrival & dispatch both), Binning Register (Machine & Manual), Weighment Register (Bin & Box), Challan book, Gate Pass Book, Quality Report file and Monthly summary for reporting purposes. Further, integrated software for inventory management is under development and it is expected to be operational during next year.

ADDENDUM-II TO THE DIRECTORS' REPORT 2008-2009

Comments of The Comptroller and Auditor General of India under Section 619(4) of the Companies Act, 1956, on the Accounts of FRESH & HEALTHY ENTERPRISES LIMITED, New Delhi, For the year ended 31 March 2009	Managements' Reply
<p>The Preparation of financial statements of Fresh and Healthy Enterprises Limited, New Delhi, for the year ended 31 March 2009 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 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 16 June, 2009.</p> <p>I, on 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 Fresh and Healthy Enterprises limited, New Delhi, for the year ended 31 March 2009. This supplementary audit has been carried out independently without access to the working papers of the statutory Auditors and is limited primarily to inquiries to the statutory auditors and company personnel and a selective examination of some of the accounting records. Based on my supplementary audit, I would like to highlight the following significant matter under Section 619(4) of the Companies Act, 1956, which has come to my attention and which in my view is necessary for enabling a better understanding of the financial statements and the related Report :</p> <p>Balance Sheet Fixed Assets (Schedule -3) Plant & Machinery Net Block-Rs. 41.56 crore</p> <p>A reference is invited to the comment of the Comptroller & Auditor General of India on the accounts of the Company for the year ended 31st March, 2008 regarding charging of depreciation on Controlled atmosphere store being a continuous process plant at a rate of 4.75 percent instead of 5.28 percent as required under Schedule-XIV to the Companies Act, 1956.</p> <p>During the year 2008-09 also, the above has been arrived at after charging depreciation on controlled atmosphere store at a rate of 4.75 percent instead of 5.28 percent. This has resulted in understatement of depreciation and overstatement of net block of fixed assets by Rs.38.58 lakh. The loss of the company has also been understated to the same extent.</p>	<p>As per schedule XIV of the Companies Act, 1956, 'Continuous process plant' means a plant, which is required and designed to operate 24 hours a day. In our case all the chambers of CA store at Rai are not operational on 24x7 basis for the entire financial year. The business being seasonal in nature, most of the equipments are utilized when apples are kept in the chambers. There would be some part of the year when these equipments are not utilized as no inventory is maintained during that period. Thus it cannot be categorized as 'Continuous Process Plant' for which a depreciation rate of 5.28% has been prescribed under SLM method in Schedule XIV of the Companies Act, 1956. Thus it is felt that depreciation rate of 4.75% is justified.</p> <p>Further, as per the clarification issued by ICAI in this matter, "A continuous Process Plant would be a plant, if it is not so run, there are significant shut-down and/or start-up costs" whereas in the case under reference there are no such significant start-up & shut down costs involved.</p>

For and on behalf of the
Comptroller & Auditor General of India
-sd-

(Ghazala Meenai)

Place: New Delhi Principal Director of Commercial Audit &
Dated: 24.08.2009 Ex-officio Member Audit Board – III

For Fresh and Healthy Enterprises Limited

- sd-

(Rakesh Mehrotra)
Chairman

Place: New Delhi
Dated: 24.08.2009



CONSOLIDATED FINANCIAL STATEMENTS

BALANCE SHEET AS AT 31ST MARCH, 2009

				(Rs. in Crore)	
		AS AT		AS AT	
SCHEDULE		31.03.2009		31.03.2008	
SOURCES OF FUNDS					
SHAREHOLDERS' FUNDS					
Share Capital	1	129.98		64.99	
Reserves & Surplus	2	<u>3,601.85</u>	3,731.83	<u>3,100.60</u>	3,165.59
LOAN FUNDS					
Secured Loan	3		48.71		50.28
DEFERRED TAX LIABILITY (NET OF DEFERRED TAX ASSET)			<u>193.76</u>		<u>173.68</u>
TOTAL			<u>3,974.30</u>		<u>3,389.55</u>
APPLICATION OF FUNDS					
FIXED ASSETS					
Gross Block	4	2,722.27		2,326.86	
Less: Depreciation/Amortisation		<u>697.74</u>		<u>581.27</u>	
Net Block		<u>2,024.53</u>		<u>1,745.59</u>	
Capital Works in progress (including advances)		<u>245.69</u>	2,270.22	<u>172.08</u>	1,917.67
INVESTMENTS	5		168.08		120.36
CURRENT ASSETS, LOANS & ADVANCES					
(A) Current Assets	6	1,882.41		1,617.70	
(B) Loans & Advances		<u>276.33</u>	2,158.74	<u>282.31</u>	1,900.01
LESS : CURRENT LIABILITIES & PROVISIONS					
(A) Current Liabilities	7	482.99		425.69	
(B) Provisions		<u>139.81</u>	<u>622.80</u>	<u>122.92</u>	<u>548.61</u>
NET CURRENT ASSETS			1,535.94		1,351.40
MISCELLANEOUS EXPENDITURE	11		0.06		0.12
Significant Accounting Policies	12				
Notes on Accounts	13				
TOTAL			<u>3,974.30</u>		<u>3,389.55</u>

RAVI KHANDELWAL
ED(Accounts) & Company Secretary

ANIL KUMAR GUPTA
Director (Domestic)

