

30th

Annual Report

2014-2015

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. Urminder Singh	Member

NOMINATION AND REMUNARATION COMMITTEE

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

SHARE TRANSFER COMMITTEE

Mr. Naresh K 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. Urminder Singh	Chief Financial Officer

INDEPENDENT AUDITORS

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

BANKERS

INDIAN OVERSEAS BANK
ICICI BANK
CANARA BANK

REGISTRAR AND SHARE TRANSFER AGENT

Beetal Financial & Computer Service Pvt. Ltd.
Beetal House, 3rd 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,

LISTED ON STOCK EXCHANGES

BOMBAY STOCK EXCHANGE, MUMBAI
DELHI STOCK EXCHANGE, DELHI
UP STOCK EXCHANGE, UTTAR PRADESH



CONTINENTAL CHEMICALS LIMITED
COMPLIANCE OFFICER

NOTICE TO THE SHAREHOLDERS

Notice is hereby given that the 30th Annual General Meeting of Continental Chemicals Limited will be held on Tuesday, the 22nd September 2015 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 31st March 2015, 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 Ms. Sunaina Chibba (DIN : 00370454), who retires by rotation and being eligible, offers herself 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 Kapoor & Company Chartered Accountants, as Statutory Auditors up to the conclusion of Thirty fourth (34th) 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 Audit Committee in consultation with the Statutory Auditors."

SPECIAL BUSINESS**4. Appointment of Mr. Dhiraj Kumar Choudhary as Non-Executive Director**

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

"RESOLVED THAT pursuant to Sections 152 and 160 of the Companies Act, 2013 ("Act") and the Companies (Appointment and Qualification of Directors) Rules, 2014 and such other applicable provisions, rules as may be applicable (including statutory modification(s) or re-enactment(s) thereof for the time being in force) and any other law for the time being in force, if applicable, Mr. Dhiraj Kumar Choudhary (holding DIN 06470386), whose term of office as an additional director, pursuant to Section 161 of the Companies Act, 2013, expires at this Annual General Meeting and in respect of whom the Company has received a notice under Section 160 of the Companies Act, 2013 proposing his candidature for the office of a director, be and is hereby appointed as a director of the Company, liable to retire by rotation."

5. Approval for entering into Related Party Contract by the Company

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

"RESOLVED THAT pursuant to Section 188 and other applicable provisions of the Companies Act, 2013, and the Rules made there under (including any statutory modification or re-enactment thereof for the time being in force) and subject to such other approvals, consents, permissions and sanctions of any authority as may be necessary, consent of the Company be and is hereby accorded to the Board of Directors to continue the contract entered into with Interads E Communication Ltd. (IECL), for providing services of the Company to IECL, on the following terms and conditions:

- (a) Consideration: The price for sale of the products of the Company shall be negotiated by and agreed to both parties between 60% to 85% of the original values of the IECL contract with its client, depending upon the type of requirements and the work involved for IECL and the Company.
- (b) Payment Schedule: Within 30 days from the date of invoice of the Company.
- (c) Advance received : Rs. 1010101 as on 1st August
- (d) Nature, material terms and particulars of the arrangement: The contract is for providing Software services of the Company
- (e) Duration of the contract: The term of contract will be applicable for all times to come until terminated by any party."

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

6. 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 Ordinary 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 June 20, 2015, 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. 6 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."

By Order of the Board of Directors

Sd/-
Pratima Agarwal
Company Secretary

PLACE NOIDA
DATE 13.08.2015

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 Wednesday, the 21.09.2015 to 22.09.2015 (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 Saturdays, 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/her 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.



CONTINENTAL CHEMICALS LIMITED
COMPLIANCE OFFICER

9. Any member requiring further information on the Accounts at the meeting is requested to send the queries in writing to the Company Secretary in advance.

10. Members are requested to bring their copies of Annual Report at the meeting, as extra copies will not be supplied.

11. Pursuant to the requirement of the listing agreement, the Company declares that its equity shares are listed on the stock exchanges at Bombay Stock Exchange, Uttar Pradesh Stock Exchange and Delhi Stock Exchange.

