कॉनकॉर
CONCOR

भारतीय कंटेनर निगम लिमिटेड
Container Corporation of India Ltd.

बहुविध संभारतंत्र कंपनी
A Multi-modal Logistics Company
(भारत सरकार का नवरत्न उपक्रम)
(A Navratna CPSE of Govt. of India)

कॉन/ आईआरसी/SE/104/Vol-VII/

दिनांक : 30.04.2019

1. The Bombay Stock Exchange Ltd., Phiroze Jeejeebhoy Towers, Dalal Street Mumbai-400001 Code No.531344

2. National Stock Exchange of India Ltd. Exchange Plaza, 5th Floor, Plot No. C/1, G Block, Bandra-Kurla Complex, Bandra (E), Mumbai-400 051

3. National Securities Depository Ltd. Trade World, 4th Floor, Kamala Mills Compound Senapati Bapat Marg, Lower Parel, Mumbai-400 023

4. Central Depository Services (India) Limited Phiroze Jeejeebhoy Towers, 28th Floor, Dalal Street, Mumbai-400 023

Dear Sir/Madam,

Subject : Outcome of Board Meeting of CONCOR held on 30.04.2019

1. In the Board meeting of the Company held on 30.04.2019 the board of directors have approved the Financial Statements/results of the company for the year 2018-19. Accordingly, please find enclosed the following:

d) The Audited Financial Results & Segment wise Revenue, Results & Capital Employed for the quarter and period ended on 31st March, 2019.
e) The Auditors' Reports on Standalone and Consolidated Financial Statements.
f) The Statement on Impact of Audit Qualification(s) for Standalone Financial Statements.

2. Further, please be informed that the Board has declared a Final Dividend of Rs.8.55/- (171%) per equity share of face value of Rs.5/ each. The dividend declared is subject to approval of the shareholders in the ensuing Annual General Meeting.

Board Meeting ended on 30.04.2019 on 10:50 p.m..

This is for your information and record please.

Thanking you,

Yours faithfully,
For Container Corporation of India Ltd.,

(Harish Chandra)
Executive Director (Finance) & Company Secretary

CC: 1. M/s Beetal Financial & Computer Services Pvt. Ltd. (CONCOR's RTA)
2. ED (MIS&CSR) for placing on website of CONCOR.

CONTAINER CORPORATION OF INDIA LIMITED

PART - I

Statement of Audited Financial Results for the quarter and year ended 31st March, 2019

(₹ in Crores)

	Particulars	STANDALONE					CONSOLIDATED	
		THREE MONTHS ENDED			TWELVE MONTHS ENDED		TWELVE MONTHS ENDED	
		31/03/2019 (AUDITED)	31/12/2018 (UNAUDITED)	31/03/2018 (AUDITED)	31/03/2019 (AUDITED)	31/03/2018 (AUDITED)	31/03/2019 (AUDITED)	31/03/2018 (AUDITED)
1	Revenue from operations	1,834.29	1,657.07	1,639.05	6,881.91	6,157.16	6,956.06	6,612.49
2	Other Income	128.82	74.12	68.20	334.23	302.59	317.01	286.76
3	**Total Income (1+2)**	1,963.11	1,731.19	1,707.25	7,216.14	6,459.75	7,273.07	6,899.25
4	**Expenses**							
	a) Rail freight expenses	964.03	923.71	911.85	3,731.42	3,520.43	3,731.42	3,520.43
	b) Other Operating Expenses	212.97	180.69	166.31	786.07	647.82	829.58	1,018.48
	c) Employee benefits expense	109.72	76.78	80.94	336.78	277.90	337.00	279.38
	d) Finance Costs	0.68	0.02	0.02	0.74	0.09	6.54	5.56
	e) Depreciation and amortisation expense	111.72	105.88	101.04	424.58	392.65	452.26	419.97
	f) Other expenses	80.34	57.51	81.43	247.67	235.21	267.30	302.53
	Total expenses	1,479.46	1,344.59	1,341.59	5,527.26	5,074.10	5,624.10	5,546.35
5	**Profit before tax (3-4)**	483.65	386.60	365.66	1,688.88	1,385.65	1,648.97	1,352.90
6	**Tax expense**							
	a) Current tax	90.04	122.44	81.18	484.13	386.17	485.05	393.31
	b) Deferred tax	41.30	(10.52)	(20.34)	(10.66)	(57.90)	(10.64)	(58.00)
	c) Tax adjustments for earlier years	-	-	12.92	-	12.92	(0.01)	13.28
7	**Profit after tax (5-6)**	352.31	274.68	291.90	1,215.41	1,044.46	1,174.57	1,004.31
8	**Share of profit(loss) in joint venture entities**						50.02	55.80
9	**Profit for the period (7+8)**	352.31	274.68	291.90	1,215.41	1,044.46	1,224.59	1,060.11
10	**Other Comprehensive Income**							
	Items that will not be reclassified to profit or loss							
	(a)Remeasurement gains(losses) of defined benefit obligation	(4.21)	(0.79)	7.22	(2.86)	8.72	(2.86)	8.90
	(b) Share of OCI in associates and JV, to the extent not to be classified into P&L						(0.11)	0.32
	(c) Income tax relating to above item	1.47	0.28	(2.50)	1.00	(3.02)	1.04	(3.13)
	Total Other Comprehensive Income (net of tax)	(2.74)	(0.51)	4.72	(1.86)	5.70	(1.93)	6.09
11	**Total Comprehensive Income for the period (9+10)**	349.57	274.17	296.62	1,213.55	1,050.16	1,222.66	1,066.20
12	Paid up equity share capital (Face value of Rs.5/- per Share)	304.65	243.72	243.72	304.65	243.72	304.65	243.72
13	Reserves (excluding Revaluation Reserve)				10,063.22	9,129.99	10,025.25	9,078.05
14	Earnings per share (of Rs.5/- each) (not annualised) Refer note 3:							
	(a) Basic (Rs.)	5.78	4.51	4.79	19.95	17.14	20.10	17.40
	(b) Diluted (Rs.)	5.78	4.51	4.79	19.95	17.14	20.10	17.40

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Notes:

1. The above results have been reviewed by Audit Committee and approved by the Board of Directors in its meeting held on 30th April, 2019. The Statutory Auditors have conducted the audit of the Financial Statements and have expressed a qualified audit opinion.

2. The figures for the previous period have been regrouped/reclassified, wherever considered necessary.

3. 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. Consequent upon that, after taking approval from the shareholders through postal ballot, paid up share capital of the company was Rs.243.72 crore comprising of 487435478 equity shares of Rs.5/- each. Subsequently, the Company has also alloted 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.

4.Figures for the quarter ended 31st March, 2019 & 31st March, 2018 are the balancing figures between the audited figures in respect of full financial year and published year to date figures upto the third quarter of the relevant financial year

5.The Board of Directors has proposad final Dividend of Rs. 8.55 Per equity share(face value of Rs.5 per equity share) amounting to Rs. 520.95 Crore.

6. The Audited Accounts are subject to review by the Comptroller and Auditor General of India under section 143 (6) of the Comapnies Act, 2013.

7. 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 adopted 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.

8. 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.704.81 crores has been recognized for past 3 years i.e., 2015-16, 2016-17 and 2017-18. During the current year, an amount of Rs.339.22 crores has been recognized towards as SEIS benefit. The issue of benefit in respect of FY 2015-16, 2016-17 and 2017-18 amounting to Rs.704.81 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 supports the assessment of the management on this subject. Further, management is of the view that cost of monetization of SEIS benefits, once the same is granted by the authorities, will not be material. Therefore, such cost will be accounted for on monetization.