RAKESH MEHROTRA
Managing Director

As per our report of even date
For **Hingorani M. & CO.**
Chartered Accountants

Date : 17.07.2009
Place : New Delhi

PARDEEP KUMAR
Partner



CONSOLIDATED FINANCIAL STATEMENTS

PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 31ST MARCH, 2009

	SCHEDULE	(Rs. in Crore)	
		YEAR ENDED 31.03.2009	YEAR ENDED 31.03.2008
INCOME			
Income from Operations		3,452.25	3,364.48
Other income	8	211.26	162.77
TOTAL		3,663.51	3,527.25
EXPENDITURE			
Terminal and Other Service Charges		2,286.13	2,318.51
Employees Remuneration & Benefits	9	82.70	56.09
Administrative & Other Expenses	10	156.63	111.15
Interest		4.22	2.55
Depreciation/Amortisation		119.54	108.51
Preliminary Expenses Written off		0.06	0.05
TOTAL		2,649.28	2,596.86
PROFIT BEFORE TAX		1,014.23	930.39
PROVISION FOR TAX			
Current Tax		213.64	184.54
Deferred Tax		20.08	12.58
Fringe Benefit Tax		1.05	0.89
PROFIT AFTER TAX		779.46	732.38
Add/(Less): Prior period adjustments (Net)		0.21	(0.20)
Add/(Less): Tax adjustments for earlier years (Net)		(0.52)	1.89
NET PROFIT		779.15	734.07
APPROPRIATIONS			
Interim Dividend Paid		77.99	71.49
Proposed Final Dividend		103.99	97.49
Corporate Dividend Tax		30.93	28.72
Transfer to General Reserve		79.12	75.22
Balance carried to Balance Sheet		487.12	461.15
		779.15	734.07
Basic and Diluted earning per share of Rs. 10/- each (Rs.)		59.94	56.47

(Note No.17, Schedule 13)

Schedules 1 to 13 form an integral part of the accounts

RAVI KHANDELWAL
ED(Accounts) & Company Secretary

ANIL KUMAR GUPTA
Director (Domestic)

RAKESH MEHROTRA
Managing Director

As per our report of even date
For Hingorani M. & CO.
Chartered Accountants

PARDEEP KUMAR
Partner

Date : 17.07.2009
Place : New Delhi



CONSOLIDATED FINANCIAL STATEMENTS

SCHEDULE 1: SHARE CAPITAL

	(Rs. in Crore)	
	AS AT 31.03.2009	AS AT 31.03.2008
AUTHORISED		
20,00,00,000 Equity Shares of Rs. 10/- each	200.00	200.00
ISSUED, SUBSCRIBED AND PAID UP		
12,99,82,794 (PYr : 6,49,91,397) Equity shares of Rs.10/- each fully paid up (Include 6,49,91,397 equity shares (PY: Nil) issued as fully paid up bonus shares by capitalising general reserves)	129.98	64.99
TOTAL	129.98	64.99



CONSOLIDATED FINANCIAL STATEMENTS

SCHEDULE 2: RESERVES & SURPLUS

	(Rs. in Crore)			
	AS AT 31.03.2009		AS AT 31.03.2008	
GENERAL RESERVE				
Opening Balance	366.15		291.35	
Less: Charge on account of transitional provision under Accounting Standard 15	-		0.42	
	366.15		290.93	
Less: Capitalised by issue of Bonus Shares	64.99		-	
	301.16		290.93	
Add: Transfer from Profit & Loss Account	79.12	380.28	75.22	366.15
PROFIT AND LOSS ACCOUNT				
Opening Balance	2,734.45		2,273.30	
Addition during the Year	487.12	3,221.57	461.15	2,734.45
		<u>3,601.85</u>	<u>3,100.60</u>	



CONSOLIDATED FINANCIAL STATEMENTS

SCHEDULE 3: SECURED & UNSECURED LOAN

	(Rs. in Crore)	
	AS AT 31.03.2009	AS AT 31.03.2008
SECURED LOAN	48.71	50.28
Loans and Advances from Bank (Including interest Accrued and due of Rs.0.35 crore, (Prev Yr: Rs 0.36 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)		
TOTAL	<u>48.71</u>	<u>50.28</u>

CONSOLIDATED FINANCIAL STATEMENTS

SCHEDULE 4: FIXED ASSETS

(Rs. in Crore)

Description	Gross Block				Depreciation/Amortisation					Net Block		
	As at 01.04.08	Additions during the year	Sale/ Adjustments	Inter Unit Transfer	As at 31.03.09	As at 01.04.08	For the year	On Sale / Adjustments	Inter Unit Transfer	Up to 31.03.09	As at 31.03.09	As at 31.03.08
Tangible Assets												
Freehold Land	12.18	0.03	-	-	12.21	-	-	-	-	-	12.21	12.18
Leasehold Land	104.84	10.75	-	-	115.59	10.71	2.59	-	-	13.30	102.29	94.13
Buildings	503.41	26.12	1.78	-	527.75	100.26	16.24	0.03	-	116.47	411.28	403.15
Railway Siding	41.33	5.20	0.00	-	46.53	11.88	2.02	0.00	-	13.90	32.63	29.45
Plant & Machinery	1406.33	350.60	15.94	-	1740.99	340.73	81.23	2.13	-	419.83	1321.16	1065.60
Containers	48.32	-	0.76	-	47.56	22.47	2.28	0.49	-	24.26	23.30	25.85
Electrical Fittings	42.70	4.37	0.00	-	47.07	23.94	3.12	0.00	-	27.06	20.01	18.76
Computers	40.27	12.44	0.46	-	52.25	27.87	4.18	0.40	-	31.65	20.60	12.40
Furniture & Fixtures	8.81	0.71	0.01	-	9.51	4.75	0.60	0.00	-	5.35	4.16	4.06
Office Equipment	6.36	1.33	0.05	-	7.64	2.21	0.33	0.03	-	2.51	5.13	4.15
Bins	16.69	0.17	0.00	-	16.86	0.40	0.81	0.00	-	1.21	15.65	16.29
Telephone Systems	1.48	0.08	0.02	-	1.54	0.58	0.13	0.01	-	0.70	0.84	0.90
Air Conditioner	5.05	0.47	0.02	-	5.50	1.09	0.24	0.01	-	1.32	4.18	3.96
Vehicles	0.59	0.00	0.04	-	0.55	0.45	0.02	0.04	-	0.43	0.12	0.14
Capital Expenditure*	23.29	0.02	-0.07	-	23.38	20.65	1.13	-0.07	-	21.85	1.53	2.64
Sub-total	2261.65	412.29	19.01	0.00	2654.93	567.99	114.92	3.07	0.00	679.84	1975.09	1693.66
Intangible Assets												
Software	15.21	2.13	0	-	17.34	10.19	2.12	-	0	12.31	5.03	5.02
Registration Fee	50.00	0.00	-	-	50.00	3.09	2.50	-	-	5.59	44.41	46.91
Sub-total	65.21	2.13	0.00	-	67.34	13.28	4.62	0.00	0	17.90	49.44	51.93
Total	2326.86	414.42	19.01	-	2722.27	581.27	119.54	3.07	0.00	697.74	2024.53	1745.59
Capital Work-in-Progress (including Advances of Rs. 131.18Crore {Previous Year Rs.118.21 Crore})											245.69	172.08
Grand Total											2270.22	1917.67
Previous year	2025.40	303.18	1.72	-	2326.86	473.82	108.51	1.06	0.00	581.27	1917.67	

