

Sub: Outcome of Board Meeting of CONCOR held on 12.02.2019

The un-audited Financial Results (Provisional) & Segment wise Revenue, Results & Capital Employed (Provisional) for the quarter and period ended on 31st December, 2018 have been approved by Board of Directors in its meeting held today. Further, the limited review report for these results has been provided by the Statutory Auditors.

Accordingly, please find enclosed the results approved by the Board of Directors along with the Limited Review Report issued by the Statutory Auditors on the same.

This is for your information and record please.

CONTAINER CORPORATION OF INDIA LIMITED						
PART - I						
Statement of Un-audited Financial Results for the quarter and nine months ended 31st December, 2018						
(Rs. in Crores)						
Particulars	STANDALONE					
	THREE MONTHS ENDED			NINE MONTHS ENDED		TWELVE MONTHS ENDED
	31/12/2018 (UNAUDITED)	30/09/2018 (UNAUDITED)	31/12/2017 (UNAUDITED)	31/12/2018 (UNAUDITED)	31/12/2017 (UNAUDITED)	31/03/2018 (AUDITED)
1 Revenue from operations	1,657.07	1,822.28	1,605.68	5,047.62	4,518.11	6,157.15
2 Other Income	74.12	69.23	71.52	205.41	234.39	302.59
3 Total Income (1+2)	1,731.19	1,891.51	1,677.20	5,253.03	4,752.50	6,459.74
4 Expenses						
a) Rail freight expenses	923.71	971.39	865.79	2,767.39	2,608.58	3,520.43
b) Other Operating Expenses	180.69	207.17	159.16	573.10	481.51	643.88
c) Employee benefits expense	76.78	80.17	99.11	227.06	196.96	277.90
d) Finance Costs	0.02	0.02	0.02	0.06	0.07	0.09
e) Depreciation and amortisation expense	105.88	104.77	99.49	312.86	291.61	392.65
f) Other expenses	57.51	59.38	53.19	167.33	153.78	235.21
Total expenses	1,344.59	1,422.90	1,276.76	4,047.80	3,732.51	5,070.16
5 Profit before tax (3-4)	386.60	468.61	400.44	1,205.23	1,019.99	1,389.58
6 Tax expense						
a) Current tax	122.44	157.34	168.07	394.09	304.99	386.17
b) Deferred tax	(10.52)	(24.78)	(44.74)	(51.96)	(37.56)	(57.31)
c) Tax adjustments for earlier years	-	-	-	-	-	12.92
7 Profit after tax (5-6)	274.68	336.05	277.11	863.10	752.56	1,047.80
8 Other Comprehensive Income						
Items that will not be reclassified to profit or loss						
(a) Remeasurement gains(losses) of defined benefit obligation	(0.79)	(0.04)	3.90	1.35	1.50	8.72
(b) Income tax relating to above item	0.28	0.01	(1.35)	(0.47)	(0.52)	(3.02)
Total Other Comprehensive Income (net of tax)	(0.51)	(0.03)	2.55	0.88	0.98	5.70
9 Total Comprehensive Income for the period (7+8)	274.17	336.02	279.66	863.98	753.54	1,053.50
10 Paid up equity share capital (Face value of Rs.5/- per Share)	243.72	243.72	243.72	243.72	243.72	243.72
11 Reserves (excluding Revaluation Reserve)						9,156.15
12 Earnings per share (of Rs.5/- each) (not annualised) Refer note 3:						
(a) Basic (Rs.)	4.51	5.52	4.55	14.17	12.35	17.20
(b) Diluted (Rs.)	4.51	5.52	4.55	14.17	12.35	17.20

Notes:

- The above results have been reviewed by Audit Committee and approved by the Board of Directors in its meeting held on 12th February, 2019. The Statutory Auditors have conducted limited review of the Financial Statements.
- The figures for the previous period have been regrouped/reclassified, wherever considered necessary.
- Board of Directors of the Company has approved sub-division of one equity share of par value of Rs.10/- each into two equity shares of Rs.5/- each in its meeting held on 30.04.2018. Subsequent upon that, after taking approval from the shareholders through postal ballot, paid up share capital of the company stands at Rs.243.72 crore comprising of 487435478 equity shares of Rs.5/- each. Further, the Company has also allotted bonus shares to the shareholders on 07.02.2019 after seeking the approval of the shareholders in which bonus shares were issued in the ratio of 1:4 (one bonus share for every four shares). As a result, the paid up share capital of the company increased to Rs.304.65 crore comprising of 609294348 equity shares of Rs.5/- each. Accordingly, as per requirement of Ind AS 33, the basic and diluted earning per share for all the periods presented has been computed on the basis of new number of shares i.e., 609294348 equity shares of Rs.5/- each.
- IND AS-115 "Revenue from Contracts with Customers" has become mandatory for reporting period(s) beginning on or after April 01, 2018 and has replaced the existing IND AS-18. Company has decided to adopt the Full Retrospective Approach in preparation of its Financial Statements. The adoption of the standard did not have any material impact on the financial statements of the Company.
- Fresh & Healthy Enterprises Ltd. (FHEL) is a wholly owned subsidiary of CONCOR. Though accumulated losses of FHEL amounting to Rs.170.37 crores (as per un-audited financial results for quarter/period ended 31st December 2018) exceeds CONCOR's investment of Rs.160.07 crores in the subsidiary as on 31st December 2018, no provision for diminution in the value of investment and loans (including interest) amounting to Rs.54.88 crores has been made, as management has already finalized a business plan for revival of FHEL on the basis of its in-house financial evaluation and technical evaluation conducted by an external agency. In this direction in March 2018, the Board of Director (BOD) of CONCOR has approved the said business plan for re-engineering of FHEL's facility at Rai, Sonipat, which is proposed to be executed in two phases costing in total Rs.44.31 crores. The cost of Phase-I was Rs.13.45 crores, for which equity infusion by CONCOR has already been done. The management is confident of achieving the desired results from the above business plan. The management has also tested this investment for impairment in accordance with the conditions laid down under IND AS-36 "Impairment of Assets" while preparing Company's Financial Statements for the period ended 31st March 2018. As per the impairment testing carried out by the management, it was established that the Value in Use i.e., the present value of future expected cash flows that will accrue from re-engineering of FHEL's facility at Rai, Sonipat exceed the carrying value of investment. IND AS-36 states that impairment needs to be provided if and only if the carrying value of investment exceeds its value in use or fair value and it is required to be done once every year. Further, as provided in IND AS-36, the impairment testing would be done again at the time of finalization of Financial Statements for FY 2018-19 and decision regarding impairment, if any required would be taken on the basis of such impairment testing.
- Under the Foreign Trade Policy (FTP) 2015-20 of Government of India, CONCOR is eligible for benefits under 'Service Export from India Scheme' (SEIS). Company recognizes these benefits in the period in which the right to receive the same is established i.e., the year, during which the services eligible for grant of SEIS benefits are performed. Accordingly, an amount of Rs.704.80 crores has been recognized for past 3 years i.e., 2015-16, 2016-17 and 2017-18. During the current year (upto 31.12.2018), an amount of Rs.254.85 crores has been recognized towards as SEIS benefit. The issue of benefit in respect of FY 2015-16 and 2016-17 amounting to Rs.436.91 crores for which applications have been filed is under process with the concerned department of Government of India and the Company is regularly following up this matter with the authorities. All the clarifications sought by the Authorities have been duly replied and the decision thereon is awaited. The Company under the FTP prior to 2015-20 was regularly getting benefits under Served from India Scheme (SFIS). On the basis of advice of the experts, estimate and assessment of SEIS benefit was done by the management and income on this account was recognized in the Books of Accounts. In addition, the Company has also obtained legal opinion on this matter, which also supports the assessment of the management on this subject.

*Submitted to COW
Limited & Co. Report*

SARWAJ

SARWAJ K. AGARWAL & ASSOCIATES
Chartered Accountants

For & on behalf of the Board of Directors

Manoj

(Manoj Kumar Dubey)
Director (Finance)

Place: Jodhpur
Date: 12th February, 2019

PART - II

Select information for the Quarter and Nine months ended 31st December, 2018

Particulars	THREE MONTHS ENDED			NINE MONTHS ENDED		TWELVE MONTHS
	31/12/2018	30/09/2018	31/12/2017	31/12/2018	31/12/2017	31/03/2018
	(UNAUDITED)	(UNAUDITED)	(UNAUDITED)	(UNAUDITED)	(UNAUDITED)	(AUDITED)
A PARTICULARS OF SHAREHOLDING						
1 Public Shareholding						
-Number of shares	220327498	220327498	110163749	220327498	110163749	110163749
-Percentage of shareholding	45.20	45.20	45.20	45.20	45.20	45.20
2 Promoters & Promoter Group Shareholding						
a Pledged / Encumbered						
-Number of shares	-	-	-	-	-	-
-Percentage of shares (as a % of the total shareholding of promoter and promoter group)	-	-	-	-	-	-
-Percentage of shares (as a % of the total share capital of the)	-	-	-	-	-	-
b Non-encumbered						
-Number of shares	267107980	267107980	133553990	267107980	133553990	133553990
-Percentage of shares (as a % of the total shareholding of the Promoter and Promoter group)	100.00	100.00	100.00	100.00	100.00	100.00
-Percentage of shares (as a % of the total share capital of the)	54.80	54.80	54.80	54.80	54.80	54.80

