

# Continental Chemicals Ltd

Regd. & Head Office : A-7, Sector-7, Noida-201301 (U.P.) India

Tel. : 91-120-2423316  
Fax : 91-120-2423316

E-mail : info@continentalsoft.com  
: nkc@continentalsoft.com

Web : www.continentalchemicalsltd.com

CIN : L24123UP1984PLC014111

Date 27.08.2022

To  
The General Manager  
Bombay Stock Exchange & Listing  
Corporate Relationship Department,  
1<sup>st</sup> Floor, New Trading Ring,  
Rotunda Building PJ Tower,  
Dalal Street, Fort  
Mumbai-400001  
**Scrip code – 506935**

**Subject: Annual Report for the Financial year 2021-2022.**

Dear Sir/Madam,

In Pursuant to the Regulation 34 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, Please find attached herewith the Annual Report for the Financial year 2021-2022 of the Company.

Kindly take the above on record.

Yours Faithfully,

For Continental Chemicals Limited

*Sakshi Dhawan*  
**Sakshi Dhawan**  
**Company Secretary**  
**Membership Number: ACS 033279**



Enclosure: 37<sup>th</sup> Annual Report

# 37<sup>TH</sup>

## Annual Report 2021-22

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. Aditya Vikram Chibba	Director

**KEY MANAGERIAL PERSONNEL**

Mr. Naresh Kumar Chibba	Managing Director
Ms. Bhawna Gupta	Company Secretary (till 15/07/2021)
Ms. Sakshi Dhawan	Company Secretary (From 13/01/2022)
Mr. Puneet Kumar	Chief Finance Officer (till 07/06/2022)
Mr. Nitesh Rai	Chief Finance Officer (From 30/06/2022)

**INDEPENDENT AUDITORS**

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

**BANKERS**

INDIAN OVERSEAS BANK  
ICICI BANK  
CANARA BANK  
INDUSIND BANK  
HDFC BANK

**REGISTRAR AND SHARE TRANSFER AGENT**

BEETAL FINANCIAL & COMPUTER SERVICES PVT. LTD.  
Beetal House, 3<sup>rd</sup> Floor 99,  
Madangir Behind Local Shopping Centre,  
Near Dada Harsukh Dass Mandir,  
New Delhi – 110062

**REGISTERED OFFICE**

A-7, Sector-7, Noida  
Dist. Gautam Buddh 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](mailto:info@continentalsoft.com); [nkc@continentalsoft.com](mailto:nkc@continentalsoft.com)

web: [www.continentalchemicalsltd.com](http://www.continentalchemicalsltd.com)

## **NOTICE TO THE SHAREHOLDERS**

Notice is hereby given that the **37<sup>th</sup> Annual General Meeting** of Continental Chemicals Limited will be held on **Tuesday, 20<sup>th</sup> September 2022** at **04:00 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 31<sup>st</sup> March 2022, 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, who retires by rotation and being eligible, offers herself for re-appointment.

### **SPECIAL BUSINESS**

- 3 To consider and approve reappointment of Mr. Naresh Kumar Chibba as Managing Director of the Company and if thought fit, pass the following resolution as **Special Resolution**, with or without modification(s):

“**RESOLVED THAT** pursuant to the provisions of Sections 196, 197, 203 read with Schedule V and other applicable provisions, if any, of the Companies Act, 2013 and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 (including any statutory modifications, amendments or re-enactments thereto for the time being in force) (hereinafter referred to as “the Act”), the relevant provision of the Articles of Association of the Company, and subject to such approvals as may be required, consent and approval of the Company be and is hereby accorded to the re-appointment of Mr. Naresh Kumar Chibba (DIN 00376963) as Managing Director of the Company for a period of Three years with effect from **1 August 2023** on the remuneration and terms and conditions as set out in the Explanatory Statement annexed to this Notice and whose period of office shall not be liable to determination by retirement of directors by rotation.”

“**RESOLVED FURTHER THAT** the Board of Directors of the Company (on the recommendations of the Nomination & Remuneration Committee) be and are hereby authorized to revise, amend, alter and vary the remuneration and other terms and conditions of Mr. Naresh Kumar Chibba, Managing Director in such a manner as may be permissible in accordance with the provisions of the Act and Schedule V or any modification or enactment thereto and subject to the approval of the Central Government, if required, and as may be agreed to by and between the Board of Directors and Mr. Naresh Kumar Chibba, without any further reference to the shareholders in general meeting.”

“**RESOLVED FURTHER THAT** in the absence or inadequacy of profits in any financial year during the term of office of Mr. Naresh Kumar Chibba as Managing Director, he shall be paid the remuneration, allowances and perquisites except the commission/performance bonus as set out in the explanatory statement forming part of this Notice or the revised remuneration as approved by the Board of Directors from time to time, as the Minimum Remuneration in accordance with Schedule V and other applicable provisions of the Act.”

“**RESOLVED FURTHER THAT** as Managing Director of the Company, Mr. Naresh Kumar Chibba, shall, subject to the supervision, control and directions of the Board of Directors of the Company, continue to exercise substantial powers of management and shall manage the business and affairs of the Company.”

“**RESOLVED FURTHER THAT** the Board of Directors of the Company be and are hereby authorized to take all actions and steps expedient or desirable to give effect to this resolution in conformity with the provisions of the Act and also to settle any question, difficulty or doubt that may arise in this regard without requiring to secure any further consent or approval of the shareholders of the Company.”

**By Order of the Board of Directors**

Sd/-

**Naresh Kumar Chibba**  
Managing Director

Place: Noida  
Date: 26.08.2022

### **NOTES:**

1. The relevant Explanatory Statement pursuant to Section 102 of the Companies Act, 2013 (“Act”) setting out material facts concerning the business under Item Nos. 3 of the Notice of 37<sup>th</sup> Annual General Meeting (“37<sup>th</sup> AGM”), is annexed hereto. Further, the relevant details pursuant to Regulation 36(3) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“SEBI Listing Regulations”) and Secretarial Standard on General Meetings issued by the Institute of Company Secretaries of India, in respect of Directors seeking re-appointment at the 37<sup>th</sup> AGM are also annexed with this notice as Annexure-A.

2. In view of the continuing COVID-19 pandemic, the Ministry of Corporate Affairs ('MCA') vide its Circular Nos. 14/2020 and 17/2020 dated April 8, 2020 and April 13, 2020 respectively, read with Circular Nos. 20/2020 dated May 5, 2020 and 02/2021 dated January 13, 2021, 19/2021 dated December 8, 2021, 21/2021 dated December 14, 2021 and 2/2022 dated May 5, 2022 (collectively referred to as 'MCA Circulars'), and Securities and Exchange Board of India ('SEBI') vide its Circular Nos. SEBI/HO/CFD/CMD1/CIR/P/2020/79 dated May 12, 2020, and SEBI/HO/CFD/CMD2/CIR/P/2021/11 dated January 15, 2021 and SEBI/HO/CFD/CMD2/CIR/P/2022/62 dated May 13, 2022 (collectively referred to as 'SEBI Circulars'), have permitted the holding of Annual General Meeting through Video Conferencing ('VC') or Other Audio-Visual Means ('OAVM'), without the physical presence of the Members at a common venue. In accordance with the MCA Circulars and SEBI Circulars, the 37<sup>th</sup> AGM of the Company is being held through VC / OAVM on Tuesday, September 20, 2022 at 4.00 p.m. (IST). The deemed venue for the 37<sup>th</sup> AGM shall be Continental Chemicals limited A-7 Sector -7 Noida U.P. 201301.
3. Pursuant to the provisions of Section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules, 2014 (as amended) and Regulation 44 of SEBI (Listing Obligations & Disclosure Requirements) Regulations 2015 (as amended), and MCA Circulars dated April 08, 2020, April 13, 2020 and May 05, 2020 the Company is providing facility of remote e-voting to its Members in respect of the business to be transacted at the AGM. For this purpose, the Company has entered into an agreement with Central Depository Services (India) Limited (CDSL) for facilitating voting through electronic means, as the authorized e-Voting's agency. The facility of casting votes by a member using remote e-voting as well as the e-voting system on the date of the AGM will be provided by CDSL.
4. The Members can join the AGM in the VC/OAVM mode 15 minutes before and after the scheduled time of the commencement of the Meeting by following the procedure mentioned in the Notice. The facility of participation at the AGM through VC/OAVM will be made available to at least 1000 members on first come first served basis. This will not include large Shareholders (Shareholders holding 2% or more shareholding), Promoters, Institutional Investors, Directors, Key Managerial Personnel, the Chairpersons of the Audit Committee, Nomination and Remuneration Committee and Stakeholders Relationship Committee, Auditors etc. who are allowed to attend the AGM without restriction on account of first come first served basis.
5. The attendance of the Members attending the AGM through VC/OAVM will be counted for the purpose of ascertaining the quorum under Section 103 of the Companies Act, 2013.
6. Pursuant to MCA Circular No. 14/2020 dated April 08, 2020, the facility to appoint proxy to attend and cast vote for the members is not available for this AGM/EGM. However, in pursuance of Section 112 and Section 113 of the Companies Act, 2013, representatives of the members such as the President of India or the Governor of a State or body corporate can attend the AGM/EGM through VC/OAVM and cast their votes through e-voting.
7. In line with the Ministry of Corporate Affairs (MCA) Circular No. 17/2020 dated April 13, 2020, the Notice calling the AGM has been uploaded on the website of the Company at [www.continentalchemicalsltd.com](http://www.continentalchemicalsltd.com). The Notice can also be accessed from the website of the Stock Exchange i.e. BSE Limited at [www.bseindia.com](http://www.bseindia.com). The AGM Notice is also disseminated on the website of CDSL (agency for providing the Remote e-Voting facility and e-voting system during the AGM) i.e. [www.evotingindia.com](http://www.evotingindia.com).
8. The AGM/EGM has been convened through VC/OAVM in compliance with applicable provisions of the Companies Act, 2013 read with MCA Circular No. 14/2020 dated April 8, 2020 and MCA Circular No. 17/2020 dated April 13, 2020 and MCA Circular No. 20/2020 dated May 05, 2020.
9. 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.
10. 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](mailto:bsgoyal.associates@gmail.com) with a copy marked to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com).
11. Members attending the AGM through VC/OAVM shall be counted for the purpose of reckoning the quorum under Section 103 of the Act.
12. Additional information, pursuant to Regulation 36(3) of the Listing Regulations, in respect of director re-appointing at the Annual General Meeting is appended hereto and forms part of this Notice.
- 13.(a) The Register of Members and Share Transfer Books of the Company will remain closed from 14th September 2022 to 20th September 2022 (both days inclusive).  
(b) The remote e-voting period commences on Saturday, 17th September 2022 (09:00 am) and ends on Monday 19th September, 2022 (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 September 13, 2022, may cast their vote by remote e-voting.
14. 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, 3<sup>rd</sup> Floor, 99, Madangir, Behind LSC, New Delhi – 110062; TEL:011- 29961281-283, 26051061, 26051064, Email: [beetalrta@gmail.com](mailto:beetalrta@gmail.com); Website: [www.beetalfinancial.com](http://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.
15. 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.
16. Any member requiring further information on the Accounts at the meeting is requested to send the queries in writing to Chief Finance officer and Compliance Officer on [compliance@continentalsoft.com](mailto:compliance@continentalsoft.com), at least 7 days before the meeting.