* Refer Note No. 7 of Schedule 13

- Note: 1) Gross Block of Plant & Machinery and Containers includes Rs. 1.87 crore (Previous Year Rs.1.87 crore),and Rs. 0.10 crore (Previous Year Rs.0.10 crore) respectively for items retired from active use due to obsolescence/condemnation.
2) Gross Block of Land and Buildings includes assets valuing Rs.7.93 crore (Previous Year Rs.15.51 crore) in respect of which sale/lease deeds are yet to be executed.
3) Gross Block of Buildings includes freehold buildings valuing Rs.9.75 crore (Previous year Rs.9.75 crore)
4) Depreciation provided during the current year includes Rs.2.15 crore (Dr.) [Previous Year Rs.0.93 crore (Dr.)] related to prior period (Net).
5) Addition to Fixed Assets include Rs.NIL (previous year Rs.1.31 crore) on account of interest on term loan.

CONSOLIDATED FINANCIAL STATEMENTS

SCHEDULE 5: INVESTMENTS

(Rs. in Crore)

	AS AT 31.03.2009	AS AT 31.03.2008
LONG TERM INVESTMENTS (AT COST)		
TRADE INVESTMENTS (UNQUOTED)		
I. In Business Arrangements		
- With Hindustan Aeronautics Ltd. and Mysore Sales International Ltd. by the name of "Joint Working Group - Air Cargo Complex".	0.87	0.87
- With Hindustan Aeronautics Ltd. by the name of "HALCON".	3.19	3.19
	<u>4.06</u>	<u>4.06</u>
II. In Shares of Joint Ventures		
4,706,695 Equity shares of Rs.10/- each fully paid up in Star Track Terminals Pvt. Ltd.	4.71	4.71
(P.Y. 4,706,695)		
2,940,000 Equity shares of Rs.10/- each fully paid up in Albatross CFS Pvt. Ltd.	2.94	2.94
(P.Y. 2,940,000)		
2,443,630 Equity shares of Rs.10/- each fully paid up in Trident Terminals Pvt. Ltd.	2.44	2.44
(P.Y. 2,443,630)		
11,77,80,000 Equity shares of Rs. 10/- each fully paid up in Gateway Terminals India Pvt. Ltd.	117.78	83.20
(P.Y. 83,200,000)		
20,48,200 Equity shares of Rs.10/- each fully paid up in CMA-CGM Logistics Park (Dadri) Pvt. Ltd.	2.05	1.42
(P.Y. 1,425,900)		
30,900,300 Equity shares of Rs. 10/- each fully paid up in India Gateway Terminal Pvt. Ltd.	30.90	19.68
(P.Y. 19,678,500)		
5,000 Equity shares of Rs. 10/- each fully paid up in Integrated Infra Log Pvt. Ltd.	0.01	0.01
(P.Y. 5,000)		
980,000 Equity shares of Rs. 10/- each fully paid up in Infinite Logistics Solutions Pvt. Ltd.	0.98	0.98
(P.Y. 980,000)		
857,500 Equity shares of Rs. 10/- each fully paid up in Hind CONCOR Terminals (Dadri) Pvt. Ltd.	0.86	0.37
(P.Y. 367,500)		
49,000 Equity shares of Rs. 10/- each fully paid up in Container Gateway Limited	0.05	0.05
(P.Y. 49,000)		
8,08,500 Equity shares of Rs. 10/- each fully paid up in Allcargo Logistics Park Pvt. Ltd.	0.80	-
(P.Y. Nil)		
	<u>163.52</u>	<u>115.80</u>
III. In Shares of Foreign Joint Venture		
80,000 Equity shares of Nepalese Rupiah 100/- (Equivalent INR 62.50) each fully paid up in Himalayan Terminals Pvt. Ltd.,Nepal	0.50	0.50
(P.Y. 80,000)		
TOTAL (I + II + III)	<u>168.08</u>	<u>120.36</u>

Note : Letters of allotment/Share Certificates are not available with the company in respect of the following investments:

S. No.	Name of the Company	As at 31.03.2009		As at 31.03.2008	
		No. of Shares	Amount (Rs. in Crore)	No of Shares	Amount (Rs. in Crore)
1	India Gateway Terminal Pvt.Ltd	-	-	12178500	12.18
2	Infinite Logistics Solution Pvt Ltd	-	-	735000	0.74
3	Container Gateway Limited	49,000	0.05	49000	0.05
			<u>0.05</u>		<u>12.97</u>

CONSOLIDATED FINANCIAL STATEMENTS

SCHEDULE 6: CURRENT ASSETS, LOANS AND ADVANCES

	(Rs. in Crore)	
	AS AT 31.03.2009	AS AT 31.03.2008
A. CURRENT ASSETS		
INVENTORIES		
(As taken, valued & certified by the Management)		
Stores & Spare Parts (At Cost) (Note No.10, Schedule 13)	17.89	16.60
Add: Packing Material	<u>0.58</u>	<u>0.02</u>
	18.47	16.62
Less: Provision for Obsolete Stores	<u>0.26</u>	<u>0.26</u>
	<u>18.21</u>	<u>16.36</u>
SUNDRY DEBTORS		
Outstanding for period exceeding six months		
Unsecured Considered good	2.02	2.36
Unsecured Considered doubtful	<u>2.00</u>	<u>1.15</u>
	4.02	3.51
Less: Provision for doubtful debts	<u>2.00</u>	<u>1.15</u>
Other		
Unsecured Considered good	18.35	14.52
	<u>20.37</u>	<u>16.88</u>
Cash in hand (Including Imprest)	0.21	0.20
Cheques in hand	11.82	12.87
Remittance in transit	10.00	0.06
Balance with Scheduled Banks		
- in Current Accounts	37.84	52.39
- in Flexi Deposit	104.24	-
- in Term Deposits	<u>1,602.54</u>	<u>1,457.05</u>
	<u>1,766.65</u>	<u>1,522.57</u>
OTHER CURRENT ASSETS		
Interest accrued on deposits, loans and advances	<u>77.18</u>	<u>61.89</u>
TOTAL CURRENT ASSETS - A	<u>1,882.41</u>	<u>1,617.70</u>
LOANS AND ADVANCES		
LOANS TO EMPLOYEES (Secured)	14.68	11.36
LOANS TO OTHERS (Unsecured)	0.42	0.60
ADVANCES (Unsecured)		
Recoverable in cash or in kind or for value to be received	87.97	84.78
Less : Provision for doubtful advances	<u>1.75</u>	<u>0.07</u>
DEPOSITS (Unsecured)		
- Govt. Authorities	2.77	2.71
- Others	0.87	0.71
Less : Provision for doubtful deposits	<u>0.03</u>	<u>0.03</u>
ADVANCE INCOME TAX/TDS (NET OF PROVISIONS)	<u>171.40</u>	<u>182.25</u>
TOTAL LOANS AND ADVANCES - B	<u>276.33</u>	<u>282.31</u>
TOTAL (A + B)	<u>2,158.74</u>	<u>1900.01</u>

