

35TH

Annual Report

2019-20

Corporate Identity Number (CIN) of Company

L24123UP1984PLC014111



Continental Chemicals Limited

BOARD OF DIRECTORS

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

KEY MANAGERIAL PERSONNEL

Mr. Naresh K Chibba	Managing Director
Ms. Pratima Agarwal	Company Secretary (till Dec 2019)
Ms. Himanshi Mittal	Company Secretary (from Feb 2020 till May 2020)
Mr. Amit Kumar	Chief Finance Officer (till August, 2020)

INDEPENDENT AUDITORS

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

BANKERS

INDIAN OVERSEAS BANK
ICICI BANK
CANARA BANK
INDUSIND BANK

REGISTRAR AND SHARE TRANSFER AGENT

BEETAL FINANCIAL & COMPUTER SERVICES PVT. LTD.
BEETAL HOUSE, 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

Continental Chemicals Limited

CIN - L24123UP1984PLC014111 REGISTERED OFFICE: A-7, SECTOR-VII, NOIDA-201301, U.P
Tel: 91-120-2423316 Fax: 91-120-2423316 Email: info@continentalsoft.com, nkc@continentalsoft.com
Web: www.continentalchemicalsltd.com

NOTICE TO THE SHAREHOLDERS

Notice is hereby given that the 35th Annual General Meeting of Continental Chemicals Limited will be held on Monday, the 21st December 2020 at 4.30 P.M. through Video Conferencing (VC) to transact the following business:

ORDINARY BUSINESS

1. To receive, consider and adopt the Board's Report for the year ended 31st March 2020, 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.

SPECIAL BUSINESS

3. Regularization of Mr. Aditya Vikram Chibba (DIN: 02838045) As Director of 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 the provisions of Sections 149, 152 and any other applicable provisions of the Companies Act, 2013 and the rules made thereunder (including any statutory modification(s) or re-enactment thereof for the time being in force) Mr. Aditya Vikram Chibba (DIN: 02838045), who was appointed as Additional Director on November 12, 2020 be and is hereby appointed as Director of the Company liable to retire by rotation.

RESOLVED FURTHER THAT Directors/Company Secretary of the Company, be and is hereby severally authorized to file necessary returns/forms to the Registrar of Companies and to do all such acts, deeds and things that may be necessary, proper, expedient or incidental for the purpose of giving effect to the aforesaid resolution."

By Order of the Board of Directors

Sd/-
Bhawna Gupta
Company Secretary

PLACE: NOIDA
DATE: 25.11.2020

NOTES:

1. As you are aware, in view of the situation arising due to COVID-19 global pandemic, the Ministry of Corporate Affairs ("MCA") vide its circular dated May 5, 2020 read with circulars dated April 8, 2020 and April 13, 2020 (collectively referred to as "MCA Circulars") has permitted the holding of the Annual General Meeting ("AGM") through VC / OAVM, without the physical presence of the Members at a common venue. In compliance with the provisions of the Companies Act, 2013 ("Act"), SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations") and MCA Circulars, the AGM of the Company is being held through VC / OAVM.
2. Explanatory statement pursuant to Section 102 of the Companies Act, 2013 is annexed hereto.
3. Since, the AGM is being conducted through VC/OAVM; there is no provision for appointment of proxies. Accordingly, appointment of proxies by the members will not be available.
4. Corporate members intending to attend the AGM through authorised representatives are requested to send a scanned copy of duly certified copy of the board or governing body resolution authorising the representatives to attend and vote at the Annual General Meeting. The said Resolution/Authorization shall be sent to the Scrutinizer by email through its registered email address to bsgoyal.associates@gmail.com with a copy marked to helpdesk.evoting@cdslindia.com.
5. Members attending the AGM through VC / OAVM shall be counted for the purpose of reckoning the quorum under Section 103 of the Act.
6. Additional information, pursuant to Regulation 36 (3), of the Listing Regulations, in respect of re-appointment of Director retiring by rotation as mentioned in item number 02 and regularization of director's appointment at the Annual General Meeting and Explanatory Statement as required under Section 102 of the Companies Act, 2013, in respect of special business under item number 03 of the Notice is appended hereto and forms part of this Notice.
7. (a) The Register of Members and Share Transfer Books of the Company will remain closed from 15th December 2020 to 21st December, 2020 (both days inclusive).
(b) The remote e-voting period commences on Friday, December 18 2020 (09:00 am) and ends on Sunday 20th December, 2020 (05:00 pm). No e-voting shall be allowed beyond the said date and time. During this period members of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date of December 14, 2020, may cast their vote by remote e-voting.
8. Members holding shares in physical form are requested to intimate immediately to the Registrar & Share Transfer Agent of the Company, BEETAL FINANCIAL & COMPUTER SERVICES PVT LTD., Beetal House, 3rd Floor, 99, Madangir, Behind LSC, New Delhi – 110062; TEL:011-29961281-283, 26051061, 26051064, Email: beetalrta@gmail.com Website: www.beetalfinancial.com quoting registered Folio No. (a) details of their bank account/change in bank account, if any, and (b) change in their address, if any, with pin code number.
In case share are in demat form members are requested to update their bank detail with their depository participant.
The shareholders having shares in physical form are requested to dematerialize the shares at the earliest.
9. In terms of Section 72 of the Companies Act, 2013 and the applicable provisions, the shareholders of the Company may nominate a person in whose name the shares held by him/them shall vest in the event of his/their death. Shareholders desirous of availing this facility may submit the requisite nomination form.
10. Any member requiring further information on the Accounts at the meeting is requested to send the queries in writing to Company Secretary and Compliance Officer on compliance@continentalsoft.com, at least one week before the meeting.
11. In respect of the matters pertaining to Bank details, ECS mandates, nomination, power of attorney, change in name/address etc., the members are requested to approach the Company's Registrars and Share Transfer Agent, in respect of shares held in physical form and the respective Depository Participants, in case of shares held in electronic form. In all correspondence with the Company/Registrar and Share Transfer Agent, members are requested to quote their folio numbers or DP ID and Client ID for physical or electronic holdings respectively.
12. The documents referred to in the proposed resolutions are available for inspection at its Registered Office of the Company during normal business hours on any working day except Saturdays, up to the date of meeting.
13. SEBI has mandated the submission of Permanent Account Number (PAN) by every participant in securities market. Members holding shares in electronic form are, therefore, requested to submit their PAN to their Depository Participants with whom they are maintaining their demat account. Members holding shares in physical form can submit their PAN to the Company/Registrar.

14. Members who hold shares in multiple folios in identical names or joint holding in the same order of names are requested to send the share certificates to the Registrar, for consolidation into a single folio.

15. In compliance with the aforesaid MCA Circulars and SEBI Circular dated May 12, 2020, the Annual Report including audited financial statements for the financial year 2020 including notice of 35th AGM is being sent only through electronic mode to those Members who have not registered their e-mail address so far are requested to register their e-mail address for receiving all communication including Annual Report, Notices, Circulars, etc. from the Company electronically.

In case you have not registered your email id with depository you may registered your email id in following manner.

Physical Holding	Send a signed request the Company, at info@continentalsoft.com ; compliance@continentalsoft.com or beetalrta@gmail.com providing Folio number, Name of the shareholder, scanned copy of the share certificate (Front and Back), PAN(Self attested scanned copy of PAN Card), AADHAR (Self attested scanned copy of Aadhar Card) for registering email address.
Demat Holding	Please contact your Depository Participant (DP) and register your email address as per the process advised by DP.

16. Additional information, pursuant to SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 in respect of the Directors seeking appointment/re-appointment is annexed to the notice.

17. Voting through electronic means: In compliance with the provisions of Regulation 44 of the Listing Regulations and Pursuant to the provisions of Section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules, 2014 Company is offering e-voting facility to its members. Detailed procedure is given as below.

INSTRUCTION FOR REMOTE EVOTING, EVOTING AND JOINING OF AGM THROUGH VIDEO CONFERENCING

- (i) The voting period begins on 18-12-2020 from 09:00 AM and ends on 20-12-2020 at 05:00 PM. During this period shareholders' of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date (record date) of 14-12-2020; 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 need to visit the e-voting website <http://www.evotingindia.com>.
- (iv) Click on "Shareholders" module.
- (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. Shareholders holding shares in Physical Form should enter Folio Number registered with the Company.

