

## **NOTICE TO THE SHAREHOLDERS**

Notice is hereby given that the 29<sup>th</sup> Annual General Meeting of Continental Chemicals Limited will be held on Monday, the 29th September 2014 at 4.30 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 31st March 2014, Audited Statement of Profit and Loss for the year, Balance Sheet as at that date, and the Report of the Auditors thereon.
2. To appoint M/s. B K Kapoor & Company, Chartered Accountants having (Firm Registration No: 000852C) , as Statutory Auditors of the Company in place of M/s. Hari Bhushan & Associates, the retiring Statutory Auditors (who have showed their unwillingness to be re-appointed), to hold office from the conclusion of this Annual General Meeting, until the conclusion of sixth Annual General Meeting to be held after this meeting, subject to ratification at every Annual General Meeting and to fix their remuneration for the financial year ending 31st March, 2015.

### **SPECIAL BUSINESS**

3. To Appoint Mr. Pradeep Kumar Chopra as Independent Director of the Company

To consider and if thought fit to pass, with or without modification, the following resolution as ordinary resolution:-

**“RESOLVED THAT** pursuant to the provisions of Sections 149 and 152 read with Schedule IV and all other applicable provisions of the Companies Act, 2013, Companies (Appointment and Qualification of Directors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force) and Clause 49 of the Listing Agreement, Mr. Pradeep Kumar Chopra (DIN 02306030) who has been a Non Executive Director of the Company from November 25, 2010 onwards and who was designated as Independent Director and Chairman under clause 49 of Listing Agreement and who holds office up to the date of this Annual General Meeting, in respect of whom the Company has received notice under Section 160 of the Companies Act, 2013, from a member proposing his candidature for the office of Director, be and is hereby appointed as an Independent Director of the Company, not liable to retire by rotation, to hold office for a term of 5 (Five) consecutive years up to the conclusion of the 34<sup>th</sup> AGM of the Company.”

4. To Appoint Mr. Akshat Bhaskar as Independent Director of the Company

To consider and if thought fit to pass, with or without modification, the following resolution as ordinary resolution:-

**“RESOLVED THAT** pursuant to the provisions of Sections 149 and 152 read with Schedule IV and all other applicable provisions of the Companies Act, 2013, Companies (Appointment and Qualification of Directors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force) and Clause 49 of the Listing Agreement, Mr. Akshat Bhaskar (DIN 06826121), who was appointed as an Additional Independent Director pursuant to the provisions of Section 161(1) of the

Companies Act, 2013 and the Articles of Association of the Company and who holds office up to the date of this Annual General Meeting and in respect of whom the Company has received a notice in writing under Section 160 of the Companies Act, 2013 from a member proposing his candidature for the office of Director, be and is hereby appointed as an Independent Director of the Company, not liable to retire by rotation, to hold office for a term of 5 (Five) consecutive years up to the conclusion of the 34<sup>th</sup> AGM of the Company.”

5. To Appoint Ms. Suniana Chibba as a Non-Executive and Woman Director of the Company

To consider and if thought fit to pass, with or without modification, the following resolution as Ordinary resolution:-

**“RESOLVED THAT** Ms. Sunaina Chibba (DIN 00370454), in respect of whom the Company has received a notice in writing from a member under section 160 of the Companies Act, 2013, signifying his intention to propose Ms. Sunaina Chibba as a candidature for the office of Director of the Company, be and is hereby appointed as Non Executive and Woman Director of the Company and liable to retire by rotation”.

6. To Re-appoint Mr. Naresh K. Chibba as Managing Director of the Company and to fix his remuneration.

To consider and if thought fit to pass, with or without modification, the following resolution as special resolution:-

**“RESOLVED THAT** pursuant to the provisions of Section 196, 197 & 203 of the Companies Act 2013 read with Schedule V of the said Act (including any amendment, modification, variation or re-enactment thereof), (Corresponding to Section 198, 269, 309 Schedule XIII to the Companies Act, 1956) and subject to approval of the Central Government, if any, the approval of members of the Company be and is hereby accorded to the re-appointment of Mr. Naresh K. Chibba (DIN. 00376963) as the Managing Director of the Company for a period of five years effective from August 1, 2015 on the terms and conditions including remuneration as set out in the Explanatory Statement annexed to the Notice convening this meeting.”