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SCHEDULE 7: CURRENT LIABILITIES AND PROVISIONS

	(Rs. in Crore)	
	AS AT 31.03.2009	AS AT 31.03.2008
A. CURRENT LIABILITIES		
Sundry Creditors		
Small Scale Industrial Undertakings	-	-
Others	<u>247.65</u>	<u>173.71</u>
Advances / Deposits from Customers	85.62	87.75
Unclaimed Dividend (*)	0.10	0.08
Book Overdraft	102.24	122.66
Others	<u>47.38</u>	<u>41.49</u>
TOTAL CURRENT LIABILITIES - A	<u>482.99</u>	<u>425.69</u>
B. PROVISIONS		
Proposed Final Dividend	103.99	97.49
Corporate Dividend Tax	17.68	16.57
Employee Retirement Benefits	18.14	8.86
TOTAL PROVISIONS - B	<u>139.81</u>	<u>122.92</u>
TOTAL (A + B)	<u>622.80</u>	<u>548.61</u>

(*) During the year an amount of Rs.62,754/- (Previous Year Rs. 39,518/-) has been deposited in the Investor Education and Protection Fund.



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SCHEDULE 8: OTHER INCOME

	(Rs. in Crore)	
	YEAR ENDED 31.03.2009	YEAR ENDED 31.03.2008
Interest earned on :		
- Bank Deposit / I.C.D's (TDS Rs.38.22 Crore; Previous Year: Rs.28.02 Crore)	169.21	127.10
- Loans to Employees	0.55	0.44
- Loan to Joint Venture company	0.07	-
- Loan to IRWO (TDS Rs.0.01 Crore; Previous Year: Rs. 0.01 Crore)	0.04	0.06
Dividend from JV company	0.03	-
Profit on sale of Assets	10.26	-
Excess provision written back	7.52	5.69
Profit from Trading/Sale of Investment in JV Company	1.97	-
Miscellaneous Income	19.70	18.00
Share in Profit of Business Arrangement (Note No.8, Schedule 13)	1.91	11.48
TOTAL	211.26	162.77



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SCHEDULE 9: EMPLOYEES REMUNERATION AND BENEFITS

	(Rs. in Crore)	
	YEAR ENDED 31.03.2009	YEAR ENDED 31.03.2008
Salary, Allowances & Other Employee Benefits	67.29	44.08
Contribution to PF, FPF, ESI & Labour welfare fund	3.16	3.39
Rent for Leased Accomodation (Net)	1.87	1.77
Employee Welfare & Medical	5.71	5.95
Gratuity	4.22	0.71
Staff Training	0.45	0.19
TOTAL	82.70	56.09



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SCHEDULE 10: ADMINISTRATIVE AND OTHER EXPENSES

	(Rs. in Crore)	
	YEAR ENDED 31.03.2009	YEAR ENDED 31.03.2008
Printing & Stationery	2.38	2.17
Travelling and Conveyance (Including Directors' Travelling Rs. 0.48 Crore; Previous year Rs.0.31 Crore)	9.70	8.00
Rent and Licence fee for office building	1.67	1.59
Power & Fuel	21.31	16.16
Consumption of Stores & Spares	2.14	1.71
Repairs & Maintenance :		
- Buildings	6.86	4.79
-Plant & Machinery	3.37	1.75
-Others	12.26	10.56
Security Expenses	21.58	19.04
Vehicle Running & Maintenance Expenses	0.24	0.23
Business Development	1.14	1.06
Postage, Telephone & Internet	4.62	4.66
Books & Periodicals	0.29	0.28
Bank Charges	0.07	0.26
Legal & Professional charges	3.71	5.19
Insurance	0.98	1.41
Fees & Subscriptions	0.10	0.10
Advertisement	1.98	2.91
Auditors' Remuneration		
- Audit Fee	0.09	0.09
- Tax Audit Fee	0.03	0.02
- Other Services	0.08	0.05
- Out of Pocket	0.07	0.05
Rebates and Discounts	45.91	23.35
Rates & Taxes	3.31	2.43
Bads debts written off	0.01	-
Donations	5.11	0.20
Miscellaneous Expenses	3.64	2.73
Hazardous Waste Incineration	1.45	-
Fixed Assets written off	-	0.06
Provision for :		
Doubtful Debts	0.85	0.30
Doubtful Advances	1.68	-
TOTAL	156.63	111.15



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SCHEDULE 11: MISCELLANEOUS EXPENDITURE

(To the extent not written off or adjusted)

	(Rs. in Crore)	
	YEAR ENDED 31.03.2009	YEAR ENDED 31.03.2008
Preliminary Expenses		
Opening Balance	0.12	0.17
Less: Written off during the year (1/5th)	0.06	0.05
TOTAL	0.06	0.12

CONSOLIDATED FINANCIAL STATEMENTS

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:**
 - a) Stores and spare parts are valued at cost on weighted average basis. Provision for obsolescence is made, whenever required (CONCOR).
 - b) Inventories are valued at cost or realizable value whichever is lower (FHEL).
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 and residential accommodation (taken from Indian Railways on lease) are amortized over the period of lease.
 - iii) Capital expenditure on land not belonging to the Company is written off to the Profit & 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.
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.