9.Fresh & Healthy Enterprises Ltd. (FHEL) is a wholly owned subsidiary of CONCOR. Though accumulated losses of FHEL amounting to Rs.172.57 crores (as per audited financial statements for FY 2018-19) exceeds CONCOR's investment of Rs.160.07 crores in the subsidiary as on 31st March 2019, no provision for diminution in the value of investment has been made, as business plan finalized by the management for revival of FHEL has already started getting implemented. In this direction, in March 2018, the Board of Director (BOD) of CONCOR had approved the said business plan for re-engineering of FHEL's facility at Rai, Sonipat, which is proposed to be executed in two phases totalling 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. Further, the Statutory auditor of FHEL has considered it as a going concern and has stated that the company has a re-enginnering plan which is expected to result reasonable profit in future years.

For & on behalf of the Board of Directors

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(Manoj Kumar Dubey)

Director (Finance)

Place: Delhi

Date : 30th April, 2019

Subject to auditor Report, Separately issued

ARUN K. AGARWAL & ASSOCIATES New Delhi Chartered Accountants

30/4/19

PART - II

Select information for the Quarter and Year ended 31st March, 2019

	Particulars	THREE MONTHS ENDED			TWELVE MONTHS ENDED	
		31/03/2019 (AUDITED)	31/12/2018 (UNAUDITED)	31/03/2018 (AUDITED)	31/03/2019 (AUDITED)	31/03/2018 (AUDITED)
A	**PARTICULARS OF SHAREHOLDING**					
1	Public Shareholding					
	-Number of shares	275409373	220327498	110163749	275409373	110163749
	-Percentage of shareholding	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 company)	-	-	-	-	-
b	Non-encumbered					
	-Number of shares	333884975	267107980	133553990	333884975	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
	-Percentage of shares (as a % of the total share capital of the company)	54.80	54.80	54.80	54.80	54.80

	Particulars	Three months ended 31st March, 2019
B	**INVESTOR COMPLAINTS**	
	Pending at the beginning of the quarter	1
	Received during the quarter	12
	Disposed of during the quarter	13
	Remaining unresolved at the end of the quarter	0

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SEGMENT WISE REVENUE, RESULTS AND CAPITAL EMPLOYED

(₹ in Crore)

	STANDALONE					CONSOLIDATED	
	THREE MONTHS ENDED			TWELVE MONTH ENDED		TWELVE MONTH ENDED	
	31/03/2019 (AUDITED)	31/12/2018 (UNAUDITED)	31/03/2018 (AUDITED)	31/03/2019 (AUDITED)	31/03/2018 (AUDITED)	31/03/2019 (AUDITED)	31/03/2018 (AUDITED)
1.SEGMENT REVENUE							
EXIM	1,401.51	1,300.52	1,260.64	5,401.78	4,842.80	5,420.50	5,255.17
DOMESTIC	432.78	356.55	378.41	1,480.13	1,314.36	1,533.98	1,356.54
UN-ALLOCABLE						1.58	0.78
TOTAL	**1,834.29**	**1,657.07**	**1,639.05**	**6,881.91**	**6,157.16**	**6,956.06**	**6,612.49**
LESS: INTER SEGMENT REVENUE							
NET SALES/INCOME FROM OPERATIONS	**1,834.29**	**1,657.07**	**1,639.05**	**6,881.91**	**6,157.16**	**6,956.06**	**6,612.49**
2.SEGMENT RESULTS							
PROFIT BEFORE TAX AND INTEREST FROM:							
EXIM	391.64	317.57	303.22	1,409.43	1,095.76	1,408.49	1,109.29
DOMESTIC	22.71	25.80	35.46	94.14	88.83	85.21	71.69
UN-ALLOCABLE						(7.02)	(7.84)
TOTAL	**414.35**	**343.37**	**338.68**	**1,503.57**	**1,184.59**	**1,486.68**	**1,173.14**
LESS:							
(I) INTEREST EXPENDITURE	0.68	0.02	0.02	0.74	0.09	6.54	5.56
(II) OTHER UN-ALLOCABLE EXPENDITURE							
NET OFF UNALLOCABLE INCOME	(69.98)	(43.25)	(27.00)	(186.05)	(201.15)	(218.85)	(241.12)
TOTAL PROFIT BEFORE TAX	**483.65**	**386.60**	**365.66**	**1,688.88**	**1,385.65**	**1,698.99**	**1,408.70**
3.CAPITAL EMPLOYED							
(SEGMENT ASSETS-SEGMENT LIABILITIES)							
EXIM	4,089.71	3,922.13	3,652.02	4,089.71	3,652.02	4,101.32	3,671.33
DOMESTIC	1,345.02	1,128.85	1,021.72	1,345.02	1,021.72	1,380.35	1,065.09
CAPITAL EMPLOYED IN SEGMENTS	**5,434.73**	**5,050.98**	**4,673.74**	**5,434.73**	**4,673.74**	**5,481.67**	**4,736.42**
ADD:							
UNALLOCABLE CORPORATE ASSETS LESS CORPORATE LIABILITIES	3,691.79	3,686.22	3,484.16	3,691.79	3,484.16	3,946.47	3,747.14
TOTAL	**9,126.52**	**8,737.20**	**8,157.90**	**9,126.52**	**8,157.90**	**9,428.14**	**8,483.56**
4.SEGMENT ASSETS							
EXIM	4,866.86	4,716.29	4,341.41	4,866.86	4,341.41	4,899.29	4,514.20
DOMESTIC	1,551.45	1,333.20	1,210.90	1,551.45	1,210.90	1,602.27	1,265.27
UNALLOCABLE	4,785.59	3,835.61	3,764.60	4,785.59	3,764.60	5,124.78	4,011.83
TOTAL SEGMENT ASSETS	**11,203.90**	**9,885.10**	**9,316.91**	**11,203.90**	**9,316.91**	**11,626.34**	**9,791.30**
5.SEGMENT LIABILITIES							
EXIM	777.15	794.16	689.39	777.15	689.39	797.97	842.87
DOMESTIC	206.43	204.35	189.18	206.43	189.18	221.92	200.18
UNALLOCABLE	1,093.80	149.39	280.44	1,093.80	280.44	1,178.31	264.69
TOTAL SEGMENT LIABILITIES	**2,077.38**	**1,147.90**	**1,159.01**	**2,077.38**	**1,159.01**	**2,198.20**	**1,307.74**

Statement of Assets and Liabilities

(₹ in Crore)

