

कॉन/ आईआरसी/SE/104/Vol-VI/

दिनांक : 26.07.2017

1. The Bombay Stock Exchange Ltd., Mumbai
Phiroze Jeejeebhoy Towers, Dalal Street
Mumbai-400001
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

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Fax : 022-22723121/3719/2037/
2039/2041/2061/1072

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Dear Sir/Madam,

Sub: Disclosure under Regulation 30 of SEBI (Listing Obligation & Disclosure Requirements) Regulations, 2015.

Pursuant to applicable provisions of SEBI (LODR) Regulations, 2015, a copy of the reply sent to the questionnaire from the press from the office of Chairman & Managing Director /CONCOR is as per attachment.

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. ED(MIS&CSR) for placing on website of CONCOR.

1. What is the roll out plan for MMLPs across the country? What would be investment and timelines for commercializing the parks?

CONCOR currently operates at 68 Locations of its own and has arrangements for exclusive access at 3 additional Terminals, thus making a total of 71 Terminals. Further, 7 more Terminals are planned in 2017-18 taking the total to 78 and 6 more in 2018-19 further taking the total upto 84. With a number of additional Greenfield Projects being explored alongwith strategic tie-ups, CONCOR is aiming to reach a total of 100 Terminals by 2020.

CONCOR has an aggressive CAPEX Programme, with a spend in the range of ₹1000 Cr. every year. CONCOR intends to maintain this trend in the coming years.

2. How can States benefit from MMLPs given the GST regime? What are its benefits and other infrastructure required to supplement trade through these parks.

With the implementation of GST, the focus in the Logistics business will shift from Tax based decisions to consumption based decisions. Thus, aggregation of Distribution & Storage points is expected to take place, increasing the demand for large Warehousing Complexes. Trade & Industry would look forward to having large state-of-the-art Warehousing Complexes with Modern Handling & Warehousing Management Systems. These Warehouses would provide not only the traditional concept of storage but would also be customized based on the specific requirements. Value Added Warehousing, which will cater to needs such as Packaging, Labelling and Distribution Logistics will require to be an integral part of these mega Warehousing Complexes.

3 The roll out of GST is seeing a lot of changes in the logistics sector which will require business reengineering by all the stakeholders in the logistics chain. How do you see the trade picking up and what are the immediate challenges to be plugged in?

As mentioned above, all major Stakeholders in the Logistics chain, whether Distributors/Customers or Logistic Services Providers will require strategic foresight to tap the potential being made available with the implementation of GST. The traditional concept of 2PL Logistics which is primarily available today has to graduate to 3PL and 4PL with committed Services Level Guarantees. While there may be few immediate challenges in dealing with un-registered Vendors as well as competition from Road, these will have to be effectively factored in the Business Model and the pricing structures being offered to the Customers.

4. There was a proposal to develop new business opportunities such as warehouse management and 3PL. Any updates on the newer ventures?

CONCOR currently has 3.5 Million Sqft. of Warehousing space and has aggressive plans to more than double this capacity soon with a well chalked out Roadmap. Each of the new upcoming MMLPs have a large expense of Warehousing Complexes planned. Strategic tie-ups, PPP Ventures and Leasing of Warehousing have also been planned out in a time bound Action Plan.

5. What are the revenues and short term targets fixed for the company? How is the company positioned for competition by the private players in the logistics sector?

CONCOR in FY 2016-17 had a Throughput of 3.1 Million TEUs with a market share of 73% and a Revenue of ₹5600 Cr. The last Financial Year saw three times increase in the number of Double Stack Container Trains from CONCOR's MMLP at Kathuwas near Rewari to Mundra/Pipavav Ports, as compared to FY 2015-16. This is further being ramped out to an average of more than 150 such Trains in a month. This is leading to quicker evacuation of both Import & Export of Containers as well as resulting in the benefits being passed on to the Customers, further lowering the Logistics Cost. With a number of new MMLPs getting commissioned as well as this increased stress on running of Double Stack Container Trains, the growth pattern for FY 2017-18 is expected to be favourable and CONCOR is expected to not only increase its Market Share but also increase the Rail Share of movement of Containers.