CONSOLIDATED FINANCIAL STATEMENTS

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 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 on loans/liabilities relating to the acquisition of fixed assets are adjusted to the cost of such fixed assets and those relating to other accounts are recognised in the Profit & Loss Account.
11. **Income from Operations (Terminal & other Service Charges):**
 - a) Freight, 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" (CONCOR). b) 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 (FHEL).
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) Deferred tax on account of timing difference between taxable and accounting income is provided considering the tax rates and tax laws enacted or substantively enacted by the Balance Sheet date, in accordance with Accounting Standard-22 'Accounting for Taxes on Income' issued by the Institute of Chartered Accountants of India.
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:

- The financial statements of the subsidiary company in the consolidation are drawn up to the same reporting date as that of CONCOR.
- 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.

- 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
- For certain items, CONCOR and its subsidiary have followed different accounting policies. However, the impact of the same is not material.
- Unless otherwise stated, the figures are in rupees crores.
- Previous year figures have been recast/regrouped/rearranged wherever considered necessary to conform to this year's classification.

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

	(Rs. crore)	
	2008-09	2007-08
a) In relation to joint ventures	35.66	115.72
b) Others	147.03	308.96

3. Contingent liabilities not provided for:

- Outstanding Letters of Credit & bank guarantees 14.93 45.85
 - Bank guarantees/bid bonds for joint ventures/subsidiary 220.47 191.67
 - Claims against the Company not acknowledged as debt, net of advances/payments under protest, arbitration, court orders, etc. [include claims of Rs.415.05 crore (previous year: Rs.402.65 crore) pending in arbitration/courts pursuant to arbitration awards] 624.52 602.27
- Contingent liabilities are disclosed to the extent of claims received and include an amount of Rs.9.91 crore (previous year:Rs.9.55 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.
- 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 and Inland Container Depots (Inland Ports) for assessment years (A.Y.) 2003-04 to 2006-07 and raised demands of tax and interest totalling to Rs.209.08 crore. The company filed appeals before the Commissioner of Income Tax (Appeals) [CIT(A)] against the said assessment orders. For AY2003-04 to 2005-06, CIT(A) allowed claim u/s 80IA towards Rail System, whereas for Inland Ports the claim has been disallowed. The decision of CIT(A) for 80IA deduction has been upheld by Income Tax Appellate Tribunal (ITAT). The company has filed appeals before the Hon'ble Delhi High Court against the orders of the ITAT for AY 2003-04 and AY 2004-05 and for AY 2005-06 the company is in the process of filing appeal. The company's appeal(s) for AY2006-07 is pending with CIT(A).
 - The Assessing Officer (AO) has imposed penalty of Rs.26.70 crore against the company's claim of deduction u/s 80IA in respect of Inland Ports for AY2003-04 to AY2005-06. The company has filed appeals before the CIT(A) against the said orders.

4. The Company has executed "Custodian cum Carrier Bonds" of Rs.18,994.00 crore (previous year: Rs.16,451.00 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, the provision for tax for the year is after considering tax deduction of Rs.110.78 crore (previous year: Rs.124.18 crore) under section 80IA of the Income Tax Act, 1961 in respect of Rail system & Inland Container Depots (Inland Ports).

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- Income from operations consists of revenue from freight, handling, Terminal Service Charges, demurrage and other operating income.
 - Terminal & other service charges include expenses for rail freight, handling, road transportation and other operating expenses & cost of sales.
- Details of capital expenditure on land not belonging to the company (Refer schedule-4) are as under:

PARTICULARS	(Rs. in crore)	
	As at 31-03-2009	As at 31-03-2008
Building	6.94	6.85
Railway Siding	10.84	10.84
Plant & Machinery	3.04	3.04
Electrical Fittings	2.36	2.36
Furniture	0.03	0.03
Others	0.17	0.17
Total	23.38	23.29

8. 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), an amount of Rs.1.91 crore being company's share in the profit of the entity, as per unaudited accounts for the year ended 31st March, 2009 (previous year: Rs.11.48 crore), has been accounted for under other income.

9. (a) Information with regard to amount due to SSI units has been determined on the basis of information available with the Company and relied upon by auditors. To the extent of information available, there are no Small Scale Industrial Undertakings to whom company owes an amount, which is outstanding for more than 30 days (Previous year: NIL).

(b) 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.

(c) Balances of Sundry Debtors, Loans & Advances, Deposits, Sundry Creditors (including Indian Railways), etc. are subject to confirmation/reconciliation.

10. Stores & spare parts include items costing Rs.2.29 crore (previous year: Rs.2.29 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 September, 2007, Company received duty credit entitlement scrips amounting to Rs.125 crore under the Served From India Scheme (SFIS) of the Government 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 year, an amount of Rs.30.16 crore (previous year: 8.39 crore) has been utilized for custom duty credit on import of capital goods and Rs.33.29 crore (previous year: Rs.5.06 crore) for excise duty credit on domestic purchases, leaving a balance of Rs.48.10 crore (previous year: Rs.111.55 crore) as on 31st March, 2009.

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 the year a notice was received from the Labour Department at Delhi for payment of Rs.46.05 lakhs towards this cess from 1996 onward. Since the Gazette notification for levy of cess has been issued in August, 2005, the liability from that date amounting to Rs.4.13 lakh has been deposited, 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:

- Employers' contribution to Provident Fund
- 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. Since the fair value of the assets of the Provident Fund including the returns on the assets thereof, as on the balance sheet date is more than the obligations under the defined contribution plan as per actuarial valuation an amount of Rs.1.99 lakhs (amount provided in Previous year:Rs.7.07 lakhs) has been reversed in Employers' contribution to provident fund on this account. During the year, the company has recognized the following amounts in the profit and Loss Account.

- Employers' contribution to Provident Fund - Rs. 2.40 crore (Previous year: Rs. 2.69 crore)

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(ii) Employers' contribution to Employees Pension scheme, 1995 - Rs. 0.76 crore (Previous year: Rs. 0.71 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 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.