	Particulars	STANDALONE		CONSOLIDATED	
		As at 31st March 2019	As at 31st March 2018	As at 31st March 2019	As at 31st March 2018
		Audited	Audited	Audited	Audited
A	**ASSETS**				
1	**Non-Current Assets**				
	(a) Property Plant and Equipment	4,187.94	3,638.41	4,556.16	4,007.88
	(b)Capital work-in-progress	624.67	671.04	626.34	691.82
	(c) Other Intangible assets	6.75	9.98	7.90	11.36
	(d) Financial Assets				
	- Investments	1,402.90	1,389.02	1,171.16	1,126.28
	- Loans	55.26	46.99	60.44	51.52
	- Other financial Assets	15.57	36.50	28.07	50.99
	(e) Deferred tax asset(net)			2.82	2.02
	(f) Non-current tax assets	415.67	359.40	415.67	359.40
	(g) Other non-current assets	1,166.93	1,343.25	1,179.47	1,354.70
	Sub Total-Non Current Assets	**7,875.69**	**7,494.59**	**8,048.03**	**7,655.97**
2	**Current Assets**				
	(a) Inventories	23.25	27.41	23.64	27.83
	(b) Financial Assets				
	- Trade receivables	88.36	60.40	95.48	90.94
	- Cash and cash equivalents	115.29	177.38	129.30	210.94
	- Other Bank balances	55.13	1,804.32	76.44	1,806.94
	- Loans	67.38	159.84	36.82	133.20
	- Other financial Assets	106.41	138.11	106.24	138.47
	(c) Current tax assets			5.28	3.06
	(d) Other current assets	4,275.29	843.88	4,279.09	852.25
	Sub Total-Current Assets	**4,731.11**	**3,211.34**	**4,752.29**	**3,263.63**
	TOTAL -ASSETS	**12,606.80**	**10,705.93**	**12,800.32**	**10,919.60**
B	**EQUITY AND LIABILITIES**				
1	**Equity**				
	(a) Equity Share capital	304.65	243.72	304.65	243.72
	(b) Other Equity	10,063.22	9,129.99	10,025.25	9,078.05
	Sub Total-Equity	**10,367.87**	**9,373.71**	**10,329.90**	**9,321.77**
2	**Non-Controlling Interests**			106.34	113.37
3	**Non-Current Liabilities**				
	(a) Financial Liabilities				
	-Borrowings			70.00	62.00
	-Other financial liabilities	18.45	21.28	18.09	20.61
	(b) Provisions	53.88	45.78	53.98	45.85
	(c) Deferred tax liabilities (Net)	161.55	173.21	165.88	176.72
	(d) Other non-current liabilities	11.87	12.12	14.98	15.56
	Sub Total-Non Current Liabilities	**245.75**	**252.39**	**322.93**	**320.74**
4	**Current Liabilities:**				
	(a) Financial Liabilities				
	-Borrowings	700.65	-	700.65	-
	- Trade payables	350.42	254.24	353.13	275.94
	- Other financial liabilities	576.28	437.83	618.01	484.27
	(b) Current tax liabilities	-	-	-	-
	(c) Other current liabilities	347.78	363.16	351.30	378.90
	(d) Provisions	18.05	24.60	18.06	24.61
	Sub Total-Current Liabilities	**1,993.18**	**1,079.83**	**2,041.15**	**1,163.72**
	TOTAL-EQUITY AND LIABILITIES	**12,606.80**	**10,705.93**	**12,800.32**	**10,919.60**

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ARUN K. AGARWAL & ASSOCIATES
CHARTERED ACCOUNTANTS

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e-mail : arunagarwal_ca@rediffmail.com

INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF

CONTAINER CORPORATION OF INDIA LIMITED

Report on the Audit of the Standalone Financial Statements

Qualified Opinion

We have audited the accompanying standalone financial statements of **CONTAINER CORPORATION OF INDIA LIMITED** ("the Company"), which comprise the Balance Sheet as at 31st March 2019, the statement of Profit and Loss (including other comprehensive income), the Statement of Changes in Equity and the Statement of Cash Flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information (hereinafter referred to as "the standalone financial statements") in which are included the Returns for the year ended on that date audited by the branch auditors of the Company's regions located at Mumbai (western region), Chennai (Southern region), Kolkata (Eastern region), Noida(North central region), Nagpur(Central region), New Delhi(Northern region), Secunderabad (South Central region) & Ahmedabad (North West region).

In our opinion and to the best of our information and according to the explanations given to us, except for the effects of the matter described in the *Basis for Qualified Opinion* section of our report, the aforesaid standalone financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2019, its profit (including other comprehensive income), changes in equity and its cash flows for the year ended on that date.

Basis for Qualified Opinion

Refer note no. 55, regarding non provision for impairment loss/fair value reduction in the value of investment amounting to INR 160.07 Crores in equity of M/s Fresh & Healthy Enterprises Limited (FHEL) & amounting to INR 56.24 Crores in debts including interest and other receivables from FHEL. FHEL is a wholly owned subsidiary company, whose net worth has been fully eroded. FHEL has not achieved the projected cash inflows and has reported a loss of INR 8.39 crores for the Financial Year 18-19. Further, the management projections provided to us with regard to future cash flows of FHEL are not supported by credible evidence and are inconsistent with the past performance. Accordingly, the

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carrying amount of the investment of INR 160.07 Crores and debt including interest and other receivables of INR 56.24 Crores of FHEL shall exceed its Recoverable Amount/ Fair Value, resulting in Impairment Loss and Reduction in Fair Value in accordance with Ind AS-36, "Impairment of Assets" (IND AS 36) and Ind AS-109, "Financial Instruments"(IND AS 109).

Accordingly, impairment loss for the carrying amount of investment of INR 160.07 Crores has not been recognized in accordance with IND AS 36 and Fair Value Reduction in Debt and Other Receivables amounting to INR 56.24 Crores has not been provided in accordance with IND AS 109. Accordingly the provision towards impairment and fair value reduction is understated by INR 216.31 Crores, investment is overstated by INR 160.07 Crores, Loans given including interest are overstated by INR 55.44 Crores and Other receivable are overstated by INR 0.80 Crores and profit before tax is overstated by INR 216.31 Crores.

We conducted our audit of standalone financial statements in accordance with the Standards on Auditing ("SAs") specified under section 143(10) of the Act. Our responsibilities under those Standards are further described in the *Auditor's Responsibilities for the Audit of the Standalone Financial Statements* section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India ("ICAI") together with the ethical requirements that are relevant to our audit of the standalone financial statements under the provisions of the Act and the Rules made thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI's Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our qualified opinion.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the standalone financial statements of the current period. These matters were addressed in the context of our audit of the standalone financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. In addition to the matter described in the *Basis for Qualified Opinion* section, we have determined the matters described below to be the key audit matters to be communicated in our report:

1. Recoverability and Recognition of Receivables w.r.t Export Incentives under Service Export from India Scheme (SEIS)

   Under the Foreign Trade Policy (FTP) 2015-20 of Government of India, the Company has claimed export 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.

   Company has recognized income under the said scheme of INR 704.81 Crores till 31.03.2018 and INR 339.22 Crores in the financial year 2018-19, amounting to a total of INR 1044.03 Crores till 31.03.2019 against which no amount has been realized till 31.03.2019. SEIS claims filed by the Company for past years amounting to INR 704.81

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Crores have not yet been approved even for first year 2015-16 by the concerned department of Government of India and decision thereof is long pending. Concerns have been raised regarding fair value of the amount receivable. Refer Note 56 to the standalone financial statements.

This has been considered as a key audit matter given the involvement of management judgement and estimate and any variation may have consequential impact on the recognised revenue.

The status of such claims has been reviewed on regular basis. Based on expert's opinion on eligibility of the company for the benefits under SEIS under the FTP 2015-20, legal opinion obtained by the management on this matter and management's assessment based on discussions and follows up with the authorities, the Management of the Company is of the view that there is no reduction in the fair value of the claim outstanding in the books.

2. Advance Given to Railways and Loan Taken Thereof

During the Financial year 2018-19, the Company has entered into an agreement with the Indian Railways wherein the Company agrees to pay INR 4,500 Crores in advance in two instalments towards payment of freight charges for the Financial Year 2019-20 and paid INR 3000 crores as advance rail freight towards first instalment. To fulfil this commitment the company has liquidated its investment and borrowed INR 700 Crores as working capital loan from bank. As per management assessment, the benefit of fixed base rail freight for the financial year 2019-20 would not only offset the cost of fund and sacrifice of income on investments but will also give competitive advantage and help in growth of business of the company. Refer Note 58 to the standalone financial statements.

We have reviewed the scheme, minutes of the board and the agreement entered into and we have relied on the management's assumptions and estimates in this regard.