OR

Alternatively, if you are registered for CDSL's **EASI/EASIEST** e-services, you can log-in at <https://www.cdslindia.com> from **Login - Myeasi** using your login credentials. Once you successfully log-in to CDSL's **EASI/EASIEST** e-services, click on e-Voting option and proceed directly to cast your vote electronically.
- (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 e-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 Shareholders 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"> Shareholders who have not updated their PAN with the Company/Depository Participant are requested to use the sequence/PAN number which is mentioned in email.
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 (iii).

- (ix) After entering these details appropriately, click on "SUBMIT" tab.
- (x) Shareholders holding shares in physical form will then directly reach the Company selection screen. However, shareholders 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 also to be used by the demat holders for voting on resolutions of any other company for which they are eligible to vote, provided that the company opts for e-voting through CDSL/NSDL 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 shareholders holding shares in physical form, the details can be used only for remote e-voting on the resolutions contained in this Notice.
- (xii) Click on the EVSN for Continental Chemicals Limited.
- (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 on which you have decided to vote, 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) Shareholders can also cast their vote using CDSL's mobile app "m-Voting". The **m-Voting** app can be downloaded from respective Store. Please follow the instructions as prompted by the mobile app while Remote Voting on your mobile.

PROCESS FOR THOSE SHAREHOLDERS WHO WISH TO OBTAIN LOGIN CREDENTIALS FOR E-VOTING FOR THE RESOLUTIONS PROPOSED IN THIS NOTICE BUT WHOSE EMAIL ADDRESSES IS NOT REGISTERED WITH THE DEPOSITORIES:

1. For Physical shareholders- Kindly send an email with a scanned request letter duly signed by 1st shareholder, scan copy of front and back of one share certificate, copy of PAN card and Aadhar card to info@continentalsoft.com; or compliance@continentalsoft.com or beetalrta@gmail.com
2. For Demat shareholders - Kindly update your email id with your depository participant and send copy of client master to info@continentalsoft.com; or compliance@continentalsoft.com or beetalrta@gmail.com

INSTRUCTIONS FOR JOINING MEETING THROUGH VC:

- (i) The procedure for e-Voting on the day of the AGM is same as the instructions mentioned above for Remote e-voting.
- (ii) Only those shareholders, who are present in the AGM through VC/OAVM facility and have not casted their vote on the Resolutions through remote e-Voting and are otherwise not barred from doing so, shall be eligible to vote through e-Voting system available during the AGM.
- (iii) If any Votes are cast by the shareholders through the e-voting available during the AGM and if the same shareholders have not participated in the meeting through VC/OAVM facility, then the votes cast by such shareholders shall be considered invalid as the facility of e-voting during the meeting is available only to the shareholders attending the meeting.
- (iv) Shareholders who have voted through Remote e-Voting will be eligible to attend the AGM. However, they will not be eligible to vote at the AGM.

Note for Non – Individual Shareholders and Custodians

- Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodians are required to log on to www.evotingindia.com and register themselves in the "Corporates" module.
- 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 favor of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.
- Alternatively Non Individual shareholders are required to send the relevant Board Resolution/ Authority letter etc. together with attested specimen signature of the duly authorized signatory who are authorized to vote, to the Scrutinizer and to the Company at the email address viz; bsgoyal.associates@gmail.com; or info@continentalsoft.com or compliance@continentalsoft.com if they have voted from individual tab & not uploaded same in the CDSL e-voting system for the scrutinizer to verify the same.

If you have any queries or issues regarding attending AGM; e-Voting from the e-Voting System, 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 or contact Mr. Nitin Kunder (022- 23058738) or Mr. Mehboob Lakhani (022-23058543) or Mr. Rakesh Dalvi (022-23058542).

All grievances connected with the facility for voting by electronic means may be addressed to
Mr. Rakesh Dalvi, Manager, (CDSL)
Central Depository Services (India) Limited,
A Wing, 25th Floor, Marathon Futurex, Mafatlal Mill Compounds,
N M Joshi Marg, Lower Parel (East),
Mumbai - 400013
or send an email to helpdesk.evoting@cdslindia.com or call on 022-23058542/43.

PRE-REQUISITE FOR JOINING OF MEETING THROUGH DESKTOP OR LAPTOP:

System requirement:

- Windows 7, 8 or 10
- I3
- Microphone, speaker
- Internet speed minimum 700 kbps
- Date and time of computer should be current date and time

PRE-REQUISITE FOR JOINING OF MEETING THROUGH MOBILE:

- Please download WebEx application from play store.

