



ANNUAL REPORT 2012-13



CONTAINER CORPORATION OF INDIA LTD.
(A Govt. of India Undertaking)

मिशन

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

Mission

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



लक्ष्य

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

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

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

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

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

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

Objectives

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

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

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

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

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

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



CONTENTS

1.	10 Years Performance at a Glance – Financial & Physical	01
2.	Company Information	02
3.	Board of Directors of CONCOR	03-06
4.	Notice	07-14
5.	Letter From Chairman And Managing Director	15-16
6.	Director's Report	17-25
7.	Addendum to the Directors' Report	26-29
8.	Corporate Governance Report	30-39
9.	Management Discussion and Analysis	40-43
10.	Certificate on Corporate Governance	44
11.	Business Responsibility Report	45-69
12.	Balance Sheet	70
13.	Profit & Loss Account	71
14.	Notes Annexed to Balance Sheet and Profit & Loss Account	72-79
15.	Significant Accounting Policies	80-81
16.	Other Notes	82-95
17.	Independent Auditors' Report	96-100
18.	Cash Flow Statement	101
19.	Container Corporation of India Limited -Consolidated Financial Statements	102-129
20.	Independent Auditors' Report on Consolidated Financial Statements	130-131
21.	Comments of the Comptroller and Auditor General of India Under Section 619 (4) of the Companies Act, 1956 - CONCOR	132
22.	Proxy Form	133
23.	Attendance Slip	134
24.	ECS & ECS Mandate Form	135-136
25.	Network of CONCOR's Terminals & Offices	137-138

10 YEARS FINANCIAL/PHYSICAL PERFORMANCE (YEAR WISE DATA)

FINANCIAL PERFORMANCE

(₹ in Crore)

S.NO	PARTICULARS	2003-04	2004-05	2005-06	2006-07	2007-08	2008-09	2009-10	2010-11	2011-12	2012-13
1	Total Income (Including other Income)	1,807.40	2,043.33	2,489.16	3,141.94	3,510.33	3,628.25	3,885.73	4,032.11	4,377.49	4,743.38
2	Expenditure (Incl. increase/decrease in stock)	1,253.15	1,366.82	1,735.54	2,166.11	2,455.49	2,486.10	2,744.04	2,828.60	3,037.35	3,358.59
3	Operating Margin (1-2)	554.25	676.51	753.62	975.83	1,054.84	1,142.15	1,141.69	1,203.51	1,340.14	1,384.79
4	Interest Expenses	0.25	0.29	0.23	-	-	-	-	-	-	-
5	Depreciation	55.28	66.62	83.26	93.58	106.34	115.91	135.10	145.23	158.49	172.71
6	Profit before Tax	498.72	609.60	670.13	882.25	948.50	1,026.24	1,006.59	1,058.28	1,181.65	1,212.08
7	Profit after Tax	367.59	428.60	525.80	703.82	752.21	791.20	786.69	875.95	877.88	940.03
8	Dividend	81.24	94.23	116.98	142.98	168.98	181.98	181.98	201.48	214.47	227.47
9	Profit & Loss Account Balance	1,186.72	1,465.38	1,805.21	2,273.49	2,752.78	3,251.95	3,747.47	4,301.29	4,842.12	5,422.82
10	General Reserve	125.53	168.39	220.97	291.35	366.15	380.28	458.95	546.54	634.33	728.33
11	Term Loan	11.99	10.60	-	-	-	-	-	-	-	-
12	Reserves & Surplus (9+10)	1,312.25	1,633.77	2,026.18	2,564.84	3,118.93	3,632.23	4,206.42	4,847.83	5,476.45	6,151.15
13	Fixed Assets (Gross Block)	1,198.79	1,538.62	1,793.61	2,025.33	2,244.24	2,640.95	2,988.86	3,286.15	3,503.78	3,994.43
14	Sundry Debtors	5.78	5.73	8.52	9.90	13.83	15.72	17.64	17.27	19.59	25.74
15	Foreign Exchange Earnings	0.26	0.66	-	-	-	-	-	-	-	-
16	Share Capital	64.99	64.99	64.99	64.99	64.99	129.98	129.98	129.98	129.98	129.98
17	Capital Employed	1,387.90	1,600.86	1,940.09	2,456.61	3,030.16	3,507.20	4,100.33	4,962.42	5,557.11	6,073.22
18	Government Investment	41.00	41.00	41.00	41.00	41.00	82.00	82.00	82.00	82.00	82.00
19	Net Worth (12+16)	1,377.24	1,698.76	2,091.17	2,629.83	3,183.92	3,762.21	4,336.40	4,977.81	5,606.43	6,281.13
20	Profit Before Tax to Capital Employed (6÷17)	0.36	0.38	0.35	0.36	0.31	0.29	0.25	0.21	0.21	0.20
21	Operating Margin to Capital Employed (3÷17)	0.40	0.42	0.39	0.40	0.35	0.33	0.28	0.24	0.24	0.23
22	Profit after Tax to Share Capital (7÷16)	5.66	6.59	8.09	10.83	11.57	6.09	6.05	6.74	6.75	7.23
23	Expenditure to Income (2÷1)	0.69	0.67	0.70	0.69	0.70	0.69	0.71	0.70	0.69	0.71
24	Number of Employees	915	988	1,036	1,080	1,134	1,176	1,129	1,147	1,164	1,198
25	Income per Employee (1÷24)	1.98	2.07	2.40	2.91	3.10	3.09	3.44	3.52	3.76	3.96
26	Foreign Exchange Earnings Per Employee (15÷24)	0.00	0.00	-	-	-	-	-	-	-	-
27	Current Ratio	2.51	2.38	2.47	2.98	3.54	3.51	4.05	5.59	5.73	5.55
28	Debt/Equity Ratio (11÷19)	0.01	0.01	-	-	-	-	-	-	-	-
29	Investments	3.45	84.00	129.38	131.70	155.36	203.08	240.54	243.96	293.10	482.16