Information Other than the Standalone Financial Statements and Auditor's Report Thereon

The Company's Board of Directors is responsible for the other information. The other information comprises the Management Discussion and Analysis, Director's Report including annexures to Director's Report, Business Responsibility Report, Corporate Governance, Ten years Financial/physical performance and data and letter from CMD included in the annual report of the company, but does not include the standalone financial statements and our auditor's report thereon. The annual report is expected to be made available to us after the date of this auditor's report.

Our opinion on the standalone financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the standalone financial statements, our responsibility is to read the other information identified above when it becomes available and, in doing so, consider whether the other information is materially inconsistent with the standalone financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

Arun K. Agarwal & Associates
New Delhi
Chartered Accountants

When we read the Annual report, if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance and take necessary actions as per applicable laws and regulations.

Responsibilities of Management and Those Charged with Governance for the Standalone Financial Statements

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these standalone financial statements that give a true and fair view of the financial position, financial performance (including other comprehensive income), changes in equity and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards specified in the Companies (Indian Accounting Standards) Rules, 2015 (as amended) under section 133 of the Act. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the standalone financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the standalone financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

The Board of Directors are also responsible for overseeing the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Standalone Financial Statements

Our objectives are to obtain reasonable assurance about whether the standalone financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these standalone financial statements.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the standalone financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and

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New Delhi
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appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal financial controls relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls system in place and the operating effectiveness of such controls.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the standalone financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the standalone financial statements, including the disclosures, and whether the standalone financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

Materiality is the magnitude of misstatements in the standalone financial statements that, individually or in aggregate, makes it probable that the economic decisions of reasonably knowledgeable user of the financial statements may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the financial statements.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the standalone financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure

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about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Emphasis of Matter

1. We draw attention to the Note no. 54 to the standalone financial statement which describes investment of INR 54.60 Crore in equity of India Gateway Terminal Private Limited, a jointly controlled entity in which the Company holds 11.87% equity, whose net worth has been fully eroded. Management has not recognized any impairment in the value of the assets, as in the opinion of the management, the expected present value of future cash flows exceeds the carrying amount of the asset.

2. We further draw attention to the Note no. 56 to the standalone financial statements which describe that cost of monetization of Scrips receivable under Service Export from India Scheme (SEIS) will not be material in the view of the management and therefore the same will be accounted for in the year of monetization.

   Our opinion is not modified in respect of the above stated matters.

Other Matter

We did not audit the financial statements/ information of 8 regions included in the standalone financial statements of the Company whose financial statements/financial information reflect total assets of Rs. 3449.45 Crores as at 31st March, 2019 and the total revenue of Rs. 6594.29 Crores for the year ended on that date, as considered in the standalone financial statements. The financial statements/ information of these regions have been audited by the branch auditors whose reports have been furnished to us, and our opinion in so far as it relates to the amounts and disclosures included in respect of these regions, is based solely on the report of such branch auditors.

Our opinion is not modified in respect of this matter.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2016 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the "**Annexure A**", a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.

2. The Comptroller and Auditor General of India has issued Directions indicating the areas to be examined in terms of sub section (5) of section 143 of the Act, compliance of which are set out in "**Annexure B**".

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New Delhi
Chartered Accountants

3. As required by Section 143(3) of the Act, we report that:

(a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.

(b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books and proper returns adequate for the purposes of our audit have been received from the regions not visited by us.

(c) The reports on the accounts of regions of the Company audited under Section 143(8) of the Act by branch auditors have been sent to us and have been properly dealt with by us in preparing this report.

(d) The Balance Sheet, the Statement of Profit and Loss (including other comprehensive income), the Cash Flow Statement and the Statement of Changes in Equity dealt with by this Report are in agreement with the books of account and the returns received from the regions not visited by us.

(e) In our opinion, the aforesaid standalone financial statements comply with the Indian Accounting Standards specified in the Companies (Indian Accounting Standards) Rules, 2015 (as amended) under Section 133 of the Act, except IND AS 36 '*Impairment of* Assets' and IND AS 109 'Financial Instruments' as described in *Basis for Qualified Opinion* section of our report and also with the exception of IND AS- 8 '*Accounting Policies, Changes in Accounting Estimates and Errors*' to the extent of Disclosure required for impact on financial statements w.r.t. IND AS-116 '*Leases*', made applicable on the Company from 01.04.2019 by MCA notification dated 30.03.2019.

(f) As per notification number G.S.R. 463(E) dated 5th June, 2015 issued by Ministry of Corporate Affairs, section 164(2) of the Act regarding the disqualifications of Directors is not applicable to the Company, since it is a Government Company;.

(g) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in **"Annexure C"**. Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls over financial reporting.

(h) With respect to the other matters to be included in the Auditor's Report, as per notification number G.S.R. 463(E) dated 5th June, 2015 issued by Ministry of Corporate Affairs, section 197(16) of the Act regarding the Managerial remuneration is not applicable to the Company, since it is a Government Company

(i) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014 (as amended), in our opinion and to the best of our information and according to the explanations given to us:

ARUN K. AGARWAL & ASSOCIATES
New Delhi
Chartered Accountants

i. The Company has disclosed the impact of pending litigations on its financial position in its standalone financial statements – Refer Note 42 to the standalone financial statements;

ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses;

iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.

For Arun K Agarwal & Associates
Chartered Accountants
(Firm's Registration No. 003917N)

ARUN K. AGARWAL & ASSOCIATES
New Delhi
Chartered Accountants

Arun Kumar Agarwal
(Partner)
M. No. 082899

Place: New Delhi
Date: 30 April, 2019

Annexure A to Independent Auditors' Report

Referred to Paragraph 1 under the heading of "Report on Other Legal and Regulatory Requirements" of our report of even date

i. In respect of the Company's fixed assets:

(a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.

(b) The Company has a programme of physical verification of fixed assets on a yearly basis, which in our opinion is reasonable having regards to the size of the Company and nature of its business. Fixed assets were physically verified by the management during the year. According to the information and explanations given to us, no material discrepancies were noticed on such verification.

(c) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the title deeds of immovable properties are held in the name of the Company except for items mentioned below:

(Amount in Rs. Crores)

Details of Property	Net Amount
RO Premises at Egmore, Chennai	1.72
Staff Quarters at Chennai	1.03
Residential Flats, Kolkata	0.51
Jangpura-Building	0.83
Leasehold Land-MMLP, Vishakhapatnam	93.91
Freehold land, Krishnapatnam Port	31.21
Land at Village Bhavri	0.04
Land at Vatera	0.64
Jangpura-Land	0.44
Leasehold Land at Kadakola	18.99
Land at White Field	13.11

ii. The Company has carried out physical verification of inventory at reasonable intervals. As per the information and explanations given to us, no material discrepancies were noticed during such verification.

iii. The Company has granted unsecured loans to 2 wholly owned subsidiary companies i.e. M/s Fresh & Healthy Enterprises Limited (FHEL) and M/s CONCOR Air Limited:

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(a) In our opinion and according to the information and explanations given to us, the terms and conditions of the grant of such loans are not prejudicial to the Company's interest.

(b) The borrower entity (FHEL) is not in a capacity to pay interest and principal as per stipulated terms. The due date of the loan and interest has been extended period after period to avoid default in the account.

