

# 31<sup>ST</sup>

# Annual Report

## 2015-2016

Corporate Identity Number (CIN) of Company

**L24123UP1984PLC014111**



**Continental Chemicals Limited**

**BOARD OF DIRECTORS**

Mr. Pradeep K Chopra	Chairman & Independent Director
Mr. Naresh K Chibba	Managing Director
Ms. Sunaina Chibba	Director
Mr. Akshat Bhaskar	Independent Director
Mr. Dhiraj Kumar Choudhary	Director

**AUDIT COMMITTEE**

Mr. Akshat Bhaskar	Chairman
Mr. Naresh K Chibba	Member
Mr. Pradeep K Chopra	Member

**STAKEHOLDER RELATIONSHIP COMMITTEE**

Mr. Akshat Bhaskar	Chairman
Mr. Dhiraj Kumar Choudhary	Member
Mr. Naresh Kumar Chibba	Member

**NOMINATION AND REMUNARATION COMMITTEE**

Ms. Sunaina Chibba	Chairman
Mr. Akshat Bhaskar	Member
Mr. Pradeep K Chopra	Member

**KEY MANAGERIAL PERSONNEL**

Mr. Naresh K Chibba	Managing Director
Ms. Pratima Agarwal	Company Secretary & Compliance Officer
Mr. Ram Kumar	Chief Financial Officer

**INDEPENDENT AUDITORS**

M/s. B.K. Kapur & Co.  
Chartered Accountants  
Ghaziabad

**BANKERS**

INDIAN OVERSEAS BANK  
ICICI BANK  
CANARA BANK  
INDUSIND BANK

**REGISTRAR AND SHARE TRANSFER AGENT**

BEETAL FINANCIAL & COMPUTER SERVICES PVT. LTD.  
BEETAL HOUSE, 3<sup>RD</sup> FLOOR 99,  
MADANGIR BEHIND LOCAL SHOPPING CENTRE,  
NEAR DADA HARSUKH DASS MANDIR,  
NEW DELHI - 110062

**REGISTERED OFFICE**

A-7, Sector-7, Noida  
Dist. Gautam Budh Nagar  
U.P. INDIA  
Pin – 201 301,

**NOTICE TO THE SHAREHOLDERS**

Notice is hereby given that the 31<sup>st</sup> Annual General Meeting of Continental Chemicals Limited will be held on Thursday, the 29<sup>th</sup> September 2016 at 4.00 P.M. at the Registered Office of the company at A-7, Sector-VII, Noida, Gautam Buddh Nagar, Pin. 201301 (U.P) to transact the following business:

**ORDINARY BUSINESS**

1. To receive, consider and adopt the Directors' Report for the year ended 31<sup>st</sup> March 2016, audited Statement of Profit and Loss for the year, Balance Sheet as on that date, and the Report of the Auditors thereon.
2. To appoint a Director in place of Mr. Dhiraj Kumar Choudhary (DIN : 06470386), who retires by rotation and being eligible, offers himself for re-appointment.

**3. Ratification of Appointment of Statutory Auditor:**

To consider and if thought fit, to pass with or without modifications, the following resolution as **Ordinary Resolution:**

**"RESOLVED THAT** pursuant to the provisions of Section 139 and 142 and other applicable provisions of the Companies Act, 2013 ('Act') and the Companies (Audit & Auditors) Rules, 2014 (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force), the appointment of M/s B K Kapur & Company Chartered Accountants, as Statutory Auditors up to the conclusion of Thirty fourth (34<sup>th</sup>) annual general meeting be and is hereby ratified and confirmed and that the Board of Directors be and is hereby authorized to fix remuneration, as may be determined by the board of directors in consultation with the Statutory Auditors."

By Order of the Board of Directors

Sd/-  
Pratima Agarwal  
Company Secretary

PLACE : NOIDA  
DATE : 25.08.2016

**NOTES:**

1. Explanatory statement pursuant to Section 102 of the Companies Act, 2013 is annexed hereto.
2. **A member entitled to attend and vote at the annual general meeting is entitled to appoint a proxy to attend and on a poll to vote instead of himself. The proxy need not be a member of the company. A blank form of proxy is enclosed and if intended to be used, it should be deposited duly completed at the registered office of the company not less than forty eight hours before the scheduled time of the meeting.**  
**A person can act as a proxy on behalf of members not exceeding fifty and holding in the aggregate not more than ten percent of the total share capital of the Company carrying voting rights. A member holding more than ten percent of the total share capital of the Company carrying voting rights may appoint a single person as proxy and such person shall not act as a proxy for any other person or shareholder.**
3. Corporate members intending to send their authorized representative to attend the meeting are requested to send the Company a certified copy of the Board Resolution authorizing their representative(s) to attend and vote on their behalf at the meeting.
4. In case of joint shareholders attending the meeting, only such joint holder who is higher in the order of names will be entitled to vote.
5. The Registers of Members and Share Transfer Books of the Company will remain closed from **Friday, the 23.09.2016 to 29.09.2016 (Both days inclusive).**
6. Relevant documents referred to in the accompanying Notice and the Statement are open for inspection by the members at the Registered Office of the Company on all working days, except Sundays, during business hours up to the date of the Meeting.
7. In terms of Section 72 of the Companies Act, 2013, the shareholders of the Company may nominate a person on whom the shares held by him/them shall vest in the event of his/their death. Shareholders desirous of availing this facility may submit nomination in Form SH-13.
8. The Company has entered into agreements with CDSL to offer depository services to the Shareholders. Shareholders can open account with any of the depository participants registered with CDSL.
9. Members are requested to bring their copies of Annual Report at the meeting, as extra copies will not be supplied.
10. Pursuant to the requirement of the listing agreement, the Company declares that its equity shares are listed on the stock exchanges as Bombay Stock Exchange, Uttar Pradesh Stock Exchange and Delhi Stock Exchange.
11. Only registered members carrying the attendance slips and the holders of valid proxies registered with the Company will be permitted to attend the meeting.
12. Members may also note that the Notice of the 31<sup>st</sup> Annual General Meeting and the Annual Report for 2016 will also be available on the Company's website [www.continentalchemicalsltd.com](http://www.continentalchemicalsltd.com) for their download. The physical copies of the aforesaid documents will also be available at the Company's Registered Office in Noida for inspection during normal business hours on working days. Even after registering for communication, members are entitled to receive such communication in physical form, upon making a request for the same, by post free of cost. For any communication, the shareholders may also send requests to the Company's investor email id: [info@continentalsoft.com](mailto:info@continentalsoft.com), [compliance@continentalsoft.com](mailto:compliance@continentalsoft.com).
13. To avoid fraudulent transactions, the identity/signature of the members holding shares in electronic/demat form is verified with the specimen signatures furnished by NSDL/CDSL and that of members holding shares in physical form is verified as per the records of the share transfer agent of the Company. Members are requested to keep the same updated.
14. The Securities and Exchange Board of India (SEBI) has mandated the submission of Permanent Account Number (PAN) by every person dealing in securities market. Members holding shares in electronic form are, therefore, requested to submit the PAN to their depository participants with whom they are maintaining their demat accounts. Members holding shares in physical form can submit their PAN details to the Company or RTA of Company.
15. In terms of section 101 and 136 of the Companies Act, 2013 read together with the Rules made thereunder, the listed companies may send the notice of annual general meeting and the annual report, including Financial statements, Board Report, etc. by electronic mode. The Company is accordingly forwarding soft copies of the above referred documents to all those members, who have registered their email ids with their respective depository participants or with the RTA of the Company.
16. Members, who still hold share certificates in physical form, are advised to dematerialize their shareholding to avail of the numerous benefits of dematerialization, which include easy liquidity, ease of trading and transfer, savings in stamp duty and elimination of any possibility of loss of documents and bad deliveries.

17. Documents referred to in the Notice and the explanatory statement shall be open for inspection by the members at the registered office of the Company on all working days (Monday to Friday) from 10.00 a.m. to 1.00 p.m. except holidays, up to the date of the meeting.

18. The Company has been maintaining, inter alia, the following statutory registers at its registered office at Noida, which are open for inspection in terms of the applicable provisions of Companies Act, 2013 by members and others as specified below:

i) Register of contracts or arrangements in which directors are interested under section 189 of the Companies Act, 2013, on all working days during business hours. The said Register shall also be produced at the commencement of the annual general meeting of the Company and shall remain open and accessible during the continuance of the meeting to any person having the right to attend the meeting.

ii) Register of Directors and Key Managerial Personnel and their shareholding under section 170 of the Companies Act, 2013, on all working days during business hours. The said Register shall be kept open for inspection at the annual general meeting of the Company and shall be made accessible to any person attending the meeting.

19. Members/Proxies are requested to bring the copies of annual reports and attendance slips to the meeting, if the same are received in physical form.

20. For more details on shareholders' matters, please refer to the chapter on General Shareholder Information, included in the Annual Report.

## 21. Voting through electronic means

A. In compliance with provisions of Section 108 of the Companies Act, 2013 and Rule 20 of the Companies (Management and Administration) Rules, 2014 as amended by the Companies (Management and Administration) Amendment Rules, 2015 and Clause 35B of the Listing Agreement, the Company is pleased to provide members facility to exercise their right to vote at the 31<sup>st</sup> Annual General Meeting (AGM) by electronic means and the business may be transacted through e- Voting Services. The facility of casting the votes by the members using an electronic voting system from a place other than venue of the AGM ("remote e-voting") will be provided by Central Depository Services Limited (CDSL).

B. The facility for voting through ballot paper shall be made available at the AGM and the members attending the meeting who have not cast their vote by remote e-voting shall be able to exercise their right at the meeting through ballot paper.

C. The members who have cast their vote by remote e-voting prior to the AGM may also attend the AGM but shall not be entitled to cast their vote again.

D. The remote e-voting period commences on 26<sup>th</sup> September, 2016 (10:00 am) and ends on 28<sup>th</sup> September, 2016 (05:00 pm). During this period members' of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date of 22<sup>nd</sup> September, 2016, may cast their vote by remote evoting. The remote e-voting module shall be disabled by CDSL for voting thereafter. Once the vote on a resolution is cast by the member, the member shall not be allowed to change it subsequently.

The instructions for shareholders voting electronically are as under:

- (i) The voting period begins on 26<sup>th</sup> September, 2016 (10:00 am) and ends on 28<sup>th</sup> September, 2016 (05:00 pm). During this period shareholders' of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date (record date) of 22<sup>nd</sup> September, 2016 may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.
- (ii) The shareholders should log on to the e-voting website [www.evotingindia.com](http://www.evotingindia.com).
- (iii) Click on Shareholders.
- (iv) Now Enter your User ID
  - a. For CDSL: 16 digits beneficiary ID,
  - b. For NSDL: 8 Character DP ID followed by 8 Digits Client ID,
  - c. Members holding shares in Physical Form should enter Folio Number registered with the Company.
- (v) Next enter the Image Verification as displayed and Click on Login.
- (vi) If you are holding shares in demat form and had logged on to [www.evotingindia.com](http://www.evotingindia.com) and voted on an earlier voting of any company, then your existing password is to be used.
- (vii) If you are a first time user follow the steps given below:

	For Members holding shares in Demat Form and Physical Form
PAN	<p>Enter your 10 digit alpha-numeric PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders)</p> <ul style="list-style-type: none"> <li>• Members who have not updated their PAN with the Company/Depository Participant are requested to use the first two letters of their name and the 8 digits of the sequence number in the PAN field.</li> <li>• In case the sequence number is less than 8 digits enter the applicable number of 0's before the number after the first two characters of the name in CAPITAL letters. Eg. If your name is Ramesh Kumar with sequence number 1 then enter RA00000001 in the PAN field.</li> </ul>
Dividend Bank Details OR Date of Birth (DOB)	<p>Enter the Dividend Bank Details or Date of Birth (in dd/mm/yyyy format) as recorded in your demat account or in the company records in order to login.</p> <ul style="list-style-type: none"> <li>• If both the details are not recorded with the depository or company please enter the member id / folio number in the Dividend Bank details field as mentioned in instruction.</li> </ul>

- (viii) After entering these details appropriately, click on "SUBMIT" tab.
- (ix) Members holding shares in physical form will then directly reach the Company selection screen. However, members holding shares in demat form will now reach 'Password Creation' menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other company on which they are eligible to vote, provided that company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
- (x) For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
- (xi) Click on the EVSN for the relevant Continental Chemicals Limited on which you choose to vote.

- (xii) On the voting page, you will see “RESOLUTION DESCRIPTION” and against the same the option “YES/NO” for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.
- (xiii) Click on the “RESOLUTIONS FILE LINK” if you wish to view the entire Resolution details.
- (xiv) After selecting the resolution you have decided to vote on, click on “SUBMIT”. A confirmation box will be displayed. If you wish to confirm your vote, click on “OK”, else to change your vote, click on “CANCEL” and accordingly modify your vote.
- (xv) Once you “CONFIRM” your vote on the resolution, you will not be allowed to modify your vote.
- (xvi) You can also take a print of the votes cast by clicking on “Click here to print” option on the Voting page.
- (xvii) If a demat account holder has forgotten the login password then Enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.
- (xviii) Shareholders can also cast their vote using CDSL’s mobile app m-Voting available for android based mobiles. The m-Voting app can be downloaded from Google Play Store. Apple and Windows phone users can download the app from the App Store and the Windows Phone Store respectively. Please follow the instructions as prompted by the mobile app while voting on your mobile.
- (xix) Note for Non – Individual Shareholders and Custodians
- Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodian are required to log on to [www.evotingindia.com](http://www.evotingindia.com) and register themselves as Corporates.
  - A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com).
  - After receiving the login details a Compliance User should be created using the admin login and password. The Compliance User would be able to link the account(s) for which they wish to vote on.
  - The list of accounts linked in the login should be mailed to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com) and on approval of the accounts they would be able to cast their vote.
  - A scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.

(XX) In case you have any queries or issues regarding e-voting, you may refer the Frequently Asked Questions (“FAQs”) and e-voting manual available at [www.evotingindia.com](http://www.evotingindia.com), under help section or write an email to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com).

#### ANNEXURE TO NOTICE

**Information pursuant to regulation 36 of the SEBI(Listing Obligations and Disclosure Requirements) Regulations, 2015 read with the provisions of Secretarial Standard on General Meetings (SS-2) issued by the Institute of Company Secretaries of India regarding the directors proposed to be appointed/ re-appointed**

#### Mr. Dhiraj Kumar Choudhary:

Mr .Dhiraj Kumar Choudhary, aged 36, is a Non- Executive Director of Continental Chemicals Limited. He holds Bachelors’ degree in physics. He has over 13 years experience of work in IT companies. He also has vast experience of the management of the company as he has experience of around 4 year as director of IT Company. He is on the Board of the Company since July, 23<sup>rd</sup> 2015. He does not hold any shares in the company. He has not withdrawn any remuneration during his term as director. During the financial year ended March 31<sup>st</sup>, 2016, Mr. Dhiraj Kumar Choudhary attended 5 meetings of the board, held on 13.08.2015, 5.10.2015, 13.11.2015, 30.11.15 and 12.02.2016, out of the 5 meeting held after his appointment in the board.