PHYSICAL PERFORMANCE (TEUs)*

1	International Handling	1251618	1376516	1556714	1715661	1977399	1854959	1882277	2018551	2136000	2152034
2	Domestic Handling	350501	351460	373848	389605	470370	453273	538970	543746	468311	433652
3	Total (1+2)	1602119	1727976	1930562	2105266	2447769	2308232	2421247	2562297	2604311	2585686

* Twenty Foot equivalent units



COMPANY INFORMATION

BOARD OF DIRECTORS

Shri Anil Kumar Gupta

Chairman & Managing Director

Shri Harpreet Singh

Director (Projects & Services)

Shri Yash Vardhan

Director (Intl. Marketing & Opn.)

Smt. P. Alli Rani

Director (Finance)

Shri Kundan Sinha

Director

Shri Manoj K. Akhouri

Director

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

Director

Dr. (Prof.) A. K. Bandyopadhyay

Director

Dr. (Prof.) Shri Kausik Gupta

Director

Shri Sudhir Mathur

Director

Shri Pradeep Bhatnagar

Director

Shri Deepak Gupta

Director

Shri M.P. Shorawala

Director

COMPANY SECRETARY

Shri Harish Chandra

Group General Manager (Finance) & Company Secretary

STATUTORY AUDITORS

M/s Kumar Chopra & Associates
New Delhi

BRANCH AUDITORS

M/s K.L. Banerjee & Co.
Kolkatta

M/s A.V. Deven & Co.
Chennai

M/s Jain Seth & Co.
Ahmedabad

M/s Chandak Khanzode & Shenwai
Nagpur

Rao & Babu Associates
Hyderabad

M/s Natvarlal Vepari and Co.
Mumbai

BANKERS

Andhra Bank
Axis Bank Ltd.
Bank of India
Canara Bank
CitiBank
Corporation Bank
HDFC Bank Ltd.
ICICI Bank Ltd.
IDBI Bank Ltd.
Indian Overseas Bank
Indian Bank
Punjab National Bank
Punjab & Sind Bank
Standard Chartered Bank
Syndicate Bank
State Bank of India
State Bank of Patiala
Union Bank of India
YES Bank Ltd.

Registrars & Share Transfer Agent

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

BOARD OF DIRECTORS OF CONCOR



Chairman
& Managing Director

Shri Anil Kumar Gupta took over as Chairman and Managing Director, CONCOR w.e.f. 05.03.2013. He is an IRTS officer of 1982 batch and has worked with Indian Railways at senior positions, prior to joining CONCOR. During his tenure with CONCOR, he has held several key positions, including Director (Domestic) upto 29.12.2009 and Managing Director w.e.f. 30.12.2009. He is a leading transport sector professional with specialist expertise and skills in the areas of Marketing & Commercial Activities, Ports and shipping, Railway Operations and Inter-modal and Landside Transport Logistics and Distribution. Shri Gupta holds qualifications of M.A., M.Phil. (Economics) from Delhi School of Economics and MBA (NMP).