12. Only registered members carrying the attendance slips and the holders of valid proxies registered with the Company will be permitted to attend the meeting.

13. As a part of "Green initiative in the Corporate Governance", The Ministry of Corporate Affairs vide its circular nos. 17/2011 and 1/2011 dated 21.04.2011 and 29.04.2011, respectively, has permitted the companies to serve the documents, namely, Notice of General Meeting, Balance Sheet, Statement of Profit & Loss, Auditors' Report, Directors' Report, etc., to the members through e-mail. The shareholders holding shares in physical form are requested to register their e-mail address with the Registrar & Share Transfer Agents by sending duly signed request letter quoting their folio no., name and address. In case of shares held in demat form, the shareholders may register their e-mail addresses with their DPs (Depository Participants).

14. Members may also note that the Notice of the 30th Annual General Meeting and the Annual Report for 2015 will also be available on the Company's website www.continentalchemicals.co.in 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, compliance@continentalsoft.com.

15. 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 30th 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 19th September, 2015 (09:00 am) and ends on 21st September, 2015 (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 15th September, 2015, may cast their vote by remote e-voting. 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 19th September, 2015 (09:00 am) and ends on 21st September, 2015 (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 15th September, 2015 may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.
- (ii) Shareholders who have already voted prior to the meeting date would not be entitled to vote at the meeting venue.
- (iii) The shareholders should log on to the e-voting website www.evotingindia.com.
- (iv) Click on Shareholders.
- (v) 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.
- (vi) Next enter the Image Verification as displayed and Click on Login.
- (vii) If you are holding shares in demat form and had logged on to www.evotingindia.com and voted on an earlier voting of any company, then your existing password is to be used.
- (viii) If you are a first time user follow the steps given below:

	For Members holding shares in Demat Form and Physical Form
PAN	Enter your 10 digit alpha-numeric *PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders) <ul style="list-style-type: none"> 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. 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.
Dividend Bank Details OR Date of Birth (DOB)	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. <ul style="list-style-type: none"> 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 (v).

- (ix) After entering these details appropriately, click on "SUBMIT" tab.
- (x) 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.
- (xi) For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
- (xii) Click on the EVSN for the relevant Continental Chemicals Limited on which you choose to vote.
- (xiii) 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.
- (xiv) Click on the "RESOLUTIONS FILE LINK" if you wish to view the entire Resolution details.
- (xv) 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.
- (xvi) Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.
- (xvii) You can also take a print of the votes cast by clicking on "Click here to print" option on the Voting page.
- (xviii) 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.
- (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 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.
 - 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 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, under help section or write an email to helpdesk.evoting@cdslindia.com.



CONTINENTAL CHEMICALS LIMITED
Noida
COMPLIANCE OFFICER

**EXPLANATORY STATEMENT AS PER SECTION 102 OF COMPANIES ACT 2013
ITEM NO. 2**

Sr. No	Name of Director	Brief Profile/Expertise in Specific field of areas	
	Ms. Sunaina Chibba	Age:	31
		Qualification:	MBA from University of Westminster, U.K.
		Experience :	Has vast experience in management and also worked as director in different companies in last 12 years.
		Term of appointment	Non executive Director, liable to retire by rotation
		Remuneration:	No remuneration has been withdrawn from the company.
		Shareholding in Company:	NIL
		Relationship with other Directors and KMP:	Daughter of. Naresh K. Chibba, Managing Director of Company
		No. of Board Meeting attended:	9 meeting attended by her after her appointment in last AGM in financial year 2014-15
		Directorship held in other Companies as on 31.03.2015	Director in World Pro Solution Limited
		Membership/ Chairmanship of Committees of other Companies as on 31.03.2015	NIL

ITEM NO. 4

The Company has received from Mr. Dhiraj Kumar Choudhary (1) Consent in writing to act in form DIR-2 pursuant to Rule 8 of the Companies (Appointment and Qualification of Directors) Rules, 2014; (2) intimation in form DIR 8 of the Companies (Appointment and Qualification of Directors) Rules, 2014 to effect he is not disqualified in accordance with sub-section (2) of Section 164 of the Companies Act, 2013 and a copy of the letter of appointment setting out the terms and conditions of appointment of Mr. Dhiraj Kumar Choudhary is available for inspection, with out any fee, by members at the Company's registered office during normal hours on working days up to date of AGM.