NOTE:IT IS ADVISABLE TO LOGIN BEFOREHAND AT E-VOTING SYSTEM AS EXPLAINED IN E-VOTING INSTRUCTIONS ABOVE,TO BE FAMILIAR WITH THE PROCEDURE, SO THAT YOU DO NOT FACE ANY TROUBLE WHILE LOGGING-INDURING THE AGM.

EXPLANATORY STATEMENT PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013**Item no. 3**

Mr. Aditya Vikram Chibba (DIN: 02838045) was appointed as a Non-Executive Additional Director on the Board of the Company pursuant to the provisions of Section 161 of the Act read with the Companies (Appointment and Qualification of Directors) Rules, 2014. He holds office as Non-Executive Additional Director of the Company up to the conclusion/ date of the ensuing Annual General Meeting of the Company.

Mr. Aditya Vikram Chibba one of the individual promoter of the Company holds **12,51,700 equity shares** out of which 12,50,000 equity shares were allotted to him on 14-10-2019 by way of preferential allotment. He is non-resident Indian (NRI) who belongs to promoter group. He has been graduated from Kingston University London, UK. He has more than ten years overall experience in I.T. companies including marketing and sales.

Mr. Aditya Vikram Chibba is not disqualified from being appointed as Director in terms of Section 164 of the Act and has given his consent to act as Director.

Details of Director whose appointment as Non-Executive Director is proposed at Item No 3, is provided in the “**Annexure – A**” to the Notice pursuant to the provisions of (i) the Listing Regulations and (ii) Secretarial Standard on General Meetings (“SS-2”), issued by the Institute of Company Secretaries of India.

Mr. Aditya Vikram Chibba is interested in the resolution set out at Item No. 3 of the Notice with regard of his appointment.

The relatives of, Mr. Aditya Vikram Chibba may be deemed to be interested in the respective resolution to the extent of their shareholding interest, if any, in the Company.

The Board recommends the Ordinary Resolution set out at Item No. 3 of the Notice for approval by the member.

‘Annexure – A’

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

Name of the Director	Aditya Vikram Chibba	Sunaina Chibba
Date of Birth	06/10/1988	27/08/1984
Nationality	Indian	Indian
Date of appointment	12/11/2020	29/09/2014
Qualifications	Graduated from Kingston University London, UK	M.B.A. from University of Westminster, U.K.
Experience	More than 10 years overall experience in I.T. companies including marketing and sales	worked as director in different companies in last 15 years
Directorship in other companies	N.A.	N.A.
Memberships/ Chairmanships of Committees of other public Companies	N.A.	N.A.
Number of Board meeting attended in FY 2019-20	NIL	6
Shareholding	12,51,700 equity shares i.e. 55.66% Shares	NIL
Details of Remuneration	NIL	NIL
Relationship with other directors	Son of Mr. Naresh Kumar Chibba, MD of the Company	Daughter of Mr. Naresh Kumar Chibba, MD of Company

By Order of the Board of Directors

Place: Noida
Date: 25.11.2020

Sd/-
Bhawna Gupta
Company Secretary

BOARD REPORT

To,

The Members,

Your Directors have immense pleasure in presenting their 35th Annual Report on the business and operations of the Company and the accounts for the Financial Year ended March 31, 2020.

Financial Results

The summary of the Company's financial performance for financial year 2019-20 compared to previous year 2018-19 is given as below

(Amt. in Rs.)

	2019-20	2018-19
Revenue from operations & other income	1,19,12,344	1,31,07,739
Profit and Loss before exceptional item and tax	15,85,254	29,71,923
Exceptional items	-	-
Profit before tax	15,85,254	29,71,923
Tax Expense:		
- Current Tax (net)	-	(5,71,798)
- Less MAT Credit entitlement	-	75,227
Deferred Tax	8,04,966	890,417
Total other comprehensive Income	(32,687)	(1,081)
Total comprehensive Income	8,12,975	33,64,689

Dividend

The Company has not declared any dividend for the year ended March 31, 2020.