**RESOLVED FURTHER THAT** the Board of Directors of the Company be and is hereby authorized to do all such acts things and deeds as may be necessary to give effect to the above resolution.”

7. To Change the Name of the Company

To consider and if thought fit to pass, with or without modification, the following resolution as special resolution:-

**“RESOLVED THAT** subject to the approval of the Central Government under section 13 of the Companies Act 2013 the Name of the Company be changed to any one of the following as the Board may in its absolute discretion may decide and as may be made

available by the Registrar of Companies.”

- |   |                            |
|---|----------------------------|
| a) Intersoft Limited Limited            | b) Continental Engineering |
| c) Interads Engineering Limited         | d) Inter Infratech Limited |
| e) Continental Services Limited Limited | e) Continental Solutions   |

**RESOLVED FURTHER THAT** Board is hereby authorized to decide any other name from the names as set out in explanatory statement no. 7 in case of any discrepancy or refusal on application for reservation of name by Registrar of Companies.

**RESOLVED FURTHER THAT** Board is hereby authorized to do all such acts deeds and things as may be required to give effect to the above resolution.”

8. To Alter the Memorandum of Association and Articles of Association

To consider and if thought fit to pass, with or without modification, the following resolution as special resolution:-

“**RESOLVED THAT** pursuant to the provisions of section 13 & 14 of the Companies Act 2013 & pursuant to the change of name of the company, Clause I of the Memorandum of Association of the company be and is hereby altered to the new name which may be made available by the Registrar of Companies.

**RESOLVED FURTHER THAT** the Articles of association of the Company be and is hereby altered to include the new name which may be made available by the Registrar of Companies.

**RESOLVED FURTHER THAT** the alterations as mentioned in this resolution be noted in the Memorandum of Association & Articles of Association.

**RESOLVED FURTHER THAT** the Board of Directors of the Company be and is hereby authorized to take all such steps as may be necessary to give effect to the above resolution.”

9. To approve the borrowing of money in excess of the aggregate of the paid up share capital and free reserves of the Company

To consider and if thought fit to pass, with or without modification, the following resolution as special resolution:-

“**RESOLVED THAT** the consent of the Members of the Company under the provisions of Section 180(1)(c) and other applicable provisions, if any, of the Companies Act, 2013 and its underlying rules as may be amended from time to time and the relevant provisions of the Articles of Association of the Company, to borrow any sum or sums of money (including External Commercial Borrowings in foreign denominated currencies from any foreign source/countries as prescribed by guidelines, if any, in this respect) be and is hereby accorded by the Board of Directors of the Company from one or more Banks, Financial Institutions and Other Persons, Firms, Bodies Corporate and, of all moneys deemed by them to be requisite for the purpose of carrying on the business of the Company, apart from temporary loans repayable on demand or within six months from the date of the loan or temporary loans accepted in the ordinary course of business, if any, obtained from the Company's bankers outstanding at any time shall not exceed Rupees 500,000,000 (Rupees Fifty Crores) notwithstanding that the monies to be

borrowed together with the monies already borrowed by the Company (including temporary loans, if any, obtained for the purpose of financing expenditure of a capital nature) will exceed the aggregate of the paid-up share capital of the Company and its free reserves.”

**RESOLVED FURTHER THAT** the Board of Directors of the Company be and are hereby authorised to do all acts, deeds, matters and things as they may in their absolute discretion deem necessary, proper or desirable and to settle any question, difficulty or doubt that may arise in this regard of Borrowing(s) aforesaid and to sign and execute all necessary documents, applications, returns and writings as may be necessary, proper, desirable or expedient.

10. To Approve Related Party Transactions

To consider and, if thought fit to pass, with or without modification(s) the following Resolution for related party transaction as a Special Resolution:

“**RESOLVED THAT** pursuant to Section 188 of the Companies Act, 2013 and any other applicable provisions of the Companies Act, 2013 and the rules made there under (including any statutory modification(s) or re-enactment thereof for the time being in force), and pursuant to the consent of the Audit Committee and the Board of Directors vide resolution passed in their respective meetings held on August 22, 2014, the consent of the Company be and is hereby accorded for entering into contract or arrangement with the related parties as defined under the Act and the Rules made there under, as per details and on terms & conditions as set out under Item no. 10 of the Explanatory Statement annexed to this Notice.”