The Company has also received notice from a member along with deposit of requisite amount under Section 160 of the Act proposing the candidature of the Mr. Dhiraj Kumar Choudhary for the office of Directors of the Company. Board recommends passing of the resolution as an Ordinary Resolution.

Mr. Dhiraj Kumar Choudhary, aged 35, has appointed in board meeting held on 23.07.2015 as Additional Director and attended one board meeting after his appointment. Mr. Dhiraj has done his graduation in physics and has vast experience of over 12 years in IT industry. He is also a director in two other IT companies. He will appointed as non – executive Director without any remuneration, liable to retire by rotation.

No Director or Key Managerial personnel or their respective relatives are in any way, concerned or interested, financial or otherwise, in the resolution set out in Item no. 4 of the Notice.

ITEM NO. 5

The Company has entered into a contract with Interads E Communications Limited (hereafter called IECL) for providing software services of the Company, which the Company wishes to continue. IECL is a related party within the meaning of Section 2 (76) of the Companies Act, 2013, and thus the transaction requires the approval of members by a Ordinary Resolution under Section 188 of the Companies Act, 2013 and Clause 49 of the Listing Agreement with the stock exchanges.

The particulars of the transaction pursuant to para 3 of Explanation (1) to Rule 15 of Companies (Meeting of Board and its Powers) Rules, 2014 are as under:

(a) Name of the related party	Interads E Communications Limited (IECL)
(b) Name of the director or Key Managerial personnel who is related	Mr. Naresh Kumar Chibba and Ms. Sunaina Chibba Directors of the Company. Except for this, no director or key managerial personnel is related.
(c) Nature of relationship	Naresh K Chibba and Sunaina Chibba Directors of the Company are shareholder and relative of Directors are Director in IECL
(d) Consideration	The price for sale of the products of the Company shall be negotiated by and agreed to both parties between 80% to 85% of the original values of the IEC contract with its client.
(e) Payment Schedule :	IECL shall pay consideration within 30 Days
(f) Advance	Rs. 1010101 as on 1 st August 2015
(g) Nature, material terms and particulars of the arrangement :	The Contract is for providing software services of Company
(h) Duration of the contract	The term of contract will be applicable for all times to come until terminated by any party
(i) Any other information relevant or important for the members to make a decision on the proposed transaction	IECL helps in securing business from abroad.

The Board recommends the Ordinary resolution given at item no. 5 for the approval of the members of the Company.

None of the directors, except Mr. Naresh K. Chibba, and Ms. Sunaina Chibba and their relative, any directors or key managerial personnel or their relatives are in any way, concerned or interested, financially or otherwise, in the said resolution.

ITEM No. 6

Related party transactions: The Board of Directors of the Company, at their meeting held on June 20th, 2015 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
World Pro Solutions Limited (Company)	Mr. Naresh K Chibba	Daughter of Naresh K Chibba is Director and Shareholder. Son of Naresh K Chibba is Director and Shareholder	Provide Software Services
	Ms. Sunaina Chibba	Ms. Sunaina Chibba is Director and Shareholder	
Continental Software Solutions Limited (Company)	Naresh K Chibba	Naresh K Chibba is Director and Shareholder Daughter of Naresh K Chibba is Shareholder	1. Provide Software Services
	Sunaina Chibba	Sunaina Chibba is Shareholder	2. Leasing the Property

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 Ordinary 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, 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 ordinary resolution. Except Mr. Naresh K Chibba and Sunaina 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.

PLACE : NOIDA
DATE : 13.08.2015

By Order of the Board of Directors
Sd/-
Pratima Agarwal
Company Secretary



CONTINENTAL CHEMICALS LIMITED
COMPLIANCE OFFICER

DIRECTOR'S REPORT

To,

The Members,

Your Directors have immense pleasure in presenting their 30th Annual Report on the business and operations of the Company and the accounts for the Financial Year ended March 31, 2015.