Particulars	Three months ended 31st December,
B INVESTOR COMPLAINTS	
Pending at the beginning of the quarter	0
Received during the quarter	24
Disposed of during the quarter	23
Remaining unresolved at the end of the quarter	1



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SEGMENT WISE REVENUE, RESULTS AND CAPITAL EMPLOYED

(Rs.In Crore)

	STANDALONE					
	THREE MONTHS ENDED			NINE MONTHS ENDED		TWELVE MONTH ENDED
	31/12/2018	30/09/2018	31/12/2017	31/12/2018	31/12/2017	31/03/2018
	(UNAUDITED)	(UNAUDITED)	(UNAUDITED)	(UNAUDITED)	(UNAUDITED)	(AUDITED)
1.SEGMENT REVENUE						
EXIM	1,300.52	1,467.04	1,300.20	4,000.27	3,582.16	4,842.79
DOMESTIC	356.55	355.24	305.48	1,047.35	935.95	1,314.36
UN-ALLOCABLE						
TOTAL	1,657.07	1,822.28	1,605.68	5,047.62	4,518.11	6,157.15
LESS: INTER SEGMENT REVENUE						
NET SALES/INCOME FROM OPERATIONS	1,657.07	1,822.28	1,605.68	5,047.62	4,518.11	6,157.15
2.SEGMENT RESULTS						
PROFIT BEFORE TAX AND INTEREST FROM:						
EXIM	317.57	406.02	357.68	1,017.79	792.54	1,092.00
DOMESTIC	25.80	29.74	(7.63)	71.43	53.37	96.52
UN-ALLOCABLE						
TOTAL	343.37	435.76	350.05	1,089.22	845.91	1,188.52
LESS:						
(I) INTEREST EXPENDITURE	0.02	0.02	0.02	0.06	0.07	0.09
(II) OTHER UN-ALLOCABLE EXPENDITURE						
NET OFF UNALLOCABLE INCOME	(43.25)	(32.87)	(50.41)	(116.07)	(174.15)	(201.15)
TOTAL PROFIT BEFORE TAX	386.60	468.61	400.44	1,205.23	1,019.99	1,389.58
3.CAPITAL EMPLOYED						
(SEGMENT ASSETS-SEGMENT LIABILITIES)						
EXIM	3,922.13	3,984.23	3,595.38	3,922.13	3,595.38	3,648.25
DOMESTIC	1,128.85	1,117.61	879.56	1,128.85	879.56	1,029.44
CAPITAL EMPLOYED IN SEGMENTS	5,050.98	5,101.84	4,474.94	5,050.98	4,474.94	4,677.69
ADD:						
UNALLOCABLE CORPORATE ASSETS LESS CORPORATE LIABILITIES	3,686.22	3,337.27	3,583.15	3,686.22	3,583.15	3,484.16
TOTAL	8,737.20	8,439.11	8,058.09	8,737.20	8,058.09	8,161.85
4.SEGMENT ASSETS						
EXIM	4,716.29	4,653.98	4,256.45	4,716.29	4,256.45	4,337.65
DOMESTIC	1,333.20	1,269.29	1,072.91	1,333.20	1,072.91	1,218.60
UNALLOCABLE	3,835.61	3,800.33	3,767.44	3,835.61	3,767.44	3,764.60
TOTAL SEGMENT ASSETS	9,885.10	9,723.60	9,096.80	9,885.10	9,096.80	9,320.85
5.SEGMENT LIABILITIES						
EXIM	794.16	669.75	661.07	794.16	661.07	689.40
DOMESTIC	204.35	151.68	193.35	204.35	193.35	189.16
UNALLOCABLE	149.39	463.06	184.29	149.39	184.29	280.44
TOTAL SEGMENT LIABILITIES	1,147.90	1,284.49	1,038.71	1,147.90	1,038.71	1,159.00



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ARUN K. AGARWAL & ASSOCIATES

CHARTERED ACCOUNTANTS

105, FIRST FLOOR, SOUTH EX. PLAZA-1

389, MASJID MOTH, SOUTH EXTN. PART-II.