**RESOLVED FURTHER THAT** the Board of Directors be and is hereby severally authorized to perform and execute all such acts, deeds, matters and things including delegate such authority, as may be deemed necessary, proper or expedient to give effect to this resolution and for the matters connected herewith or incidental hereto.”

Directors

By Order of the Board of

Sd/-  
Sourav Malhotra  
Company Secretary

PLACE : NOIDA  
DATE : 22.08.2014

NOTES:

1. A MEMBER ENTITLED TO ATTEND AND VOTE IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF/HERSELF AND THE PROXY NEED NOT BE A MEMBER OF THE COMPANY. A person can act as proxy on behalf of members not exceeding Fifty (50) and holding in the aggregate not more than ten percent of the total share capital of the Company. A member holding more than ten percent of the total share capital of the Company carrying voting rights may appoint a single proxy as

proxy and such person cannot act as a proxy of any other person or shareholder.

The instrument of proxy in order to be effective should be deposited at the registered office of the Company duly completed and signed not less than 48 hours before the commencement of meeting.

2. In case of joint holder attending the Meeting, only such joint holder who is higher in the order of names will be entitled to Vote.
3. Members are requested to bring their copies of the Annual Report and Photo ID proof with them at the meeting.
4. Members/Proxies are further requested to fill in the enclosed attendance slip and deposit the same at the registration table at the time of attending the meeting.
5. Members having any queries relating to the Annual Report are requested to send their questions to the Directors at the registered office of the Company at least 7 days before the date of Annual General Meeting.
6. Members holding shares under more than one folio are requested to send their Shares Certificate to the RTA of the Company for consolidation under one folio.
7. The Share Transfer Books, Members Register of the company shall remain closed from 26.09.2014 to 29.09.2014 (Both days inclusive).
8. An Explanatory Statement on the business to be transacted at the meeting is annexed hereto.
9. Pursuant to 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 facility to exercise their right to vote by electronic means, as an alternative to vote physically at the Annual General Meeting (AGM), and the business may be transacted through e-Voting Services provided by Central Depository Services Limited (CDSL). Similarly, Members opting to vote physically can do the same by remaining present at the meeting and should not exercise the option for e-voting. However, in case Members cast their vote exercising both the options, i.e physically and e-voting, then votes casted through e-voting shall be only be taken into consideration and treated valid whereas votes casted physically at the meeting shall be treated as invalid.

**The instructions for members for voting electronically are as under:-**

**In case of members receiving e-mail:**

- (i) Log on to the e-voting website [www.evotingindia.com](http://www.evotingindia.com)
- (ii) Click on "Shareholders" tab.
- (iii) Now, Select "EVSN" of CONTINENTAL CHEMICALS LIMITED" from the drop down menu and click on "SUBMIT"
- (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:

<b>For Members holding shares in Demat Form and Physical Form</b>	
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>
DOB#	Enter the Date of Birth as recorded in your demat account or in the company records for the said demat account or folio in dd/mm/yyyy format.
Dividend Bank Details#	<p>Enter the Dividend Bank Details as recorded in your demat account or in the company records for the said demat account or folio.</p> <ul style="list-style-type: none"> <li>Please enter the DOB or Dividend Bank Details in order to login. If the details are not recorded with the depository or company please enter the member id / folio number in the Dividend Bank details field.</li> </ul>

- (viii) After entering these details appropriately, click on "SUBMIT" tab.
- (ix) Members holding shares in physical form will then reach directly 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 Select EVSN" of 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 out print of the voting done by you by clicking on "Click here to print" option on the Voting page.