Financial Results

The highlights of financial results are as under:

	2014-15	2013-14
Revenue from operations & other income	92,82,809	1,19,88,845
Operating Profit (EBIDTA)	27,64,199	12,73,882
Finance Cost	1,76,740	13,565
Gross Profit (PBD)	25,87,459	12,60,317
Depreciation & amortization	10,53,337	10,41,026
Profit before tax	15,34,122	2,19,291
Tax Expense:		
- Current Tax (net)		
- MAT Credit entitlement (2,92,327)		
2,92,327	0	(47,503)
- Deferred Tax	4,00,065	(5,67,904)
- Previous year Taxes	(4,840)	
Profit After Tax	19,29,347	(3,96,116)

Dividend

The Company has not declared any dividend for the year ended March 31, 2015.

TRANSFER OF UNCLAIMED DIVIDEND TO INVESTOR EDUCATION AND PROTECTION FUND

The provisions of Section 125(2) of the Companies Act, 2013 do not apply as there was no dividend declared and paid last year.

OPERATIONS

During the year under review, the revenue from operations declined to 42,68,473 Rs. as against Rs. 57,67,000 in previous year. The EBIDTA recorded for the year increased during the year to Rs. 27,64,199 as against Rs. 12,73,882 of previous year. The net profit is Rs. 19,29,347 as against loss of Rs. 3,96,116 in previous year.

Reserves

Company has transferred Rs. 19,29,347 to the reserve account.

Finance**1. Share Capital**

The paid up equity share capital as on 31 March 2015 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. Fixed 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 Clause 49 of the Listing Agreement, 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.

Related Party Transaction

All related party transactions have been on arm length basis and detail of the all the related party transaction held during the year is provided in Annexure III.

Significant and Material Orders Passed by the Regulators or Courts

There were no significant and material orders passed by the Regulators/Courts which would impact the going concern status of the Company and its future operations.

Directors and Key Managerial Personnel**1. Appointment**

Ms. Sunaina Chibba, Director liable to retire by rotation at the forthcoming Annual General Meeting and being eligible, offer herself for reappointment.

During the year, Mr. Pradeep Kumar Chopra and Mr. Akshat Bhaskar have been appointed as Independent Directors for term of 5 years. Mr. Narash Kumar Chibba has been reappointed as Managing Director of the Company in last annual general meeting of the Company for the term of 5 years with effect from 1 August 2015. Ms. Sunaina Chibba has been appointed as Women non executive Director of the Company in last annual general meeting of the Company.

Mr. Urminder Singh has been appointed as Chief Financial Officer with effect from 23/6/14.

Further, Mr. Sourav Malhotra resigned as Company secretary of the Company w.e.f. 24/11/14. Mr. Sujeet kumar has been appointed as company Secretary with effect from 11/12/14 and resigned as Company secretary with effect from 4/3/2015. Mr. Pardeep Kumar has been appointed as company secretary with effect from 4/3/15.

2. Retire by Rotation

In accordance with provision of Companies Act, 2013 and Articles of Association of the Company, Ms. Sunaina Chibba, Director liable to retire by rotation at the forthcoming Annual General Meeting and being eligible, offers herself for reappointment.



CONTINENTAL CHEMICALS LIMITED
COMPLIANCE OFFICER

3. Meetings

During the year 21 Board Meetings and 8 Audit Committee Meetings were convened and held. The details of which are given in the Corporate Governance Report. The intervening gap between the Meetings was within the period prescribed under the Companies Act, 2013.

4. Board Evaluation

Pursuant to the provisions of the Companies Act, 2013 and Clause 49 of the Listing Agreement, 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 Compliance 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 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 – VI.

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 as given in the Corporate Governance Report.

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, 2015, 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, 2015 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.

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 last annual general meeting held on 29th September 2014 subject to ratification of their appointment by members at every annual general meeting. The shareholders at the ensuing annual general meeting will consider ratification of the appointment of Statutory Auditors. As required under clause 41 of Listing Agreement, 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 there is only one remark in the Auditors' Report regarding delay in PF payment.