He is also the Director in the following companies:  
Continental Software Solutions Limited  
Ishika Infotech Pvt. Limited.

He is also member in the Stakeholders Relationship Committee of Continental Chemicals Limited.

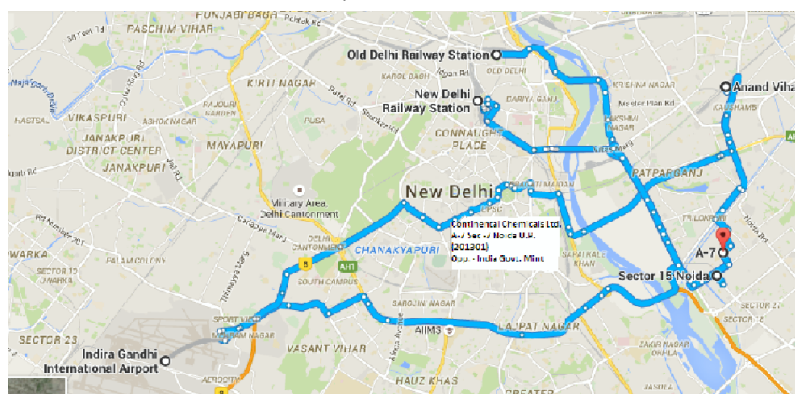
On reappointment Mr. Dhiraj Kumar Choudhary is liable to retire by rotation. He is not related to any other Director and Key Managerial Personnel of the Company.

By Order of the Board of Directors

Sd/  
Pratima Agarwal  
Company Secretary

PLACE : NOIDA  
DATE : 25.08.2016

Route Map of Venue of AGM



**CONTINENTAL CHEMICALS LIMITED**

CIN: L24123UP1984PLC014111

A-7, Sector VII, Noida, Gautam Buddha Nagar, U.P – 201301

**ATTENDANCE SLIP**

MEMBER FOLIO NO.

CLIENT ID NO.

DP ID NO.

NAME & ADDRESS OF THE SHARE HOLDERS :  
( IN BLOCK LETTERS )

NO. OF SHARES HELD :

NAME OF PROXY :  
(If applicable )I hereby record my presence at the **31<sup>st</sup> ANNUAL GENERAL MEETING** of the Company held on **Thursday on the 29<sup>th</sup> day of September 2016 at 4.00 P. M.** at the registered office of the Company at above mentioned address.

Notes:

1. Members/Proxy holders are requested to produce the attendance slip duly signed for admission to the meeting hall.
2. Members are requested to bring their copy of Annual Report.

\_\_\_\_\_  
Signature of Member/ Proxy

Form No. MGT-11

**CONTINENTAL CHEMICALS LIMITED**

CIN: L24123UP1984PLC014111

A-7, Sector VII, Noida, Gautam Buddha Nagar, U.P – 201301

**PROXY FORM**

(Pursuant to Section 105(6) of the Companies Act, 2013 and rules 19(3) of the Companies ( Management and Administration, Rules, 2014)

Name of the member (s) : .....

Registered Address : .....

E.Mail Id : ..... Folio No./Client Id : ..... DP ID.....

I/We, being the member(s) holding .....shares of the above named Company, hereby appoint

1. Name : ..... Address:.....

.....E.mailID:.....Signature:.....or failing him

2. Name : ..... Address:.....

.....E.mailID:.....Signature:..... or failing him

3. Name : ..... Address:.....

.....E.mailID:.....Signature:.....as my/our proxy to attend and vote(on a poll) for me/us and on my/our behalf at the .31<sup>st</sup> Annual General Meeting of the Company, to be held on the 29<sup>th</sup> September, 2016 at 4.00 P.M at A-7, Sector VII, Noida, Gautam Buddha Nagar, U.P - 201301and at any adjournment thereof in respect of such resolutions as are indicated below:

Resolution No. 1.: To receive, consider and adopt the Directors' Report for the year ended 31st March 2016, audited Statement of Profit and Loss for the year, Balance Sheet as on that date, and the Report of the Auditors thereon.

2. To appoint a Director in place of Mr. Dhiraj Kumar Choudhary (DIN : 06470386), who retires by rotation and being eligible, offers himself for re-appointment.

3: Ratification of Appointment of Statutory Auditor

Signed this.....day of .....2016

Affix  
Revenue  
Stamp

Signature of shareholder

Signature of Proxy holder(s)

**Note:** This form duly filled up, stamped and signed by the appointer or his attorney duly authorized in writing or if the appointer is a Body Corporate, under the seal or signed by an attorney duly authorized by it shall be deposited at the Registered Office of the Company along with the power of Attorney, if any under which the Proxy Form is signed, not less than 48 hours before the time for holding the meeting.

## DIRECTOR'S REPORT

To,

The Members,

Your Directors have immense pleasure in presenting their 31<sup>st</sup> Annual Report on the business and operations of the Company and the accounts for the Financial Year ended March 31, 2016.

### Financial Results

The highlights of financial results are as under:

	2015-16	2014-15
Revenue from operations & other income	95,42,921	92,82,809
Operating Profit (EBIDT)	22,83,722	27,64,199
Finance Cost	92,992	1,76,740
Gross Profit (PBD)	21,90,730	25,87,459
Depreciation & amortization	6,85,112	10,53,337
Profit before tax	15,05,618	15,34,122
Tax Expense:		
- Current Tax (net) <b>286,895</b>		
- MAT Credit entitlement <b>286,895</b>		
-		
Deferred Tax	(1,70,385)	4,00,065
- Previous year Taxes	-	(4,840)
Profit After Tax	13,35,233	19,29,347

### Dividend

Company has not declared any dividend for the year ended March 31, 2016.

### OPERATIONS

The company is in the business of sale, purchase and licensing of Software within and outside India. Company has many new projects to expand its business in the coming years. During the year under review, the revenue from operations increased to Rs. 49,08,946 as against Rs. 42,68,473 in previous year. The EBIDTA recorded for the year declined during the year to Rs. 22,83,722 as against Rs. 27,64,199 of previous year. The net profit also decreased to Rs. 13,35,233 as against net profit of Rs. 19,29,347 in previous year.

### Reserves

Company has transferred Rs. 13,35,233 to the reserve account.

### Finance

#### 1. Share Capital

The paid up equity share capital as on 31 March 2016 was Rs. 99,90,000. There was no public issue, rights issue, bonus issue or preferential issue etc. during the year under review. The Company has not issued shares with differential voting rights, sweat equity shares nor has it granted any stock options.

#### 2. Deposit

The Company has not accepted any deposit under section 73 of the Companies Act, 2013.

#### 3. Particulars of loan, guarantees and investments

The Company has not provided any loan, guarantee and has not made any investment covered under the provisions of Section 186 of the Companies Act, 2013.

### Vigil Mechanism/ Whistle Blower Policy

Pursuant to Section 177(9) of the Companies Act, 2013 and Listing Regulation, 2015, the Company has formulated a Whistle Blower Policy to establish a vigil mechanism for directors and employee of the Company. The Purpose and objective of this policy is to provide a framework to promote responsible and secure whistle blowing. It protects the employees wishing to raise concern about serious irregularities within the Company. The detail of Whistle Blower Policy are explained in the Corporate Governance Report and also posted on the website of the Company.

### Management Discussion And Analysis

The Management Discussion and Analysis forms part of this Annual Report for the year ended 31<sup>st</sup> March 2016 as Annexure I.

### Extract of Annual Return

The details forming part of the extract of the Annual Return in form MGT-9 is annexed herewith as "Annexure - II".

### Significant and Material Orders Passed by the Regulators or Courts

Your Company has received an order of Central Excise & Service Tax Appellate Tribunal in favour of the Company for approving the refund in a long pending case.

### Change in The Nature of Business

There was no change in the nature of business of the company during the financial year under review

### Directors and Key Manaqarial Personnel



### 1. **Appointment**

During the year, Mr. Dhiraj Kumar Choudhary has been appointed as additional director w.e.f. 23.07.2015 and his appointment has been also confirmed as director in the adjourned AGM held on 29<sup>th</sup> September, 2015. Ms. Sunaina Chibba has been reappointed as director who was eligible to retire by rotation in last AGM.

During the year, Ms. Pratima Agarwal has been appointed as company Secretary in place of Mr. Pardeep Kumar, who resigned with effect from 18.05.2015.

Further, Mr. Urminder Singh (Chief Financial Officer) has been resigned w.e.f. 5/10/15 and Mr. Ram kumar has been appointed as Chief Financial Officer with effect from 12.02.2016.

### 2. **Retire by Rotation**

In accordance with provision of Companies Act, 2013 and Articles of Association of the Company, Mr. Dhiraj Kumar Choudhary, Director liable to retire by rotation at the forthcoming Annual General Meeting and being eligible, offers himself for reappointment.

### 3. **Meetings**

The intervening gap between the Meetings was within the period prescribed under the Companies Act, 2013. During the year 11 Board Meetings and 7 Audit Committee Meetings were convened and held. The details of which are given in the Corporate Governance Report.

### 4. **Board Evaluation**

Pursuant to the provisions of the Companies Act, 2013 and SEBI(Listing Obligations and Disclosure Requirements) Regulations, 2015, the Board has carried out an annual performance evaluation of its own performance, the directors individually as well as the evaluation of the working of its Audit, Nomination & Remuneration and Stakeholder Relationship Committees. The manner in which the evaluation has been carried out has been explained in the Corporate Governance Report.

### 5. **Declaration by an Independent Director(s)**

All independent Directors have given declarations that they meet the criteria of independence as laid down under Section 149(6) of the Companies Act, 2013.

### 6. **Managerial Remuneration**

Detail of all elements of remuneration paid to all Directors are given in the Corporate Governance Report.

Detail of particulars pursuant to section 197 (12) of the Companies Act, 2013 read with rules of the Companies (Appointment & Remuneration of Managerial Personnel) Rules, 2014, are annexed as Annexure –III.

### 7. **Nomination and Remuneration Policy**

The Board has, on recommendation of the Nomination and Remuneration Committee, framed a Policy for selection, appointment and remuneration of Directors and Key Managerial Personnel. More detail of the same is given in the Corporate Governance Report.

### **Details of Subsidiary/Joint ventures/ Associate Companies**

The Company has no Subsidiary/ Joint Ventures/Associate Companies.

### **Particulars of Employees**

The Section 197 (12) of Companies Act, 2013 read with provision of Rule 5(2) (3) of the Companies (Appointment & Remuneration of Managerial Personnel) Rules, 2014 requiring particulars of the employees. All required applicable details under The Section 197 (12) of Companies Act, 2013 read with provision of Rule 5 of the Companies (Appointment & Remuneration of Managerial Personnel) Rules, 2014 has been attached with the board report as Annexure III.

### **Related Party Transaction**

The Company has an agreement with a related party for securing business from abroad and the shareholders of the company approved it. All related party transaction held during the year was approved and reviewed by the audit committee as per the provisions of listing agreement and Companies Act, 2013 and in compliance of the approval provided by the shareholders. The details of the related party transactions are provided in Annexure IV.

### **Directors' Responsibility Statement**

To the best of their knowledge and belief and according to the information and explanations obtained by them, your Directors make the following statements in terms of the Section 134(3) (c) of the Companies Act, 2013:

- (i) That in the preparation of the annual financial statements for the year ended March 31, 2016, the applicable accounting standards have been followed along with proper explanation relating to material departures, if any;
- (ii) That such accounting policies, as mentioned in the Financial Statements as 'Significant Accounting Policies' have been selected and applied consistently and judgments and estimates have been made that are reasonable and prudent so as to give a true and fair view of the state of affairs of the company as at March 31, 2016 and of the profit of the Company for the year ended on that date;
- (iii) That proper and sufficient care has been taken for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- (iv) That the annual financial statements have been prepared on a going concern basis;
- (v) That proper internal financial controls were in place and that the financial controls were adequate and were operating effectively;
- (vi) That proper systems to ensure compliance with the provisions of all applicable laws were in place and were adequate and operating effectively.

### **Corporate Governance**

A Report on Corporate Governance is annexed herewith as "Annexure – V".

### **Auditors**

#### 1. **Statutory Auditor**

The Auditors, M/s B K Kapur & Company, Chartered Accountants, have been appointed as Statutory Auditors of the Company for a period of 5 years at the 29<sup>th</sup> annual general meeting held on 29<sup>th</sup> September 2014 and Shareholders also ratified his appointment in last Adjourned AGM held on 29<sup>th</sup> September 2015. The shareholders at the ensuing annual general meeting will consider ratification of the appointment of Statutory Auditors. As required under Regulation 33 of SEBI(Listing Obligations and Disclosure Requirements)



Regulations, 2015, the Auditors have confirmed that they hold a valid certificate issued by Peer Review Board of the Institute of Chartered Accountants of India.

The Auditors' Report does not contain any qualification. Notes to Accounts and Auditors remarks in their report are self-explanatory and do not call for any further comments.

#### **2. Cost Audit**

The services provided by Company are not covered under cost audit and therefore, pursuant to Section 148 of Companies Act, 2013 with the Companies (Cost Records and Audit) Amendment Rules, 2014, the Company is not required to maintain the cost audit records.

#### **3. Secretarial Audit**

Pursuant to the provisions of Section 204 of the Companies Act, 2013 and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the Company has appointed M/s B. S. Goyal & Co. a firm of Company Secretaries in Practice, to undertake the Secretarial Audit of the Company. The Report of the Secretarial Audit is annexed herewith as Annexure-VI.

The secretarial audit Report does not contain any qualification. Notes to Accounts and Auditors remarks in their report are self-explanatory and do not call for any further comments.

#### **4. Internal Audit & Controls**

Mr. Dhiraj Kumar Choudhary has been appointed as internal auditor of the Company. During the year, the Company continued to implement his suggestions and recommendations to improve the control environment. His scope of work includes review of processes for safeguarding the assets of the Company, review of operational efficiency, effectiveness of systems and processes, and assessing the internal control strengths in all areas.

#### **Conservation of Energy, Technology absorption and Foreign Exchange Earning and Out go**

##### **Conservation of Energy**

(a) Energy conservation has been an important thrust area for the Company. The adoption of energy conservation measures has helped the Company in reduction of cost and reduced machine down-time.