- (xvii) If Demat account holder has forgotten the changed password then Enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.
- Institutional shareholders (i.e. other than Individuals, HUF, NRI etc.) are required to log on to <https://www.evotingindia.co.in> and register themselves as Corporates.
  - They should submit a scanned copy of the Registration Form bearing the stamp and sign of the entity to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com).
  - After receiving the login details they have to create a user who would be able to link the account(s) which they wish to vote on.
  - The list of accounts 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.
  - They should upload a scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, in PDF format in the system for the scrutinizer to verify the same. through e-mail [bsgoyal1@gmail.com](mailto:bsgoyal1@gmail.com) with a copy marked to [evoting@cdsl.co.in](mailto:evoting@cdsl.co.in)

**In case of members receiving the physical copy:**

- (A) Please follow all steps from sl. no. (i) to sl. no. (xvii) above to cast vote.
- (B) Members can cast their vote online from 9:00 AM of September 23, 2014 UPTO 6:00 PM of September 25, 2014.
- (C) E-Voting shall not be allowed beyond 6:00 PM of September 25, 2014. During the e-voting period, shareholders of the Company, holding shares either in physical form or in dematerialized form, as on the record date may cast their vote electronically. The record date for the purpose of e-voting is August 22, 2014.

The Company has appointed Mr. B.S Goyal, Practising Company Secretary as the Scrutinizer to count the votes casted in favour or against the resolutions proposed from item No. 1 to 10 of the Notice and to comply with the provisions of Section 108 of the Companies Act, 2013. He will submit his report on 27<sup>th</sup> September, 2014 to the Chairman of the Company and in turn the Chairman will announce the same on the date of Annual General Meeting.

**EXPLANATORY STATEMENT AS PER SECTION 102 OF COMPANIES ACT 2013**

**ITEM NO. 3 and 4**

Mr. Pradeep Kumar Chopra, who has been a Non Executive Director of the Company from November 25, 2010 onwards and who was designated as Independent Director and Chairman of the Company in Board Meeting held on November 6, 2013 under clause 49 of the Listing Agreement and Mr. Akshat Bhaskar was appointed as Additional Independent Director of the company on March 7, 2014 pursuant to section 260 of the companies Act, 1956 and both of them hold office up to the date of forthcoming Annual General Meeting only.

In accordance with Section 149 and 152 read with Schedule IV of the Companies Act, 2013 that have come into effect from 1 April 2014 and subsequent notification by the Ministry of Corporate Affairs vide its General circular no.14/2014 dated 9 June 2014, the Company is required to appoint its Independent Directors, including its existing Independent Directors in accordance with the provisions of the Companies Act, 2013 before 31 March 2015. Further, pursuant to the above provisions, the term of such

Independent Directors are not liable to retire by rotation.

The Company has received from Mr. Pradeep Kumar Chopra and Mr. Akshat Bhaskar (i) consent in writing to act as Director in Form DIR-2 pursuant to Rule 8 of the Companies (Appointment and Qualification of Directors) Rules, 2014; (ii) intimation in Form DIR-8 pursuant to Rule 14 of the Companies (Appointment & Qualification of Directors) Rules, 2014 to the effect that they are not disqualified in accordance with sub-section (2) of Section 164 of the Companies Act, 2013 and (iii) declaration that they meet the criteria of independence as provided in Section 149(6) of the Companies Act, 2013.

The Company has also received notices from member along with the deposit of requisite amount under Section 160 of the Act proposing the candidatures of each of the above Directors for the office of Directors of the Company.

In the Opinion of the Board, Mr. Pradeep Kumar Chopra and Mr. Akshat Bhaskar, fulfill the conditions specified in Companies Act, 2013 and rules made thereunder for their appointment as Independent Directors of the Company and are independent of the management. Accordingly, the Board recommends the resolutions in relation to appointment of Mr. Pradeep Kumar Chopra and Mr. Akshat Bhaskar as Independent Directors, for the approval by the shareholders of the Company.

A copy of the draft letter of appointment setting out the terms and conditions of appointment of Mr. Pradeep Kumar Chopra and Mr. Akshat Bhaskar is available for inspection, without any fee, by the members at the Company's registered office during normal hours on working days up to the date of AGM.

Except, Mr. Pradeep Kumar Chopra and Mr. Akshat Bhaskar, no other Director or Key Managerial Personnel or their respective relatives are in any way, concerned or interested, financial or otherwise, in the resolutions set out at Item no. 3 and 4 of the Notice.