(c) Interest amounting to INR 17.36 Crore is overdue in relation to loan to FHEL for more than ninety days. According to the information and explanations given to us, the company is following up the recovery of overdue amount.

iv. In our opinion and according to the information and explanations given to us, the Company has complied with the provisions of section 185 and 186 of the Act, with respect to the loans, investments, guarantees and securities, as applicable.

v. The Company has not accepted any deposits from the public within the meaning of Sections 73, 74, 75 and 76 of the Companies Act, 2013 and Rules framed there under.

vi. As per the information and explanations given to us, the maintenance of cost records has not been prescribed by the Central Government under section 148(1) of the Companies Act, 2013 for services rendered by the Company.

vii. (a) According to the information and explanations given to us and on the basis of our examination of the books of account of the Company, except Building & Other Construction Worker Cess of Rs. 1.44 Crores outstanding as on 31st March, 2019 for a period of more than six months from the date it became payable, amount deducted/accrued in the books of account in respect of undisputed statutory dues including Provident Fund, Employees' State Insurance, Income Tax, Goods and Services Tax, Sales tax, Service Tax, Custom Duty, Value Added Tax, Cess and any other statutory dues have been regularly deposited during the year by the Company with appropriate authorities.

(b) According to the information and explanations given to us, the following dues of Income tax and Service tax have not been deposited by the company on account of disputes:

S. No	Name of Statue	Nature of Dues	Forum where dispute is pending	Period to which amount relates	Amount
1	Finance Act, 1994	Service tax	CESTAT, Bangalore	September 2002 to June 2008	**1.48***
			CCE	2004-05	0.11
			CCE(Appeals)	January 2004-March 2004	0.02
			CCE	2005-06	0.20

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S. No	Name of Statue	Nature of Dues	Forum where dispute is pending	Period to which amount relates	Amount
2	Income Tax Act, 1961	Income Tax	ITAT, Delhi	A.Y. 2008-09	96.59
				A.Y. 2011-12	165.80
				A.Y. 2012-13	159.27
				A.Y. 2013-14	107.31
				A.Y. 2014-15	132.13
			CIT(Appeals)	A.Y. 2013-14	48.46
			ITO (Income Tax Officer)	AY 2006-07	0.69
			ITO (Income Tax Officer)	AY 2010-11	1.20

* one third share of the total disputed amount

viii. The Company has not defaulted in repayment of loans or borrowing to a financial institution, bank, Government or dues to debenture holders during the year.

ix. The Company did not raise any money by way of initial public offer or further public offer (including debt instruments) and term loans during the year. Accordingly, paragraph 3 (ix) of the Order is not applicable.

x. According to the information and explanation given to us by the management and based on our examination of the records of the company, no material fraud by the company or on the Company by its officers or employees has been noticed or reported during the year.

xi. As per Notification dated 05.06.2015, Section 197 of the Act is not applicable in case of a Government Company. Accordingly, paragraph 3 (xi) of the Order is not applicable.

xii. In our opinion and according to the information and explanations given to us, the Company is not a nidhi company. Accordingly, paragraph 3(xii) of the Order is not applicable.

xiii. According to the information and explanations given to us and based on our examination of the records of the Company, transactions with the related parties are in compliance with sections 177 and 188 of the Act wherever applicable and details of such transactions have been disclosed in the standalone financial statements as required by the applicable accounting standards.

xiv. According to the information and explanations give to us and based on our examination of the records of the Company, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year. Accordingly, paragraph 3(xiv) of the Order is not applicable to the Company.

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xv. According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not entered into non-cash transactions with directors or persons connected with him. Accordingly, paragraph 3(xv) of the Order is not applicable to the Company.

xvi. The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act 1934.

For Arun K Agarwal & Associates
Chartered Accountants
(Firm's Registration No. 003917N)

Arun Kumar Agarwal
(Partner)
M. No. 082899

Place: New Delhi
Date: 30 April, 2019

Annexure B to Independent Auditor's Report

Referred to Paragraph 2 under the heading of "Report on Other Legal and Regulatory Requirements" of our report of even date

According to the information and explanations given to us we report as under:

S. No.	Areas Examined	Observations/Findings
1.	Whether the company has system in place to process all the accounting transactions rough IT system? If yes, the implications of processing of accounting transactions outside IT system on the integrity of the accounts along with the financial implications, if any, may be stated.	The Company has system in place to process all the accounting transactions through IT System i.e. Oracle. The operational entries of the Company like revenue, customer ledger account, pre-deposit accounts etc., have been recorded in a separate IT system (viz. ETMS, DTMS and CCLS) other than the financial reporting IT system (viz. Oracle). At each month end, a consolidated entry is being posted in 'Oracle' based on the summary generated in DTMS, ETMS and CCLS systems, Further payroll of the company is maintained through RAMCO system. However, the Company has adequate internal control system to verify correctness of the entries collated and posted in Oracle.
2.	Whether there is any restructuring of an existing loan or cases of waiver/write off of debts/loans/interest etc. made by a lender to the company due to the company's inability to repay the loan? If yes, the financial impact may be stated.	According to the information and explanations give to us and based on our examination of the records of the Company, there has been no restructuring/ waiver/write off of any existing loan taken by the Company.
3.	Whether funds received/receivable for specific schemes from central/ state agencies were properly accounted for/ utilized as per its term and conditions? List the cases of deviation.	Funds received/receivable for specific schemes from central/state agencies were properly accounted for/utilized as per its term and conditions except grant received in 2010 of which INR 6,46,278 remains unutilized till date.

For Arun K Agarwal & Associates
Chartered Accountants
(Firm's Registration No. 003917N)

ARUN K. AGARWAL & ASSOCIATES
New Delhi
Chartered Accountants

Arun Kumar Agarwal
(Partner)
M. No. 082899
Place: New Delhi
Date: 30 April 2019

Annexure C to Independent Auditor's Report

Referred to Paragraph 3(g) under the heading of "Report on Other Legal and Regulatory Requirements" of our report of even date

Report on the Internal Financial Controls Over Financial Reporting under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")

We have audited the internal financial controls over financial reporting of **CONTAINER CORPORATION OF INDIA LIMITED** ("the Company") as of 31 March, 2019 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India ("ICAI"). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditors' Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the ICAI. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls system over financial reporting.

Arun K. Agarwal & Associates
New Delhi
Chartered Accountants

Meaning of Internal Financial Controls Over Financial Reporting

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls over Financial Reporting

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31 March, 2019, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

For Arun K Agarwal & Associates
Chartered Accountants
(Firm's Registration No. 003917N)

ARUN K AGARWAL & ASSOCIATES
New Delhi
Chartered Accountants

Arun Kumar Agarwal
(Partner)
M. No. 082899
Place: New Delhi
Date: 30 April 2019

ARUN K. AGARWAL & ASSOCIATES
CHARTERED ACCOUNTANTS

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INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF

CONTAINER CORPORATION OF INDIA LIMITED

Report on the Audit of the Consolidated Financial Statements

Opinion

We have audited the accompanying consolidated financial statements of **CONTAINER CORPORATION OF INDIA LIMITED** ("the Holding Company") and its subsidiaries (the Holding Company and its subsidiaries together referred to as "the Group"), its associates and jointly controlled entities, which comprise the consolidated Balance Sheet as at 31 March 2019, the consolidated Statement of Profit and Loss (including other comprehensive income), the consolidated Cash Flows Statement, the consolidated statement of changes in equity for the year then ended, and notes to the financial statements, including a summary of the significant accounting policies and other explanatory information (hereinafter referred to as "the Consolidated Financial Statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid consolidated financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the consolidated state of affairs of the Group and its associates and jointly controlled entities as at March 31, 2019, consolidated profit (including other comprehensive income), consolidated changes in equity and consolidated cash flows for the year ended on that date.