(b) Energy conservation is an ongoing process and new areas are continuously identified and suitable investments are made, wherever necessary.

(c) Various on-going measures for conservation of energy include (i) use of energy efficient lighting and better use of natural lighting, (ii) reduction of energy loss, and (iii) replacement of outdated energy intensive equipment, But Company has not made any big investment for this purpose.

##### **Technology absorption**

- (1) During the year 2015-16, no effort has been taken for technology absorption.
- (2) No absorption of imported technology has been taken place during year 2015-16.
- (3) No expenses incurred for Research and Development during financial year 2015-16.

##### **Foreign Exchange Earning and Out go**

Particulars with regard to foreign exchange earnings & outgo is mentioned in notes to account attached as part of Annual Report.

#### **OBLIGATION OF COMPANY UNDER THE SEXUAL HARASSMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION AND REDRESSAL) ACT, 2013**

As the no. of employees in the company is less than 10 so as per section 6(1) of THE SEXUAL HARASSMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION AND REDRESSAL) ACT, 2013 company is not required to constitute a Internal Complaint Committee. During the year Company has not received any complaint of harassment.

#### **Material changes and commitments, if any, affecting the financial position of the company which have occurred between the end of the financial year of the company to which the financial statements relate and the date of the report**

The Company has received a cheque of Rs 10,62,136 from Excise department in honour of the order of CESTAT, which has en-cashed in your company bank account.

#### **Personnel**

Employee relations continued to be cordial throughout the year in the Company. Your Directors express their appreciation for the contribution made by the employees to the operations of the Company during the year.

#### **Details of significant and material orders passed by the regulators or courts or tribunals impacting the going concern status and company's operations in future**

The Company has received an order in its favour from CESTAT in a long pending excise case. In pursuant to such order the excise department released refund of Rs. 10,62,136 in favour of your Company.

#### **Risk Management Policy:**

The Risk management policy of your Company, formulated and approved by the Board states the Company's approach to address uncertainties in its endeavors to achieve its stated and implicit objectives. It prescribes the roles and responsibilities of various stakeholders within your Company, the structure for managing risks and the framework for risk management.

This policy and the Internal Financial Controls comprehensively address the key strategic/business risks and operational risks respectively.

#### **Corporate Social Responsibility (CSR)**

The concept of Corporate Social Responsibility is not applicable to the Company under section 135 of the Companies Act, 2013.

#### **Acknowledgement**

Your Directors convey their sincere thanks to the various agencies of the Central Government, State Governments, Banks and other concerned agencies for all the help and cooperation extended to the Company. The Directors also deeply acknowledge the trust and confidence the shareholders and investors have placed in the Company. Your Directors also record their appreciation for the dedicated services rendered by the workers, staff and officers of the Company.

Place: Noida

Date : 25.08.2016

For and on behalf of Board of Directors

Sd/-

Naresh K Chibba  
Managing Director

Sd/-

Dhiraj Kumar Choudhary  
Director

**ANNEXURE INDEX**

<b><u>Annexure</u></b>	<b><u>Content</u></b>
<u>I</u>	Management and Discussion and Analysis
<u>II</u>	Annual Return Extracts in MGT 9
<u>III</u>	Statement under section 197 and rule 5 of Companies (Appointment and remuneration) rule, 2014
<u>IV</u>	AOC 2 – Related Party Transactions disclosure
<u>V</u>	Report on Corporate Governance
<u>VI</u>	Secretarial Audit Report

**Management, Discussion and Analysis**

This report discusses and analysis the performance for the year ended 31st March 2016.

**Operation and Industry**

The company is in the business of sale, purchase and licensing of Software within and outside India. Company has many new projects to expand its business in the coming years. The Indian Software Industry plays an important role in increasing the GDP of the economy of the Country and is on expansion with passing of time.

**Opportunities and Threats**

The Countries like China and Philippines are also creating competition in Software Industry But; we have an edge over others with our quality and timely execution of services. The dynamic business conditions and adverse movement of foreign exchange rate of the Rupee is major concern for the growth of the industry. The Company is contributing positively in the same and providing the best services to the customers.

**Risk and Concerns**

Business is exposed to external and internal risks. Some risks can be predicted and minimized with careful planning and implementing the measures to mitigate them, Your Company has been facing many risks such as market risk, foreign exchange fluctuations, tax regime changes and Intellectual Property Risk etc. The Company is dealing in Indian as well as global market so quotation in local currencies have been highly controlled but in the foreign transactions the fluctuation in exchange rate effects the company to mitigate it we opt to hedged a portion of our forex earnings

**Segment –Wise or Product –wise Performance**

The Company is dealing in single segment as IT and IT products.

**Outlook**

The company is taking all efforts to improve the quality of its Services and to take more projects and has been involved in diversified activities in the Software Industry. Company is maintaining high quality products and services and confident of achieving better results in the future.

**Internal Control Systems and their Adequacy**

The Company has a proper and adequate internal control system to ensure that all assets are safeguarded and protected against loss from unauthorized use or disposition and those transactions are authorized, recorded and reported correctly. The internal control is exercised through policies, guidelines and procedures. It is supplemented by an extensive program of internal audits conducted by in house trained personnel. The audit observations and corrective actions taken thereon are periodically reviewed by the audit committee to ensure effectiveness of the internal control system. The internal control is designed to ensure that the financial and other records are reliable for preparing financial statements and other data, and for maintaining accountability of persons.

**Financial and Operational Performance**

The financial statements have been prepared in compliance with the requirements of the Companies Act, 2013. Please refer Directors' Report in this respect.

**Human Resources/Industrial Relations**

The Company's HR philosophy is to establish and build a high performing organization, where each individual is motivated to perform to efficiently to contribute to developing and achieving individual excellence, departmental objectives continuously and improve performance to realize the full potential of our personnel.

**Cautionary Statement**

Statements made herein describing the Company's expectations or predictions are "forward-looking statements". The actual results may differ from those expected or predicted. Prime factors that may make a difference to the Company's performance include market conditions, input costs, govt. regulations, economic development within/outside country etc.

**Annexure II**

**FORM NO. MGT 9  
EXTRACT OF ANNUAL RETURN  
As on financial year ended on 31.03.2016  
Pursuant to Section 92 (3) of the Companies Act, 2013 and rule 12(1) of the Company (Management & Administration)  
Rules, 2014.**

**I. REGISTRATION & OTHER DETAILS:**

1.	CIN	L24123UP1984PLC014111
2.	Registration Date	27.11.1984
3.	Name of the Company	Continental Chemicals Limited
4.	Category/Sub-category of the Company	Public Company and limited by Shares
5.	Address of the Registered office & contact details	A-7, Sector-7, Noida U.P. -201301 India
6.	Whether listed company	Yes
7.	Name, Address & contact details of the Registrar & Transfer Agent, if any.	<b>BEETAL Financial &amp; Computer Services Pvt Ltd. BEETAL HOUSE, 3rd Floor, 99, Madangir, behind LSC, New Delhi - 110062 Ph. 011-29961281-283 Fax 011-29961284</b>

**II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY (All the business activities contributing 10 % or more of the total turnover of the company shall be stated)**

S. No.	Name and Description of main products / services	NIC Code of the Product/service	% to total turnover of the company
1	Software consultancy services	7229	100

**III. SHARE HOLDING PATTERN (Equity Share Capital Breakup as percentage of Total Equity)**

## Category-wise Share Holding

Category of Shareholders	No. of Shares held at the beginning of the year[As on 31-March-2015]				No. of Shares held at the end of the year[As on 31-March-2016]				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
<b>A. Promoters</b>									
<b>(1) Indian</b>									
a) Individual/HUF	133110	0	133110	13.32	133110	0	133110	13.32	0
b) Central Govt	0	0	0	0	0	0	0	0	0
c) State Govt(s)	0	0	0	0	0	0	0	0	0
d) Bodies Corp.	0	0	0	0	0	0	0	0	0
e) Banks / FI	0	0	0	0	0	0	0	0	0
f) Any other	0	0	0	0	0	0	0	0	0
<b>(2) Foreign</b>									
a) NRI - Individual/	0	0	0	0	0	0	0	0	0
b) Other - Individual/	0	0	0	0	0	0	0	0	0
c) Bodies Corp.	0	0	0	0	0	0	0	0	0
d) Banks / FI	0	0	0	0	0	0	0	0	0
e) Any Others	0	0	0	0	0	0	0	0	0
<b>Total shareholding of Promoter (A)</b>	133110	0	133110	13.32	133110	0	133110	13.32	0
<b>B. Public Shareholding</b>									
<b>1. Institutions</b>									
a) Mutual Funds	0	0	0	0	0	0	0	0	0
b) Banks / FI	0	100	100	0.01	0	100	100	0.01	0

c) Central Govt	0	0	0	0	0	0	0	0	0
d) State Govt(s)	0	0	0	0	0	0	0	0	0
e) Venture Capital Funds	0	0	0	0	0	0	0	0	0
f) Insurance Companies	0	0	0	0	0	0	0	0	0
g) FII's	0	0	0	0	0	0	0	0	0
h) Foreign Venture Capital Funds	0	0	0	0	0	0	0	0	0
i) Others (specify)	0	0	0	0	0	0	0	0	0
<b>Sub-total (B)(1):-</b>	0	100	100	0.01	0	100	100	0.01	0
<b>2. Non-Institutions</b>									
a) Bodies Corp.									
i) Indian	0	13550	13550	1.36	0	13550	13550	1.36	0
ii) Overseas									
b) Individuals									
i) Individual shareholders holding nominal share capital up to Rs. 1 lakh	6050	846190	852240	85.31	6850	845290	852140	85.30	-0.01
ii) Individual shareholders holding nominal share capital in excess of Rs 1 lakh	0	0	0	0	0	0	0	0	0
c) Others (specify)									
HUF	0	0	0	0	100	0	100	0.01	0.01
Non Resident Indians	0	0	0	0	0	0	0	0	0
Overseas Corporate Bodies	0	0	0	0	0	0	0	0	0
Foreign Nationals	0	0	0	0	0	0	0	0	0
Clearing Members	0	0	0	0	0	0	0	0	0
Trusts	0	0	0	0	0	0	0	0	0
Foreign Bodies - D R	0	0	0	0	0	0	0	0	0
<b>Sub-total (B)(2):-</b>	6050	859740	865790	86.67	6950	858840	865790	86.67	0
Total Public Shareholding (B)=(B)(1)+(B)(2)	6050	859840	865890	86.68	6950	858940	865890	86.68	0
<b>C. Shares held by Custodian for GDRs &amp; ADRs</b>	0	0	0	0	0	0	0	0	0
<b>Grand Total (A+B+C)</b>	139160	859840	999000	100.0	140060	858940	999000	100.0	0

## B) Shareholding of Promoter-

SN	Shareholder's Name	Shareholding at the beginning of the year			Shareholding at the end of the year			% change in shareholding during the year
		No. of Shares	% of total Shares of the company	%of Shares Pledged / encumbered to total shares	No. of Shares	% of total Shares of the company	%of Shares Pledged / encumbered to total shares	
1	Naresh Kumar Chibba	133110	13.32	0.00	133110	13.32	0.00	0.00

**C) Change in Promoters' Shareholding**

SN	Particulars Naresh Kumar Chibba	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
	At the beginning of the year	133110	13.32	133110	13.32
	Date wise Increase / Decrease in Promoters Shareholding during the year	-	-		
	At the end of the year	133110	13.32	133110	13.32

**D) Shareholding Pattern of top ten Shareholders:**

(Other than Directors, Promoters and Holders of GDRs and ADRs):

SN	For Each of the Top 10 Shareholders	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
	<b>At the beginning of the year</b> INTERADS ADVERTISING P LTD. MAHENDRA GIRDHARILAL WADHAWANI G POONAM CHAND PUKHRAJ DEVI PANSARI SUBHASH MODI P.P. ZIBI ZOSE UMESH CHAND MITTAL RAKESH JAIN RASIKLAL J SHAH DEEPAK WAHI	10000 1850 1800 1400 1200 1100 1050 1050 1050 1000	1.00 0.18 0.18 0.14 0.12 0.12 0.10 0.10 0.10 0.10		
	<b>Date wise Increase / Decrease in Promoters Shareholding during the year specifying the reasons for increase /decrease (e.g. allotment / transfer / bonus/ sweat equity etc.):</b>	NO CHANGES			
	<b>At the end of the year</b> INTERADS ADVERTISING P LTD. MAHENDRA GIRDHARILAL WADHAWANI G POONAM CHAND PUKHRAJ DEVI PANSARI SUBHASH MODI P.P. ZIBI ZOSE UMESH CHAND MITTAL RAKESH JAIN RASIKLAL J SHAH DEEPAK WAHI			10000 1850 1800 1400 1200 1100 1050 1050 1050 1000	1.00 0.18 0.18 0.14 0.12 0.12 0.10 0.10 0.10 0.10

**E) Shareholding of Directors and Key Managerial Personnel:'**

SN	Particulars 1. Naresh Kumar Chibba	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
	At the beginning of the year	133110	13.32	133110	13.32
	Date wise Increase / Decrease in Promoters Shareholding during the year				
	At the end of the year	133110	13.32		
SN	2 Pradeep Kumar Chopra (Chairman & Independent Director)* 3 Akshat Bhaskar (Independent Director)* 4 Sunaina Chibba (Director)* 5 Dhiraj Kumar Choudhary(Director)*	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company



6	Pardeep Kumar (CS)*		company		company
7	Pratima Agarwal(CS)*				
8	Urminder Singh (CFO)*				
9	Ram Kumar (CFO)*				
	At the beginning of the year	NIL	NIL	NIL	NIL
	No increase / decrease during the year	NIL	NIL	NIL	NIL
	At the end of the year	NIL	NIL	NIL	NIL

\* the shareholding of the KMP from SN. 2-9 is nil.