#### ITEM 5

Pursuant to the provisions of Section 149(1) of the Companies Act, 2013 and amended Clause 49 of the Listing Agreement, the Company shall have mandatorily atleast one woman director. In view of this, it is proposed to appoint Ms. Sunaina Chibba (Daughter of Mr. Naresh K Chibba, Managing Director & Promoter) in the capacity of Non Executive and Woman Director of the Company.

The Company has received from Ms. Sunaina Chibba (i) consent in writing to act as Director in Form DIR-2 pursuant to Rule 8 of the Companies (Appointment and Qualification of Directors) Rules, 2014; (ii) intimation in Form DIR-8 pursuant to Rule 14 of the Companies (Appointment & Qualification of Directors) Rules, 2014 to the effect she is not disqualified in accordance with sub-section (2) of Section 164 of the Companies Act, 2013 and a copy of the draft letter of appointment setting out the terms and conditions of appointment of Ms. Sunaina Chibba is available for inspection, without any fee, by the members at the Company's registered office during normal hours on working days up to the date of AGM.

The Company has also received notice from a member along with the deposit of requisite amount under Section 160 of the Act proposing the candidature of the Ms. Sunaina Chibba for the office of Director of the Company. Board recommends passing of the resolution as an Ordinary Resolution.

Except, Ms. Sunaina Chibba and Mr. Naresh K Chibba, no other Director or Key Managerial Personnel or their respective relatives are in any way, concerned or interested, financial or otherwise, in the resolution set out at Item no. 5 of the Notice.

#### ITEM NO. 6



The present term of appointment of Mr. Naresh K. Chibba as Managing Director of the Company expires on July 31, 2015. The Board of Directors feel that for the sake of efficient running of the company and continuity of the present management the services of Mr. Naresh K. Chibba should be available to the company for a further period of 5 years. In terms of the provisions of the Articles of Association of the company and provisions of the Companies Act, 2013 as amended up to date, the re-appointment and remuneration payable to Mr. Naresh K. Chibba is subject to the approval of the members of the company.

#### DRAFT OF THE AGREEMENT BETWEEN MR. NARESH K. CHIBBA & THE COMPANY

- (I) Salary  
Salary of Rs. 200,000/-per month from August 1, 2015 with an increase of 10% annually or inflation rates of the previous year whichever is higher.
- (II) Perquisites  
In addition to the above, Mr. Naresh K. Chibba as Managing Director shall be entitled to the following perquisites restricted to an amount equal to fifty percent of the salary.

##### Category 'A'

- (a) Housing: Rent free accommodation, with free use of all facilities and amenities.
- (b) Gas, Electricity, water and Furnishing: The expenditure incurred by the Company towards Gas, Electricity, Water, Hard furnishing, soft furnishing shall be valued as per Income Tax Rules.
- (c) Other Allowances: Guest entertainment, Sweeper allowance, Gardener allowance, security guard allowance and any other perquisites shall be valued as per Income Tax Rules as may be applicable from time to time.
- (d) Club Fess: Fees of clubs, subject to a maximum of two clubs (Excluding admission and Life Membership fees).
- (e) Leave travel concession: For self and members of the family up to a maximum of one month's salary.
- (f) Medical reimbursement: Reimbursement of all medical expenses, incurred for self and family including hospitalization, membership of any hospital or Doctor's scheme.
- (g) Medical Insurance and personal Accident Insurance: As per Company rules.
- (h) Interest subsidy on housing/soft loan: Reimbursement of Interest in respect of Housing/soft loan as per the policy applicable to the employees of the company.

Note: The family for the purpose of Leave Travel Concession, personal Accident Insurance, Mediclaim Insurance and Medical Benefits shall, besides the Managing Director, consist of spouse, wholly dependent parents and wholly dependent children of the Managing Director.'

The value of the perquisites to be evaluated as per Income Tax Rules, wherever applicable, and at costs. In addition to the above perquisites, the Board of Directors be and is hereby authorized to grant other perquisites to Mr. Naresh K Chibba, Managing Director from time to time as they may deem fit within the above mentioned overall ceiling.

