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RO	<input checked="" type="checkbox"/>		DIV	<input checked="" type="checkbox"/>
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Annual Report 1997-98



कॉनकोर

CONCOR

CONTAINER CORPORATION OF INDIA LTD.

(A Govt. of India Undertaking)





CONTAINER CORPORATION OF INDIA LIMITED

TENTH ANNUAL REPORT - 1997-98

CONCOR

BOARD OF DIRECTORS

SHRI SHANTI NARAIN,
CHAIRMAN

SHRI S K SHARMA,
MANAGING DIRECTOR

SHRI P R V RAMANAN, DIRECTOR

SHRI U S JHA, DIRECTOR

SHRI A K KOHLI,
DIRECTOR (PROJECTS & SERVICES)

SHRI K D AHUJA,
DIRECTOR (MARKETING & OPERATIONS)

SHRI BIRKHE RAM,
DIRECTOR (FINANCE)

SHRI RAVI KHANDELWAL,
GENL.MANAGER (FIN.& ACCOUNTS)
& COMPANY SECRETARY

STATUTORY AUDITORS

M/S.KHANNA PURI WADHAWAN & CO.
CHARTERED ACCOUNTANTS
102, SHIVLOK HOUSE-1,
COMMERCIAL COMPLEX,
KARAMPURA, DELHI - 110015.

BRANCH AUDITORS

M. CHAUDHARY & CO.
NATRAJ ASSOCIATES
JAIN CHAUDHARY & CO.

BANKERS

STATE BANK OF INDIA
CANARA BANK
PUNJAB NATIONAL BANK
SYNDICATE BANK
CENTRAL BANK OF INDIA
ALLAHABAD BANK
CITIBANK

CONTENTS

PRINCIPAL OFFICES	2
NOTICE	3
DIRECTORS' REPORT	6
BALANCE SHEET	12
PROFIT & LOSS ACCOUNT	13
SCHEDULES ANNEXED TO BALANCE SHEET AND PROFIT & LOSS ACCOUNT	14
SIGNIFICANT ACCOUNTING POLICIES	24
NOTES ON ACCOUNTS	25
BALANCE SHEET ABSTRACT & COMPANY'S GENERAL PROFILE	29
AUDITORS' REPORT	30
ANNEXURE TO THE AUDITORS' REPORT	32
CASH FLOW STATEMENT	34
PROXY & ATTENDANCE SLIP	36



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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 and the proxy need not be a Member.
- (b) The instrument appointing a 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 the Share Transfer Books will remain closed from 23rd July, 1998 to 14th August, 1998 (both days inclusive).
- (d) The dividend on Equity Shares, upon its declaration at this meeting will be paid to those shareholders whose names appear on the Register of Members as on 14th August 1998.
- (e) Members are requested to notify immediately change in their address, if any, to the Company at its Registered Office by quoting their Folio Numbers.
- (f) Members are requested to intimate their Bank Account details, if not already sent, to avoid the incidence of fraudulent encashment of the dividend.

Act and subject as aforesaid, the Board of Directors may in their absolute discretion, refuse to register any proposed transfer of shares. Provided that registration of a transfer shall not be refused on the ground of the transferor being either alone or jointly with any other persons indebtedness to the Company on any account whatsoever except a lien on the shares. Provided further subject to the provisions of Section 22A of the Securities Contracts (Regulation) Act, 1956, the Board of Directors may refuse to register the transfer of any of its shares in the name of the transferee on any one or more of the following grounds and on no other ground, namely:-

- (i) that the instrument of transfer is not proper or has not been delivered to the Company or that any other requirement under the law relating to registration of such transfer has not been complied with;
 - (ii) that the transfer of the security is in contravention of any law;
 - (iii) that the transfer of the security is likely to result in such change in the composition of the Board of Directors as would be prejudicial to the interest of the Company or to the public interest; and
 - (iv) that the transfer of the security is prohibited by any order of any court, tribunal or other authority under any law for the time being in force.
- (c) If the Board of Directors refuse to register transfer of any shares, the Board shall within one month of the date on which the instrument of transfer is delivered to the Company, send to the transferee and the transferor notice of the refusal.