F)

**INDEBTEDNESS** -Indebtedness of the Company including interest outstanding/accrued but not due for payment

	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year				
i) Principal Amount	19,98,613			19,98,613
ii) Interest due but not paid	-			-
iii) Interest accrued but not due	63,228			63,228
<b>Total (i+ii+iii)</b>	<b>20,61,841</b>			<b>20,61,841</b>
Change in Indebtedness during the financial year				
* Addition				
* Reduction				
Net Change				
Indebtedness at the end of the financial year				
i) Principal Amount	17,16,559			17,16,559
ii) Interest due but not paid	-			-
iii) Interest accrued but not due	90,712			90,712
<b>Total (i+ii+iii)</b>	<b>18,07,271</b>			<b>18,07,271</b>

#### XI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL-

##### A. Remuneration to Managing Director, Whole-time Directors and/or Manager:

SN.	Particulars of Remuneration	Name of MD/WTD/ Manager		Total Amount
		Naresh Kumar Chibba		
1	Gross salary		10,39,400	10,39,400
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961			
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961		NIL	NIL
	(c) Profits in lieu of salary under section 17(3) Income- tax Act, 1961		NIL	NIL
2	Stock Option		NIL	NIL
3	Sweat Equity		NIL	NIL
4	Commission - as % of profit - others, specify...		NIL	NIL
5	Others, please specify		NIL	NIL
	<b>Total (A)</b>		10,39,400	10,39,400
	<b>Ceiling as per the Act*</b>		30,00,000	30,00,000

\* As Company has inadequate profit so as per sub section 2 of section 197 read with schedule V of Companies Act, 2013 the ceiling as per Act is Rs. 30,00,000.

##### B. Remuneration to other directors

SN.	Particulars of Remuneration	Name of Directors		Total Amount
		Pradeep Chopra	Akshat Bhaskar	
1	Independent Directors			
	Fee for attending board committee meetings	NIL	2400*	NIL
	Commission	NIL	NIL	NIL
	Others, please specify	NIL	NIL	NIL
	<b>Total (1)</b>	NIL	2400*	NIL

2	<b>Other Non-Executive Directors</b>	Name of Director		Total Amount
		Sunaina Chibba	Dhiraj Kumar Choudhary	
	<b>Fee for attending board committee meetings</b>	NIL	NIL	NIL
	<b>Commission</b>	NIL	NIL	NIL
	<b>Others, please specify</b>	NIL-	NIL	NIL
	<b>Total (2)</b>	NIL	NIL	NIL
	<b>Total (B)=(1+2)</b>		NIL	
	<b>Total Managerial Remuneration*</b>	NIL	NIL	NIL
	<b>Overall Ceiling as per the Act</b>	NIL**	NIL	NIL**

\* Rs. 2400 paid to director as sitting fee, which was not part of managerial remuneration.

\*\*As Company does not have adequate profit the ceiling as per act is nil.

C. REMUNERATION TO KEY MANAGERIAL PERSONNEL OTHER THAN

MD/MANAGER/WTD

SN	Particulars of Remuneration	Key Managerial Personnel			
		CEO	CS	CFO	Total
	<b>Gross salary</b>				
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961		Pardeep Kumar* 11,733 Pratima Agarwal * 2,18,339	Urminder Singh# 1,55,467 Ram Kumar## 40,517 <u>1,95,984</u>	4,26,056
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	-	-	-	-
	(c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961	-	-	-	-
2	<b>Stock Option</b>	-	-	-	-
3	<b>Sweat Equity</b>	-	-	-	-
4	<b>Commission</b>	-	-	-	-
	- as % of profit	-	-	-	-
	others, specify...	-	-	-	-
5	<b>Others, please specify</b>	-	-	-	-
	<b>Total</b>		2,30,072	1,95,984	4,26,056

\*Pardeep kumar resigned and Ms. Pratima Agarwal joined as Company Secretary w.e.f. 18.05.2015. The salary is related to that period only

# Mr. Urminder resigned from the company 5.10.2015. The salary is related to the period from 1.4.15 to 5.10.2015.

## Mr. Ram Kumar appointed as CFO of the company w.e.f 12.02.2016 and the salary mentioned above is related to the period after 12.02.2016.

**XII. PENALTIES / PUNISHMENT/ COMPOUNDING OF OFFENCES:**

Type	Section of the Companies Act	Brief Description	Details of Penalty / Punishment/ Compounding fees imposed	Authority [RD / NCLT/ COURT]	Appeal made, if any (give Details)
<b>A. COMPANY</b>					
Penalty	NIL	NIL	NIL	NIL	NIL
Punishment	NIL	NIL	NIL	NIL	NIL
Compounding	NIL	NIL	NIL	NIL	NIL
<b>B. DIRECTORS</b>					
Penalty	NIL	NIL	NIL	NIL	NIL
Punishment	NIL	NIL	NIL	NIL	NIL

<b>Compounding</b>	<b>NIL</b>	<b>NIL</b>	<b>NIL</b>	<b>NIL</b>	<b>NIL</b>
<b>C. OTHER OFFICERS IN DEFAULT</b>					
<b>Penalty</b>	<b>NIL</b>	<b>NIL</b>	<b>NIL</b>	<b>NIL</b>	<b>NIL</b>
<b>Punishment</b>	<b>NIL</b>	<b>NIL</b>	<b>NIL</b>	<b>NIL</b>	<b>NIL</b>
<b>Compounding</b>	<b>NIL</b>	<b>NIL</b>	<b>NIL</b>	<b>NIL</b>	<b>NIL</b>

**Annexure - III****PARTICULARS PURSUANT TO SECTION 197(12) OF THE COMPANIES ACT, 2013 READ WITH RULE 5 OF THE COMPANIES (APPOINTMENT & REMUNERATION OF MANAGERIAL PERSONNEL) RULES, 2014**

(i) The ratio of the remuneration of each director to the median employee's remuneration for the financial year and such other details as prescribed is as given below:

Name	Ratio
Pradeep Kumar Chopra (Chairman and Independent Director)*	N.A
Naresh Kumar Chibba (Managing Director)	3.90:1
Akshat Bhaskar (Independent Director)*	N.A.
Sunaina Chibba (Director)*	N.A
Dhiraj Kumar Choudhary (Director)*	N.A

\*No remuneration has been paid to director.

(ii) The percentage increase in remuneration of each director, Chief Financial Officer, Chief Executive Officer, Company Secretary or Manager, if any, in the financial year:

Name	Designation	% Increase
Naresh Kumar Chibba*	Managing Director	Nil
Urminder Singh	Chief Financial Officer	6%
Ram Kumar#		N.A
Pardeep Kumar	Company Secretary	N.A.
Pratima Agarwal#		

\*There was no increase in remuneration of Shri Naresh Kumar Chibba during the financial year 2015-16.

# Mr. Ram Kumar has taken the post of CFO from 12.2.2016 and Pratima Agarwal has joined the company from 11.05.2015

(iii) The percentage increase in the median remuneration of employees in the financial year: NIL

(iv) There are three permanent employees on the rolls of company on 31<sup>st</sup> March 2016.

(v) The explanation on the relationship between average increase in remuneration and Company performance:

There is no increase in the salary during last year except CFO salary which is minor as 6% only while the turnover of the company increased to 9542921 from 9282809.

(vi) Comparison of the remuneration of the Key Managerial Personnel (KMP) against the performance of the Company:

There is no increase in the salary of any KMP except CFO salary which is minor as 6% only while the turnover of the company increased to 9542921 from 9282809.

(vii) Variations in the market capitalization of the Company, price earnings ratio as at the closing date of the current financial year and previous financial year and percentage increase or decrease in the market quotations of the shares of the Company in comparison to the rate at which the Company came out with the last public offer:

This comparison is not possible as the stocks of the company was suspended from the trading in the previous year and reinstatement for trading in year 2015-16 only, so no previous year data is available for comparison and during the year only one trade of 50 shares held at the price of Rs. 4 while last public offer price of Company was Rs. 10.

(viii) Average percentile increase already made in the salaries of employees other than the managerial personnel in the last financial year and its comparison with the percentile increase in the managerial remuneration and justification thereof and any exceptional circumstances for increase in the managerial remuneration:

There is only one Whole Time Director i.e. Managing Director. There was no change in the remuneration

(ix) Comparison of the each remuneration of the KMP against the performance of the Company:

Name	Post	Remuneration of the of KMP	Performance of the Company – PAT as on 31st March, 2016 (Rs.)
Naresh Kumar Chibba,	Managing Director	<b>12,39,853</b>	13,35,233
Urminder Singh,	Chief Financial Officer#	1,55,467	
Ram kumar		40,517	
		1,95,984	
Pardeep Kumar	Company Secretary**	11,733	
Pratima Agarwal		<u>2,18,339</u>	
		<u>2,30,072</u>	

# Mr. Urminder resigned from the company 5.10.2015. The salary is related to the period from 1.4.15 to 5.10.2015. Mr. Ram Kumar appointed as CFO of the company w.e.f 12.02.2016 and the salary mentioned above is related to the period after 12.02.2016.

\*Pardeep kumar resigned and Ms. Pratima Agarwal joined as Company Secretary w.e.f. 18.05.2015. The salary is related to that period only

(x) The key parameters for any variable component of remuneration availed by the directors:

There is no variable component in the remuneration of Shri Naresh Kumar Chibba, Managing Director. Only Mr. Akshat Baskar , Independent Director of the company get sitting fee of Rs. 2400/-. During the year under review no other director has taken any salary or remuneration from the company.

(xi) The ratio of the remuneration of the highest paid director to that of the employees who are not directors but receive remuneration in excess of the highest paid director during the year:

During the year, there is no employee whose salary is more than highest paid director.

(xii) If remuneration is as per the remuneration policy of the company: Yes

(xiii) None of the employee was in receipt of remuneration in excess of Rs. 60 lacs during the financial year 2015-16.

For and on behalf of the Board

Place: **Noida**  
Date: 25.08.2016

Sd/-  
Naresh K Chibba  
Managing Director

Sd/-  
Dhiraj Kumar Choudhary  
Director

**Annexure - IV****FORM NO. AOC -2**

**(Pursuant to clause (h) of sub-section (3) of section 134 of the Act and Rule 8(2) of the Companies (Accounts) Rules, 2014.**

Form for Disclosure of particulars of contracts/arrangements entered into by the company with related parties referred to in sub section (1) of section 188 of the Companies Act, 2013 including certain arms length transaction under third proviso thereto.

1. Details of contracts or arrangements or transactions not at Arm's length basis.

SL. No.	Particulars	Details
a)	Name (s) of the related party & nature of relationship	Interads E Communications Limited
b)	Nature of contracts/ arrangements/ transaction	Providing software service
c)	Duration of the contracts/ arrangements/ transaction	Till termination by either party
d)	Salient terms of the contracts or arrangements or transaction including the value, if any	60% to 85% of resale value of original values of the IECL contract with its client. Transaction of Rs. 49,01,446 held during the financial year 2015-16
e)	Justification for entering into such contracts or arrangements or transactions'	To take business
f)	Date of approval by the Board	8.10.2014
g)	Amount paid as advances, if any	NIL
h)	Date on which the special resolution was passed in General meeting as required under first proviso to section 188	29.09.2014

2. Details of contracts or arrangements or transactions at Arm's length basis.

SL. No.	Particulars	Details
a)	Name (s) of the related party & nature of relationship	
b)	Nature of contracts/arrangements/transaction	
c)	Duration of the contracts/arrangements/transaction	
d)	Salient terms of the contracts or arrangements or transaction including the value, if any	
e)	Date of approval by the Board	
f)	Amount paid as advances, if any	

Place: Noida

Date : 25.08.2016

For and on behalf of Board of Directors

Sd/-  
Naresh K Chibba  
Managing Director

Sd/-  
Dhiraj Kumar Choudhary  
Director

## Report on Corporate Governance

**1. Company's philosophy on Code of Corporate Governance**

The principles of Corporate Governance and the Code of Business Conduct & Ethics are the cornerstones of your Company. Your Company has consistently striven to implement best corporate governance practices reflecting its strong value system and ethical business conduct. The Company's philosophy on Corporate Governance envisages attainment of highest levels of transparency, accountability and integrity in the functioning of the Company with a view to create value that can be sustained continuously for the benefit of its stakeholders. All employees are bound by a Code of Conduct that sets forth Company's policies on important issues including our relationship with consumers, shareholders and Government.

**2. Board of Directors**

The Board of Directors consisted of 5 Directors as on 31st March, 2016. The Board has a healthy blend of executive and non-executive directors which ensures the desired level of independence in functioning and decision making. The Board comprises of a Chairman, a Managing Director and Three Non-Executive Directors. Except the managing Director all four directors are non executive directors out of them two directors are independent Director and one is woman Director and one is non executive director.

The primary role of the Board is to protect the interest and to enhance value for all the stakeholders. The Board operates within the framework of a well defined responsibility matrix which enables it to discharge its fiduciary duties of safeguarding the interest of the Company, ensuring fairness in decision making process, integrity and transparency of the Company's dealing with its members and other stakeholders.

**(A) Composition of the Board:**

Name of Director	Category	No. of Board Meeting during the 2015-16		Whether attended last AGM	No. of Director ship in other body corporates	No. of Committee position in other Body Corporates
		Held	Attended			
Pradeep Kumar Chopra *	Chairman and Independent Director	11	9	Yes	NIL	NIL
Naresh Kumar Chibba	Promoter and Managing Director	11	7	Yes	4	NIL
Akshat Bhaskar*	Independent Director	11	11	Yes	NIL	NIL
Sunaina Chibba*	Non Executive woman Director	11	6	No	1	NIL
Dhiraj Kumar Choudhary <sup>^</sup>	Non Executive Director	5	5	Yes	2	NIL

\* Directors without Remuneration

<sup>^</sup> Director appointed as additional director on 23<sup>rd</sup> July 2015 and Regularised as Director in last Annual General Meeting.

**(B) Number of Board Meeting:**

During the financial year 2015-16 Eleven (11) board meeting were held. The Board Meetings were held on 4<sup>th</sup> April, 2015, 19<sup>th</sup> April 2015, 30<sup>th</sup> April, 2015, 18<sup>th</sup> May 2015, 20<sup>th</sup> June 2015, 23<sup>rd</sup> July 2015, 13<sup>th</sup> August 2015, 5<sup>th</sup> October 2015, 13<sup>th</sup> November 2015, 30<sup>th</sup> November 2015, and 12<sup>th</sup> February 2016. The maximum interval between any two meetings was not more than 4 months.

**(C) Performance Evaluation:**

In compliance with the provisions of the Companies Act, 2013 ('the Act') the Board during the year adopted a formal mechanism for evaluation of its performances as well as that of its committees and individual Directors, including the Chairman of the Board. A structured questionnaire was prepared after taking into consideration inputs received from the Directors, covering various aspects of the Board's functioning such as adequacy of the composition of the Board and its Committees, Board culture, execution and performance of specific duties, obligations and governance.

A separate exercise was carried out to evaluate the performance of individual Directors including the Chairman of the Board, who were evaluated on parameters such as level of engagement and contribution, independence of judgment, safeguarding the interest of the Company and its minority shareholders, etc. The performance evaluation of the Independent Directors was carried out by the entire Board. The performance evaluation of the Non-Independent Directors was carried out by the Independent Directors. The Directors expressed their satisfaction with the evaluation process.