##### Category 'B'

- (i) Company's Contribution
- |  |                        |
|--|------------------------|
| (a) towards provident Fund                   | : as per Company rules |
| (b) towards superannuation Fund/Annuity Fund | : as per company rules |

Contribution to Provident Fund, Superannuation Fund or Annuity Fund will not be included in the computation of the ceiling of perquisites to the extent these either singly or put together are not taxable under the Income Tax Act, 1961.

- (ii) Gratuity : As per rules of the Company, Payable in accordance with the approved fund at the rate of 15 days salary for each completed year of service. Part service in excess of six months shall be reckoned as completed year of service.
- (iii) Encashment of Leave on Retirement: Appointee shall be entitled to encashment of leave at the time of retirement or his tenure that may be lying to his credit. The amount of leave salary to be encashed shall be calculated on the basis of last pay drawn. This will not be included in calculation of ceiling of perquisites.

Category 'C':

- (i) Conveyance: Use of Company's car with driver. Use of car with driver for official purpose shall not be considered as perquisites.
- (ii) Telephone: Use of telephone at residence .Use of telephone for official purposes shall not be considered as perquisites.
- (iii) Employees Stock Ownership Plan: The Managing Director shall be entitled to the Employees stock Ownership plan (ESOP) as decided by the Board of the company from time to time. Besides this the managing Director shall also be entitled to an incentive plan which will be separately executed and which will be co-terminus with the Supplemental Agreement. This will not be included in calculation of perquisites and will be outside the purview of perquisites under Category A and the overall ceiling will not apply.
- (III) Commission: In addition to salary and perquisites, the Managing Director shall be entitled to a commission of 1% of the net profit of the Company. Salary and perquisites will be subject to the overall ceiling laid down in Sections 197 and 198 of the companies Act, 2013 and computed in accordance with the provisions of the Companies Act, 2013.
- (IV) Other terms applicable to remaining tenure: In the event of loss or inadequacy of profits in any financial year, Mr. Naresh K Chibba, managing Director shall be paid the above remuneration by way of salary and perquisites as minimum remuneration.

Terms & Conditions set out for reappointment and/or agreement shall be altered and varied from time to time by the Board as it may, as its discretion, deem fit so as not to exceed the limits specified in Schedule V of the companies Act, 2013 or any amendments made hereafter in this regard.

The Managing Director will be entitled to earn privilege leave on full pay and allowance as per rules of the company. But not more than 1 month's leave will be allowable for every 11 months of service. However, accumulated leave will not be allowed to be encashed.

The Managing Director shall not be paid any sitting fee for attending the meetings of the Board of Directors of committees thereof.

The draft agreement between the company and Mr. Naresh K Chibba is available for inspection at the registered office of the company on any working day up to the date of the Annual General Meeting between 11 am to 1.00 pm excluding Sundays and holidays.

The Managing Director holds office as such, subject to the provisions of Section 164 of the Companies Act, 2013. The Resolution at item no.6 is recommended for approval of the Members in the best interests of the Company. These appointments have been made under Schedule V in part II in Section II of the Companies Act, 2013.

The Explanatory Statement should be treated as an abstract of the terms of the Agreement of concern or interest under Section 190 of the Companies Act, 2013.

Except, Mr. Naresh K. Chibba, no other Director or Key Managerial Personnel or their respective relatives are in any way, concerned or interested, financial or otherwise, in the resolution set out at Item no. 6 of the Notice.

#### ITEM NO 7

Pursuant to the main business activities of the company having changed, the Directors of the company have proposed to change the name of the company and the proposal for change in name is under due process for which Form INC 1 for reservation of name has been filed with Registrar of Companies for approval.

The optional names for application in case of any discrepancy or refusal for reservation of name by Registrar of Companies are as follows:

- |  |   |
|--|---|
| a) Continental Web Solutions Limited   | b) Continental Softwares Limited        |
| c) Continental Infrastructures Limited | d) Continental Online Solutions Limited |
| e) Continental Infratech limited       | f) Continental web designers Limited    |
| g) Continental Creations Limited       | h) Continental Infrasoftware Limited    |
| i) Continental Technologies Limited    | j) Continental Show Biz Limited         |
| k) Continental IT Solutions Limited    | l) Continental IT Developers Limited    |

The provisions of the Companies Act, 2013, inter alia, require approval of the Members of the Company by way of Special Resolution for change of name of the Company and for consequential alteration of Memorandum and Articles of Association of the Company.