Explanation to the remark in Statutory Auditors' Report

The Directors submit their explanation to the remark made by the Statutory Auditors in their report for the year 2014-15. The relevant remark and their reply are as under:

The Company deposited cheques of PF payment within stipulated time but the banker of PF organisation delayed clearing cheques from the Companies Accounts.

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- IV.

Explanation to the qualification in Secretarial Auditors' Report

The Directors submit their explanation to the qualifications made by the Secretarial Auditors in their report for the year 2014-15. The relevant Qualification and their reply are as under:

The Constitution of the Board was in line with the clause 49 of the listing agreement and as per old Companies Act 1956. After enforcement of new Companies Act, 2013 the board was reconstituted and interpretation of the section 152(6) has taken differently by the Board as per section 152(6)(a) the 2/3 Director of total Director should be liable to retire by rotation and further as per explanation in section 152(6) (e) total number of Director for the purpose of Subsection (6) of Section 152 shall not include independent directors. The Company in the Board meeting held on 23.07.2015 has appointed Mr. Dhiraj Kumar Choudhary as Non executive additional director to comply with Section 152(6).

4. Internal Audit & Controls

Mr. Gaurav Kumar has been appointed as internal auditor of the Company at 23.06.2014. 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 since the Company suspended its Manufacturing Activities.

Technology absorption

- (1) During the year 2014-15, required minor effort has been taken for technology absorption.
- (2) No absorption of imported technology has been taken place during year 2014-15.
- (3) No expenses incurred for Research and Development during financial year 2014-15.



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Foreign Exchange Earning and Out go

Particulars with regard to foreign exchange earnings & outgo appear in point 22 of notes to account.
Foreign exchange earning is Rs. 42,62,258 and outgo is nil.

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

Not applicable*

*as the Company has not any woman employee during the year under review. There has been no need to frame any Sexual Harassment Committee and Policy.

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".

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

Mr. Pardeep Kumar, Company Secretary of Company has resigned with effect from 18th May, 2015 and Ms. Pratima Agarwal has been appointed as Company Secretary with effect from 18th May, 2015.

Mr. Dhiraj Kumar Choudhary has been appointed as Additional Director of the Company with effect from 23rd July, 2015.

Corporate Governance

The Company has taken all required steps for good corporate governance in the Company. The detail of steps taken is given in report on Corporate Governance which is annexed herewith as "Annexure - V".

Statement Concerning Development And Implementation Of Risk Management Policy Of The Company

The Company does not have any Risk Management Policy as the elements of risk threatening the Company's existence are very minimal.

Details of Policy Developed And Implemented By The Company On Its Corporate Social Responsibility Initiatives

The Company has not developed and implemented any Corporate Social Responsibility initiatives as the said provisions are not applicable.

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

There are no significant and material orders passed by the Regulators/ Courts which would impact the going concern status of the Company and its future operations.

Management Discussion And Analysis

The Management Discussion and Analysis forms part of this Annual Report for the year ended 31st March 2015.

Particulars of Employees

The Provision of Rule (2) & (3) of the Companies (Appointment & Remuneration of Managerial Personnel) Rules, 2014 requiring particulars of the employees in receipt of remuneration in excess of Rs. 60 lacs per year to be disclosed in the Report of the Board of Directors are not applicable to the Company as none of the employees was in receipt of remuneration in excess of Rs. 60 lacs during the financial year 2014-15.

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 : 13.08.2015

For and on behalf of Board of Directors

Sd/-
Naresh K Chibba
Managing Director

Sd/-
Dhiraj Kumar Choudhary
Director



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ANNEXURE INDEX

<u>Annexure</u>	<u>Content</u>
<u>I</u>	Management and Discussion and Analysis
<u>II</u>	Annual Return Extracts in MGT 9
<u>III</u>	AOC 2 – Related Party Transactions disclosure
<u>IV</u>	MR-3 Secretarial Audit Report
<u>V</u>	Report on Corporate Governance
<u>VI</u>	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.



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Management and Discussion and Analysis**Annexure I**

This report discusses and analyses the performance for the year ended 31st March 2015.

Operation and Industry

The company is in the business of sale, purchase and leasing 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.

Outlook

The company is making 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 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.



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