Explanatory Statement pursuant to section 173 of the Companies Act, 1956

Item No 5

Article 29 of the Articles of Association of the Company under the head Transfer and transmission of shares reads as follows:

The right of Members to transfer their shares shall be restricted as follows.

- (a) A share held by the President of India or his nominees may be transferred only to a person approved by the President.
- (b) Subject to Section 111 and Section 108 of the

In view of the enactment of the Depositories Act, 1996, deletion of Section 22A of the Securities Contracts (Regulation) Act, 1956 and insertion of section 111A in the Companies Act, 1956, Clause (b) of Article 29 of the Articles of Association of the Company which imposes restrictions on the transfer of shares has become repugnant to the provisions of law, hence required to be deleted. Now, the transfer of shares will be regulated in accordance of Section 111A of the Companies Act 1956, Depository Act 1996, and the Listing Agreement executed with the Stock Exchanges. Since the Article of Association of the Company can be



CONTAINER CORPORATION OF INDIA LIMITED

amended only with the approval of the shareholders accorded by a special resolution, the members are requested to pass the said resolution as a special resolution.

None of the directors is concerned or interested in the said resolution.

Item No. 6

The existing Article 65A provides for a maximum of 10 directors who can hold the office of director in the Company at any point of time. As members are aware, the business activities of the Company have increased manifold with the growth of the Company. In view of the above, it is considered by the Company's management to induct few more persons having vast experience and expertise in the relevant fields on the Board of the Company to enable it to exercise a more effective control over the affairs of the Company and to strengthen and professionalise its decision making process. Your Directors, therefore, recommend for approval and adoption of the present Special resolution.

None of the Directors of the Company is, in any way, concerned or interested in the said resolution .

Item No.7

As a consequence of the proposed deletion of Article 29 of the Articles of Association of the company, the right of Board of Directors of the company to refuse transfer of shares will be ceased. As a consequence, Article 36 which provides that the Board shall have the right to refuse to register a person entitled by transmission to any shares or his nominees, as if he were the transferee named in an ordinary transfer presented for registration, will become irrelevant. Now, the Board of Directors can refuse to register the transmission of shares if the evidence of the entitlement of shares is not furnished by the person concerned. Your Directors, therefore, recommend for approval and adoption of the present Special resolution.

None of the Directors of the Company is, in any way, concerned or interested in the said resolution.

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CONTAINER CORPORATION OF INDIA LIMITED



the same month. Cargo from Agra is being sent to IGI Airport. Bonded warehousing was established firmly as an important segment of CONCOR's business.

- 6.3 With a view to give boost to containerisation of domestic traffic and to increase the market share of Railways in freight traffic, a Domestic Division has recently been set up in CONCOR. This Division would look after domestic marketing and development of domestic terminals. A proposal for a full time Director to head this Division has been submitted for approval of Govt. of India.

7. New facilities:

- 7.1 ICD/Moradabad was commissioned on 23rd February 1998 as a road-linked facility. This ICD is also being developed for handling container trains. This facility has been relocated at a newly constructed location on Railway land. ICD at Malanpur/Gwalior has been commissioned on 25th June 1998. Construction work of ICD, Sanatnagar/Hyderabad is also complete and this facility is awaiting commissioning.

- 7.2 Land acquisition for ICD/Dadri is in progress. The capacity of ICD/Tughlakabad is being expanded. The construction of ICD/Aurangabad is on target and the facility would be ready for commissioning shortly.

- 7.3 Second bonded warehouse was commissioned at ICD/Whitefield. Two more bonded warehouses are being constructed at Whitefield and TNPM. Government of India has cleared CONCOR's proposals to set up ICDs at Madurai, Jaipur and Cossipore.

8. Management Information Systems (MIS) and Computerisation:

- 8.1 Financial Accounting and Personnel Information System has been fully computerized. Most employees are covered by computerized payrolls. Daily train and terminal positions are being monitored using computerized systems. E-mail is used extensively to communicate train and terminal positions to the Regional offices and Corporate office.

- 8.2 A website has been established on the Internet and a Container Tracking System has been developed on it. This system is currently being used for tracking containers over the Delhi Bombay corridor.

