

17th

Annual Report

2001-2002



Continental Chemicals Ltd

For Chairman
[Signature]
2002

DIRECTORS

Mr. Naresh K Chibba
Dr. Vishwanath
Mr. Anil K. Sharma

Managing Director
Director
Director

AUDITORS

M/s. Kansal & Associates
Chartered Accountant
New Delhi

BANKERS

INDIAN OVERSEAS BANK
STANDARD CHARTERED BANK
CANARA BANK
BANK OF AMERICA-USA

REGISTERED OFFICE

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

NOTICE TO THE SHAREHOLDERS

Notice is hereby given that the 17th Annual General Meeting of the Company will be held on Friday the 28th February 2003 at 9.30 A.M at the Registered Office of the company at A-7, Sector-VII, NOIDA, Dist. Gautam Buddh Nagar, Pin. 201 301 (U.P) to transact the following business:

ORDINARY BUSINESS

1. To receive, consider and adopt the audited Balance Sheet as at 31st August 2002, and profit & Loss Account for the Year ended on the date the Report of Directors' and Auditors' there on.
2. To appoint a Director in place of Anil K Sharma who retires by rotation and being eligible offers himself for re-appointment.
3. To appoint Auditors to hold office from the conclusion of this Annual General Meeting until the conclusion of the next Annual General Meeting and to fix their remuneration.

4. SPECIAL BUSINESS**Change of Registered Office**

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

"Resolved that subject to the confirmation of the Company Law Board, the Memorandum of Association of the Company be altered so as to change the place of company's Registered Office from the state of Uttar Pradesh to "Gurgaon" in the state of Haryana by incorporating the words "GURGAON" in the state of Haryana in place of the words "NOIDA" in the state of Uttar Pradesh in clause II of the company's Memorandum of Association"

5. Change of Name

"To consider and, if thought fit, to pass with or without modification(s), the following resolution as a Special Resolution:

"RESOLVED THAT subject to the approval of the Central Govt. under section 21 of the Companies Act 1956 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) Continental Industries Ltd. | b) Continental India Ltd. |
| c) C.C.L. Ltd. | d) CSS Ltd. |
| e) Continental Soft Ltd. | f) Evereddyweb Ltd. |
| g) Everreadyweb Ltd. | |

"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".

"RESOLVED FURTHER THAT, necessary changes in the Memorandum And Articles of Association be made accordingly".

By Order of the Board of Directors

SD/-
Anil K Sharma
Director

SD/-
NARESH K CHIBBA
Managing Director

PLACE : NOIDA
DATE : 3rd January 2003

NOTES

1. The Explanatory Statement pursuant to Section 173 (2) of the Companies Act, 1956 in respect of the Special Business is annexed hereto.
2. 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. Proxy in order to be effective must be received by the Company at its registered office not less than 48 hours before the meeting. A blank form is enclosed.
3. Members are requested to bring their copies of the Annual Report 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 Registered Office of the Company for consolidation under one folio.
7. The Share Transfer Books, Members Register of the company shall remain closed from 26.02.2003 to 28.02.2003 (Both days inclusive).

ANNEXURE TO NOTICE

Explanatory Statement pursuant to Section 173(2) of the Companies Act, 1956. In conformity with the provisions of Section 173(2) of the Companies Act, 1956, the following Explanatory Statement sets out all material facts relating to the Special Business mentioned in the accompanying Notice and should be taken as forming part of the Notice

ITEM NO. 4

Clause II of the Memorandum of Association of the Company provide that the Registered office of the Company will be situated at Noida in the state of Uttar Pradesh. As the company plans to expand its business in communication technology, it is proposed to change the Registered office of the Company to Gurgaon in the state of Haryana. After obtaining the Share holder's approval, the proposal will be submitted to the Company Law Board for approval under section 17(2) of the companies Act, 1956.

Your Directors recommended passing of this resolution. None of the Directors is interested in this resolution. This resolution was passed at the 16th AGM also. However, due to operational reasons the effect of the same could not take place.

ITEM NO. 5

Your Company was earlier engaged in the business of chemicals etc. In view of change in the market conditions the company has diversified in the new fields to carry on the business of computer software and allied areas holding of exhibitions project consultancy etc. Therefore, the change in the name is proposed. The said change will be subject to the approval of central government for which action will be taken after seeking approval of the share holders.

Your directors recommends passing of the resolution. Non of the director is concerned or interested in the resolution.

SD/-
Anil K Sharma
Director

By Order of the Board of Directors
SD/-
NARESH K CHIBBA
Managing Director

PLACE : NOIDA
DATE : 3rd January 2003

DIRECTORS REPORT

Dear Shareholders,

Your Directors have pleasure in presenting the 17th Annual Report along with Audited Accounts of the Company for the year ended August 31,2002.