OPERATIONS

The company is in the business of sale, purchase and licensing of Software within and outside India. Company has many new projects to expand its business in the coming years. During the year under review, the revenue from operations was Rs. 31,22,922 as against Rs. 19,14,004 in previous year, but the total comprehensive income recorded for the year decreased during the year to Rs. 8,12,975 as against Rs. 33,64,689 of previous year.

Other Equity

The Company has transferred Rs. 8,12,975 to the other equity account.

Finance**1. Share Capital**

The paid up equity share capital as on 31st March, 2020 was Rs. 2,24,90,000/-. The Company has issued 12,50,000 shares by way of Preferential Issue during the year under review.

The funds raised through preferential issue during the year have not been utilized till date due to COVID Pandemic and there is no variation in the utilisation of the funds pursuant to regulation 32(1)(a) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

2. Deposit

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

3. Particulars of loan, guarantees and investments

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

Vigil Mechanism/ Whistle Blower Policy

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

Management Discussion and Analysis

The Management Discussion and Analysis forms part of this Annual Report for the year ended 31st March 2020 as **Annexure – I**.

Extract of Annual Return

The annual return will be available on the Company website on www.continentalchemicalsltd.com.

Significant and Material Orders Passed by the Regulators or Courts

No significant and material order has been passed by any regulators or court during the financial year 2019-20.

Change in the Nature of Business

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

Directors and Key Managerial Personnel

As on the date of this report there are total 5 directors including one-woman director, two independent directors and one company secretary and compliance officer (KMP).

1. Appointment

Mr. Aditya Vikram Chibba had been appointed as non-executive director on 12-11-2020 whose term expires in this AGM which needs to be regularized by the shareholders in the ensuing AGM.

Ms. Bhawna Gupta has been appointed as company secretary and compliance officer (KMP) on 12-11-2020.

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.

3. Meetings

The intervening gap between the Meetings was within the period prescribed under the Companies Act, 2013. During the year 12 Board Meetings and 5 Audit Committee Meetings were convened and held. The maximum interval between board meetings did not exceed 120 days, as prescribed in the Act. The details of which are given in the Corporate Governance Report.

4. Board Evaluation

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

5. Declaration by an Independent Director(s)

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

6. Managerial Remuneration

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

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

7. Nomination and Remuneration Policy

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

Details of Subsidiary/Joint ventures/ Associate Companies

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

Particulars of Employees

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

Related Party Transaction

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

All Related party Transactions as required are reported in Note – 22 (e) – Notes to Accounts of the financial statements of your Company.

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, 2020; 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, 2020 and of the profit of the Company for the year ended on that date;
- (iii) That proper and sufficient care has been taken for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- (iv) That the annual financial statements have been prepared on a going concern basis;
- (v) That proper internal financial controls were in place and that the financial controls were adequate and were operating effectively;
- (vi) That proper systems to ensure compliance with the provisions of all applicable laws were in place and were adequate and operating effectively.

Corporate Governance

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

Auditors**1. Statutory Auditor**

The Auditors, M/s B K Kapur & Company, Chartered Accountants had been re-appointed as Statutory Auditors of the Company for a period of 5 years in the previous year AGM. The appointment of M/S B K Kapur & Company as auditor of company will conclude at the end of 39th AGM of Company.

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

2. Cost Audit

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

3. Secretarial Audit

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

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

4. Internal Audit & Controls

For the year under review, Ms. Sunaina Chibba has been appointed as internal auditor of the Company. During the year, the Company continued to implement her suggestions and recommendations to improve the control environment. Her 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 on-going 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 out-dated energy intensive equipment, But Company has not made any big investment for this purpose.

Technology absorption

(1) During the year 2019-20 the company took some minor efforts for new technology absorption.

(2) No absorption of imported technology has been taken place during year 2019-20.

(3) No expenses incurred for Research and Development during financial year 2019-20.

Foreign Exchange Earning and Out go

There is no foreign exchange outgo in the Company. The Company earned foreign exchange inflow of Rs. 31,22,922/-.

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

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

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

There is no material change which may affect the financial position of the company between the end of the financial year and the date of the report.

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.

Risk Management Policy:

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

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

Corporate Social Responsibility (CSR)

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

Acknowledgement

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

Place: Noida
Date: 25.11.2020

For and on behalf of Board of Directors

Sd/-
Naresh Kumar Chibba
Managing Director

Sd/-
Sunaina Chibba
Director

ANNEXURE INDEX

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