17. 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.
18. 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.
19. 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.
20. 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.
21. 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 2022 including notice of 37th AGM is being sent only through electronic mode, 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 register your email id in following manner:

Physical Holding	Send a signed request the Company, at <a href="mailto:info@continentalsoft.com">info@continentalsoft.com</a> ; <a href="mailto:compliance@continentalsoft.com">compliance@continentalsoft.com</a> 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.

22. 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 in the enclosed letter.

**23. THE INSTRUCTIONS FOR REMOTE EVOTING AND EVOTING DURING AGM AND JOINING MEETING THROUGH VC/OAVM ARE AS UNDER:**

**CDSL e-Voting System – For e-voting and Joining Virtual meetings.**

- As you are aware, in view of the situation arising due to COVID-19 global pandemic, the general meetings of the companies shall be conducted as per the guidelines issued by the Ministry of Corporate Affairs ('MCA') vide its Circular Nos. 14/2020 and 17/2020 dated April 8, 2020 and April 13, 2020 respectively, read with Circular Nos. 20/2020 dated May 5, 2020 and 02/2021 dated January 13, 2021, 19/2021 dated December 8, 2021, 21/2021 dated December 14, 2021 and 2/2022 dated May 5, 2022 (collectively referred to as 'MCA Circulars'), and Securities and Exchange Board of India ('SEBI') vide its Circular Nos. SEBI/HO/CFD/CMD1/CIR/P/2020/79 dated May 12, 2020, and SEBI/HO/CFD/CMD2/CIR/P/2021/11 dated January 15, 2021 and SEBI/HO/CFD/CMD2/CIR/P/2022/62 dated May 13, 2022 (collectively referred to as 'SEBI Circulars'). The forthcoming AGM/EGM will thus be held through video conferencing (VC) or other audio visual means (OAVM). Hence, Members can attend and participate in the ensuing AGM/EGM through VC/OAVM.
- Pursuant to the provisions of Section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules, 2014 (as amended) and Regulation 44 of SEBI (Listing Obligations & Disclosure Requirements) Regulations 2015 (as amended), and MCA Circulars dated April 08, 2020, April 13, 2020 and May 05, 2020 the Company is providing facility of remote e-voting to its Members in respect of the business to be transacted at the AGM/EGM. For this purpose, the Company has entered into an agreement with Central Depository Services (India) Limited (CDSL) for facilitating voting through electronic means, as the authorized e-Voting's agency. The facility of casting votes by a member using remote e-voting as well as the e-voting system on the date of the EGM/AGM will be provided by CDSL.
- The Members can join the EGM/AGM in the VC/OAVM mode 15 minutes before and after the scheduled time of the commencement of the Meeting by following the procedure mentioned in the Notice. The facility of participation at the EGM/AGM through VC/OAVM will be made available to atleast 1000 members on first come first served basis. This will not include large Shareholders (Shareholders holding 2% or more shareholding), Promoters, Institutional Investors, Directors, Key Managerial Personnel, the Chairpersons of the Audit Committee, Nomination and Remuneration Committee and Stakeholders Relationship Committee, Auditors etc. who are allowed to attend the EGM/AGM without restriction on account of first come first served basis.
- The attendance of the Members attending the AGM/EGM through VC/OAVM will be counted for the purpose of ascertaining the quorum under Section 103 of the Companies Act, 2013.
- Pursuant to MCA Circular No. 14/2020 dated April 08, 2020, , the facility to appoint proxy to attend and cast vote for the members is not available for this AGM/EGM. However, in pursuance of Section 112 and Section 113 of the Companies Act, 2013, representatives of the members such as the President of India or the Governor of a State or body corporate can attend the AGM/EGM through VC/OAVM and cast their votes through e-voting.
- In line with the Ministry of Corporate Affairs (MCA) Circular No. 17/2020 dated April 13, 2020, the Notice calling the AGM/EGM has been uploaded on the website of the Company at [www.continentalchemicalsLtd.com](http://www.continentalchemicalsLtd.com). The Notice can also be accessed from the websites of the

Stock Exchanges i.e. BSE Limited at [www.bseindia.com](http://www.bseindia.com) respectively. The AGM/EGM Notice is also disseminated on the website of CDSL (agency for providing the Remote e-Voting facility and e-voting system during the AGM/EGM) i.e. [www.evotingindia.com](http://www.evotingindia.com).

7. The AGM/EGM has been convened through VC/OAVM in compliance with applicable provisions of the Companies Act, 2013 read with MCA Circular No. 14/2020 dated April 8, 2020 and MCA Circular No. 17/2020 dated April 13, 2020 and MCA Circular No. 20/2020 dated May 05, 2020.
8. In continuation of this Ministry's **General Circular No. 20/2020**, dated 05th May, 2020 and General Circular No. 2/2022 dated May 5, 2022, and after due examination, it has been decided to allow companies whose AGMs were due to be held in the year 2022, or become due in the year 2022, to conduct their AGMs on or before 31.12.2022, in accordance with the requirements provided in paragraphs 3 and 4 of the General Circular No. 20/2020 as per MCA circular no. 02/2021 dated January, 13, 2021.

#### 24. THE INTRUCTIONS OF SHAREHOLDERS FOR E-VOTING AND JOINING VIRTUAL MEETINGS ARE AS UNDER:

**Step 1** : Access through Depositories CDSL/NSDL e-Voting system in case of individual shareholders holding shares in demat mode.

**Step 2** : Access through CDSL e-Voting system in case of shareholders holding shares in physical mode and non-individual shareholders in demat mode.

- (i) The voting period begins on 17th September, 2022 at 9:00 A.M. and ends on 19th September, 2022 at 5:00 P.M.. 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 13th September 2022 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) Pursuant to SEBI Circular No. **SEBI/HO/CFD/CMD/CIR/P/2020/242 dated 09.12.2020**, under Regulation 44 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, listed entities are required to provide remote e-voting facility to its shareholders, in respect of all shareholders' resolutions. However, it has been observed that the participation by the public non-institutional shareholders/retail shareholders is at a negligible level.

Currently, there are multiple e-voting service providers (ESPs) providing e-voting facility to listed entities in India. This necessitates registration on various ESPs and maintenance of multiple user IDs and passwords by the shareholders.

In order to increase the efficiency of the voting process, pursuant to a public consultation, it has been decided to enable e-voting to **all the demat account holders, by way of a single login credential, through their demat accounts/ websites of Depositories/ Depository Participants**. Demat account holders would be able to cast their vote without having to register again with the ESPs, thereby, not only facilitating seamless authentication but also enhancing ease and convenience of participating in e-voting process.

**Step 1** : Access through Depositories CDSL/NSDL e-Voting system in case of individual shareholders holding shares in demat mode.

- (iv) In terms of SEBI circular no. SEBI/HO/CFD/CMD/CIR/P/2020/242 dated December 9, 2020 on e-Voting facility provided by Listed Companies, Individual shareholders holding securities in demat mode are allowed to vote through their demat account maintained with Depositories and Depository Participants. Shareholders are advised to update their mobile number and email Id in their demat accounts in order to access e-Voting facility.