Basis for Opinion

We conducted our audit of consolidated financial statements in accordance with the Standards on Auditing ("SAs") specified under section 143(10) of the Act. Our responsibilities under those Standards are further described in the *Auditor's Responsibilities for the Audit of the Consolidated Financial Statements* section of our report. We are independent of the Group, its associates and jointly controlled entities in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India ("ICAI") together with the ethical requirements that are relevant to our audit of the consolidated financial statements under the provisions of the Act and the Rules made thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI's Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

ARUN K. AGARWAL & ASSOCIATES
New Delhi
Chartered Accountants

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated financial statements of the current period. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. We have determined the matters described below to be the key audit matters to be communicated in our report:

1. Recoverability and Recognition of Receivables w.r.t Export Incentives under Service Export from India Scheme (SEIS)

   Under the Foreign Trade Policy (FTP) 2015-20 of Government of India, the holding company has claimed export benefits under Service Export from India Scheme (SEIS). The holding 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.

   The holding company has recognized income under the said scheme of INR 704.81 Crores till 31.03.2018 and INR 339.22 Crores in the financial year 2018-19, amounting to a total of INR 1044.03 Crores till 31.03.2019 against which no amount has been realized till 31.03.2019. SEIS claims filed by the holding company for past years amounting to INR 704.81 Crores have not yet been approved even for first year 2015-16 by the concerned department of Government of India and decision thereof is long pending. Concerns have been raised regarding fair value of the amount receivable. Refer Note 58 to the consolidated financial statements.

   This has been considered as a key audit matter given the involvement of management judgement and estimate and any variation may have consequential impact on the recognised revenue.

   The status of such claims has been reviewed on regular basis. Based on expert's opinion on eligibility of the holding company for the benefits under SEIS under the FTP 2015-20, legal opinion obtained by the management on this matter and management's assessment based on discussions and follows up with the authorities, the Management of the holding company is of the view that there is no reduction in the fair value of the claim outstanding in the books.

2. Advance Given to Railways and Loan Taken Thereof

   During the Financial year 2018-19, the holding company has entered into an agreement with the Indian Railways wherein the holding company agrees to pay INR 4,500 Crores in advance in two instalments towards payment of freight charges for the Financial Year 2019-20 and paid INR 3000 crores as advance rail freight towards first instalment. To fulfill this commitment the holding company has liquidated its investment and borrowed INR 700 Crores as working capital loan from bank. As per management assessment, the benefit of fixed base rail freight for the financial year 2019-20 would not only offset the cost of fund and sacrifice of income on investments but will also give competitive advantage and help in growth of business of the holding company. Refer Note 59 to the consolidated financial statements.

   We have reviewed the scheme, minutes of the board and the agreement entered into and we have relied on the management's assumptions and estimates in this regard.

New Delhi
Chartered Accountants

Information Other than the Consolidated Financial Statements and Auditor's Report Thereon

The holding company's Board of Directors is responsible for the other information. The other information comprises the Management Discussion and Analysis, Director's Report including annexures to Director's Report, Business Responsibility Report, Corporate Governance, Ten years Financial/physical performance and data and letter from CMD included in the annual report of the holding company, but does not include the consolidated financial statements and our auditor's report thereon. The annual report is expected to be made available to us after the date of this auditor's report.

Our opinion on the consolidated financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the consolidated financial statements, our responsibility is to read the other information identified above when it becomes available and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

When we read the Annual report, if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance and take necessary actions as per applicable laws and regulations.

Responsibilities of Management and Those Charged with Governance for the Consolidated Financial Statements

The Holding Company's Board of Directors is responsible for the preparation and presentation of these consolidated financial statements in term of the requirements of the Act that give a true and fair view of the consolidated financial position, consolidated financial performance (including other comprehensive income), consolidated statement of changes in equity and consolidated cash flows of the Group including its Associates and Jointly controlled entities in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under section 133 of the Act. The respective Board of Directors of the companies included in the Group and of its associates and jointly controlled entities are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Group and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the consolidated financial statements by the Directors of the Holding Company, as aforesaid.

In preparing the consolidated financial statements, the respective Board of Directors of the companies included in the Group and of its associates and jointly controlled entities are responsible for assessing the ability of the Group and of its associates and jointly controlled entities to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

The respective Board of Directors of the companies included in the Group and of its associates and jointly controlled entities are responsible for overseeing the financial reporting process of the Group and of its associates and jointly controlled entities.

Auditor's Responsibilities for the Audit of the Consolidated Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the Consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal controls relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Group and its associates and jointly controlled entities has adequate internal financial controls system in place and the operating effectiveness of such controls.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the ability of the Group and its associates and jointly controlled entities to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are

ARUN K. AGARWAL & ASSOCIATES New Delhi Chartered Accountants

based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group and its associates and jointly controlled entities to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group and its associates and jointly controlled entities to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the audit of the financial statements of such entities included in the consolidated financial statements of which we are the independent auditors. For the other entities included in the consolidated financial statements, which have been audited by other auditors, such other auditors remain responsible for the direction, supervision and performance of the audits carried out by them. We remain solely responsible for our audit opinion

Materiality is the magnitude of misstatements in the consolidated financial statements that, individually or in aggregate, makes it probable that the economic decisions of reasonably knowledgeable user of the financial statements may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the financial statements.

We communicate with those charged with governance of the Holding Company and such other entities included in the consolidated financial statements of which we are the independent auditors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the consolidated financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

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New Delhi
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Emphasis of Matter

1. We draw attention to the Note no. 57 to the consolidated financial statement which describes investment of INR 54.60 Crore in equity of India Gateway Terminal Private Limited, a jointly controlled entity in which the holding company holds 11.87% equity, whose net worth has been fully eroded. Management of the holding company has not recognized any impairment in the value of the assets, as in the opinion of the management, the expected present value of future cash flows exceeds the carrying amount of the asset.

2. We further draw attention to the Note no. 58 to the consolidated financial statements which describe that cost of monetization of Scrips receivable under Service Export from India Scheme (SEIS) will not be material in the view of the management of the holding company and therefore the same will be accounted for in the year of monetization.

3. We draw attention to note no-63 to the consolidated financial statements, regarding the uncertainty of outcome of the legal matter relating to tariff rates and the likely impact and adjustments, if any, required to be made to the consolidated financial statements in case an adverse ruling is made against the joint controlled entity i.e. M/s Gateway Terminal India Private Limited.

4. The auditor of Concor Air Limited (subsidiary of the holding company) has drawn attention that Provision for expenses contain amounts pertaining to earlier periods starting FY 2013-14 to 2017-18 amounting to Rs. 2026.70 lakh in all. The detailed justification w.r.t holding such huge provision in books along with confirmation from respective parties is required. Also, party wise schedules duly reconciled are not available for certain current liabilities: Excess Amounts received: Rs. 113.28 Lakh and D.O. Charges payable: Rs. 21.29 Lakh.

5. The auditor of Concor Air Limited has also drawn attention to Rebate expenses amounting to INR 0.20 Crores have been provided as payable to Jet Airways basis approval from the board. However, the share of rebate claimable from MIAL has not been provided in the books of accounts of CONCOR Air Limited.

6. The auditor of Concor Air Limited has also drawn attention to the fact that work for concession, operation and management for international air cargo with MIAL (Mumbai International Airport (P) Ltd.) ended 15-4-18, the account with MIAL has not fully been reconciled/settled. Whereas the claims of INR 34.19 Crores made by MIAL not accepted by Concor Air Limited has been reflected under contingent liabilities, the accounts are, however, subject to reconciliation & Settlement of account with MIAL.

Our opinion is not modified in respect of the above stated matters.