(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:

	(Rs. in lakhs)			
	Gratuity (Funded)		Leave encashment (Non-Funded)	
	2008-09	2007-08	2008-09	2007-08
Current service cost	95.40	56.06	127.70	77.91
Interest cost on benefit obligation	38.01	36.75	46.63	45.31
Expected return on plan assets	(45.49)	(37.28)	-	-
Net actuarial Gains (loss)	333.14	13.13	420.51	4.51
Expenses recognised in profit and loss account	421.06	68.66	594.84	127.73
Amount recognised in the Balance sheet:				
Present Value of Obligations as at 31st March(i)	995.95	542.97	1193.74	666.04
Fair Value of Plan Assets as at 31st March(ii)	408.84	476.29	-	-
Difference (ii) - (i)	(587.11)	(66.68)	(1193.74)	(666.04)
Net asset/(Liabilities) recognised in the Balance sheet	(587.11)	(66.68)	(1193.74)	(666.04)
Change in the Present value of the defined benefit obligation:				
Present value of obligation as at 1st April	542.97	458.18	666.04	564.84
Interest cost	38.01	36.75	46.63	45.31
Current service cost	95.40	56.06	127.70	77.91
Benefits paid	(13.60)	(21.15)	(67.14)	(26.53)
Net actuarial gains/(loss) on obligation	333.17	13.13	420.51	4.51
Present value of defined benefits obligation as at 31st March	995.95	542.97	1193.74	666.04
Change in the fair value of plan assets:				
Fair value of Plan assets as at 1st April	476.29	369.63	-	-
Expected return on plan assets	45.49	37.28	-	-
Contribution by employer	78.90	90.53	-	-
Benefits paid	(13.59)	(21.15)	-	-
Actuarial gain/(loss)	0.02	-	-	-
Fair value of Plan assets as at 31st March	587.11	476.29	-	-

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

	(Rs. in lakhs)	
	As on 31-03-2009	As on 31-03-2008
i) State Government securities	99.35	51.35
ii) Central Government securities	167.07	160.01
iii) Corporate Bond/debentures	261.51	228.50
iv) Others	59.18	36.43
	<u>587.11</u>	<u>476.29</u>

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(e) Actuarial assumptions: Principal assumptions used for actuarial valuation are:

	2008-09	2007-08
i) Method used	Projected Unit Credit Method	Projected Unit Credit Method
ii) Discount rate	7%	8%
iii) Future salary increases	4.50%	5.50%

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 consists 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:

Particulars	EXIM		Domestic		Un-allocable		Total	
	2008-09	2007-08	2008-09	2007-08	2008-09	2007-08	2008-09	2007-08
Segment Revenue	2726.10	2,646.71	691.06	700.63	35.09	17.14	3452.25	3364.48
RESULT								
Segment Result	781.88	730.55	86.63	95.60	-7.96	-15.34	860.55	810.81
Corporate Expenses	-	-	-	-	53.36	40.64	53.36	40.64
Operating Profit	-	-	-	-	-	-	807.19	770.17
Interest & other Income	-	-	-	-	211.26	162.77	211.26	162.77
Interest expenses	-	-	-	-	-4.22	-2.55	-4.22	-2.55
Income Taxes	-	-	-	-	234.77	198.01	234.77	198.01
Prior Period Adjustments (Net)	-	-	-	-	0.21	(0.20)	0.21	(0.20)
Tax adjustments for earlier years (Net)	-	-	-	-	(0.52)	1.89	(0.52)	1.89
Net Profit	-	-	-	-	-	-	779.15	734.07
OTHER INFORMATION								
Segment Assets	1635.54	1,504.71	466.88	370.61	-	-	2102.42	1,875.32
Unallocated Corporate Assets	-	-	-	-	2494.68	2062.84	2494.68	2062.84
Total Assets	-	-	-	-	-	-	4597.10	3938.16
Segment Liabilities	335.14	318.39	82.81	58.37	-	-	417.95	376.76
Unallocated Corporate Liabilities	-	-	-	-	4179.15	3516.40	4179.15	3561.40
Total Liabilities	-	-	-	-	-	-	4597.10	3938.16
Capital Expenditure	350.11	191.39	49.01	27.69	15.30	84.10	414.42	303.18
Depreciation	86.22	79.65	27.66	22.98	5.66	5.88	119.54	108.51
Non cash expenses other than depreciation	0.15	0.11	0.41	0.05	2.05	0.34	2.61	0.50

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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
Star Track Terminals Pvt. Ltd.: A Joint venture with Maersk India Pvt. Ltd. for setting up and running a CFS at Dadri, U.P.	India	49
Trident Terminals Pvt. Ltd.: A Joint venture with Transworld group of companies (previous year: APL India Pvt. Ltd.) for CFS at Dadri, U.P.	India	49
Albatross CFS Pvt. Ltd. : A Joint venture with Transworld group of Companies for CFS at Dadri, U.P.	India	49
Gateway Terminals India Pvt. Ltd.: A Joint Venture with Maersk A/S, Copenhagen for third berth at JN Port, Mumbai.	India	26
JWG-Air Cargo Complex: A business arrangement with Hindustan Aeronautics Ltd. and Mysore Sales International Ltd. for air cargo business at Bangalore.	India	33.33
Himalayan Terminals Pvt. Ltd.: 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
CMA-CGM Logistics Park (Dadri) Pvt. Ltd: A joint venture with CMA CGM Global India Pvt. Ltd. for CFS at Dadri,UP.	India	49
HALCON: A business arrangement with Hindustan Aeronautics Ltd. for operating an air cargo complex & ICD at Ozar airport, Nasik.	India	50
India Gateway Terminal Pvt. Ltd.: A joint venture with Dubai Port International (DPI) for setting up and managing Container Terminals at Cochin.	India	15
Integrated Infra Log Pvt. Ltd.: 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
Hind CONCOR Terminals (Dadri) Pvt. Ltd.: A Joint Venture with Hind Terminals Pvt. Ltd. for CFS at Dadri,U.P.	India	49
Infinite Logistics Solutions Pvt. Ltd.: A Joint Venture with Reliance Logistics Pvt. Ltd. to establish logistics freight terminals and provide integrated logistics services across the country.	India	49
Container Gateway Ltd.: A Joint Venture with Gateway Rail Freight Pvt. Ltd. for operations of existing rail/road container terminal at Garhi Harsaru, Gurgaon (Haryana)	India	49
# Allcargo Logistics Park Pvt. Ltd.: A joint Venture with Allcargo Global Logistics Ltd. for setting up and running CFS at Dadri.	India	49