Pursuant to abovesaid SEBI Circular, Login method for e-Voting and joining virtual meetings **for Individual shareholders holding securities in Demat mode CDSL/NSDL** is given below:

Type of shareholders	Login Method
Individual Shareholders holding securities in Demat mode with CDSL	<ol style="list-style-type: none"> <li>1) Users who have opted for CDSL Easi / Easiest facility, can login through their existing user id and password. Option will be made available to reach e-Voting page without any further authentication. The URL for users to login to Easi / Easiest are <a href="https://web.cdslindia.com/myeasi/home/login">https://web.cdslindia.com/myeasi/home/login</a> or visit <a href="http://www.cdslindia.com">www.cdslindia.com</a> and click on Login icon and select New System Myeasi.</li> <li>2) After successful login the Easi / Easiest user will be able to see the e-Voting option for eligible companies where the evoting is in progress as per the information provided by company. On clicking the evoting option, the user will be able to see e-Voting page of the e-Voting service provider for casting your vote during the remote e-Voting period or joining virtual meeting &amp; voting during the meeting. Additionally, there is also links provided to access the system of all e-Voting Service Providers i.e. CDSL/NSDL/KARVY/LINKINTIME, so that the user can visit the e-Voting service providers' website directly.</li> <li>3) If the user is not registered for Easi/Easiest, option to register is available at <a href="https://web.cdslindia.com/myeasi/Registration/EasiRegistration">https://web.cdslindia.com/myeasi/Registration/EasiRegistration</a></li> </ol>

	4) Alternatively, the user can directly access e-Voting page by providing Demat Account Number and PAN No. from a e-Voting link available on <a href="http://www.cdslindia.com">www.cdslindia.com</a> home page or click on <a href="https://evoting.cdslindia.com/Evoting/EvotingLogin">https://evoting.cdslindia.com/Evoting/EvotingLogin</a> . The system will authenticate the user by sending OTP on registered Mobile & Email as recorded in the Demat Account. After successful authentication, user will be able to see the e-Voting option where the evoting is in progress and also able to directly access the system of all e-Voting Service Providers.
Individual Shareholders holding securities in demat mode with <b>NSDL</b>	<p>1) If you are already registered for NSDL IDeAS facility, please visit the e-Services website of NSDL. Open web browser by typing the following URL: <a href="https://eservices.nsdl.com">https://eservices.nsdl.com</a> either on a Personal Computer or on a mobile. Once the home page of e-Services is launched, click on the "Beneficial Owner" icon under "Login" which is available under 'IDeAS' section. A new screen will open. You will have to enter your User ID and Password. After successful authentication, you will be able to see e-Voting services. Click on "Access to e-Voting" under e-Voting services and you will be able to see e-Voting page. Click on company name or e-Voting service provider name and you will be re-directed to e-Voting service provider website for casting your vote during the remote e-Voting period or joining virtual meeting &amp; voting during the meeting.</p> <p>2) If the user is not registered for IDeAS e-Services, option to register is available at <a href="https://eservices.nsdl.com">https://eservices.nsdl.com</a>. Select "Register Online for IDeAS" "Portal" or click at <a href="https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp">https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp</a></p> <p>3) Visit the e-Voting website of NSDL. Open web browser by typing the following URL: <a href="https://www.evoting.nsdl.com/">https://www.evoting.nsdl.com/</a> either on a Personal Computer or on a mobile. Once the home page of e-Voting system is launched, click on the icon "Login" which is available under 'Shareholder/Member' section. A new screen will open. You will have to enter your User ID (i.e. your sixteen digit demat account number hold with NSDL), Password/OTP and a Verification Code as shown on the screen. After successful authentication, you will be redirected to NSDL Depository site wherein you can see e-Voting page. Click on company name or e-Voting service provider name and you will be redirected to e-Voting service provider website for casting your vote during the remote e-Voting period or joining virtual meeting &amp; voting during the meeting</p>
Individual Shareholders (holding securities in demat mode) login through their <b>Depository Participants</b>	You can also login using the login credentials of your demat account through your Depository Participant registered with NSDL/CDSL for e-Voting facility. After Successful login, you will be able to see e-Voting option. Once you click on e-Voting option, you will be redirected to NSDL/CDSL Depository site after successful authentication, wherein you can see e-Voting feature. Click on company name or e-Voting service provider name and you will be redirected to e-Voting service provider website for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting.

Important note: Members who are unable to retrieve User ID/ Password are advised to use Forget User ID and Forget Password option available at abovementioned website.

Helpdesk for Individual Shareholders holding securities in demat mode for any technical issues related to login through Depository i.e. CDSL and NSDL

Login type	Helpdesk details
Individual Shareholders holding securities in Demat mode with <b>CDSL</b>	Members facing any technical issue in login can contact CDSL helpdesk by sending a request at <a href="mailto:helpdesk.evoting@cdslindia.com">helpdesk.evoting@cdslindia.com</a> or contact at toll free no. 1800 22 55 33
Individual Shareholders holding securities in Demat mode with <b>NSDL</b>	Members facing any technical issue in login can contact NSDL helpdesk by sending a request at <a href="mailto:evoting@nsdl.co.in">evoting@nsdl.co.in</a> or call at toll free no.: 1800 1020 990 and 1800 22 44 30

**Step 2** : Access through CDSL e-Voting system in case of shareholders holding shares in physical mode and non-individual shareholders in demat mode.

- (v) Login method for e-Voting and joining virtual meetings for **Physical shareholders and shareholders other than individual holding in Demat form.**
- 1) The shareholders should log on to the e-voting website [www.evotingindia.com](http://www.evotingindia.com).
  - 2) Click on "Shareholders" module.
  - 3) 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.



- 4) Next enter the Image Verification as displayed and Click on Login.
- 5) If you are holding shares in demat form and had logged on to [www.evotingindia.com](http://www.evotingindia.com) and voted on an earlier e-voting of any company, then your existing password is to be used.
- 6) If you are a first-time user follow the steps given below:

<b>For Physical shareholders and other than individual shareholders holding shares in Demat.</b>	
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"> <li>• Shareholders who have not updated their PAN with the Company/Depository Participant are requested to use the sequence number sent by Company/RTA or contact Company/RTA.</li> </ul>
Dividend Bank Details  <b>OR</b> 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"> <li>• If both the details are not recorded with the depository or company, please enter the member id / folio number in the Dividend Bank details field.</li> </ul>

- (vi) After entering these details appropriately, click on "SUBMIT" tab.
- (vii) 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 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.
- (viii) For shareholders holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
- (ix) Click on the EVSN for the relevant Continental Chemicals Limited on which you choose to vote.
- (x) 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.
- (xi) Click on the "RESOLUTIONS FILE LINK" if you wish to view the entire Resolution details.
- (xii) 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.
- (xiii) Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.
- (xiv) You can also take a print of the votes cast by clicking on "Click here to print" option on the Voting page.
- (xv) 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.
- (xvi) There is also an optional provision to upload BR/POA if any uploaded, which will be made available to scrutinizer for verification.
- (xvii) **Additional Facility for Non – Individual Shareholders and Custodians –For Remote Voting only.**
  - Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodians are required to log on to [www.evotingindia.com](http://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](mailto:helpdesk.evoting@cdslindia.com).
  - After receiving the login details a Compliance User should be created using the admin login and password. The Compliance User would be able to link the account(s) for which they wish to vote on.
  - The list of accounts linked in the login will be mapped automatically & can be delink in case of any wrong mapping.
  - It is Mandatory that, 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.
  - The list of accounts linked in the login should be mailed to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com) and on approval of the accounts they would be able to cast their vote.
  - 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; [compliance@continentalssoft.com](mailto:compliance@continentalssoft.com) (designated email address by company), if they have voted from individual tab & not uploaded same in the CDSL e-voting system for the scrutinizer to verify the same.

**25. INSTRUCTIONS FOR SHAREHOLDERS ATTENDING THE AGM/EGM THROUGH VC/OAVM & E-VOTING DURING MEETING ARE AS UNDER:**

1. The procedure for attending meeting & e-Voting on the day of the AGM/ EGM is same as the instructions mentioned above for e-voting.
2. The link for VC/OAVM to attend meeting will be available where the EVSN of Company will be displayed after successful login as per the instructions mentioned above for e-voting.
3. Shareholders who have voted through Remote e-Voting will be eligible to attend the meeting. However, they will not be eligible to vote at the AGM/EGM.
4. Shareholders are encouraged to join the Meeting through Laptops / IPads for better experience.

5. Further shareholders will be required to allow Camera and use Internet with a good speed to avoid any disturbance during the meeting.
6. Please note that Participants Connecting from Mobile Devices or Tablets or through Laptop connecting via Mobile Hotspot may experience Audio/Video loss due to Fluctuation in their respective network. It is therefore recommended to use Stable Wi-Fi or LAN Connection to mitigate any kind of aforesaid glitches.
7. Shareholders who would like to express their views/ask questions during the meeting may register themselves as a speaker by sending their request in advance atleast **3 (three) days prior to meeting** mentioning their name, demat account number/folio number, email id, mobile number at (company email id). The shareholders who do not wish to speak during the AGM but have queries may send their queries in advance **2 (Two) days prior to meeting** mentioning their name, demat account number/folio number, email id, mobile number at (company email id). These queries will be replied to by the company suitably by email.
8. Those shareholders who have registered themselves as a speaker will only be allowed to express their views/ask questions during the meeting.
9. Only those shareholders, who are present in the AGM/EGM 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 EGM/AGM.
10. If any Votes are cast by the shareholders through the e-voting available during the EGM/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.