**(D) Independent Directors' Meeting:**

In compliance with Section 149(8) of the Act read along with Schedule IV of the Act, the Independent Directors met on 14.04.2015 inter alia, to discuss:

- Evaluation of the performance of non- Independent Directors and the Board as a whole;
- Evaluation of the performance of the Chairperson of the company, taking into account the views of executive directors and non-executive directors;
- Evaluation of the quality, quantity and timeliness of flow of information between the company. Management and the Board that is necessary for the Board to effectively and reasonably perform their duties.

All the Independent Directors were present at the meeting.

**(E) Code of Conduct:**

The Board of Directors of the Company have adopted Code of Business Conduct & Ethics. This Code is based on three fundamental principles, viz. good corporate governance, good corporate citizenship and exemplary conduct and is applicable to all the Directors and senior management personnel. The Code of Business Conduct & Ethics, as approved by the Board of Directors, has been displayed at the website of the company. All the members of the Board and senior management personnel have affirmed compliance with the Code for the year ended 31<sup>st</sup> March, 2016 and a declaration to that effect signed by the Managing Director is attached and forms part of this report.

**(F) Code of Conduct for Prevention of Insider Trading:**

The Company has a Code of Conduct for Prevention of Insider Trading in the shares and securities of the Company. This Code, inter alia, prohibits purchase/sale of shares of the Company by Directors and employees while in possession of unpublished price sensitive information in relation to the Company. This Code is available on the Company's website.

**3. Committees of the Board**

With a view to have more focused attention on various facets of business and for better accountability; the Board has constituted various mandatory and other Committees from time to time. The terms of reference of these Committees are determined by the



Board and their relevance reviewed from time to time. The minutes of the Committee meetings are circulated to all Directors individually and tabled at the Board meetings.

**(a) Audit Committee:**

The Audit Committee is chaired by a Independent Director and the composition of audit committee is in pursuant to Section 177 of the Companies Act, 2013 and Regulation 18 of SEBI(Listing Obligations and Disclosure Requirements) Regulations, 2015. Some of the important functions performed by the Committee are:

**Financial Reporting and Related Processes**

- Oversight of the Company's financial reporting process and financial information submitted to the Stock Exchanges, regulatory authorities or the public.
- Reviewing with the Management the quarterly unaudited financial statements and the Auditors' Limited Review Report thereon/audited annual financial statements and Auditors' Report thereon before submission to the Board for approval. This would, inter alia, include reviewing changes in the accounting policies and reasons for the same, major accounting estimates based on exercise of judgement by the Management, significant adjustments made in the financial statements and / or recommendation, if any, made by the Statutory Auditors in this regard.
- Review the Management Discussion & Analysis of financial and operational performance.
- Discuss with the Statutory Auditors its judgement about the quality and appropriateness of the Company's accounting principles with reference to the Generally Accepted Accounting Principles in India (IGAAP).

All the Members on the Audit Committee have the requisite qualification for appointment on the Committee and possess sound knowledge of finance, accounting practices and internal controls.

Name of Director	Category	Meetings held on							
		09.04.2015	20.04.2015	30.04.2015	20.06.2015	13.08.2015	05.10.2015	12.02.2016	
Shri Akshat Bhaskar	Chairman	Present	Present	Present	Present	Present	Present	Present	
Shri Naresh K. Chibba	Managing Director and Member	Present	Present	Present	Leave of absence granted	Present	Present	Present	
Shri Pradeep Kumar Chopra	Member / Independent Director	Present	Present	Present	Present	Leave of absence granted	Present	Present	

The Company Secretary acts as the Secretary of the Committee.

All the members of the Audit Committee were present at the last AGM held on 22<sup>nd</sup> September 2015 and Adjourned AGM held on 29<sup>th</sup> September, 2015 .

All the recommendations of the Audit Committee during the year were accepted by the Board of Directors.

**Whistle Blower Policy**

The Company has formulated Whistle Blower Policy to establish a Vigil Mechanism for directors and employees of the Company. This Policy covers malpractices and events which have taken place, suspected to have taken place, misuse or abuse of authority, fraud or suspected fraud, violation of company rules, manipulations, negligence causing danger to public health and safety, misappropriation of monies and other matters or activity on account of which the interest of the Company is affected and formally reported by whistle blowers. This Policy is intended to encourage and enable employees to raise serious concerns within the Company prior to seeking resolution outside the company.

The purpose and objective of this Policy is to provide a framework to promote responsible and secure whistle blowing. It protects the employees wishing to raise a concern about serious irregularities within the Company. The Company encourages its directors and employees who have genuine concern about suspected misconduct to come forward and express these concerns without fear of punishment or unfair treatment. A vigil (Whistle Blower) mechanism provides a channel to the employees and directors to report to the management concerns about unethical behaviour, actual or suspected fraud or violation of the Code of Conduct or policy. The mechanism provides for adequate safeguards against victimization of employees and directors to avail of the mechanism and also provide for direct access to the Chairperson of the Audit Committee in exceptional cases.

This policy, however, neither releases employees from their duty of confidentiality in the course of their work nor can it be used as a route for raising malicious or unfounded allegations against people in authority and/ or colleagues in general. It is affirmed that no personnel has been denied access to the Audit Committee.

The Whistle Blower Policy of the Company has been uploaded and can be viewed on the Company's website.

**(b) Stakeholders Relationship Committee –**

The Committee was constituted as per the provision of the section 178 of the Companies Act, 2013. The Committee was reconstituted after its merger with the Share Transfer Committee and the share transfer approving power also delegated to it in the board meeting held on 12.02.2016.. This Committee ensures speedy disposal of all grievances/complaints relating to shareholders/investors. The terms of reference of the Committee include the following:

- To specifically look into complaints received from the shareholders of the Company;
- To oversee the performance of the Registrar and Transfer Agent of the Company;
- To approve the transfer of the Shares in the physical mode.
- To recommend measures for overall improvement in the quality of services to the investors;

The Committee comprised of:

Shri Akshat Bhaskar	Chairman Independent Non-Executive Director
Shri Dhiraj Kumar Choudhary	Member and Non-Executive Director
Shri Naresh Kumar Chibba	Member and Director

Company Secretary of Company is the Compliance Officer of the Company.

As on 1st April, 2015, no complaints and/or requests for dematerialization were pending. During the year 2015-16, the Company have not received any complaints and no complaints and/or requests for dematerialization were pending as on 31st March, 2016.

All valid requests for share transfers received during the year 2015-16 have been acted upon by the Company and no transfer is pending.

**(c) Nomination and Remuneration Committee:**

In compliance with Section 178 of the Act read along with the applicable Rules thereto and Listing Regulations, the Board has constituted a Nomination and Remuneration Committee.

The terms of reference of the Committee inter alia, include the following:

- a) To guide the Board in relation to appointment and removal of Directors, Key Managerial Personnel and senior management personnel;
- b) To evaluate the performance of the members of the Board as well as Key Managerial Personnel and senior management personnel and to provide rewards linked directly to their efforts, performance, dedication and achievement relating to Company's operations;
- c) To recommend to the Board on remuneration payable to the Directors, Key Managerial Personnel and senior management personnel;
- d) Assessing the independence of Independent Directors;
- e) To make recommendation to the Board concerning any matters relating to the continuation in office of any Director at any time including the suspension or termination of service of the Managing/Whole-Time Directors, subject to the provisions of law and their service contracts;
- f) To retain, motivate and promote talent and to ensure long term sustainability of talented management personnel and create competitive advantage;
- g) To devise a policy on Board diversity;
- h) To develop a succession plan for the Board and to regularly review the plan.

The Nomination & Remuneration Committee comprised of the following directors of the Company:

Name of Director	Category	Meeting held on				
		18.05. 2015	23.07. 2015	3.08. 2015	12.02. 2016	25.03. 2016
Ms. Sunaina Chibba	Chairman	Present	Present	Present	Leave of absence granted	Present
Shri Akshat Bhaskar	Member / Independent Director	Present	Present	Present	Present	Present
Shri Pradeep Kumar Chopra	Member / Independent Director	Present	Leave of absence granted	Leave of absence granted	Present	Present

**Appointment & Remuneration Policy:**

**A. Policy for appointment and removal of directors, KMP and senior management personnel**

**(i) Appointment Criteria and Qualifications**

- a) The Committee shall identify and ascertain the integrity, qualification, expertise and experience of the person for appointment as director, KMP or senior management personnel and recommend to the Board his/her appointment.
- b) A person should possess adequate qualifications, expertise and experience for the position, he/she is considered for appointment. The Committee has discretion to decide whether qualifications, expertise and experience possessed by a person is sufficient/satisfactory for the concerned position.
- c) The Company shall not appoint or continue the employment of any person as Managing/ Whole-time Director who has attained the age of seventy years, provided that the term of the person holding this position may be extended beyond the age of seventy years with the approval of the shareholders by passing a special resolution based on the explanatory statement annexed to the notice for such motion indicating the justification for extension of appointment beyond seventy years.

**(ii) Term/Tenure**

**a) Managing Director/Whole-time Director**

The Company shall appoint or re-appoint any person as its Executive Chairman, Managing Director or Whole-time Director for a term not exceeding five years at a time. No re-appointment shall be made earlier than one year before the expiry of term.

**b) Independent Director**

- An Independent Director shall hold office for a term up to five consecutive years on the Board of the Company and will be eligible for re-appointment on passing of a special resolution by the Company and disclosure of such appointment in the Board's report.
- No Independent Director shall hold office for more than two consecutive terms of upto a maximum of five years each, but such Independent Director shall be eligible for appointment after expiry of three years of ceasing to become an Independent Director, provided that the Independent Director shall not, during the said period of three years be appointed in or be associated with the Company in any other capacity, either directly or indirectly.
- At the time of appointment of Independent Director, it should be ensured that number of Boards on which such Independent Director serves is restricted to seven listed companies as an Independent Director and three listed companies as an Independent Director in case such person is serving as a Whole-time Director of a listed company or such other number as may be prescribed under the Act.

**(iii) Evaluation**

The Committee shall carry out evaluation of performance of every Director, Key Managerial Personnel and senior management personnel at regular intervals. The Company have adopted a policy for evaluation of the managerial person the Board and independent director of the company evaluate the performance of the directors as per the policy adopted.

**(iv) Removal**

Due to reasons for any disqualification mentioned in the Act or under any other applicable Act, Rules & Regulations there under, the Committee may recommend to the Board with reasons recorded in writing, removal of a Director, Key Managerial Personnel or senior management personnel subject to the provisions and compliance of the said Act, Rules & Regulations.

**(v) Retirement**

The Directors, KMP and senior management personnel shall retire as per the applicable provisions of the Act and the prevailing policy of the Company. The Board will have the discretion to retain the Director, KMP and senior management personnel in the same position/remuneration or otherwise even after attaining the retirement age, for the benefit of the Company.

**B. Policy for remuneration to directors, KMP and senior management personnel****(i) Remuneration to Managing/Whole-time Directors, KMP and senior management personnel**

The remuneration/ compensation/ commission etc. to be paid to Managing/Whole-time Directors shall be governed as per provisions of the Companies Act, 2013 and Rules made there under or any other enactment for the time-being in force.

**(ii) Remuneration to Non-Executive/ Independent Director**

The non-executive Independent /Non-Independent Director may receive remuneration/compensation/ commission as per the provisions of the Act. The amount of sitting fees shall be subject to ceiling/limits as provided under the Act and Rules made there under or any other enactment for the time being in force.

The Nomination & Remuneration Policy of the Company has been uploaded and can be viewed on the Company's website.

**(c) Details of remunerations paid to the Directors during the financial year 2015-16:**

Name of Director	Relationship with other Directors	Basic Salary	Allowances	Perquisites+ Contribution to PF/other funds	Commission	Sitting fee	Total
Mr. Pradeep Kumar Chopra	-	-	-	-	-	-	-
Mr. Naresh Kumar Chibba	Father of Ms. Sunaina Chibba	5,04,000	6,96,000	39,853	-	-	12,39,853
MS. Sunaina Chibba	Daughter of Mr. Naresh Kumar Chibba	-	-	-	-	-	-
Mr. Akshat Baskar	-	-	-	-	-	2,400	2,400
Mr. Dhiraj Kumar Choudhary	-	-	-	-	-	-	-

**(d) Risk Management Committee:**

Not applicable to your Company\*

\* as company has Paid Up Share capital of less than 10 Crore company is eligible for the exemption granted under regulation 15 of SEBI(LODR) Regulation, 2015.

**(e) Share Transfer Committee:**

A Share transfer Committee was constituted in the Company to do all required activity related to transfer of shares of Company. The Board in the meeting held on 12.02.2016 merged this committee with Stakeholder Relationship Committee and discontinued the share transfer committee. The Committee comprised of the following directors of the Company:

Name of Director	Category	Meeting held on		
		26.08.2015	16.09.2015	10.12.2015
Shri Naresh K. Chibba	Chairman	Present	Present	Leave of absence granted
Shri Akshat Bhaskar	Member	Present	Present	Present
Shri Pradeep Kumar Chopra	Member	Present	Present	Present

**4. Annual General Meetings**

The last three Annual General Meetings of the Company were as under:

Financial Year	Date	Time	Place
2012-13	27. 09.2013	4.30 P.M.	A-7, Sector-VII, Noida
2013-14	29.09.2014	4.30 P.M.	Gautam Buddha Nagar,
2014-15	22.09.2015 (Adjourn in want of quorum)	4.00 P.M	Pin. 201301 (U.P)
2014-15	29.09.2015(Adjourned Meeting)	4.00 P.M	

**5. Reconciliation of Share Capital Audit**

As required by the Securities & Exchange Board of India (SEBI) quarterly audit of the Company's share capital is being carried out by an independent external auditor with a view to reconcile the total share capital admitted with National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL) and held in physical form, with the issued and listed capital. The Auditors' Certificate in regard to the same is submitted to BSE Limited and is also displayed on Company website.