#Investment made during the year

CONSOLIDATED FINANCIAL STATEMENTS

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:

(Rs. in lakh)

	Assets	Liabilities	Income	Expenditure	Contingent liabilities & capital commitments
*Star Track Terminal Pvt. Ltd.	1312.32 (920.91)	824.25 (578.87)	1058.60 (820.38)	931.95 (675.75)	347.94 (347.94)
Trident Terminals Pvt. Ltd.	879.91 (853.23)	299.54 (743.36)	288.35 (463.59)	253.60 (516.32)	2695.00 (2695.00)
Albatross CFS Pvt. Ltd.	1043.72 (1027.11)	641.68 (723.46)	1165.19 (1096.04)	1065.66 (1043.45)	354.99 (245.87)
*Gateway Terminals India Pvt. Ltd.	33,182.11 (27,193.19)	23,290.40 (21,434.50)	9,799.31 (7104.51)	8,943.25 (7160.68)	2,5027.24 (17,561.32)
JWG-Air Cargo Complex	248.22 (665.15)	226.23 (512.28)	279.13 (1414.57)	215.38 (266.40)	-
#Himalayan Terminals Pvt. Ltd	45.39 (36.31)	123.50 (142.97)	244.61 (212.90)	221.49 (197.85)	-
CMA -CGM Logistics Park (Dadri) Pvt. Ltd.	766.55 (631.01)	199.23 (574.46)	513.05 (251.02)	439.36 (301.90)	245.00 (245.00)
HALCON	354.99 (306.75)	57.89 (7.57)	76.47 (10.85)	77.95 (21.70)	- -
India Gateway Terminal Pvt. Ltd.	7808.39 (3043.99)	4676.57 (1,640.78)	1332.38 (1,222.91)	1469.22 (1,376.77)	8794.59 (8,759.88)
Integrated Infra Log Pvt. Ltd.	2.59 (1.53)	1.16 (1.03)	- -	0.21	-
Hind CONCOR terminals Pvt. Ltd.	98.09 (40.47)	12.34 (3.72)	- -	- -	- -
Infinite Logistics Solutions Pvt. Ltd.	82.70 (106.78)	6.13 (17.01)	69.39 (69.80)	82.58 (78.03)	85.06 (85.06)
Allcargo Logistics Park Pvt. Ltd.	114.10 (-)	0.57 (-)	- (-)	- (-)	- (-)

* Figures are for year ended 31st December.

The previous year figures are for year ended 15th July,2008 and current year figures are for year ended 31st March,2009.

In the above statement:

- Figures in brackets are for previous year.
- Current year figures are un-audited (provisional) except JWG-Air Cargo complex.
- Previous year figures are audited, except for HALCON.

CONSOLIDATED FINANCIAL STATEMENTS

c) Profit from sale of investments represent gain on sale of entire 51% shareholding of a JV partner acquired during the year in Trident Terminals Pvt. Ltd.

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:

	2008-09			2007-08		
	Property tax	Rent to Railway	Gratuity & Leave encashment	Property tax	Rent to Railway	Gratuity & Leave encashment
Opening balance	9.69	1.93	7.65	8.45	1.69	6.73
Addition during the year	3.31	0.28	10.65	1.70	0.24	2.48
Amount used /incurred	1.45	-	1.43	0.22	-	1.56
Unused amount reversed during the year	0.04	-	-	0.24	-	-
Closing Balance	11.51	2.21	16.87	9.69	1.93	7.65

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. 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.

RAVI KHANDELWAL
ED(Accounts) & Company Secretary

ANIL KUMAR GUPTA
Director (Domestic)

RAKESH MEHROTRA
Managing Director

As per our report of even date
For Hingorani M. & CO.
Chartered Accountants

Date : 17.07.2009
Place : New Delhi

PARDEEP KUMAR
Partner

CONSOLIDATED FINANCIAL STATEMENTS

CONSOLIDATED CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2009

	2008-2009	(Rs. in Crore) 2007-2008
A CASH FLOW FROM OPERATING ACTIVITIES		
Net Profit Before Tax and Extraordinary Items	1,014.23	930.39
Adjustment for :-		
Depreciation/Amortisation	119.54	108.51
Interest paid	4.22	2.55
Interest & Dividend Income	(171.88)	(139.08)
Provision for obsolete assets	-	-
Provision for doubtful debts/advances	2.53	0.30
Preliminary exps.	0.06	0.05
Fixed assets written off	-	0.06
Loss on Sale of fixed Assets	(10.19)	0.14
Operating Profit Before Working Capital Changes	958.51	902.92
Adjustment for :-		
Trade & Other Receivables	(26.18)	(51.32)
Inventories	(1.85)	(11.69)
Trade Payable & Provisions	66.56	49.09
Cash Generated from Operations	997.04	889.00
Prior Period Adjustments	0.21	(0.20)
Direct Taxes paid	(204.36)	(191.45)
Net Cash from Operating Activities (A)	792.89	697.35
B CASH FLOW FROM INVESTING ACTIVITIES		
Purchase of Fixed Assets	(410.67)	(303.17)
Sale of Fixed Assets	22.38	0.45
Capital Work-in-Progress/advances	(73.61)	84.96
Purchase of Investment	(47.72)	(23.66)
Interest, Dividend & Other Income	171.88	139.08
Net Cash used in Investing Activities (B)	(337.74)	(102.34)
C CASH FLOW FROM FINANCING ACTIVITIES		
Interest paid	(4.22)	(2.55)
Dividend paid (including tax on dividend)	(205.28)	(167.26)
Proceeds of Long Term Loan	(1.57)	19.81
Net Cash from Financing Activities (C)	(211.07)	(150.00)
Net Change in Cash & Cash Equivalents (A+B+C)	244.08	445.01
OPENING BALANCE OF CASH & CASH EQUIVALENTS	1,522.57	1,077.56
CLOSING BALANCE OF CASH & CASH EQUIVALENTS	1,766.65	1,522.57

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

RAVI KHANDELWAL
ED(Accounts) & Company Secretary

ANIL KUMAR GUPTA
Director (Domestic)