**PROCESS FOR THOSE SHAREHOLDERS WHOSE EMAIL/MOBILE NO. ARE NOT REGISTERED WITH THE COMPANY/DEPOSITORIES.**

1. For Physical shareholders- please provide necessary details like Folio No., Name of 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) by email to **Company/RTA email id**.
2. For Demat shareholders -, Please update your email id & mobile no. with your respective Depository Participant (DP)
3. For Individual Demat shareholders – Please update your email id & mobile no. with your respective Depository Participant (DP) which is mandatory while e-Voting & joining virtual meetings through Depository.

If you have any queries or issues regarding attending AGM & e-Voting from the CDSL e-Voting System, you can write an email to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com) or contact at 1800 22 55 33

All grievances connected with the facility for voting by electronic means may be addressed to Mr. Rakesh Dalvi, Sr. 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](mailto:helpdesk.evoting@cdslindia.com) or call toll free no. 1800 22 55 33.

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-IN DURING THE AGM.

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

**Item no. 3**

**Re-appointment of Mr. Naresh Kumar Chibba as the Managing Director**

The members of the Company had, at their 34<sup>th</sup> Annual General Meeting (AGM) held on September 29, 2019, re-appointed. Naresh Kumar Chibba as Managing Director of the Company for a period of three years with effect from 1<sup>st</sup> August 2020 and approved his remuneration under the relevant provisions of the Companies Act, 2013..

The present tenure of Mr. Naresh Kumar Chibba is due to expire on 31<sup>st</sup> July 2023. Keeping in view his vast experience, role and responsibilities, leadership capabilities, entrepreneurship skills, and contribution in the performance of the Company, the Board of Directors of the Company at their meeting held on August 26, 2022 have, on the recommendation of the Nomination and Remuneration Committee, and subject to the approval of the shareholders by way of a special resolution and such other approvals as may be required, re-appointed Mr. Naresh Kumar Chibba as Managing Director of the Company for a further period of three years with effect from August 1, 2023 on the remuneration and terms and conditions set out below:-

**I. Remuneration**

**1. Salary:**

Salary of Rs. 100,000/-per month from August 1<sup>st</sup>,2023 with an increase of 10% annually or inflation rate of the previous year whichever is higher.

**2. Allowances and Perquisites:**

In addition to the above, Mr. Naresh K. Chibba as Managing Director shall be entitled to the following perquisites restricted to an amount equal to fifty percent of the salary.

**Category 'A'**

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

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

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

**Category 'B'****(i) Company's Contribution**

- (a) towards provident Fund: as per Company rules
- (b) towards superannuation Fund/Annuity Fund: as per company rules

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

(ii) Gratuity : As per rules of the Company, Payable in accordance with the approved fund at the rate of 15 days salary for each completed year of service. Part service in excess of six months shall be reckoned as completed year of service.

**Category 'C':**

- (i) Conveyance: Use of Company's car with driver. Use of car with driver for official purpose shall not be considered as perquisites.
- (ii) Telephone: Use of telephone at residence. Use of telephone for official purposes shall not be considered as perquisites.

(iii) Employees Stock Ownership Plan: The Managing Director shall be entitled to the Employees stock Ownership plan (ESOP) as decided by the Board of the company from time to time. Besides this the Managing Director shall also be entitled to an incentive plan which will be separately executed and which will be co-terminus with the Supplemental Agreement. This will not be included in calculation of perquisites and will be outside the purview of perquisites under Category A and the overall ceiling will not apply.

iv) Commission/Performance Bonus: As may be decided by the Board of Directors, on the recommendations of the Nomination and Remuneration Committee, from year to year.

**3. Overall Remuneration**

The aggregate of salary allowances and perquisites in any financial year shall not exceed the limits prescribed under Section 197 and other applicable provisions of the Act read with Schedule V to the said Act, as may, for the time being, be in force.

**4. Minimum Remuneration:**

Notwithstanding anything to the contrary contained herein, in the event of absence or inadequacy of profits in any financial year during the term of office of Mr. Naresh Kumar Chibba as Managing Director, the Company will, subject to applicable laws, pay him the remuneration, allowances and perquisites as detailed above with such increments/revision as may be approved from time to time except commission/performance bonus as the Minimum Remuneration in accordance with Schedule V and other applicable provision of the Act.

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

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

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

Presently Mr. Naresh Kumar Chibba has not been drawing any remuneration from any other Company except by way of sitting fee or commission from the companies of which he is a director.

Mr. Naresh Kumar Chibba, being eligible, offers himself for re-appointment. A brief resume of Mr. Naresh Kumar Chibba is annexed to this notice.

The performance of the Company has improved in the recent past and is expected to improve further in the coming years. It may incur losses due to uncontrollable reasons, resulting in inadequate profits in some years to pay managerial remuneration. In such an event, Mr. Naresh Kumar Chibba may be entitled to minimum remuneration. Accordingly, statement as required under Section II, Part II of the Schedule V to the Act with reference to Special Resolution at Item No.3 is annexed hereto as **Annexure-A**.

The approval of the shareholders is sought by way of a special resolution to the re-appointment and payment of remuneration to Mr. Naresh Kumar Chibba as Managing Director of the Company in accordance with the relevant provisions of the Act read with Schedule V thereto.

The Board recommends the passing of Special Resolution at **Item No.3** of the Notice.

None of the Directors or Key Managerial Personnel of the Company or their relatives, except Mr. Naresh Kumar Chibba, Managing Director, and Ms. Sunaina Chibba, Daughter of Mr. Naresh Kumar Chibba and Mr. Aditya Vikram Chibba, Son of Mr. Naresh Kumar Chibba, Directors, who are related to each other, are concerned or interested, financially or otherwise, in this Special Resolution except to the extent of their shareholding interest, if any, in the Company.

### ‘Annexure – A’

#### STATEMENT OF INFORMATION FOR THE MEMBERS PURSUANT TO SECTION II OF PART II OF SCHEDULE V TO THE COMPANIES ACT, 2013, with reference to the Special Resolution at Item No. 3 of the Notice.

##### I. General Information

###### 1. Nature of industry:

The Company is engaged into IT and IT product-based services to its clients.

###### 2. Date of incorporation and commencement of commercial production:

The Company was incorporated on 27.11.1984. The Company commenced business from 11.01.1985.

###### 3. Financial performance based on given indicators:

Standalone Financial Results:

(in Lakh except EPS)

Particulars	2019-20	2020-21	2021-22
Profit (Loss) after Tax	7.80	14.34	5.99
Net Worth (including balance in Profit & Loss Account)	358.16	374.31	380.67
Earnings Per Share	0.49	0.64	0.27
Turnover	31.23	19.43	47.88

###### 4. Foreign investments or collaboration, if any:

The Company has not made any foreign investment and collaboration for this purpose.

##### II. Information about the Appointee

**1. Background details:** Mr. Naresh Kumar Chibba is graduate with Honours in Commerce from Delhi university in 1978. He has experience of management of around 38 years. He joined the family business in 1978 and worked there until 1984 and was also inducted on the board and continues to on the board as Director till date. Gained valuable experience during this time. In the year 1984 he founded M/s. Continental Chemicals Limited (CCL) New Delhi, India in the year 1984. CCL is a public limited company and Mr. Naresh Kumar Chibba has been the Managing Director of the company ever since. After 1998 the company changed its business from Chemicals to Software and provides software solutions to exhibition organisers around the world.

###### 2. Past remuneration:

The remuneration paid/payable to Mr. Naresh Kumar Chibba, Managing Director) for the last financial year 2020-2021 is as follows:

Basic Salary	Allowances	Perquisites+ Contribution to PF/other funds	Total
5,04,000	5,61,500	41,809	11,07,309

\* Remuneration to the Managing Director is within the limits specified under Schedule V of the Companies Act,

**3. Recognition or awards:**

Mr. Naresh Kumar Chibba is widely recognized in the industry however has not received any awards.

**4. Job Profile and suitability:**

Mr. Naresh Kumar Chibba, Managing Director of the Company, is highly experienced and controls the affairs of the Company as a whole under the direction of the Board of Directors of the Company. He has successfully and in a sustained way contributed significantly towards growth in performance of the Company. He has extensive experience in the IT and Software industry. He is actively involved in international markets, business strategy, business development functions of the Company.

**5. Remuneration Proposed:**

Remuneration proposed for approval of the Shareholders at this 37<sup>th</sup> Annual General Meeting of the Company is as mentioned in the explanatory statement of the resolution no. 3 of this notice.

**6. Comparative remuneration profile with respect to industry, size of the Company, profile of the position and person:**

The current remuneration being paid to the Managing Director (looking at the profile of the position and person) is lower than the remuneration being paid by the Companies of comparable size in the industry in which the Company operates.

**7. Pecuniary relationship directly or indirectly with the company, or relationship with the managerial personnel, if any:**

Apart from the remuneration and perquisites paid to them as Managing Director as stated above and their respective shareholding held no pecuniary relationship directly or indirectly in the Company and Ms. 'Sunaina Chibba, Daughter and Mr. Aditya Vikram Chibba Son of Mr. Naresh Kumar Chibba are also directors of the Company.