**Dematerialisation of Shares and Liquidity**

The break-up of equity shares held in Physical and Dematerialised form as on March 31, 2016, is given below:

Particulars	No. of Shares	Percentage
Physical Segment	858940	85.98
Demat Segment		
NSDL	0	0
CDSL	140060	14.02
Total	999000	100.00

**Distribution of Shareholding as on March 31, 2016**

Range of Holding (In Rs.)	No. of Shareholders	% to Total	No. of Shares	% of Total
Up to 5000	6,823	99.07	8,00,440	80.13
5001-10000	54	0.78	44,950	4.50
10001-20000	8	0.11	10,500	1.05
20001-30000	-	-	-	-
30001-40000	-	-	-	-
40001-50000	-	-	-	-
50001-100000	1	0.01	10,000	1.00
100001 and above	1	0.01	1,33,110	13.32

## Shareholding Pattern as on March 31, 2016

Particulars	No. of share holders	No. of Shares	% of Shareholding
<b>Promoters</b>		<b>Sub Total</b>	<b>Total</b>
1.Naresh Kumar Chibba	1	133110	13.32
<b>Total Promoters Holding</b>	1	133110	13.32
<b>Bank, Financial Institutions, Insurance Companies &amp; Mutual Funds</b>			
Bank	1	100	0.01
<b>Financial Institutions</b>	-	-	-
<b>Insurance Companies</b>	-	-	-
<b>Mutual Funds/UTI</b>	-	-	-
<b>Central &amp; State Governments</b>	-	-	-
<b>Foreign Institutional Investors</b>	-	-	-
<b>NRIs/Foreign Nationals</b>	-	-	-
<b>Body Corporates</b>	16	13550	1.36
Individuals/ Hindu undivided Family	6869	852240	85.31
<b>Public and Others</b>	6886	865890	86.68
<b>Total</b>	6887	999000	100

**Statement showing Shareholding of more than 1% of the Capital in category of "Public" as on March 31, 2016**

Sr. No.	Name of the shareholders	No. of Shares	Percentage of Capital
1	Interads Advertising P Ltd	10000	1.00
	Total	10000	1.00

**5. Disclosures**

(i) There were no transactions of material nature with the directors or the management or relatives etc. during the year that had potential conflict with the interests of the Company at large. The details of related party transactions have been reported in the Notes to Accounts.

(ii) The financial statements have been prepared in compliance with the requirements of the Companies Act, 2013 and in conformity, in all material respects, with the generally accepted accounting principles and standards in India. The estimates/judgments made in preparation of these financial statements are consistent, reasonable and on prudent basis so as to reflect true and fair view of the state of affairs and results/operations of the Company.

(iii) The Company has formulated Whistle Blower Policy to establish a Vigil Mechanism for directors and employees of the Company and the details are provided in point no. 3 (a) of this report.

(iv) The Company has not raised any funds from the capital market public/rights/preferential issues etc. during the financial year under review.

(vii) The Company had been suspended from trading by BSE due to some non compliance in past few years. However, after continuous follow up Bombay Stock Exchange has revoked the suspension with effect from 24th December, 2015 and security of the company is available for trading. Revocation at Delhi Stock Exchange and UP Stock Exchange are not required as these stock exchanges has been de-recognized by SEBI.

(viii) The details of the equity shares of the Company held by the Directors as on 31st March, 2016 are as under:

Mr. Naresh kumar Chibba : 133110 Shares

(ix) The Company is eligible to the exemption granted under Regulation 15 of SEBI(Listing Obligation and Disclosure Requirements) Regulation, 2015

**Pending Investors' Grievances**

Any Member / Investor, whose grievance has not been resolved satisfactorily, may kindly write to the Company Secretary at the Registered Office with a copy of the earlier correspondence.

**6. Means of communication**

The Quarterly, Half Yearly and Annual Results are communicated to the BSE Limited, where the Company's shares are listed as soon as they are approved and taken on record by the Board of Directors of the Company. Further, the quarterly and half-yearly results are published in newspapers such as 'Pioneer' (English) and 'Pioneer' (Hindi). The results are not sent individually to the shareholders. The financial results are also displayed on the web-site of the Company at [www.continentalchemicalsltd.com](http://www.continentalchemicalsltd.com).

In order to redress shareholders' queries and grievances, the Company has a separate e-mail ID [info@continentalsoft.com](mailto:info@continentalsoft.com).

The Management Discussion and Analysis Report forms part of the Directors' Report.

**7. Auditors' Certificate on Corporate Governance.**

Auditor's Certificate on corporate governance is attached with this corporate governance report as annexure A .

**8. CEO/CFO Certification**

The MD and the CFO have issued certificate pursuant to the provisions of Schedule V of the listing Regulations certifying that the financial statements do not contain any untrue statements and these statements represent a true and fair view of the Company's affairs. The said certificate is attached with this corporate governance report as annexure BI.

**GENERAL SHAREHOLDERS INFORMATION****Annual General Meeting:**

Date 29<sup>th</sup> September, 2016  
Time 4.00 PM  
Venue A-7, Sector-VII, Noida  
Gautam Buddha Nagar,  
Pin. 201301 (U.P)

**Posting of Annual Reports** : Till 2.09.2016  
**Last Date For Receipt of Proxy Forms** : 27.09.2015 till 4.00PM

**E-Voting Facility to members**

In compliance with provisions of Section 108 of the Companies Act, 2013 and Rule 20 of the Companies (Management and Administration) Rules, 2014, the Company is pleased to provide members the facility to exercise their right to vote at the 31<sup>st</sup> Annual General Meeting (AGM) by electronic means and the business may be transacted through e-Voting Services provided by Central Depository Services Limited (CDSL). Pursuant to the amendments made in clause 35B of the Listing Agreement by SEBI, the company has sent assent/dissent forms to the members to enable those who do not have access to e-Voting facility to cast their vote on the shareholders resolution to be passed at the ensuing Annual General Meeting, by sending their assent or dissent in writing.

**Extraordinary General Meeting (EGM)**

During the year under review, no Extraordinary General Meeting (EGM) has been held.  
During the year under review, no resolution has been passed through the exercise of postal ballot.

**Meetings for approval of quarterly and annual financial results were held on the following dates:**

Quarter	Date of Board Meeting
1 <sup>st</sup> Quarter	13 <sup>th</sup> August, 2015
2 <sup>nd</sup> Quarter	5 <sup>th</sup> October, 2015
3 <sup>rd</sup> Quarter	12 <sup>th</sup> Febuary, 2016
4 <sup>th</sup> Quarter	16th April, 2016

**Financial Calendar 2016-17 (Tentative):****Board Meetings to take on record**

Financial results for Quarter ended 30.06.2016  
Financial results for Quarter ended 30.09.2016

Last week of July, 2016  
First week of October, 2016

Financial results for Quarter ended 31.12.2016 First week of February, 2017  
 Financial results for Quarter/year ended 31.03.2017 Second week of May, 2017  
 Book Closure Date **23<sup>rd</sup> September, 2016 to 29<sup>th</sup> September, 2016** (both days inclusive)  
**Dividend payment date:**  
 NO Dividend has been declared for the year ended March 31, 2016.S

**Listing:****Name & address of stock exchange****BSE Limited**

Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai – 400 001

Delhi Stock Exchange Association Ltd,  
 DSE House 3/1 Asaf Ali Road, New Delhi-110002

UP Stock Exchange Association Ltd,  
 Padam Towers, 14/113, Civil Lines, Kanpur-208001

The Company has paid annual listing fee to BSE for the year 2015-16.  
 As DSE and UPSE had been de- recognised by SEBI so no invoice for annual fee was received.

**Stock Code:**

BSE Limited, Mumbai : 506935  
 Demat ISIN in CDSL for equity shares : INE423K01015

**Market Price Data:**

The reinstatement of the trading of the company has been approved by BSE on 24.12.2015. After reinstatement only one trade was held in the securities of the company for lot of 50 shares at Rs. 4 only.

**Share Transfer System:**

The transfers are normally processed within a period of 15 days from the date of receipt if the documents are complete in all respects. Requests for dematerialization of shares are processed and confirmation is given to the respective depositories i.e. NSDL and CDSL within 15 days. The connectivity with CDSL is maintained through M/s BEETAL Financial & Computer Services Pvt Ltd.. The Shareholders have the option to open account with any of the depository participants registered with CDSL. In the case of off market/ private transactions involving transfer of shares in physical form, SEBI has made mandatory for the transferee(s) to furnish copy of PAN card to the Company/RTA. The shareholders/investors are advised to comply with the same while filing transfer documents with the company/RTA.

**Share Transfer Agents and Demat Registrar:**

The Company has appointed M/s **BEETAL Financial & Computer Services Pvt Ltd.**, New Delhi as the Registrar & Share Transfer Agents for handling both physical share registry work and demat share registry work having their office at:

BEETAL Financial & Computer Services Pvt Ltd.  
 BEETAL HOUSE, 3rd Floor,  
 99, Madangir, behind LSC, New Delhi - 110062  
 Ph. 011-29961281-283 Fax 011-29961284

Shareholders holding shares in electronic mode should address all their correspondence to their respective Depository Participants

**Regd. Office:**

Continental Chemicals Limited  
 A-7, Sector -7,  
 Noida -Gautam Buddh Nagar  
 U.P- 201301

**Plant Location:**

A-7, Sector -7,  
 Noida -Gautam Buddh Nagar  
 U.P- 201301

For and on behalf of Board of Directors  
 Sd/- Sd/-  
 Naresh K Chibba Dhiraj Kumar Choudhary  
 Managing Director Director



**B. S. GOYAL & CO.**  
**405 Skylark Building 60, New Delhi-110 019 (Mobile: 9811081491)**  
**SECRETARIAL AUDIT REPORT**  
**FOR THE FINANCIAL YEAR ENDED 31ST MARCH, 2016**

To,  
The Members,

**Continental Chemicals Limited**  
**A-7, SECTOR-7,**  
**Noida Gautam Budh Nagar**  
**Uttar Pradesh-201301**

**TO THE MEMBERS OF CONTINENTAL CHEMICALS LTD.**

We have examined the compliance of conditions of Corporate Governance by Continental Chemicals Ltd. for the year ended March 31, 2016 as stipulated in SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

The compliance of conditions of Corporate Governance is the responsibility of the management. Our examination has been limited to a review of procedures and implementation thereof, adopted by the Company for ensuring the compliance of the conditions of the Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.

In our opinion and to the best of our information and according to the explanations given to us, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

We state that no investor grievances are pending for a period exceeding one month against the Company as per the records maintained by the Company which are presented to Stakeholders Relationship Committee.

We further state that such compliance is neither an assurance as to the future viability of the Company nor the efficiency or effectiveness with which the Management has conducted the affairs of the Company.

For B. S. Goyal & Co.  
Company Secretaries

Sd/-  
B. S. Goyal  
(Proprietor)  
CP. No. 2915

Place: New Delhi  
Date: 22.08.2016

**Declaration Regarding Code of Conduct**

I hereby declare that all the Directors and Senior Management Personnel have confirmed compliance with the Code of Conduct as adopted by the Company.

Sd/-

(Naresh Kumar Chibba)  
Managing Director

Place: Noida  
Date: 25.08.2016

**CEO/CFO CERTIFICATE**

The Board of Directors,  
Continental Chemicals Limited

We have reviewed the financial statements and the cash flow statement of Continental Chemicals Ltd. for the year ended March 31, 2016 and to the best of our knowledge and belief:

- (a) (i) these statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;  
(ii) these statements together present a true and fair view of the Company's affairs and are in compliance with existing Accounting Standards, applicable laws and regulations.
- (b) There are, to the best of our knowledge and belief, no transactions entered into by the Company during the year which are fraudulent, illegal or violative of the Company's Code of Conduct.
- (c) We accept responsibility for establishing and maintaining internal controls for financial reporting and that we have evaluated the effectiveness of the internal control systems of the Company pertaining to financial reporting and have disclosed to the Auditors and the Audit Committee, deficiencies in the design or operation of such internal controls, if any, of which we are aware and the steps we have taken or propose to take for rectifying these deficiencies.
- (d) We have indicated to the Auditors and the Audit Committee:  
(i) significant changes in internal control over financial reporting during the year;  
(ii) significant changes in accounting policies made during the year and the same have been disclosed in the notes to the financial statements; and  
(iii) instances of significant fraud of which we have become aware and the involvement therein, if any, of the management or an employee having a significant role in the Company's internal control system over financial reporting.

Date: 25.08.2016  
Place: Noida

Sd/-

**Ram Kumar**  
Chief Financial Officer

Sd/-

**Naresh K Chibba**  
Managing Director

## Annexure: "VI" to Board Report

**B. S. GOYAL & CO.**  
**405 Skylark Building 60, New Delhi-110 019 (Mobile: 9811081491)**  
**SECRETARIAL AUDIT REPORT**  
**FOR THE FINANCIAL YEAR ENDED 31ST MARCH, 2016**

To,  
The Members,

**Continental Chemicals Limited**  
**A-7, SECTOR-7,**  
**Noida Gautam Budh Nagar**  
**Uttar Pradesh-201301**

I have conducted the Secretarial Audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **Continental Chemicals Limited having its registered office at A-7, Sector-7, Noida Gautam Budh Nagar, Uttar Pradesh-201301**. Secretarial Audit was conducted in a manner that provided me a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing my opinion thereon.

Based on my verification of the Company books, papers, minute books, forms and returns filed and other records maintained by the company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, I hereby report that in my opinion, the company has, during the audit period covering the financial period ended on 31<sup>st</sup> March, 2016 complied with the statutory provisions listed hereunder and also that the Company has proper Board- processes and Compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

I have examined the books, papers, minute books, forms and returns filed and other records maintained by Continental Chemicals Limited ("the Company") for the financial year ended on 31<sup>st</sup> March, 2016 according to the provisions of:

- (i) The Companies Act, 2013 (the Act) and the rules made thereunder;
- (ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
- (iv) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings:- **Not Applicable**
- (v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):-
  - (a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulation, 2011;
  - (b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992;
  - (c) Securities and Exchange Board of India (Listing Obligations and Disclosures Requirements) Regulations, 2015
  - (d) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009:- **Not Applicable**
  - (e) The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999:- **Not Applicable**
  - (f) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008:- **Not Applicable**
  - (g) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client: - **Not Applicable**
  - (h) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009:- **Not Applicable**
  - (i) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998:- **Not Applicable**
- (vi) Other applicable Laws to the Company.

I have also examined compliance with the applicable clauses of the following:

- (I) Secretarial Standards issued by The Institute of Company Secretaries of India.
- (II) The Listing Agreements entered into by the Company Delhi, Kanpur and Bombay Stock Exchange (s).

During the period under review the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, Etc. mentioned above.

**I further report that**

The Board of Directors of the Company is consisting of Executive Directors, Non- Executive Directors and Independent Directors. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.

The Company has complied with the all the applicable Regulations as per the SEBI (Listing Obligations and Disclosures Requirements) Regulations, 2015 of listing Agreement.

Adequate notice is given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent in advance before the meeting.

**I further report that** there are adequate systems and processes in the company commensurate with the size and operations of the company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

**I further report that** during the audit period, there were no other events having a major bearing on the Company's affairs in pursuance of the above referred laws, rules, regulations, guidelines etc.