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Other Matter

We did not audit the financial statements/ information of 8 regions included in the financial statements of the holding company whose financial statements/financial information reflect total assets of Rs. 3449.45 Crores as at 31st March, 2019 and the total revenue of Rs. 6594.29 Crores for the year ended on that date, as considered in the financial statements of the holding company. The financial statements/ information of these regions have been audited by the branch auditors whose reports have been furnished to us, and our opinion in so far as it relates to the amounts and disclosures included in respect of these regions, is based solely on the report of such branch auditors.

Our opinion is not modified in respect of this matter.

We did not audit the financial statements / financial information of 4 subsidiaries, whose financial statements / financial information reflect total assets of Rs.485.62 Crores as at 31st March, 2019, total revenues of Rs.102.19 Crores and net cash used amounting to Rs. 1.00 Crores for the year ended on that date, as considered in the consolidated financial statements. These financial statements / financial information have not been audited by us. These financial statements / financial information have been audited by other auditors whose reports have been furnished to us by the Management and our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries and our report in terms of sub-sections (3) and (11) of Section 143 of the Act, in so far as it relates to the aforesaid subsidiaries is based solely on the reports of the other auditors.

We did not audit the financial statements / financial information of 11 jointly controlled entities, whose financial statements / financial information reflect the Group's share of net profit of Rs. 50.01 Crores for the year ended 31st March, 2019, as considered in the consolidated financial statements, whose financial statements / financial information have not been audited by us. These financial statements / financial information are unaudited and have been furnished to us by the Management and our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of these jointly controlled entities and our report in terms of sub-sections (3) and (11) of Section 143 of the Act in so far as it relates to the aforesaid jointly controlled entities, is based solely on such unaudited financial statements / financial information. In our opinion and according to the information and explanations given to us by the Management, these financial statements / financial information are not material to the Group.

Our opinion on the consolidated financial statements, and our report on Other Legal and Regulatory Requirements below, is not modified in respect of the above matters with respect to our reliance on the work done and the reports of the other auditors and the financial statements / financial information certified by the Management.

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Report on Other Legal and Regulatory Requirements

As required by Section 143(3) of the Act, we report that:

(a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit of the aforesaid consolidated financial statements.

(b) In our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidated financial statements have been kept so far as it appears from our examination of those books and the reports of the other auditors.

(c) The reports on the accounts of regions of the holding company audited under section 143 (8) of the Act by branch auditors have been sent to us and have been dealt with in preparing our report in the manner considered necessary by us.

(d) The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss(including other comprehensive income), consolidated statement of changes in equity and the Consolidated Cash Flow Statement dealt with by this Report are in agreement with the relevant books of account maintained for the purpose of preparation of the consolidated financial statements.

(e) In our opinion, the aforesaid consolidated financial statements comply with the Indian Accounting Standards specified in the Companies (Indian Accounting Standards) Rules, 2015 (as amended) under Section 133 of the Act, except IND AS- 8 *'Accounting Policies, Changes in Accounting Estimates and Errors'* to the extent of Disclosure required for impact on consolidated financial statements w.r.t. IND AS-116 *'Leases'*, made applicable from 01.04.2019 by MCA notification dated 30.03.2019.

(f) As per notification number G.S.R. 463(E) dated 5th June, 2015 issued by Ministry of Corporate Affairs, section 164(2) of the Act regarding the disqualifications of Directors is not applicable to the holding company, since it is a Government Company. On the basis of reports of the statutory auditors of its subsidiary companies, associate companies and jointly controlled companies incorporated in India, none of the directors of the Group companies, its associate companies and jointly controlled companies incorporated in India is disqualified as on 31st March, 2019 from being appointed as a director in terms of Section 164 (2) of the Act.

(g) With respect to the adequacy of internal financial controls over financial reporting of the Group and the operating effectiveness of such controls, refer to our separate report in **"Annexure A"**.

(h) With respect to the other matters to be included in the Auditor's Report, as per notification number G.S.R. 463(E) dated 5th June, 2015 issued by Ministry of Corporate Affairs, section 197(16) of the Act regarding the Managerial remuneration is not applicable to the holding company, since it is a Government Company. On the basis of reports of the statutory auditors of its subsidiary companies, associate companies and jointly controlled companies incorporated in India, the remuneration paid by the respective companies to their directors during the year is in accordance with the provisions of section 197 of the Act.

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New Delhi
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(i) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditor's) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:

i. The consolidated financial statements disclose the impact of pending litigations on the consolidated financial position of the Group, its associates and jointly controlled entities– Refer Note 47 to the consolidated financial statements.

ii. The Group, its associates and jointly controlled entities did not have any material foreseeable losses on long-term contracts including derivative contracts.

iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Holding Company and its subsidiary companies, associate companies and jointly controlled companies incorporated in India.

For Arun K Agarwal & Associates
Chartered Accountants
(Firm's Registration No. 003917N)

New Delhi

Arun Kumar Agarwal
(Partner)
M. No. 082899
Place: New Delhi
Date: 30 April, 2019

Annexure - A to the Independent Auditors' Report

Referred to Paragraph (g) under the heading of "Report on Other Legal and Regulatory Requirements" of our report of even date

Report on the Internal Financial Controls over Financial Reporting under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")

In conjunction with our audit of the consolidated financial statements as of and for the year ended 31 March 2019, we have audited the internal financial controls over financial reporting of **CONTAINER CORPORATION OF INDIA LIMITED** ("the Holding Company") and its subsidiaries (the Holding Company and its subsidiaries together referred to as "the Group"), its associates and jointly controlled entities, which are companies incorporated in India, as of that date.

Management's Responsibility for Internal Financial Controls

The Respective Board of Directors/Management of the Holding Company, its subsidiary companies, its associates and jointly controlled entities, which are companies incorporated in India, are responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the respective Companies considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India ("ICAI'). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to respective company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under Act.

Auditors' Responsibility

Our responsibility is to express an opinion on the internal financial controls over financial reporting of the Group and its associates and jointly controlled entities, based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls over Financial Reporting (the "Guidance Note") issued by ICAI and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating

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New Delhi
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the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on internal financial controls system over financial reporting of the Group and its associates and jointly controlled entities.

Meaning of Internal Financial Controls over Financial Reporting

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls Over Financial Reporting

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Qualified Opinion

According to the independent auditor's report of Concor Air Limited, wholly owned subsidiary of the holding company, following material weaknesses have been identified in by the auditor:-

1. The Concor Air Limited is running standalone IT system for revenue accounting and for accounting of receivables etc, which is not integrated with the financial package tally. The company needs to integrate the two and incorporate internal control and audit system to verify the correctness of data.

2. System of obtaining debtors and creditors confirmation is not in place.

3. System of identifying excess provisions and writing them off is not in place resulting in huge amount lying outstanding since last few years.

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New Delhi
Chartered Accountants

4. Systems of reconciling the revenue figures and input taxes with GST returns and information available on the portal is not in place.

5. System of accounting and reconciliation of TDS credits and certificates with advances recived against the revenue needs a lot of strengthening and regular follow ups.

Except to the matters mentioned above in respect of Concor Air Limited, wholly owned subsidiary company of the holding company, in our opinion and to the best of our information and according to the explanations given to us, the Holding Company, its other subsidiary companies, its associates and jointly controlled entities, which are companies incorporated in India, have, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31 March 2019, based on the internal control over financial reporting criteria established by the respective companies considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the ICAI.

Other Matters

Our aforesaid reports under Section 143(3)(i) of the Act on the adequacy and operating effectiveness of the internal financial controls over financial reporting insofar as it relates to four (4) subsidiary companies, is based on the corresponding reports of the auditors of such companies and eleven (11) jointly controlled entities, is based on the certification provided by the management.

Our opinion is not modified in respect of this matter.