**III. Other Information****1. Reasons of loss or inadequate profits and steps taken or proposed to be taken for improvement:**

The Company has reported an inadequate profit on standalone basis as the company is in development phase and developing new products. Due to development of these products the company is now not able to generate profit. After the development of these new products the company is expecting the increase in its turnover and profits.

**2. Expected increase in productivity and profits in measurable terms:** It is difficult to forecast the productivity and profitability in measurable terms. However, the Company expects that productivity and profitability may improve and would be comparable with the industry average.

**IV. Disclosures:** The disclosures in respect of remuneration package and other details of all the Directors are given at appropriate places in the Corporate Governance Report annexed to the Board's Report.

**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**

<b>Name of the Director</b>	Sunaina Chibba	Naresh Kumar Chibba
<b>Date of Birth</b>	27/08/1984	17/12/1958
<b>Nationality</b>	Indian	Indian
<b>Date of appointment</b>	29/09/2014	27/11/1984
<b>Qualifications</b>	M.B.A. from University of Westminster, U.K.	B. Com (H)
<b>Experience</b>	She worked as director in different companies in last 15 years	He is managing company from its incorporation and having vast experience of management and business.
<b>Directorship in other companies</b>	N.A.	Continental Software Solutions Pvt. Ltd. Interads Advertising Pvt. Ltd.
<b>Memberships /Chairmanships of Committees of other public Companies</b>	N.A.	N.A.
<b>Number of Board meeting attended in FY 2021-22</b>	8	8
<b>Shareholding</b>	NIL	133110 Shares (5.92%)

<b>Details of Remuneration</b>	NIL	As stated in the explanatory statement to item no. 3
<b>Relationship with other directors</b>	Daughter of Mr. Naresh Kumar Chibba, MD of Company and sister of Mr. Aditya Vikram Chibba, Director of the Company	Father of Ms. Sunaina Chibba and Mr. Aditya Vikram Chibba, directors of Company

**By Order of the Board of Directors**

Sd/-  
**Naresh Kumar Chibba**  
**Managing Director**

**Place: Noida**  
**Date: 26.08.2022**

**BOARDS' REPORT**

To,  
The Members,

Your Directors have immense pleasure in presenting their 37<sup>th</sup> Annual Report on the business and operations of the Company and the accounts for the Financial Year ended March 31, 2022.

**Financial Results**

The summary of the Company's financial performance for financial year 2021-22 compared to previous year 2020-21 is given as below:

(Amt. in Lakhs)

Particulars	2021-22	2020-21
Revenue from operations & other income	104.06	96.80
Profit and Loss before exceptional Item and tax	7.05	16.60
Exceptional items	-	-
Profit before tax	7.05	16.60
Tax Expense:		
- Current Tax (net)	1.02	2.47
- Less: MAT Credit entitlement	-	-
Deferred Tax	.05	(.21)
Total other comprehensive Income	(.37)	(.20)
<b>Total Comprehensive Income</b>	<b>6.36</b>	<b>14.54</b>

**Dividend**

The Company has not declared any dividend for the year ended March 31, 2022.

**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. 1,04,06,424/- as against Rs. 96,80,106/- in previous year, but the total comprehensive income recorded for the year decreased during the year to Rs. 6,35,896/- as against Rs. 14,54,312/- of previous year.

**Other Equity**

The Company has transferred Rs. 6,35,896 /- to the other equity account.

**Finance****1. Share Capital**

The paid-up equity share capital as on 31<sup>st</sup> March 2022 was Rs. 2,24,90,000/-.

**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 is explained in the Corporate Governance Report and also posted on the website of the Company.

**Management Discussion and Analysis**

The Management Discussion and Analysis forms part of this Annual Report for the year ended 31<sup>st</sup> March 2022 as **Annexure – I**.

**Weblink of Annual Return**

The annual return will be available on the Company website on [www.continentalchemicalsltd.com](http://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 2021-22.

**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, and a Company Secretary and a CFO.

**1. Appointment**

During the year, Ms. Bhawna Gupta resigned from the post of Company Secretary & Compliance Officer and Ms. Sakshi Dhawan had been appointed as Company Secretary & Compliance Officer of the Company.

The term of Mr. Naresh Kumar Chibba, Managing Director of the company will expire on 31<sup>st</sup> July, 2023, on the recommendation of Nomination and Remuneration committee, the board recommend his re-appointment as Managing Director for approval of shareholders in the forthcoming AGM for the term of three years.

**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 8 Board Meetings and 4 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 had 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 transactions 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 in Note – 24 (e) – Notes to Accounts of the Standalone 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, 2022; 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, 2022 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 34<sup>th</sup> AGM held in FY 2019-20. The term of M/s B K Kapur & Company as auditor of company will conclude at the end of 39<sup>th</sup> AGM of Company. The resolution for appointment of M/S B.K. Kapur & Company was a part of Notice of 34<sup>th</sup> Annual General Meeting.

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 had 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 2021-22 the company took some minor efforts for new technology absorption.

(2) No absorption of imported technology has been taken place during year 2021-22.

(3) No expenses incurred for Research and Development during financial year 2021-22

**Foreign Exchange Earning and Out go**

There is no foreign exchange outgo in the Company. The Company earned foreign exchange inflow of **Rs. 50,42,449.46/-**.

**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.

**Insolvency Proceedings:**

There is no application made by the Company or any proceedings initiated against the Company under Insolvency and Bankruptcy Code, 2016 (31 of 2016) the during the year

**Valuation for one time settlement**

The Company has not borrowed any loans from the Banks or Financial Institutions and has not defaulted in the payment of the loans borrowed from the banks or financial institutions

**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.

**For and on behalf of Board of Directors**

**Place: Noida  
Date: 26.08.2022**

**Sd/-  
Naresh Kumar Chibba  
Managing Director**

**Sd/-  
Sunaina Chibba  
Director**

**ANNEXURE INDEX**

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

**Management Discussion and Analysis**

This report discusses and analysis the performance for the year ended 31<sup>st</sup> March 2022.

**Operation and Industry**

The company is in the business of sale, purchase and licensing of Software within and outside India. Company has many new projects to expand its business in the coming years in India as well as abroad and trying to increase its scale of operation and Company is also trying to invest in appointing and maintaining Good Employees. 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**

Your company is facing competition in Indian as well as overseas market, but we have an edge over others with our quality and timely execution of services. The dynamic business conditions and adverse movement of foreign exchange rate of the Rupee is major concern for the growth of the industry. The Company is contributing positively in the same and providing the best services to the customers.

**Risk and Concerns**

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

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

The Company is dealing in single segment as IT and Software Services. The Company has secured business and new order from overseas and expecting good growth in future and Company also continue to engage in deep industry Knowledge.

**Outlook**

Disruption and uncertainty in business due to the COVID-19 pandemic: -

While presently the severity of the disease due to COVID-19 has reduced because of increased vaccination, as immunity may wane over a period of time, there is a risk of further waves and emergence of highly transmissible and more virulent variants. This may have an impact on the health and safety, emotional wellbeing and mobility of Company's workforce, which in turn may impact service delivery and revenues. If large numbers of employees are affected, it could result in business disruption and necessitate higher spends for ensuring business resiliency. Company can Encourage new employees to get vaccinated as per the country level internal vaccination policies and government guidelines.

**Internal Control Systems and their Adequacy**

Internal control systems are a set of policies, processes and procedures put in place to help achieve the strategic objectives of an organization. Good controls encourage operational efficiency and compliance with laws and regulations, as well as minimizing the chance of errors, theft and fraud. At the same time internal controls also enhance the reliability and accuracy of accounting data.

The Company has an Internal Control System commensurate with the size, scale and complexity of its operations. This has been designed to provide reasonable assurance with regard to recording and providing reliable financial and operational information, complying with applicable statutes, safeguarding assets from unauthorised use, executing transactions with proper authorisation and ensuring compliance of corporate policies.

**Financial and Operational Performance**

The Company has adopted Indian Accounting Standards (Ind-AS) pursuant to notification issued by Ministry of Corporate Affairs regarding the Companies (Indian Accounting Standards) Rules, 2015. Accordingly, the financial results have been prepared in accordance with Indian Accounting Standards (Ind-AS) as prescribed under Section 133 of the Companies Act, 2013 read with relevant rules issued thereunder.

The financial statements are prepared in accordance with the Companies (Accounting Standards) Rules, 2015, notified under section 133 of the Act and other relevant provisions of the Act. The accounting policies have been consistently applied except where a newly issued accounting standard, if initially adopted or a revision to an existing accounting standard requires a change in the accounting policy hitherto in use.

**Human Resources/Industrial Relations**

Our Company's HR function focuses on creating an environment that stimulates the creation of knowledge. Consequently, strong emphasis has been placed on attracting, managing and retaining talent. With great focus to create an enviable workplace, the HR policies/processes framework are reviewed frequently to maintain consistency with the industry best practices and accelerate operational efficiencies for achieving high performance excellence. There are Nine (9) permanent employees on the rolls of company on 31<sup>st</sup> March 2022

**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.

**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**

**Part A:**

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

Name	Ratio
Pradeep Kumar Chopra (Chairman and Independent Director*)	N.A.
Naresh Kumar Chibba (Managing Director)	5.70:1
Akshat Bhaskar (Independent Director)*	N.A.
Sunaina Chibba (Director)*	N.A.
Aditya Vikram Chibba (Director)*	N.A.