For B. S. Goyal & Co.  
Company Secretaries

Sd/-  
B. S. Goyal  
(Proprietor)  
CP. No. 2915

Place: New Delhi  
Date: 10.08.2016

**Note: This report should be read with our letter of even date which is annexed as Annexure A and forms are integral part of this report.**

To  
The Members,  
**Continental Chemicals Limited**  
A-7, SECTOR-7,  
Noida Gautambudh Nagar  
Uttar Pradesh-201301

**Our report of even date is to be read along with this letter.**

1. Maintenance of Secretarial record is the responsibility of the management of the Company. Our responsibility is to express an opinion on these secretarial records based on our audit.
2. We have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. We believe that the processes and practices that we followed provide a reasonable basis for our opinion.
3. We have not verified the correctness and appropriateness of financial records and Books of Accounts of the company.
4. Where ever required, we have obtained the Management representation about the compliance of laws, rules and regulations and happening of events etc.
5. The compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of management. Our examination was limited to the verification of procedures on test basis.
6. The Secretarial Audit report is neither an assurance as to the future viability of the company nor of the efficacy or effectiveness with which the management has conducted the affairs of the company.

For B. S. Goyal & Co.  
Company Secretaries  
Sd/-  
B. S. Goyal  
(Proprietor)  
CP. No. 2915

Place: New Delhi  
Date: 10.08.2016

## **INDEPENDENT AUDITORS' REPORT TO THE SHAREHOLDERS OF CONTINENTAL CHEMICALS LIMITED**

### **Report on the Financial Statements**

We have audited the accompanying financial statements of **CONTINENTAL CHEMICALS LIMITED** which comprise the Balance Sheet as at March 31, 2016, the Profit and Loss Statement and the Cash Flow Statement for the year then ended and a summary of significant accounting policies and other explanatory information.

### **Management Responsibility for the Financial Statements**

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014. 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 financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

### **Auditor's Responsibility**

Our responsibility is to express an opinion on these financial statements based on our audit.

We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made thereunder.

We conducted our audit in accordance with the Standards on Auditing specified under Section 143(10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the financial statements. 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. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation of the financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Company's Directors, as well as evaluating the overall presentation of the financial Statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the financial statements

### **Opinion**

In our opinion and to the best of our information and according to the explanations given to us, the financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India:

- a. In the case of the Balance Sheet, of the state of affairs of the Company as at March 31, 2016;
- b. In the case of the Profit and Loss Statement, of the Profit for the year ended on that date; and
- c. In the case of the Cash Flow Statement, of the cash flows for the year ended on that date.

### **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 in terms of section 143(11) of the Companies Act, 2013, we give in the Annexure a statement on the matters specified in paragraphs 3 and 4 of the Order.
2. As required by section 143(3) of the Act, we report that:
  - a. We have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit;
  - b. In our opinion proper books of account as required by law have been kept by the Company so far as appears from our examination of those books
  - c. The Balance Sheet, Profit and Loss Statement and Cash Flow Statement dealt with by this Report are in agreement with the books of account.
  - d. In our opinion, the aforesaid financial statements comply with the Accounting Standards referred to in section 133 of the Companies Act, 2013, read with Rule 7 of the Companies (Accounts) Rules, 2014 ;
  - e. On the basis of written representations received from the directors as on March 31, 2016, and taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2016, from being appointed as a director in terms of section 164(2) of the Act.

- f. 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 B"; and
- g. 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, in our opinion and to the best of our information and according to the explanations given to us:
  - i. The Company does not have any pending litigations which would impact its financial positions
  - ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
  - iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

**For B.K.KAPUR AND CO.,  
Chartered Accountants,  
Firm Registration No. 000852C**

**Sd/-**

**PLACE: Ghaziabad**

**DATED: 16/04/2016**

**(B.K.KAPUR) F. C A.  
Partner.  
Membership No 004578**

**“ANNEXURE A” TO THE AUDITORS’ REPORT**

(Referred to in paragraph (1) of our Report on other Legal and Regulatory requirements section of our report of even date)

1. a. The company has maintained proper records to show full particulars including quantitative details and situation of its fixed assets.
- b. The fixed assets of the company have been physically verified during the year by the management at reasonable intervals and no material discrepancies between the book records and the physical inventory have been noticed on such verification.
- c. According to the information and explanation 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.
2. Since the company does not have any inventory information required under Para 3(ii) is not being given.
3. a. According to information made available to us, the company has not granted any loan, secured or unsecured to companies, firms, LLPs or other parties covered in the register maintained under section 189 of the Act, accordingly Para 3(iii)(a) & (c) of the Order are not applicable to the company.
4. On the basis of information and explanation given to us, the company has not entered into transactions mentioned in section 185 and 186 of the Act, accordingly paragraph 3(iv) of the Order is not applicable.
5. On the basis of information and explanation given to us and our scrutiny of company's records, in our opinion, the company has not accepted any public deposits.
6. To the best of our knowledge and belief and according to information given to us, Central Government has not prescribed the maintenance of cost records under sub-section (1) of section 148 of the Companies Act, 2013 for the products of the Company.
7. (a) According to the information and explanation given to us the company is generally regular in depositing with appropriate authorities the undisputed statutory dues including provident fund, employees' state insurance, income-tax, sales-tax, service tax, custom duty, excise duty, value added tax, cess and any other statutory dues applicable to it. Further, there was no arrears of undisputed statutory dues outstanding as at 31<sup>st</sup> March, 2016 for a period of more than six month from the date they became payable.
- (b) According to the information and explanations given to us, there are no tax dues of income-tax, sales-tax, service tax, custom duty, excise duty, value added tax which have not been deposited on account of any dispute.
8. Based on our examination and according to the information and explanation given us, the company has not defaulted in repayment of dues to banks. There are no dues to financial institution or debenture holders.
9. The company did not raise 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.
10. To the best of our knowledge and belief and according to the information and explanation given to us, no fraud on or by the company has been noticed or reported during the course of our audit for the year ended 31 March, 2016.
11. According to the information and explanations give to us and based on our examination of the records of the Company, the Company has paid/provided for managerial remuneration in accordance with the requisite approvals mandated by the provisions of section 197 read with Schedule V to the Act.
12. 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.
13. 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 where applicable and details of such transactions have been disclosed in the financial statements as required by the applicable accounting standards.
14. 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.
15. 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.
16. The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act 1934.

For B K KAPUR AND COMPANY  
Chartered Accountants,  
Firm Registration No000852C,

Sd/-  
(B.K.KAPUR) F. C A.  
Partner.  
Membership No 004578

PLACE: Ghaziabad  
DATED: 16/04/2016

**Annexure - B to the Auditors' Report****Report on the Internal Financial Controls 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 CONTINENTAL CHEMICALS LIMITED ("the Company") as of 31 March 2016 in conjunction with our audit of the 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 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 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.

**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.

**Opinion**

In our opinion, 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 2016, 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 B K KAPUR AND COMPANY  
Chartered Accountants,  
Firm Registration No000852C,

PLACE: Ghaziabad  
DATED: 16/04/2016

Sd/-  
(B.K.KAPUR) F. C A.  
Partner.  
Membership No 004578



## BALANCE SHEET AS AT 31ST MARCH, 2016

(Amt. in Rs.)

Particulars	Note No.	AS AT 31.03.2016	AS AT 31.03.2015
<b>I. EQUITY AND LIABILITIES</b>			
<b>1 Shareholder's Funds</b>			
Share Capital	2	9,990,000	9,990,000
Reserves & Surplus	3	4,455,486	3,120,253
<b>2 Non- Current Liabilities</b>			
Long Term Borrowings	4	1,096,357	1,438,710
Deferred Tax Liabilities	5	338,224	167,839
<b>3 Current Liabilities</b>			
Short-term provisions ( Income Tax )		286,895	292,327
Other Current Liabilities	6	9,821,666	11,258,552
<b>Total (1+2+3)</b>		<b>25,988,628</b>	<b>26,267,681</b>
<b>ASSETS</b>			
<b>1 Non-current assets</b>			
Fixed Assets			
Tangible assets	7	19,789,577	20,474,689
Long Term Loan & Advances	8	5,379,980	4,023,092
<b>2 Current assets</b>			
Cash and cash equivalents	9	215,349	715,080
Short Term Loan & Advances	10	603,722	1,054,819
<b>Total (1+2)</b>		<b>25,988,628</b>	<b>26,267,681</b>

Significant Accounting Policies  
and Notes on Accounts forming part of the Financial  
Statements (1-22)

Sd/-  
Naresh K Chibba  
Managing Director  
Sd/-  
Pratima Agarwal  
Company Secretary

Sd/-  
Dhiraj Kumar Choudhary  
Director  
Sd/-  
Ram Kumar  
Chief Financial officer

AS PER OUR REPORT OF EVEN DATE ATTACHED  
For BK Kapur & Co.  
Chartered Accountants  
Firm Reg.No.: 000852C  
Sd/-  
(B.K. Kapur )FCA  
Partner  
Membership No.: 004578  
Date: 16th April, 2016

**CONTINENTAL CHEMICALS LIMITED**  
**PROFIT & LOSS STATEMENT FOR THE YEAR ENDED 31.03.2016**

(Amt. in Rs.)

	Note No.	YEAR ENDED 31.03.2016	YEAR ENDED 31.03.2015
<b>Revenue:</b>			
I. Revenue from operations	11	4,908,946	4,268,473
II. Other income	12	4,633,975	5,014,336
III. Total Revenue (I+II)		<b>9,542,921</b>	<b>9,282,809</b>
<b>Expenses:</b>			
Employees benefit Expenses	13	3,806,577	3,434,554
Finance Costs	14	92,992	176,740
Other Expenses	15	3,452,622	3,084,056
Depreciation and Amortization of Expenses		685,112	1,053,337
<b>Total Expenses</b>		<b>8,037,303</b>	<b>7,748,687</b>
V. <b>Profit before exceptional and extraordinary items &amp; tax</b>		<b>1,505,618</b>	<b>1,534,122</b>
Exceptional & extraordinary items		-	-
VI. <b>Profit before tax</b>		<b>1,505,618</b>	<b>1,534,122</b>
VII. Tax Expense:			
Current Tax	286,895		-
Less :- MAT Credit Receivable	286,895	-	
Deferred Tax Charge/(Credit)		(170,385)	400,065
Previous Year Taxes		-	(4,840)
<b>Profit after Tax</b>		<b>1,335,233</b>	<b>1,929,347</b>
<b>Earnings per Share</b>			
Nominal Value Rs. 10/-			
Basic diluted		1.34	1.93

**Significant Accounting Policies  
and Notes on Accounts forming part of the  
Financial Statements**

(1-22)

Sd/-  
Naresh K Chibba  
Managing Director  
Sd/-  
Pratima Agarwal  
Company Secretary

Sd/-  
Dhiraj Kumar Choudhary  
Director  
Sd/-  
Ram Kumar  
Chief Financial officer

AS PER OUR REPORT OF EVEN DATE ATTACHED  
**For BK Kapur & Co.**  
**Chartered Accountants**  
**Firm Reg.No.: 000852C**  
**Sd/-**  
**(B.K. Kapur )FCA**  
**Partner**  
 Membership No.: 004578  
 Date: 16th April, 2016

**CONTINENTAL CHEMICALS LIMITED**  
**CASH FLOW STATEMENT FOR THE YEAR ENDING 31.03.2016**

Particulars	31.03.2016	31.03.2015
<b>A. Cash Flow from Operating Activities</b>		
Net Profit/(Loss) Before Tax	1,505,618	1,534,122
Adjustment for :-		
Depreciation	685,112	1,053,337
Income Tax	-	(5,717)
Loss on Sale of Motor Car	-	382,636
Interest Paid	92,992	176,740
	<b>22,83,722</b>	<b>31,41,118</b>
Adjustment for :-		
Changes in Trade Receivables	-	-
Changes in Short Term Loans & Advances	451,097	544,744
Changes in Long Term Loans & Advances	(1,356,888)	(1,671,229)
Changes in Other Current Assets	-	-
Changes in Trade Payables	-	(258,735)
Changes in Other Current Liabilities	(1,436,885)	602,986
	<b>(58,955)</b>	<b>2,358,884</b>
Cash Flow from extraordinary items	-	-
Cash generated from operations	<b>(58,955)</b>	<b>2,358,884</b>
	<b>(58,955)</b>	<b>2,358,884</b>
<b>B. Cash Flow from Investing Activities</b>		
Purchase of Fixed Assets	-	(2,969,744)
Sale of Fixed Assets	-	10,000
	-	(2,969,744)
Cash Flow from extraordinary items	-	-
	-	(2,969,744)
Net Income Tax (Paid)/Refunds	(5,432)	(245,701)
<b>Net Cash Flow from Investing Activities</b>	<b>(5,432)</b>	<b>(2,724,043)</b>
<b>C. Cash Flow from Financing Activities</b>		
Interest Paid	(92,992)	(176,740)
Call in arrears in Shares	-	44,500
Long Term Borrowings	(342,353)	1,131,159
	(435,345)	998,919
Cash Flow from extraordinary items	-	-
<b>Net Cash Flow from Financing Activities</b>	<b>(435,345)</b>	<b>998,919</b>
<b>Cash Equivalents</b>	(499,731)	643,759
Opening cash and Cash Equivalent	715,080	71,321
<b>Closing Cash &amp; Cash Equivalent</b>	<b>215,349</b>	<b>715,080</b>

Significant Accounting Policies and Notes on Accounts forming part of the Financial Statements (1-22)

AS PER OUR REPORT OF EVEN DATE ATTACHED  
For BK Kapur & Co.  
Chartered Accountants  
Firm Reg.No.: 000852C  
Sd/-  
(B.K. Kapur )FCA  
Partner  
Membership No.: 004578  
Date: 16th April, 2016

Sd/-  
Naresh K Chibba  
Managing Director

Sd/-  
Dhiraj Kumar Choudhary  
Director

Sd/-  
Pratima Agarwal  
Company Secretary

Sd/-  
Ram Kumar  
Chief Financial officer

**CONTINENTAL CHEMICALS LIMITED**  
**SIGNIFICANT ACCOUNTING POLICIES AND NOTES FORMING PART OF THE ACCOUNTS ENDING 31<sup>ST</sup> MARCH, 2016:**

**NOTES -1**

**A. Significant Accounting Policies :**

**1. Basis of Accounting :**

The Company follows the Mercantile System of accounting and recognises Income and Expenditure on Accrual Basis. The financial statement are prepared under the historical cost convention and are in accordance with the requirements of the Companies Act, 2013 and accepted accounting principles.