For Arun K Agarwal & Associates
Chartered Accountants
(Firm's Registration No. 003917N)

New Delhi

Arun Kumar Agarwal
(Partner)
M. No. 082899

Place: New Delhi
Date: 30 April, 2019

ANNEXURE I

Statement on Impact of Audit Qualifications (for audit report with modified opinion) submitted along-with Annual Audited Financial Results - (Standalone)

Statement on Impact of Audit Qualifications for the Financial Year ended March 31, 2019 [See Regulation 33 / 52 of the SEBI (LODR) (Amendment) Regulations, 2016]				
I.	**Sl. No.**	**Particulars**	**Audited Figures (as reported before adjusting for qualifications)**	**Adjusted Figures (audited figures after adjusting for qualifications)**
	AS PER ANNEXURE-A			

II. **Audit Qualification (each audit qualification separately):**

a. **Details of Audit Qualification:** As per Annexure -B

b. **Type of Audit Qualification :** Qualified Opinion ~~/ Disclaimer of Opinion / Adverse Opinion~~

c. **Frequency of qualification:** Appearing first time in Annual Financial Statements ~~/ repetitive / since how long continuing~~

d. **For Audit Qualification(s) where the impact is quantified by the auditor, Management's Views:** As per Annexure- B

e. **For Audit Qualification(s) where the impact is not quantified by the auditor:** Not Applicable
   (i) **Management's estimation on the impact of audit qualification:**
   (ii) **If management is unable to estimate the impact, reasons for the same:**
   (iii) **Auditors' Comments on (i) or (ii) above:**

III. **Signatories:**

For Arun K Agarwal & Associates
Chartered Accountants
FRN:003917N

30/04/19

(V. Kalyana Rama)	(Manoj Kumar Dubey)	(Deepak Shetty)	(Arun Kumar Agarwal)
CEO/CMD	**Director(Finance)/CFO**	**Audit Committee Chairman**	**Partner**
			M. No.082899

Place: New Delhi
Date: 30th April 2019

ANNEXURE A

Annual Audited Financial Results - (*Standalone*)

(₹ in crore)

Statement on Impact of Audit Qualifications for the Financial Year ended March 31, 2019
[*See* Regulation 33 / 52 of the SEBI (LODR) (Amendment) Regulations, 2016]

I.	Sl. No.	Particulars	Audited Figures (as reported before adjusting for qualifications)	Adjusted Figures (audited figures after adjusting for qualifications)#
	1.	Turnover / Total income	7216.14	7216.14
	2.	Total Expenditure	5527.26	5527.26
	3.	Exceptional and Extra Ordinary Item*	-	216.31
	4.	Net Profit/(Loss)	1215.41	1074.69
	5.	Earnings Per Share	19.95	17.64
	6.	Total Assets	12606.80	12390.49
	7.	Total Liabilities	2238.93	2163.34
	8.	Net Worth	10367.87	10227.15
	9.	Any other financial item(s) (as felt appropriate by the management)	-	-

*** Impact of audit qualification**

 # After considering tax impact of audit qualification

Manoj

ARUN K. AGARWAL & ASSOCI... New Delhi Chartered Accountants

Annexure-B

CONCOR Audit Qualification on Account of FY 2018-19 (Standalone)

S. No.	Qualification	Management Views
1	Refer note no. 55, regarding non provision for impairment loss/fair value reduction in the value of investment amounting to INR 160.07 Crores in equity of M/s Fresh & Healthy Enterprises Ltd. (FHEL) and amounting to INR 56.24 Crores in debts including interest and other receivables from FHEL. FHEL is a wholly owned subsidiary Company, whose net worth has been fully eroded. FHEL has not achieved the projected cash inflows and has reported a loss of INR 8.39 Crores for the Financial Year 18-19. Further, the management projections provided to us with regard to future cash flows of FHEL are not supported by credible evidence and are inconsistent with the past performance. Accordingly, the carrying amount of the investment of INR 160.07 Crores and debt including interest and other receivables of INR 56.24 Crores of FHEL shall exceeds its Recoverable Amount/Fair Value, resulting in Impairment Loss and Reduction in Fair Value in accordance with IND AS -36, "Impairment of Assets" (IND AS 36) and IND AS-109, "Financial Instruments" (IND AS 109). Accordingly, impairment loss for the carrying amount of investment of INR 160.07 Crores has not been recognized in accordance with IND AS-36 and Fair value Reduction in Debt and Other Receivables amounting to INR 56.24 Crores has not been provided in accordance with IND AS 109. Accordingly the provision towards impairment and fair value reduction is understated by INR 216.31 Crores, investment is overstated by INR 160.07 Crores, Loans given including interest are overstated by INR 55.44 Crores and Other receivable are overstated by INR 0.80 Crores and profit before tax is overstated by INR 216.31 Crores.	Fresh & Healthy Enterprises Ltd. (FHEL) is a wholly owned subsidiary of CONCOR. Though accumulated losses of FHEL amounting to Rs.172.57 crores (as per audited financial statements for FY 2018-19) exceeds CONCOR's investment of Rs.160.07 crores in the subsidiary as on 31st March 2019, no provision for diminution in the value of investment, outstanding loans (including interest) and other receivables amounting to Rs.56.24 crores has been made, as business plan finalized by the management for revival of FHEL has already started getting implemented. In this direction, in March 2018, the Board of Director (BOD) of CONCOR had approved the said business plan for re-engineering of FHEL's facility at Rai, Sonipat, which is proposed to be executed with equity infusion totalling Rs.44.31 crores in two phases. Phase-I will cover modification of the existing facility by converting CA Store into Chiller, Bonded Cold Store Warehouse, which is expected to yield far better margin and CA Store with mezzanine floors, which is already operational now. Phase-II on the other hand will cover addition of deep freeze and traditional cold store, which will be implemented in the year 2019-20. Based on the changed market scenario, the complete facility has been named as "Agri Logistics Centre, FHEL/Rai" to diversify into the field of storage of fruits, vegetables, kiryana items and frozen veg./non-veg. items, etc. The re-engineered facility will also cater to all kinds of customers like farmers, traders, importers and exporters. The cost of Phase-I was Rs.13.45 crores, for which equity infusion by CONCOR has already has been done. Management is confident of achieving the desired results from above business plan. The management has also tested CONCOR's investment & Loan Dues in FHEL 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, 2019. As per the impairment testing carried out by the management, it has been established that the Value in Use i.e., the present value of future expected cash flows from re-engineering of FHEL's facility at Rai, Sonipat will exceed the carrying value of investment and loan dues. IND AS-36 states that impairment needs to be provided **if and only if** the carrying value of investments exceeds its value in use or fair value. Hence, no impairment has been considered by the management for CONCOR's investment & Loan dues in FHEL.

भारतीय कंटेनर निगम लिमिटेड
Container Corporation of India Ltd.
बहुविध संभारतंत्र कंपनी
A Multi-modal Logistics Company
(भारत सरकार का नवरत्न उपक्रम)
(A Navratna CPSE of Govt. of India)

कॉनकॉर
CONCOR

DECLARATION

Declaration Pursuant to Regulation 33(3)(d) of SEBI (Listing Obligations and Disclosure Requirements} Regulations, 2015.

It is hereby declared that the Statutory Auditors, M/s Arun K. Agarwal & Associates, Chartered Accountants, have issued the Audit Report(s) with unmodified opinion on the Consolidated Audited Financial Statement for the year ended on 31.03.2019.

This declaration is issued pursuant to Regulation 33(3)(d) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended from time to time.

Yours Faithfully,

For **Container Corporation of India Limited,**

Manoj

(Manoj K. Dubey)
Director (Finance)

Date: 30.04.2019
Place: New Delhi