NEW DELHI-110049

PH.: 011-26251200, 011-26257400

FAX: 91-11-26251200

Email: arunagarwal_ca@rediffmail.com

Independent Auditor's Limited Review Report

To

The Board of Directors

Container Corporation of India Limited

C-3, Mathura Road, Opposite Apollo Hospital,

New Delhi-110076

1. We have reviewed the accompanying statement of unaudited standalone financial results ('The Statement') of Container Corporation of India Limited ('The Company') for the quarter and nine months ended 31st December, 2018, attached herewith, being submitted by the company pursuant to the requirement of Regulation 33 of the SEBI (Listing Obligation and Disclosure Requirements) Regulation 2015, read with SEBI Circular No. CIR/CFD/FAC/62/2016 dated 5th July, 2016.
2. This statement which is the responsibility of the Company's Management and approved by the Board of Directors, has been prepared in accordance with the recognition and measurement principles laid down in the Indian accounting standard 34 "Interim Financial Reporting" ("Ind AS 34"), prescribed under section 133 of the Companies Act, 2013 read with relevant rules issued thereunder and other accounting principles generally accepted in India. Our responsibility is to issue a report on these financial statements based on our review.
3. We conducted our review in accordance with the Standard on Review Engagement (SRE) 2410, "Review of Interim Financial Information Performed by the Independent auditor of the entity" issued by the Institute of Chartered Accountants of India. This standard requires that we plan and perform the review to obtain moderate assurance as to whether the financial statements are free of material misstatement. A review is limited primarily to inquiries of company personnel and analytical procedures applied to financial data and thus provide less assurance than an audit. We have not performed an audit and accordingly, we do not express an audit opinion.
4. **Basis of Qualified Conclusion**

The Company's exposure in M/s Fresh & Healthy Enterprises Limited (FHEL), a wholly owned subsidiary company in which Company's investment amounting to INR 160.07 Crores in equity and Loans including interest amounting to INR 54.88 Crores has been carried at cost as on 31.12.2018. The net worth of FHEL has been fully eroded and carrying amount of the investment and debt is likely to exceed its Recoverable Amount/



Fair Value resulting in Impairment Loss and Reduction in Fair Value in accordance with Ind AS-36, "Impairment of Assets" and Ind AS-109, "Financial Instruments". The management has considered FHEL as going concern and not made available the impairment testing and Fair Value assessment for calculating the recoverable amount of such Investments and other assets in FHEL on 31.12.2018. Therefore we are unable to comment on the fair value of the same and accordingly we are unable to comment on the financial impact of such impairment loss in the Financial Results of the Company for the quarter and nine months ended 31.12.2018. The Investments and Loans are overstated and expenses are understated to that extent.

5. Qualified Conclusion

Based on our review, with the exception of the matter described in the preceding paragraph, nothing has come to our attention that causes us to believe that the accompanying statement prepared in accordance with applicable Accounting Standards and other accounting principles generally accepted in India, has not disclosed the information required to be disclosed in terms of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, read with SEBI Circular No. CIR/CFD/FAC/62/2016 dated 5th July, 2016, including the manner in which it is to be disclosed, or that it contains any material misstatement.

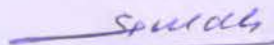
6. Emphasis of Matter

We draw the attention of the users to the aspect of recognition of income under SEIS scrips for the quarter ended 31.12.2018 and Management's estimate with respect to realizability of SEIS claims outstanding as Receivables in the books of accounts. SEIS claims filed by the Company for past years have not yet been finalized by the concerned department of Government of India and decision thereof is long pending. Based on expert's opinion on eligibility of the company for the benefits under Service Export From India Scheme under the FTP 2015-20, and management's discussions held with the concerned departments and ministries, the Management of the Company is certain and confident that there is no reduction in the fair value of the claim outstanding in the books. The claims Receivable up to 30.09.2018 under SEIS scheme amounting to INR 875.20 Crores are considered good by the management and further accruals for benefit under the said scheme eligible during the quarter ended as on 31.12.2018 amounting to INR 84.46 Crores has been recognised as income. Our conclusion is not modified in respect of this matter.

For Arun K Agarwal & Associates

Chartered Accountants

FRN: 003917N



Satish Gulati

Partner

Membership No. 083897

Date: 12.02.2019

Place: Jodhpur, Rajasthan