No Director, Key Managerial Personnel and their relatives are in any way concerned or interested in the resolution at Item No. 7 of the Notice

#### ITEM NO 8

With reference to resolution set out at Item no 8 in the notice it will become necessary to alter the Memorandum of Association & the Articles of Association of the Company to include the new name of the company subject to the approval of Registrar of Companies.

The provisions of the Companies Act, 2013, inter alia, require approval of the Members of the Company by way of Special Resolution for altering the provisions of the Memorandum of Association & the Articles of Association of the Company.

No Director, Key Managerial Personnel and their relatives are in any way concerned or interested in the resolution at Item No. 8 of the Notice.

#### ITEM NO 9

Section 180 of the Companies Act, 2013 (the Act) (corresponding to Section 293 of the Companies Act, 1956) has been notified by Ministry of Corporate Affairs (MCA) with effect from September 12, 2013. In terms of Section 180(1)(c) which corresponds to Section 293(1)(d) of the Companies Act, 1956 read with borrowing powers mentioned in Articles of Association of the

Company, borrowings by the Company (apart from temporary loans repayable on demand or within six months from the date of the loan or temporary loans accepted in the ordinary course of business, if any, obtained from the Company's bankers other than loans raised for the purpose of financing expenditure of a capital nature), in excess of the paid-up capital of the Company and its free reserves, require the approval of the Members by way of special resolution.

The loan as mentioned in resolution in the notice above shall be applied in the main business activities of the Company. Pursuant to the above clarification, it is proposed to seek approval of the Members under Section 180 of the Companies Act, 2013.

The Company is bearing a charge of Rupees 2,700,000 (Rupees Twenty Seven lacs) till now.

No Director, Key Managerial Personnel and their relatives are in any way concerned or interested in the resolution at Item No. 9 of the Notice.

#### ITEM NO 10

Related party transactions: The Board of Directors of the Company, at their meeting held on August 22, 2014 has approved a proposal for entering into following related party transactions:-

Name of the related party	Name of the director or key managerial personnel who is related, if any	Nature of Relationship and Interest	Nature, material terms, and particulars of the contract or arrangement
Interads E Communications Limited (Company)	1. Naresh K Chibba  2. Sunaina Chibba  3. Aditya Vikram Chibba	Self is Shareholder  Daughter of Naresh K Chibba is Shareholder  Son of Naresh K Chibba is Director and Shareholder	Provide Software Services
World Pro Solutions Limited (Company)	1. Sunaina Chibba  2. Aditya Vikram Chibba	Daughter of Naresh K Chibba is Director and Shareholder  Son of Naresh K Chibba is Director and Shareholder	Provide Software Services
Greenfield Communications Limited (Company)	1. Naresh K Chibba	Self is Shareholder	Provide Software Services
Continental Software Solutions Limited	1. Naresh K Chibba	Self is Shareholder	Provide Software Services

(Company)	2. Sunaina Chibba	Daughter of Naresh K Chibba is Shareholder	
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The amount of the above mentioned transactions cannot be estimated but the limit of transactions with each company shall not exceed Rupees Two Crores. The transactions are Related Party Transactions and in terms of Section 188 of the Companies Act, 2013 and the applicable rules there under require approval of the Shareholders by passing Special Resolution for all the transactions in future until or unless any of the above transaction mentioned above is revoked by either of the related party.

Further, in terms of Section 188 of the Companies Act, 2013, the Mr. Naresh K Chibba being interested will not vote on these resolutions as shareholders of the Company.

The Board of Directors recommends the passing of this Resolution by special resolution.

Except the Mr. Naresh K Chibba, none of the Directors or Key managerial persons of the Company or their relatives are, in any way, concerned or interested, financial or otherwise, in the resolution.

Director PLACE : NOIDA  
DATE : 22.08.2014

By Order of the Board of

Sd/-  
Sourav Malhotra

Company Secretary