Director
(Projects & Services)

Shri Harpreet Singh took over as Director (Projects & Services) in CONCOR on 20th July, 2006. He is a graduate in Mechanical Engineering, Electrical Engineering and he has also completed Master of Business Administration in Finance from National Institute of Financial Management (NIFM). Sh. Harpreet Singh was an officer of IRSME and joined Indian Railways in 1980. He held various positions in Indian Railways before joining Container Corporation of India Ltd. He was closely associated with setting up of Diesel Components Works at Patiala, a greenfield project from the initial stages to production built up stage. He also held important positions in Railway Board, Northern Railway and North Central Railway including Chief Motive Power Engineer (Diesel) at North Central Railway before he joined CONCOR in his capacity as Director (Projects & Services). He has been trained in India as well as abroad.



Director
(Intl. Marketing & Operations)

Shri Yash Vardhan took over as Director (International Marketing & Operation), CONCOR w.e.f. 28.09.2007. Prior to joining CONCOR he held various positions, as an IRTS officer of 1983 batch, in Indian Railways. In Railways he had worked at various key positions, including Dy. Chief Operations Manager (Goods), Central Railways, Chief Transportation Manager (Petroleum), Western Sector and Chief Catering Manager, Northern Railways. During his tenure with CONCOR he has held inter-alia held the positions of GGM, CGM and Executive Director, Western Region/Mumbai and Executive Director (IM&O). Shri Yash Vardhan has a rich experience in Railway Operations, Commercial, Safety, Planning, Marketing, International Operations and Setting up & management of Container terminals. Shri Yash Vardhan has done B.Sc., M.Sc. & M. Phil. in Chemistry from Delhi University.



Director (Finance)

Smt. P. Alli Rani, Director (Finance) completed her education in economics at the university level in a M. Phil Degree in economics. Subsequently she acquired twin Post Graduate Degrees in Management specializing in Finance & Marketing. Her career began with the Indian Economic Service (IES), a specialized cadre of the Government of India recruited to conduct economic analysis in the Central Ministries and adjunct offices. Subsequently, she joined the Indian Railway Accounts Service in 1986, a specialized cadre for handling the Finances of the Indian Railways. She joined the Telecom Sector in the early years of her career and spent six years in the sector initially in the DoT and the last two years in BSNL. She once again joined the Railways in 2001 but this time as part of its Corporate Business, taking over as Group General Manager/ Finance of CONCOR. Subsequently elevated as Executive Director, she was elected to the Board of Directors of the company in the year 2009 by the Public Enterprises Selection Board (PESB) and took over as Director Finance of the company.



Director

Shri Kundan Sinha belongs to the Indian Railways Traffic Service, who is currently functioning as Adviser (Rates), Railway Board. Previously he has had the experience of working in various capacities on Indian Railways such as Chief Operations Manager (on South Eastern Railway), Senior Deputy General Manager (on Northern Railway), Divisional Railway Manager (of Bilaspur Division), etc.



Director

Shri Manoj Krishna Akhouri, an IRTS officer has done M.Sc. (Tech) in Applied Geology from Indian School of Mines, Dhanbad, in 1985. Joined Indian Railways in Indian Railway Traffic Service (1987 Batch) and has wide experience in Railway operations, planning traffic related works, remodeling mega terminal to enhance handling capacity, development of multi modal logistic parks, etc and has held significant posts over Zonal Railways and in Ministry of Railways (Railway Board) in the Operating, Safety and Planning Departments. Also worked as General Manager (Operations) in Dedicated Freight Corridor and Group General Manager (International Marketing) in Container Corporation of India.



Director

Lt. Gen. (Retd.) Arvind Mahajan, Part-Time Non-Official Director (Independent) has served Indian Army, Corps of Electronics and Mechanical Engineers, Ministry of Environment & Forests, Military College of Electronics and Mechanical Engineers (MCEME), Border Road Organization (BRO), Director General of Quality Assurance, Army Headquarters and National Defence College at various key and eminent positions. He has vast experience in security advising, overall equipment management in Indian Army. A keen administrator with expertise in devising policies & directives, managing operations with focus on achieving the organisation's mission and strategic direction. He was awarded with PVSM, AVSM, VSM and Bar by Hon'ble President of India. He was also honoured with Chief of Naval Staff Commendation Card and Chief of Army staff Commendation Card (two times). He is a multi-faceted professional with domain expertise in the fields of operational logistics and supply chain management, equipment management, environmental clearances, mining, disaster management. He holds PG Diploma in Business Management, PG Diploma in Industrial Management, PG degree in Mechanical Engg. (Automobiles), AMIE (Mech.), MIE (Mech.) and FIE, M.Phil. (Defence Studies).