\*No remuneration has been paid to these directors.

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

Name	Designation	% Increase
Mr. Naresh Kumar Chibba*	Managing Director	Nil
Mr. Puneet Kumar	CFO	5%
Ms. Bhawna Gupta (resigned in July 2021)	CS	Nil
Ms. Sakshi Dhawan (joined since January 2022)	CS	Nil

\*There was no increase in remuneration of Mr. Naresh Kumar Chibba during the financial year 2021-22.

Note: The increase in salary is calculated after averaging last year salary to full year. There is no increase in salary during the year the difference of payment is due to salary deduction difference due to leaves.

(iii) The percentage increase/decrease ( ) in the median remuneration of employees in the financial year: (26.70%)

(iv) There were Nine\* (9) permanent employees on the rolls of company as on 31<sup>st</sup> March 2022

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

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

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

\*Nine permanent employees including Managing Director.

**Part: B**

Employee Designation	Remuneration	Nature of Employment	Qualification and Experience	Date of Commencement of Employment	Age	Last Employment	Share-holding in Company	Relation with Directors
Managing Director	11,58,564	Permanent	B.Com	27.11.1984	63	Interads Advertising (P) Ltd.	5.92%	Daughter and Son are also directors
Company Secretary (Sakshi Dhawan)	74,962	Permanent	CS/11 Years	13.01.2022	34	Dynamic Portfolio and Management Services Limited	Nil	N.A.
Company Secretary (Bhawna Gupta) resigned in July 2021	1,26,000	Permanent	CS/3Years	12.11.2020	31	Multiplex Group	Nil	N.A
CFO	2,27,500	Permanent	MBA/10 years	02.07.2020	37	Cloudway Consulting Pvt. Ltd	Nil	N.A.
Tech Lead	13,27,522	Permanent	B.Tech/8 Years	08.10.2019	44	Atulym Hotel Line Pvt Ltd	Nil	N.A.
Software Developer	5,74,419	Permanent	B.Tech/4 Years	01.11.2020	32	Life Line	Nil	N.A.

Accounts	1,65,161	Permanent	B.Com (H)/10 Years	27.10.2021	33	Tigrania Transport Co	Nil	N.A.
Accounts	1,42,920	Permanent	MBA/6 Years	26.10.2020	28	Associate Lighting Com	Nil	N.A.
Customer Support Manager	3,20,500	Permanent	BA/ 6 Years	15.09.2020	28	BestonSkyVision Pvt. Ltd.	Nil	N.A.
Customer Support Manager	1,09,607	Permanent	B.Com (H)/ 16 Years	01.11.2021	38	Asiatech Inc	Nil	N.A.

For and on behalf of Board of Directors

Place: Noida  
Date: 26.08.2022Sd/-  
Naresh Kumar Chibba  
Managing Director  
Sd/-  
Sunaina Chibba  
Director**Annexure – III****FORM NO. AOC – 2****(Pursuant to clause (h) of sub-section (3) of section 134 of the Act and Rule 8(2) of the Companies (Accounts) Rules, 2014**

Form for Disclosure of particulars of contracts/arrangements entered by the company with related parties referred to in Sub Section (1) of Section 188 of the Companies Act, 2013 including certain arm's length transaction under third proviso thereto.

**1. Details of contracts or arrangements or transactions at Arm's length basis:**

S. No.	Particulars	Details
a)	Name (s) of the related party & nature of relationship	Interads E Communications Limited (IECL)
b)	Nature of contracts/arrangements/transaction	Providing software service
c)	Duration of the contracts/arrangements/transaction	Till termination by either party
d)	Salient terms of the contracts or arrangements or transaction including the value, if any	60% to 85% of resale value of original values of the IECL contract with its client. Transaction of Rs. 50,42,449.46/- held during the financial year 2021-22
e)	Justification for entering into such contracts or arrangements or transactions'	To secure business.
f)	Date of approval by the Board	08.10.2014
g)	Amount paid as advances, if any	NIL
h)	Date on which the special resolution was passed in General meeting as required under first proviso to Section 188	29.09.2014

**2. Details of contracts or arrangements or transactions not at Arm's length basis:**

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

For and on behalf of Board of Directors

Place: Noida  
Date: 26.08.2022Sd/-  
Naresh K Chibba  
Managing Director  
Sd/-  
Sunaina Chibba  
Director

## Report on Corporate Governance

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

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

**2. Board of Directors**

The Board of Directors consisted of 5 Directors as on 31<sup>st</sup> March 2022. The Board has a healthy blend of executive and non-executive directors which ensures the desired level of independence in functioning and decision making. The Board comprises of a Chairman, a Managing Director and Three Non-Executive Directors. Except the managing Director all four directors are non-executive directors out of them two directors are Independent Director and one is Woman Director and one is non-executive director.

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

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

Name of Director	Category	No. of Board Meeting during the 2021-22			Whether attended last AGM	No. of Director ship in other body corporates	No. of Committee position in other Body Corporates
		Held	Eligible to attend	Attended			
Pradeep Kumar Chopra *	Chairman and Independent Director	8	8	8	Yes	NIL	NIL
Naresh Kumar Chibba	Promoter and Managing Director	8	8	8	Yes	2	NIL
Akshat Bhaskar*	Independent Director	8	8	8	Yes	1	NIL
Sunaina Chibba*	<u>Non-Executive</u> Director	8	8	8	Yes	NIL	NIL
Aditya Vikram Chibba*	<u>Non-Executive</u> Director	8	8	7	Yes	NIL	NIL

\* Directors without Remuneration

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

During the financial year 2021-22, Eight (8) board meetings were held. The Board Meetings were held on the following dates:

- (i) 19<sup>th</sup> June 2021;
- (ii) 2<sup>nd</sup> August 2021;
- (iii) 20<sup>th</sup> August 2021;
- (iv) 9<sup>th</sup> November 2021;
- (v) 13<sup>th</sup> January 2022;
- (vi) 5<sup>th</sup> February 2022;
- (vii) 24<sup>th</sup> February 2022 and
- (viii) 15<sup>th</sup> March 2022

The maximum interval between any two meetings was not more than 4 months.

**(C) Performance Evaluation:**

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

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

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

In compliance with Section 149(8) of the Act read along with Schedule-IV of the Act, the Independent Directors met on 05<sup>th</sup> March 2022 inter alia, to discuss:

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

All the Independent Directors were present at the meeting.

**(E) Code of Conduct:**

The Board of Directors of the Company have adopted Code of Business Conduct & Ethics. This Code is based on three fundamental principles, viz. good corporate governance, good corporate citizenship and exemplary conduct and is applicable to all the Directors and senior management personnel. The Code of Business Conduct & Ethics, as approved by the Board of Directors, has been displayed at the website of the company. All the members of the Board and senior management personnel have affirmed compliance with the Code for the year ended 31<sup>st</sup> March 2022 and a declaration to that effect signed by the Managing Director is attached and forms part of this report.

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

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

**3. Committees of the Board:**

With a view to have more focused attention on various facets of business and for better accountability; the Board has constituted various mandatory and other Committees from time to time. The terms of reference of these Committees are determined by the Board and their relevance reviewed from time to time. The minutes of the Committee meetings are circulated to all Directors individually and tabled at the Board meetings.

**(a) Audit Committee:**

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

**Financial Reporting and Related Processes**

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

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

Name of Director	Category	Meetings held on			
		19.06.2021	02.08.2021	09.11.2021	05.02.2022
Shri Akshat Bhaskar	Chairman	Present	Present	Present	Present
Shri Naresh K. Chibba	Managing Director and Member	Present	Present	Present	Present
Shri Pradeep Kumar Chopra	Member / Independent Director	Present	Present	Present	Present

The Company Secretary acts as the Secretary of the Committee.

All the members of the Audit Committee were present at the last AGM held on **20<sup>th</sup> September, 2021**.

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

**Whistle Blower Policy**

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

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

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

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

**(b) Stakeholders Relationship Committee –**

The Committee was constituted as per the provision of the Section 178 of the Companies Act, 2013. This Committee ensures speedy disposal of all grievances/complaints relating to shareholders/investors. The terms of reference of the Committee include the following:

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



The Committee comprised of:

Shri Akshat Bhaskar Chairman and Independent Non-Executive Director  
 Shri Naresh Kumar Chibba Member and Director  
 Shri Aditya Vikram Chibba Member and Director

- Mr. Akshat Bhaskar, Non-Executive director heading the committee.
- Ms. Sakshi Dhawan, Company Secretary of Company is the Compliance Officer of the Company.