9. World Bank Project:

- 9.1 An order for procurement of 1725 modern design high speed container flat wagons has been placed. The execution of this order is behind schedule. The first rake of 45 wagons was received on April 23, 1998 and is undergoing trials under actual working conditions.

- 9.2 Bids for the second Tranche of procurement of 1500 flats under the World Bank loan have been opened and are under consideration. The order will be placed after obtaining approval from the World Bank and the Ministry of Railways.

10. Particulars of Employees:

Particulars of employees for the year 1997-98 as required under Section 217 (2A) of the Companies Act, 1956 read with the Companies (Particulars of Employees) Rules, 1975 is given at Annexure-I to this report.

11. Particulars of Energy Conservation, Technology Absorption, etc.:

Particulars required to be given in accordance with the provisions of Section 217(1)(e) of 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.

12. Foreign Exchange Earnings:

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

Foreign exchange earnings	: Rs. NIL
Foreign exchange outgo	:
a) CIF value of Imports	Rs.130.51 Lakhs
b) Others	Rs.361.65 Lakhs



CONTAINER CORPORATION OF INDIA LIMITED

13. Presidential Directives:

The Company has received one Presidential Directive No.97/LM(B)/13/15 dated 23-3-1998 for giving soft loan to Indian Railway Welfare Organisation (IRWO).

14. Promotion of Hindi:

14.1 Hindi is being used progressively in CONCOR. Annual Reports, Publicity Folders, Visiting Cards, etc., are printed in Hindi. Letters received in Hindi are replied to in Hindi invariably. Pay Slips of employees are prepared in Hindi on computer.

14.2 Notices of Board meeting or any Committee thereof are being sent in Hindi. Regular quarterly Hindi meetings are conducted to review progress in this regard and Company is also observing Hindi Day in the month of September every year, wherein various promotional Hindi programmes are organised.

15. Agreement with National Securities Depository Limited:

In the interest of the shareholders and to keep a watch on prompt transfer of shares and to prevent bad deliveries of the Company's shares in the stock market, the company has entered into an agreement with the National Securities Depository Ltd., for dematerialisation of the Company's shares. Now, the shares of the company are available in physical as well as in depository mode.

16. Service to Investors:

During the year, a new department named as "Investors Relation Centre" was introduced in the Organisation for promptly dealing with the complaints, if any, of investors and to liaise with the statutory authorities. This department consists of experienced officers and staff equipped with the requisite facilities to exercise their function as a service to the Investors. Your Company is giving priority attention to the redressal of the investors grievances. The share transfer deeds and other correspondence from the shareholders were processed within the prescribed time period.

17. Auditors:

17.1 The Company Law Board on the advice of Comptroller & Auditor General of India, under Section 619(2) of the Companies Act, 1956, has appointed M/s Khanna Puri Wadhawan & Co. Chartered Accountants as Statutory Auditors of the Company for the financial year ended 31st March 1998.

17.2 Further, from the year under review the company has introduced decentralised system for preparation of accounts and audit at regional levels.

18. Board of Directors:

The Board consists of part-time Chairman, Managing Director assisted by three functional Directors and two Govt. nominee Directors. During the year 1997-98, the Board met 7 times for despatch of business and the following Directors held the Office up to the date of the Report :-

- Shri Shanti Narain, Chairman
- Shri S K Sharma, Managing Director
- Shri P R V Ramanan, Director
- Shri U S Jha, Director
- Shri A K Kohli, Director [P&S]
- Shri K D Ahuja, Director [M&O]
- Shri Birkhe Ram, Director [Finance]

19. Expiry of the terms of appointment of Directors appointed by the Government of India:

19.1 Pursuant to the terms of their appointment, the term of Shri L.M.S. Rajwar and Dr. K.V. Hariharan have expired on 30.01.98. No director has been appointed by the Government of India in their place up to the date of this report.

19.2 Your Directors place on record the valuable contribution made by them towards the growth of the Company, during their tenure as director.



CONTAINER CORPORATION OF INDIA LIMITED

20. Retirement of Directors by rotation:

In terms of the provisions of the Companies Act 1956, Shri K.D.Ahuja and Shri Birkhe Ram are liable to retire by rotation and being eligible, offer themselves for reappointment.