**ii. Fixed Assets and Depreciation:**

Fixed assets are stated at cost, less accumulated depreciation/amortisation. Costs include all expenses incurred to bring the assets to its present location and condition. Fixed assets and other assets individually costing 5000 or less which are not capitalised except when they are part of a larger capital investment programme. All Fixed Assets are stated at Historical Cost Less Depreciation.

Depreciation / Amortization In respect of fixed assets (other than freehold land and capital work-in-progress) acquired during the period, depreciation/ amortization is charged on a straight line basis so as to write off the cost of the assets over the useful lives and for the assets acquired prior to April 1, 2014, the carrying amount as on April 1, 2014 is depreciated over the remaining useful life as per the requirements of Schedule - II of the Companies Act 2013.

Type of asset	Period
Buildings	60 years
Plant and machinery	15 years
Computer equipment	3 years
Vehicles	8years
Office equipment	5 years
Electrical installations	10 years
Furniture and fixtures	5 years

**iii. Taxes on Income:**

- a. Current tax is the amount of tax payable on the estimated taxable income for the Current year as per the provisions of Income Tax Act, 1961.
- b. Deferred tax assets/liabilities is provided on significant timing differences arising from the different treatments in accounting and taxation of relevant item. Deferred tax assets/ liabilities shall be reviewed as at each Balance Sheet date, based on development during the year, to reassess realization/ liabilities.
- c. Deferred Tax Assets in respect of accumulated Loss and unabsorbed Depreciation are recognized and carried forward only if there is virtual certainty of its realization.

**iv. Contingent Liabilities:**

Contingent Liabilities are not provided for in the Accounts.

## CONTINENTAL CHEMICALS LIMITED

## NOTES ON FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2016

AS AT 31.03.2016

AS AT 31.03.2015

**NOTE - 2 : SHARE CAPITAL****Authorised**

30,00,000 Equity Shares of Rs. 10 each

30,000,000

30,000,000

**Issued**

999,000 Equity Shares of Rs.10 each.

9,990,000

9,990,000

**Subscribed & Fully Paid up**

999,000 Equity Shares of Rs.10 each fully paid up.

9,990,000

9,990,000

9,990,000

9,990,000

**9,990,000****9,990,000**

2(a) Shares in the company held by each shareholders holding more than 5% Shares

Name of Equity Shareholders	As at 31.03.2016		As at 31.03.2015	
	No. of Shares held	% Holding	No. of Shares held	% Holding
Naresh Kumar Chibba	133,110	13.32%	133,110	13.32%

2(b) There are Nil number of shares (Previous Year Nil) reserved for issue under option and contracts/commitment for the sale of shares /disinvestment including the terms and amounts.

2(c) For the period of five years immediately preceeding the date at which the balance sheet is prepared

**Particulars****No.of Shares**

Aggregate number and class of shares allotted as fully paid up pursuant to Contract(s) without payment being received in cash

Nil

Aggregate number and class of shares allotted as fully paid up by way of bonus shares

Nil

Aggregate number and class of shares bought back

Nil

2(d) There are no securities (Previous Year no) convertible into Equity/Preferential shares.

2(e) **Reconciliation of No. of Shares Outstanding:****NUMBER****NUMBER**

Shares outstanding at the beginning of the year

999,000

999,000

Shares Issued during the year

-

-

Shares outstanding at the end of the year

**999,000****999,000**2(f) **Terms & Conditions of Equity Shares**

- 1 The Company has one class of Equity Shares having a par value of Rs.10/- each.
- 2 Each Shareholder is eligible for one vote per shares held.
- 3 The Dividend, if any, proposed by the Board of Directors is subject to the approval of shareholders in the Annual General Meeting, except in the case of interim dividend
- 4 In the event of liquidation, the Equity Shareholders are eligible to receive the remaining assets of the Company after distribution of all preferential amounts, in proportion of their shareholding.

## CONTINENTAL CHEMICALS LIMITED

## NOTES ON FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2016

	AS AT 31.03.2016	AS AT 31.03.2015
<b>NOTE - 3 : RESERVES AND SURPLUS</b>		
<b>a) Surplus</b>		
<b>Profit &amp; Loss Statement</b>		
As per Last Balance Sheet	3,120,253	1,190,906
Add: Profit during the year	1,335,233	1,929,347
	<b>4,455,486</b>	<b>3,120,253</b>

**NOTE - 4 : LONG TERM BORROWINGS****(a) Secured Loans**

- From Banks	1,096,357	818,508
	1,096,357	818,508

**Vehicle Loans**

- From Banks	-	620,202
	<b>1,096,357</b>	<b>1,438,710</b>

**i) Terms & Conditions of Secured Loans****a) Security Clauses:**

- 1 Bank loan from ICICI bank is secured by mortgage of flat financed by them
- 2 Bank loan from HDFC is secured by hypothecation of vehicle financed by them

**Home Loan From ICICI Bank**

Rate of Interest **10.25%**

Installment will start from the year in which possession of flat is obtained in 120 monthly installments

**NOTE - 5 : DEFERRED TAX LIABILITY**

	As at 01.4.2015	During the Year	As at 31.3.2016
<b>DEFERRED TAX LIABILITY</b>	167,839	170,385	338,224
Difference between Book & Tax Depreciation	167,839	170,385	338,224

**NOTE - 6 : OTHER CURRENT LIABILITIES****Current maturity of long term debt****Secured Loans**

<b>Vehicle Loans</b>		
From Banks	620,202	559,903
Interest Accrued but not due on Borrowings	90,712	63,228
Security Deposits	870,000	1,170,000
Advances from Customer	3,000,000	4,351,175
<b>Other Payables</b>		
Statutory Liabilities	56,026	16,921
Other Advance	-	53,347
Liability for Expenses	1,400,798	1,260,049
Other Liabilities	3,783,928	3,783,928
	<b>9,821,666</b>	<b>11,258,552</b>

## CONTINENTAL CHEMICALS LIMITED

## SCHEDULE OF FIXED ASSETS FORMING PART OF BALANCE SHEET AS AT 31ST MARCH, 2016

Note No. 7

S. No.	PARTICULARS	C O S T			D E P R E C I A T I O N				W. D. V.		
		UP TO 01.04.15	ADDITIONS DURING THE YEAR	WRITTEN BACK	AS ON 31.03.16	UP TO 01.04.2015	FOR THE YEAR	WRITTEN BACK	UP TO 31.03.16	AS AT 31.03.16	AS AT 31.03.15
<b>Tangible Assets</b>											
(1)	Lease Hold Land	1,356,267	-	-	1,356,267	-	-	-	-	1,356,267	1,356,267
(2)	Office Building	21,412,512	-	-	21,412,512	4,912,176	282,232	-	5,194,408	16,218,104	16,500,336
(3)	Furniture & Fixture	378,297	-	-	378,297	378,297	-	-	378,297	-	-
(4)	Vehicles	1,240,000	-	-	1,240,000	1,202,800	-	-	1,202,800	37,200	37,200
	Vehicles II	2,519,367	-	-	2,519,367	300,452	305,472	-	605,924	1,913,443	2,218,915.00
(5)	Office Equipments I	1,037,406	-	-	1,037,406	1,037,406	-	-	1,037,406	-	-
	BLOCK-II	228,297	-	-	228,297	48,006	46,876	-	94,882	133,415	180,291
(6)	Electrical Fitting & Equipments	603,636	-	-	603,636	603,636	-	-	603,636	-	-
	BLOCK-II	49,420.00	-	-	49,420	710	4,892	-	5,602	43,818	48,710.00
(7)	Computer										
	Block I	1,957,718	-	-	1,957,718	1,957,718	-	-	1,957,718	-	-
	Block II	68,800	-	-	68,800	66,736	-	-	66,736	2,064	2,064
	Block III	141,160.00	-	-	141,160	10,254	45,640	-	55,894	85,266	130,906.00
	<b>Total</b>	<b>30,992,880</b>	<b>-</b>	<b>-</b>	<b>30,992,880</b>	<b>10,518,191</b>	<b>685,112</b>	<b>-</b>	<b>11,203,303</b>	<b>19,789,577</b>	<b>20,474,689</b>
	Previous Year	29,114,136	2,969,744	1,091,000	30,992,880	10,163,218	1,053,337	698,364	10,518,191	20,474,689	18,950,918

## CONTINENTAL CHEMICALS LIMITED

## NOTES ON FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2016

	AS AT 31.03.2016	AS AT 31.03.2015
<b>NOTE - 8 : LONG TERM LOANS AND ADVANCES</b>		
(Unsecured - Considered good)		
Capital Advances	4,555,000	3,485,007
MAT Receivable	579,222	292,327
Security Deposited	245,758	245,758
	<b>5,379,980</b>	<b>4,023,092</b>
<b>NOTE - 9 : CASH AND BANK BALANCES</b>		
i) <b>Cash &amp; Cash Equivalents</b>		
a) Cash In Hand	2,088	117,181
b) Balances with Banks		
- In Current Accounts	213,261	597,899
	<b>215,349</b>	<b>715,080</b>
<b>NOTE - 10 : SHORT TERM LOANS AND ADVANCES</b>		
(Unsecured - Considered good)		
a) Short Term Loans & Advances	-	20,000
b) Prepaid Expenses	18,756	34,892
c) Balance with Revenue Authority	136,434	510,739
d) TDS Receivable (AY 2016-17)	448,532	486,389
e) Other Current Assets	-	2,799
	<b>603,722</b>	<b>1,054,819</b>
	<b>FOR THE YEAR ENDED 31.03.2016</b>	<b>FOR THE YEAR ENDED 31.03.2015</b>
<b>NOTE - 11 : REVENUE FROM OPERATIONS</b>		
Gross Turnover / Services	4,908,946	4,268,473
	<b>4,908,946</b>	<b>4,268,473</b>
<b>NOTE - 12 : OTHER INCOME</b>		
Rental Income	4,598,688	4,829,653
Interest Received	29,989	-
Other Income	5,298	184,683
	<b>4,633,975</b>	<b>5,014,336</b>



## CONTINENTAL CHEMICALS LIMITED

## NOTES ON FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2016

	FOR THE YEAR ENDED 31.03.2016	FOR THE YEAR ENDED 31.03.2015
<b>NOTE - 13 : EMPLOYEE BENEFIT EXPENSES</b>		
Salary & Allowances	2,459,360	1,867,007
Directors salary & Remuneration	1,239,853	1,238,880
Staff welfare	83,133	57,989
Gratuity	24,231	270,678
	<b>3,806,577</b>	<b>3,434,554</b>
<b>NOTE - 14 : FINANCE COSTS</b>		
Interest Expenses	92,992	176,740
	<b>92,992</b>	<b>176,740</b>
<b>NOTE - 15 : OTHER EXPENSES</b>		
a) <b>Administrative and Other Expenses</b>		
Electricity Expenses	306,492	267,010
Security Service Charges	216,000	206,000
Vehicle Running & Maintenance	51,882	171,850
Repair & Maintenance	505,786	252,033
Office Expenses	20,740	9,905
Computer Repair & Maintenance	35,384	99,593
Legal & Professional Charges	423,103	180,779
ROC Fees	16,200	30,600
Business Promotion	27,259	505,000
Travelling and Conveyance Expenses	71,818	41,809
Prior Period Listing Fees	-	2,940
Listing Fees	201,357	121,750
Insurance Expenses	46,801	29,695
Audit Fees	40,000	40,000
Advertisement & Publicity	34,216	87,873
Misc. Expenses	212,963	179,898
Internet Charges	-	28,021
Telephone & Fax Charges	211,369	243,504
AGM Expenses	12,000	7,237
Printing & Stationery	88,966	90,822
Courier, Postage & Registries	55,932	63,345
Subscription & Dues	699,508	5,161
Bank Charges & Processing Fees	7,302	14,096
Director Sitting Fee	2,400	16,500
Loss on sale of Vehicle	-	382,636
Depository Fees	-	6,000
Swatch Bharat Cess	200	-
Software expenses	55,173	-
Exchange rate fluctuation	109,772	-
	<b>3,452,622</b>	<b>3,084,056</b>

**Notes to Account:**

16. The figures have been rounded off at the nearest rupees.
17. All the Current Assets, Loans and Advances, in the opinion of the Board, have a value on realization which in the ordinary course of business shall at least be equal to the amount, at which it is stated in the Balance Sheet.
18. The company has lost the case against union of India and had acknowledge debt including interest up to the date of order of Supreme Court in financial year 2013-2014.

19. **Deferred Tax Liability (Net) represents:**

Deferred Tax Liability:	As on	during	As on
		<b>01.04.15</b>	<b>the year</b>
Difference between book and tax depreciation	167839	170385	338224
		-----	-----
		167839	170385
		-----	-----
			338224

20. **Related Party Disclosures:**

- A. **Parties where control exists:** NIL
- B. **Other Related Parties where transactions have taken place during the Year:**
- i. **Key Management Personnel (KMP)** :
- : Naresh Kumar Chibba
  - : Pradeep Kumar Chopra
  - : Akshat Bhaskar
  - : Dhiraj Kumar Chaudhary
  - : Sunaina Chibba
  - : Pratima Agarwal
  - : Ram Kumar
- ii. **Enterprises significantly influenced by individuals having significant influence/substantial interest: Internet E Communications**

C. **Details of Transactions with above Related Parties:-**

Name Of Enterprises	Transactions during the year	Amount Of Transactions ( Rs )		Outstanding Balances Rs.	
		Year Ended 31.03.2016	Year Ended 31.03.2015	As at 31.03.2016	As at 31.03.2015
Internet Communications	E Export Sales	49,01,446	42,62,258	Nil	13,51,175

21. **Income in Foreign Exchange:-** Rs. 49,01,44622. **Earnings per Share (EPS)**

Particulars	(Amount in Rs.)	
	Current Year	Previous Year
Net Profit /( Loss ) after Tax	13,35,233	19,29,347
(i) Basic Weighted Average number of Shares outstanding	9,99,000	9,99,000
Basic Earnings Per Share	1.34	1.93

Sd/-

Naresh K Chibba  
Managing Director  
Sd/-  
Pratima Agarwal  
Company Secretary

Sd/-

Dhiraj Kumar Choudhary  
Director  
Sd/-  
Ram Kumar  
Chief Financial officer

AS PER OUR REPORT OF EVEN DATE ATTACHED  
For BK Kapur & Co.  
Chartered Accountants  
Firm Reg.No.: 000852C  
Sd/-  
(B.K. Kapur )FCA  
Partner  
Membership No.: 004578  
Date: 16th April, 2016

If undelivered , please return to :

**Continental Chemicals Ltd.**

**A-7 , Sector - VII, NOIDA**

**Pin -201301**

**Distt. : Gautam Buddha Nagar**

**U.P**