The Stakeholders Relationship Committee comprised of the following directors of the Company:

During the year following meetings were held:

Name of Director	Category	Meetings held on				
		11.09.2021	21.09.2021	18.10.2021	08.03.2022	14.03.2022
Shri Akshat Bhaskar	Chairman	Present	Present	Present	Present	Present
Shri Naresh K. Chibba	Managing Director and Member	Present	Present	Present	Present	Present
Shri Aditya Vikram Chibba	Director and Member	Present	Present	Present	Present	Present

Number of shareholders' complaints received during the financial year;	Number of shareholders' complaints disposed off during the financial year	Number of complaints not solved to the satisfaction of shareholders;	Number of Pending Complaints
2	2	NIL	NIL

No request for share transfers received during the year 2021-22 by the Company are pending

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

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

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

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

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

Name of Director	Category
Ms. Sunaina Chibba	Chairman
Shri Akshat Bhaskar	Member/ Independent Director
Shri Pradeep Kumar Chopra	Member / Independent Director

During the year, Attendance by members in the financial year 2021-22 as following:

Name of Director	Category	Meetings held on			
		19.06.2021	20.08.2021	13.01.2022	15.03.2022
Ms. Sunaina Chibba	Chairman and Director	Present	Present	Present	Present
Shri Akshat Bhaskar	Member/ Independent Director	Present	Present	Present	Present
Shri Pradeep Kumar Chopra	Member / Independent Director	Present	Present	Present	Present

**Appointment & Remuneration Policy:****A. Policy for appointment and removal of directors, KMP and senior management personnel****(i) Appointment Criteria and Qualifications**

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

**(ii) Term/Tenure****a) Managing Director/Whole-time Director**

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

**b) Independent Director**

- An Independent Director shall hold office for a term up to five consecutive years on the Board of the Company and will be eligible for re-appointment on passing of a special resolution by the Company and disclosure of such appointment in the Board's report.

- No Independent Director shall hold office for more than two consecutive terms of up to a maximum of five years each, but such Independent Director shall be eligible for appointment after expiry of three years of ceasing to become an Independent Director, provided that the Independent Director shall not, during the said period of three years be appointed in or be associated with the Company in any other capacity, either directly or indirectly.

- At the time of appointment of Independent Director, it should be ensured that number of Boards on which such Independent Director serves is restricted to seven listed companies as an Independent Director and three listed companies as an Independent Director in case such person is serving as a Whole-time Director of a listed company or such other number as may be prescribed under the Act.

**(iii) Evaluation**

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

**(iv) Removal**

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

**(v) Retirement**

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

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

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

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

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

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

**(c) Details of remunerations paid to the Directors during the financial year 2021-22:****(Figures in Rs.)**

Name of Director	Relationship with other Directors	Basic Salary	Allowances	Perquisites+ Contribution to PF/other funds	Commission	Sitting fee	Total
Mr. Pradeep Kumar Chopra	-	-	-	-	-	-	-
Mr. Naresh Kumar Chibba	Ms. Sunaina Chibba (Daughter) and Mr. Aditya Vikram Chibba (Son)	5,04,000	5,61,500	93,064	-	-	1,158,564
Ms. Sunaina Chibba	Mr. Naresh Kumar Chibba (Father) and Mr. Aditya Vikram Chibba (Brother)	-	-	-	-	-	-

Mr. Aditya Vikram Chibba	Mr. Naresh Kumar Chibba (Father) and Ms. Sunaina Chibba (Sister)						
Mr. Akshat Baskar	-	-	-	-	-	-	-

**(d) Risk Management Committee:**

Not applicable to your Company\*

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

**Annual General Meetings:**

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

Financial Year	Date	Time	Special Resolution passed	Place
2018-19	28.09.2019	03.00 P.M.	Yes	A-7, Sector-VII, Noida Gautam Budh Nagar, Pin. 201301 (U.P)
2019-20	21.12.2020	04:30 P.M.	No	Through Video Conferencing
2020-21	20.09.2021	04:00 P.M.	No	Through Video Conferencing

**Reconciliation of Share Capital Audit**

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

**Dematerialisation of Shares and Liquidity**

The break-up of equity shares held in Physical and Dematerialised form as on March 31, 2022 is given below:

Particulars	No. of Shares	Percentage
Physical Segment	7,87,140	35.00
<b>Demat Segment</b>		
NSDL	12,79,514	56.89
CDSL	1,82,346	8.11
<b>Total</b>	<b>22,49,000</b>	<b>100.00</b>

**Distribution of Shareholding as on March 31, 2022**

Range of Holding (In Rs.)	No. of Shareholders	% to Total	No. of Shares	Amount (in Rs.)	% of Total
Up to 5000	7,136	99.04	7,90,129	79,01,290	35.1325
5001-10000	56	0.77	45,675	4,56,750	2.0309
10001-20000	8	0.11	10,287	1,02,870	0.4574
20001-30000	-	-	-	-	-
30001-40000	1	0.01	4,000	40,000	0.1779
40001-50000	1	0.01	4,099	40,990	0.1823
50001-100000	1	0.01	10,000	1,00,000	0.4446
100001 and above	2	0.02	13,84,810	1,38,48,100	61.5745

**Shareholding Pattern as on March 31, 2022:**

Particulars	No. of shareholders	No. of Shares	% of Shareholding
<b>Promoters</b>		<b>Sub Total</b>	<b>Total</b>
1. Naresh Kumar Chibba	1	1,33,110	5.91
2. Aditya Vikram Chibba	1	12,51,700	55.66
<b>Total Promoters Holding</b>	<b>2</b>	<b>13,84,810</b>	<b>61.57</b>
<b>Bank, Financial Institutions, Insurance Companies &amp; Mutual Funds</b>			
Bank	1	100	0.00
Financial Institutions	-	-	-
Insurance Companies	-	-	-
Mutual Funds/UTI	-	-	-
Central & State Governments	-	-	-
Foreign Institutional Investors	-	-	-

NRIs/Foreign Nationals	-	-	-
Body Corporates	16	12,950	0.58
Individuals/ Hindu undivided Family	7,186	8,51,140	37.85
<b>Public and Others</b>	<b>7,203</b>	<b>8,64,190</b>	<b>38.43</b>
<b>Total</b>	<b>7,205</b>	<b>22,49,000</b>	<b>100.00</b>

**Statement showing Shareholding of more than 1% of the Capital in category of "Public" as on March 31, 2022:**

Sr. No.	Name of the shareholders	No. of Shares	Percentage of Capital
1	None	0	0
	<b>Total</b>	<b>0</b>	<b>0</b>

**Disclosures:**

- (i) There were no transactions of material nature with the directors or the management or relatives etc. during the year that had potential conflict with the interests of the Company at large. The details of related party transactions have been reported in the Notes to Accounts.
- (ii) The financial statements have been prepared in compliance with the requirements of the Companies Act, 2013 and in conformity, in all material respects, with the Companies (Indian Accounting Standards) Rule 2015 (Ind-AS) prescribed under section 133 of the Companies Act 2013 and other recognized accounting practices and policies to the extent possible. The estimates/judgments made in preparation of these financial statements are consistent, reasonable and on prudent basis to reflect true and fair view of the state of affair and results/operations of the Company.
- (iii) The Company has formulated Whistle Blower Policy to establish a Vigil Mechanism for directors and employees of the Company and the details are provided above in this report.
- (iv) During the year 2019-20, the company had raised funds through preferential allotment, the company has utilized the sum of Rs. 21,41,373/- during the year.
- (v) The details of the equity shares of the Company held by the Directors as on 31<sup>st</sup> March 2022 are as under:

Name of Director	No. of Shares held
Mr. Naresh Kumar Chibba	1,33,110
Mr. Aditya Vikram Chibba	12,51,700
<b>Total</b>	<b>13,84,810</b>

- (vi) The Company is eligible to the exemption granted under Regulation 15 of SEBI (Listing Obligation and Disclosure Requirements) Regulation, 2015 however company attached herewith the Certificate on Corporate Governance as **Annexure – A**.
- (vii) The company has not raised funds through preferential issues during the year.

**Pending Investors' Grievances**

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

**Means of communication**

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

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

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

**Auditors' Certificate on Corporate Governance**

Auditor's Certificate on corporate governance is attached with this corporate governance report as **Annexure – A**.

**CEO/CFO Certification**

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

**GENERAL SHAREHOLDERS INFORMATION**

**Annual General Meeting:**

Date 20<sup>th</sup> September 2022  
Time 04:00 PM (through Video Conferencing)  
Venue NA

**Sending of Annual Reports via Email : Till 27.08.2022**

**Last Date for Receipt of Proxy Forms : N.A.**

**E-Voting Facility to members**

In compliance with provisions of Section 108 of the Companies Act, 2013 and Rule 20 of the Companies (Management and Administration) Rules, 2014, the Company is pleased to provide members the facility to exercise their right to vote at the 37<sup>th</sup> Annual General Meeting (AGM) by electronic means and the business may be transacted through e-Voting Services provided by Central Depository Services Limited (CDSL). Pursuant to the amendments made in Clause 35B of the Listing Agreement by SEBI, the company has sent assent/dissent forms to the members to enable those who do not have access to e-Voting facility to cast their vote on the shareholders resolution to be passed at the ensuing Annual General Meeting, by sending their assent or dissent in writing.

**Extraordinary General Meeting (EGM)**

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

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

Quarter	Date of Board Meeting
01 <sup>st</sup> Quarter	02 <sup>nd</sup> August, 2021
02 <sup>nd</sup> Quarter	09 <sup>th</sup> November, 2021
03 <sup>rd</sup> Quarter	05 <sup>th</sup> February, 2022
04 <sup>th</sup> Quarter	21 <sup>st</sup> May, 2022

**Financial Calendar 2022-23 (Tentative):****Board Meetings to take on record**

Financial results for Quarter ended 30.06.2022	Second week of August, 2022
Financial results for Quarter ended 30.09.2022	Second week of November, 2022
Financial results for Quarter ended 31.12.2022	Second week of February, 2023
Financial results for Quarter/year ended 31.03.2023	Second week of May, 2023
<b>Book Closure Date</b>	<b>14<sup>th</sup> September 2022 to 20<sup>th</sup> September 2022 (both days inclusive)</b>

**Dividend payment date:**

No Dividend has been declared for the year ended March 31, 2022.