RAKESH MEHROTRA
Managing Director

As per our report of even date
For Hingorani M. & CO.
Chartered Accountants

Date : 17.07.2009
Place : New Delhi

PARDEEP KUMAR
Partner



CONSOLIDATED FINANCIAL STATEMENTS

Auditor's Report

To the BOARD of DIRECTORS of
CONTAINER CORPORATION OF INDIA LTD

We have examined the attached Consolidated Balance Sheet of Container Corporation of India Ltd. and its subsidiary as at 31st March 2009 and the Consolidated Profit and Loss Account and the Consolidated Cash Flow Statement for the year ended on the 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 Rs.111.35 Crore as at March 31, 2009 and total revenue of Rs.35.50 Crore and net cash flows of Rs.2.08 Crore for the year ended on that date.
These financial statements have been audited by other auditors whose report has been furnished to us, and our opinion, in so far as it relates to the amounts included in respect of the subsidiary, is based solely on the report of the other auditors.
3. We report that the consolidated financial statements have been prepared by the Company's management in accordance with the requirements of Accounting Standard 21 'Consolidated Financial Statements' issued by the Institute of Chartered Accountants of India.
4. Attention is drawn to Note Nos. 3(d) and 5 of Schedule 13. The company has made provision for Income Tax for the year after considering tax deduction of Rs.110.78 crore under section 80IA of the Income Tax Act, 1961 in respect of new Inland Container Depots (Inland Ports) (Rs.29.17 crore) and Rail System(Rs.81.61 crore). The Assessing Officer disallowed the deduction claimed by the company u/s 80IA in earlier years. In appeal, the ITAT upheld the decision of CIT(A) in allowing deduction u/s 80IA in respect of Rail System, whereas for Inland Ports the claim has been disallowed and the company has filed appeals before the Hon'ble Delhi High Court.
5. We report that:
 - i) Sale/Lease Deeds in respect of Land & Buildings valuing Rs.7.93 Crore are yet to be executed in favour of the company (Note 2, Schedule 4).
 - ii) Balances of Sundry Debtors, Loans & Advances, Deposits, Sundry Creditors (including Indian Railways) have not been confirmed/reconciled. (Note 9(c), Schedule 13).
 - iii) We are unable to comment on the shortfall, if any, in the value of non-moving stock of stores & spare parts. (Note 10, Schedule 13).
6. We further report that on the basis of information and explanations given to us and on the consideration of separate audit reports on individual audited financial statements of the Company and its subsidiary, and subject to our observations in paragraph 5 above, we are of the opinion that the said consolidated financial statements give a true and fair view in conformity with the accounting principles generally accepted in India:
 - a. in the case of Consolidated Balance Sheet, of the consolidated state of affairs of the company as at 31st March, 2009;
 - b. in the case of Consolidated Profit & Loss Account, of the consolidated profit for the year ended on that date; and
 - c. in the case of Consolidated Cash Flow Statement, of the consolidated cash flows for the year ended on that date.

For Hingorani M. & CO.
Chartered Accountants

(PARDEEP KUMAR)
Partner
M.No. 085630

Place : New Delhi
Date : 17.07.2009



CONSOLIDATED FINANCIAL STATEMENTS

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 INDIAN LIMITED, NEW DELHI FOR THE YEAR ENDED 31MARCH 2009

The preparation of financial statements of Container Corporation of India Limited, New Delhi, for the year ended 31 March, 2009 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 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 17 July 2009.

I, on 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 Indian Limited, New Delhi, for the year ended 31 March 2009. 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 noting 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, 1956.

For and on the behalf of the
Comptroller & Auditors General of India

(Ghazala Meenai)
Principal Director of Commercial Audit &
Ex-Officio Member Audit Board-III, New Delhi

Date : 17.08.2009
Place : New Delhi



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

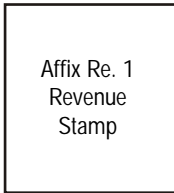
D.P.Id*

Regd. Folio No.

Client Id*

I/We.....of.....
.....being a member / members of CONTAINER CORPORATION OF INDIA LTD. hereby appoint of
.....or failing himof
.....as my / our proxy to vote for me / us and on my /our behalf at the 21st ANNUAL GENERAL MEETING to
be held on 19th September, 2009 at 3:00p.m. or any adjournment thereof.

Signed this.....day of.....2009



* Applicable for investors holding shares in electronic form.

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.

- No Gift will be distributed in the Annual General Meeting.
- 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 21st ANNUAL GENERAL MEETING of the Company held on Saturday, 19th September, 2009 at Air Force Auditorium, Subroto Park, New Delhi-110 010.

(Signature of the Member or proxy)

* Applicable for investors holding shares in electronic form.

- No Gift will be distributed in the Annual General Meeting.
- 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. Rs. 8/- per share in addition to interim dividend @ 60%, already paid for the financial year 2008-09, subject to approval by the shareholders at the Annual General Meeting. The Register of Members will be closed during the period 8th September, 2009 to 19th September, 2009 (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 Ltd.

Date : 11.08.2009
Place : New Delhi

(Ravi Khandelwal)
Executive Director (Accounts) & Company Secretary



ECS Mandate 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

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 11th August, 2009 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



Offices

CONTAINER CORPORATION OF INDIA LIMITED
CONCOR Bhawan, C-3, Mathura Road,
Opposite Apollo Hospital, New Delhi-110076.
Ph. No.41673093, 94, 95 & 96 Fax : 011-41673112
Email : co.pro@concorindia.com
Website. 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

NORTHERN WESTERN REGION

Container Corporation of India Ltd.
509,5th floor, ATMA House, Opp.: Old RBI Bldg.,
Ashram Road, Ahmedabad-380009
Phones : 079-26581807, 26579315
Fax : 079-26581808
E-mail : nwr.ro@concorindia.com

EASTERN REGION

Container Corporation of India Ltd.
10th floor,Metro Rail Bhawan,
33/1, Jawharlal Nehru Road,
Kolkata - 700 071(W.B.)
Phones : 033-22267151, 52, 53, 54
Fax : 033-22267106
E-mail : 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, 28552200
Fax: 044-28591935
E-mail: 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

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

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
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