Director

Dr. (Prof.) Kausik Gupta, Part-Time Non-Official Director (Independent) is Vice- chancellor of West Bengal State University, prior to which he was professor of Economics at Rabindra Bharati University, Kolkata. He has done MSC in Economics from Calcutta University, Ph.D. from Jadavpur University, Post doctoral research as a World Bank Fellow from University of York, U.K. He has vast experience in the field Economics and related research. He has done many projects at national and international level and is credited for numbers of publications and Ph.D. guidance.



Director

Dr. (Prof.) Anup K. Bandyopadhyay, Part-Time Non-Official Director (Independent) obtained Bachelors, Masters degree in Electronics and Telecommunication Engineering and Ph.D. (Engg.) from Jadavpur University. He has served at ISRO as Electronic Engineer and Department of Electronics and Telecommunication Engineering, Jadavpur University as lecturer, Professor and Head of Department. He has a number of publications to his credit in reputed National and International journals.



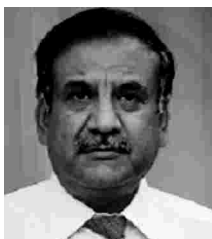
Director

Shri Sudhir Mathur, Part-Time Non-Official Director (Independent), an IRAS officer, retired as Director Finance of Ircon International Ltd. with over 35 years of experience, straddling both the Government and Public sector, his focus areas have been strategic planning & execution, resource mobilization, international concessions, financial management & control systems. He has done B.A.(Hons.) in Economics and M.A.(Public Administration).



Director

Shri Pradeep Bhatnagar, Part-Time Non-Official Director (Independent) is ex-AM(Traffic), Railway Board and presently ombudsman of Dedicated Freight Corridor Corporation Ltd. (DFCCIL). He had worked for more than 16 years in position of Jt. Secretary and above and in the past held positions of Chairman, Kutch Railway Corporation, Director of CONCOR, Dedicated Freight Corridor Corpn. Ltd. and Konkan Railway and as Special Invitee in Board of Directors of Coal India Ltd. He is a person of eminent of proven track record in management as he had held senior position of management in Government and Public Sector Undertakings. While with Indian Railways he had experience at Divisional, Zonal Railways and Railway Board's levels on matters like day to day management of Passenger & Freight Transportation, Cadre controlling of all staff and officers and dealing with industrial relations. His experience with Railways also include planning of short and long term development of Indian Railways so that it has enough capacity to achieve loading targets, introduction of new passenger trains and to achieve all financial targets.



Director

Shri Deepak Gupta, Part-Time Non-Official Director (Independent) is an IAS officer of 1974 batch and is an ex-secretary to Govt. of India. He has done B.A. (Eng. Lit, Pol. Sc, History) from Allahabad University, M.A. (History) from St. Stephens College, Delhi University, M.Phil (International Relations) from SIS, Jawaharlal Nehru University, Delhi and M.P.A. (Public Policy, Economics) from Kennedy School of Govt., Harvard University as Mason Fellow. He was the best probationer in the IAS 1974-76 professional course.

He has served 6 years in field positions in Bihar, including collector in two districts, 8 years in different positions in the State including rural development, health, industry and over two years as Secretary, Dept of Water Resources. He has served Govt. of India for 21 years, including Ministries of Commerce, Textiles, Industry, HRD and Health and was Secretary, Ministry of New and Renewable Energy. He has served as Advisor (Jute and Coir) in India Trade Centre in Brussels, Belgium and was Advisor to WHO for the TB programme in New Delhi.

His publications include a documentary study of Participatory Irrigation Management and Covering a billion with DOTS (Story of India's new TB control programme). He was invited as an expert in various global meetings convened by Codex, WHO, UNIDO/IRENA. He has advised UNIDO and World Bank on energy access issues and has managed several World Bank projects.



Director

Shri M. P. Shorawala, Part-Time Non-Official Director (Independent) is an expert in Industrial, Banking, Taxation & Property Laws. Shri Shorawala is an Advocate-on-Record of Hon'ble Supreme Court of India since 1985. He has done M.A. (Eng. Litreture), M.Com. and LL.B. from Agra University. He has worked for Union of India at Supreme Court of India and as their panel lawyer assisted Attorney General, Solicitor General and other Senior Advocates for Union of India. Further, he has vast experience of dealing with legal matters related to Contract & Agreement drafting, Patents, Trademarks, Cyber Laws, Customs, Corporate affairs, Company Law Board, Joint Ventures management, property cases, Income Tax Tribunal, Industrial and Labour Disputes resolutions, etc.