21. Appreciation:

21.1 The Board of Directors thank Ministry of Railways for their guidance and continued support provided to the Company throughout the year. The Board of Directors are also grateful to our valued customers and shareholders.

21.2 The Board of Directors are also grateful to the Ministry of Commerce, Ministry of Surface Transport, Ministry of Finance and the Central

Board of Excise and Customs for their valuable support and guidance to the Company.

21.3 The Board of Directors place on record their appreciation of the commitment, involvement and dedication exhibited by staff in the overall development and growth of the Company.

For and on Behalf of the Board of Directors

New Delhi
Dated: 8th July 1998

SHANTI NARAIN
Chairman

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CONTAINER CORPORATION OF INDIA LIMITED



ANNEXURE-I

<i>Name</i>	<i>Age (Yrs.)</i>	<i>Qualifications</i>	<i>Date of Appt.</i>	<i>Designation.</i>	<i>Unit</i>	<i>Remuneration (Rs.)</i>	<i>Experience</i>	<i>Last Emp.</i>
Mr. A.K.Kohli	53	B.E.(Civil) & M.E.(Struc.), IRES	31-1-96	Dir (P&S)	Corp. Office	3,53,201	30 years	Railways
Mr. Karan Ahuja	52	M.A.(History), IRTS	8-3-96	Dir (M& O)	-Do-	3,53,194	28 years	-Do-
Mr. S.K.Suri	50	A.I.M.E.(London) A.I.E.E (London) A.I.E., IRSME	12-12-94	Exe. Dir (Tech)	-Do-	3,61,979	26 years	R.D.S.O
Mr. Parmod Uniyal	47	M.S.C. (Phy.), M.A.(Transport, Eco.), IRTS	12-1-95	GGM (Ops.)	-Do-	3,63,752	23 years	Railways
Ms. Runa Mukherjee	45	M.A. (Eng.), Master Dip.in Pub. Admn., M.Phil. in Social Science, IRAS	1-4-95	GGM (Fin.)	-Do-	3,45,029	20 years	Railways

Remuneration includes salary & allowances, medical reimbursement, company leased accommodation, conveyance reimbursement, Labour charges, electricity charges, LTC and salary arrears.



CONTAINER CORPORATION OF INDIA LIMITED

BALANCE SHEET AS AT 31ST MARCH, 1998

			AS AT 31.03.98 (RS. '000)		AS AT 31.03.97 (RS. '000)
I. SOURCES OF FUNDS					
1. SHAREHOLDER'S FUNDS					
(a) Share Capital	1		649914		649914
(b) Reserves & Surplus	2		2988779	3638693	1973729
2. LOAN FUNDS					
(a) Secured Loans	3			4772	25011
(b) Unsecured Loans	4			470993	421053
TOTAL			4114458		3069707
II. APPLICATION OF FUNDS					
1. FIXED ASSETS					
(a) Gross Block	5		2182083		1896202
(b) Less: Depreciation			420050		304772
(c) Net Block			1762033		1591430
(d) Capital works in progress / advances			735081	2497114	540974
2. INVESTMENTS	6			200001	140000
3. CURRENT ASSETS, LOANS & ADVANCES					
(a) Inventories		54204		44360	
(b) Sundry Debtors		15531		32229	
(c) Cash & Bank Balances		1860698		1028451	
(d) Other Current Assets		178448		312023	
(e) Loans & Advances		2407562	4516443	1815817	3232880
LESS: CURRENT LIABILITIES & PROVISIONS					
(a) Liabilities		693333		679294	
(b) Provisions		2406313	3099646	1756586	2435880
NET CURRENT ASSETS				1416797	797000
MISCELLANEOUS EXPENDITURE					
(To the extent not written off or adjusted)					
				546	303
Significant Accounting Policies	11				
Notes on Accounts	12				
"Schedules "1" to "12" form integral part of the Accounts"					
TOTAL			4114458		3069707

HARISH CHANDRA
Company Secretary

BIRKHE RAM
Director (Finance)

S K SHARMA
Managing Director

As per our separate Report attached
For Khanna Puri Wadhawan & Co.
Chartered Accountants

New Delhi
Dated : 8th July 1998

(R K Puri)
Partner