1. FINANCIAL RESULTS

Particulars	31.8.2002	31.8.2001
i. Income from Operations	6380629	9175950
ii. Gross Profit/ (Loss)	(595009)	(1487753)
iii. Financial Charges	241368	280566
iv. Depreciation	690271	895078
v. Net Profit/(Loss)	(1526648)	(2663397)

2. OPERATIONS

During the period under review the total income was Rs 6380629/- which includes, Rs. 528000 /- from Export Sales & Rs.4066560/- branch office sales & Rs.1786069/- income generated from other sources.

After providing for expenditure Rs.7217006/- & depreciation Rs.690271/- the Company has incurred net Loss of Rs 1526648/-.

3. FUTURE PROSPECTS

The company has during the year developed more products including specialized packages for the Exhibition Industry . The Company has not been capitalizing the expenses incurred on the development of software packages and therefore the company has shown a loss .

However, once the company's products are launched the company should be able to make sufficient profits

The products are likely to be launched in India, Europe and USA and hope to do well in the coming future

4. FIXED DEPOSITS

The Company has not accepted any deposit under section 58 A of the Companies Act. 1956.

5. INDUSTRIAL RELATIONS

The employee-employer relations remained cordial throughout the year.

6 DIRECTORS

In accordance with the article of association of the Company at the forthcoming Annual General Meeting of the company Anil K. Sharma retires by rotation and being eligible offers himself for reappointment.

7. AUDITORS

M/s. Kansal & Associates Chartered Accountants, Auditors of the Company hold office until conclusion of the forthcoming annual General Meeting and are recommended for re-appointment.

8. AUDITORS REPORT

The observation made by the auditors in their report are explained in the respective notes to be accounts which are self-explanatory and do not call for further explanation.

9. PERSONNEL

Your Directors also place on record their appreciation of the all round co-operation & contributions made by the employees at all levels. The statement of Employees u/s 217 (2A) of the Companies Act, 1956 is not annexed since none of the employees falls in this category.

10. CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGO

Information as per section 217(1)(e) read with companies (disclosure of particular in the Report of Board of Directors) Rules ,1988 in not being given since the company has suspended its manufacturing activities.

Particulars relating to Technology absorption is nil. Information relating to foreign exchange earnings or outgo during the year under review is provided in additional information.

11. SECRETARIAL COMPLIANCE CERTIFICATE

A copy of the compliance certificate obtained from a company secretary in practice , as required under section 383 A of the Companies Act 1956, is attached with this report.

12. ACKNOWLEDGEMENTS

Your directors also thank & acknowledge the co-operation, assistance and support extended by the Central Government, the State Government, the financial institutions, the Company's Bankers, the Shareholders and Staff of the Company.

For and on behalf of Board of Director

Sd/
Anil K Sharma
Director

Sd/
Naresh K Chibba
Managing Director

Place: Noida

Date : 3rd January 2003

ANNEXURE TO THE DIRECTOR'S REPORT COMPLIANCE CERTIFICATE

To,
The Members,
Continental Chemicals Ltd.
A-7, Sector VII
Noida, 201301

Distt Gautambuddh Nagar U.P.

I have examined the registers, records, books and papers of Continental Chemicals Ltd. (the Company) as required to be maintained under the Companies Act, 1956 (the Act) and the rules made thereunder and also provisions contained in the Memorandum and Articles of Association of the Company for the financial year ended on 31st August, 2002. In my opinion and to the best of my information and according to the examinations carried out by me and explanations furnished to me by the company, its officers and agents, I certify that in respect of the aforesaid financial year:-

1. The company has kept and maintained all registers as stated under, as per the provisions and the rules made thereunder and all entries therein have been duly recorded –
 - i) Investment Register u/s 49/372/372A;
 - ii) Register of Members u/s 150 & 151;
 - iii) Register of Share Transfer u/s 108(1-A);
 - iv) Books of Accounts u/s 209;
 - v) Register of Contracts in which Directors are interested u/s 301;
 - vi) Register of Directors, Managers, Secretaries & Treasures u/s 303;
 - vii) Register of Directors Attendance under Regulation 71.
 - viii) Register of Directors Share Holding U/s 307
2. The company has duly filed the forms and returns as stated under, with the Registrar of Companies within the time prescribed under the Act and the rules made thereunder –
 - i) Annual Return u/s 159;
 - ii) Annual Accounts U/s 220;

3. The Board of Directors of the Company duly met on following dates

Date of Meetings of Board/Committee

29.9.2001	30.11.2001	29.12.2001
5.1.2002	28.2.2002	1.3.2002
28.3.2002	5.4.2002	9.4.2002
29.6.2002		

4. The Company has closed its Register of Members from 26.02.2002 to 28.02.2002 (both days inclusive) in accordance with Section 154 of the Act.
5. The Annual General Meeting for the financial year ended on 31.8.2001 was held in time on 28.2.2002 and due notice was given and resolutions passed thereat duly recorded in the Minutes Book.
6. No extraordinary meeting was held during the financial year.
7. The Company has not advanced any loan to its directors and/or persons or firms or companies referred in Section 295 of the Act.
8. The Company has entered into contracts covered under the provisions of Section 297 of the Act for which due action have been taken.
9. The Company has complied with the requirements of Section 301 of the Act.