**Listing:****Name & Address of Stock Exchange:****BSE Limited**

Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai – 400 001

The Company has paid annual listing fee to BSE for the year 2021-22.

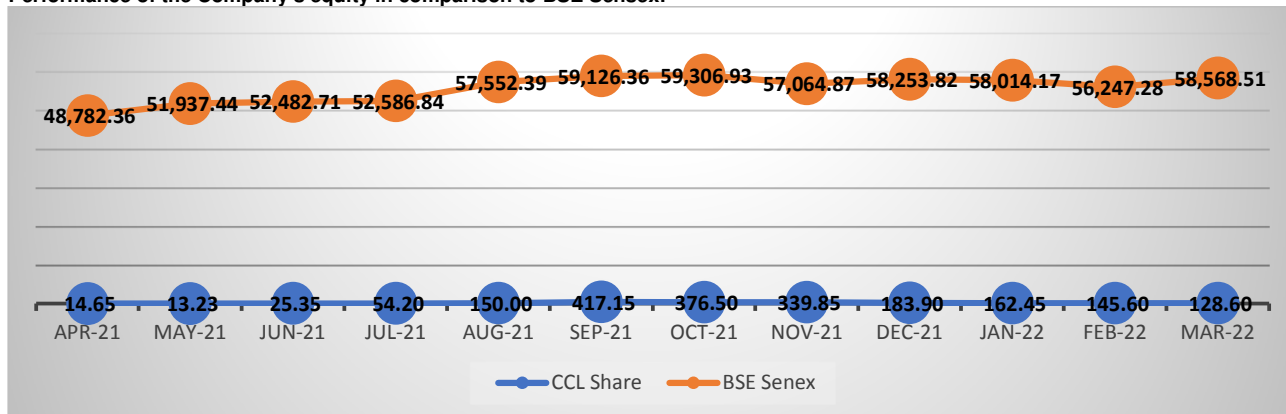
**Stock Code:**

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

**Market Price Data:**

Monthly high and low of market price of the Company's equity shares traded on stock exchange (BSE) during 2021-22 is given as follows:

Month	Open	High	Low	Close
Apr-21	13.96	14.65	13.30	14.65
May-21	14.40	14.40	13.23	13.23
June-21	13.62	25.35	13.62	25.35
July-21	25.85	54.2	23.85	54.2
Aug-21	56.9	150	56.9	150
Sept-21	157.5	417.15	157.5	417.15
Oct-21	396.3	396.3	376.5	376.5
Nov-21	357.7	357.7	339.85	339.85
Dec-21	322.9	322.9	183.9	183.9
Jan-22	174.75	270.25	157.75	162.45
Feb-22	154.35	207.25	129.1	145.6
March-22	148.55	159.4	119.15	128.6

**Performance of the Company's equity in comparison to BSE Sensex:**

The above chart is based on the monthly closing price of the equity shares of the company at BSE and monthly closing BSE Sensex.

**Share Transfer System:**

The transfers are normally processed within a period of 15 days from the date of receipt if the documents are complete in all respects. Requests for dematerialization of shares are processed and confirmation is given to the respective depositories i.e. CDSL and NSDL within 15 days. The company appointed M/s BEETAL Financial & Computer Services Pvt Ltd. to carry out the transfer related activities. Authorized personnel are approving the transfer on periodical basis. All valid transfers are affected within stipulated days. The Share certificates received at Registered Office are also sent to Registrars and Share Transfer Agents for doing the needful. In case of electronic transfers, the bye laws of Depositories are complied with. During the Financial Year 2018-19, the Securities and Exchange Board of India ('SEBI') and Ministry of Corporate Affairs ('MCA') has mandated that existing members of the Company who hold securities in physical form and intend to transfer their securities after April 1, 2019, can do so only in dematerialized form. Therefore, Members holding shares in physical form were requested to consider converting their shareholding to dematerialized form. During the year, the Company has sent necessary intimations to its shareholders regarding the restriction on transfer of securities in the physical form.

Share transactions in electronic form can be affected in a much simpler and faster manner. After a confirmation of a sale/purchase transaction from the broker, shareholders should approach the Depository Participant ("DP") with a request to debit or credit the account for the transaction. The DP will immediately arrange to complete the transaction by updating the account. There is no need for a separate communication to the Company to register these share transfers.

Shareholders should communicate with M/s BEETAL Financial & Computer Services Pvt Ltd., the Company's Registrars and Transfer Agents ('RTA') quoting their folio number or Depository Participant ID ('DP ID') and Client ID number, for any queries to their securities.

**Share Transfer Agents and Demat Registrar:**

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

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

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

**Regd. Office:**

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

**Work Location:**

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

Place: Noida  
Date: 26.08.2022

For and on behalf of Board of Directors

Sd/-  
Naresh K Chibba  
Managing Director

Sd/-  
Sunaina Chibba  
Director

**B. S. GOYAL & CO.**

M-215, Rear Ground Floor, Greater Kailash – II, New Delhi–110048  
(Mobile: 9811081491)

**CERTIFICATE ON CORPORATE GOVERNANCE**

Certificate on Corporate Governance to the Members of Continental Chemicals Limited

To,

The Members of  
Continental Chemicals Limited

We have examined all the relevant records of CONTINENTAL CHEMICALS LIMITED (“the Company”) for the purpose of certifying compliance with the conditions of the Corporate Governance under Chapter IV to the Securities and Exchange Board of India (Listing Obligations And Disclosure Requirements) Regulations, 2015 (Listing Regulations) for the financial year from April 01, 2021 to March 31, 2022.

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

In our opinion and to the best of our information and according to the explanations given to us, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in the Listing Regulations.

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

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

For B. S. Goyal & Co.  
Company Secretaries

SD/-

B. S. Goyal  
(Proprietor)

FCS: 4204

CP. No. 2915

UDIN: F004204D000824243

Place: New Delhi

Date: 22-08-2022

**B. S. GOYAL & CO.**

M-215, Rear Ground Floor, Greater Kailash – II, New Delhi–110048  
(Mobile: 9811081491)

**CERTIFICATE OF NON-DISQUALIFICATION OF DIRECTORS**  
**(Pursuant to Regulation 34(3) and Schedule V Para C clause (10) (i) of the**

To,

The Members  
Continental Chemicals Limited  
A-7, Sector-7, Noida, Gautambudh Nagar  
Uttar Pradesh -201301

We have examined the relevant registers, records, forms, returns and disclosures received from the Directors of Continental Chemicals Limited having CIN L24123UP1984PLC014111 and having registered office at A-7, Sector-7, Noida Gautambudh Nagar, Uttar Pradesh-201301 (hereinafter referred to as ‘the Company’), produced before me by the Company for the purpose of issuing this Certificate, in accordance with Regulation 34(3) read with Schedule V Para-C Sub-clause 10(i) of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

In my opinion and to the best of my information and according to the verifications (including Directors Identification Number (DIN) status at the portal www.mca.gov.in) as considered necessary and explanations furnished to me by the Company & its officers, I hereby certify that none of the Directors on the Board of the Company as stated below for the Financial Year ending on 31st March, 2022 have been debarred or disqualified from being appointed or continuing as Directors of companies by the Securities and Exchange Board of India, Ministry of Corporate Affairs or any such other Statutory Authority.

S.No.	Name of Directors	DIN	Date of Appointment in Company
1.	SUNAINA CHIBBA	00370454	29/09/2014
2.	NARESH KUMAR CHIBBA	00376963	27/11/1984
3.	PRADEEP KUMAR CHOPRA	02306030	25/11/2010
4.	ADITYA VIKRAM CHIBBA	02838045	12/11/2020
5.	AKSHAT BHASKAR	06826121	07/03/2014

Ensuring the eligibility of for the appointment/continuity of every Director on the Board is the responsibility of the management of the Company. Our responsibility is to express an opinion on these based on our verification. This certificate is neither an assurance as to the future viability of the Company nor of the efficiency or effectiveness with which the management has conducted the affairs of the Company.

For B. S. Goyal & Co.  
Company Secretaries

SD/-  
B. S. Goyal  
(Proprietor)  
FCS: 4204  
CP. No. 2915  
UDIN: F004204D000824309

Place: New Delhi  
Date: 22.08.2022

**Annexure- B**

**Declaration Regarding Code of Conduct**

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

Sd/-

Place: Noida  
Date: 21.05.2022

(Naresh Kumar Chibba)  
Managing Director

**CEO/CFO CERTIFICATE**

The Board of Directors,  
Continental Chemicals Limited

We have reviewed the financial statements and the cash flow statement of Continental Chemicals Ltd. for the year ended March 31, 2022 and to the best of our knowledge and belief:

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

Date: 21.05.2022  
Place: Noida

Sd/-

**Puneet Kumar**  
Chief Financial Officer

Sd/-

**Naresh K Chibba**  
Managing Director



**Annexure: "V" to Board Report****B. S. GOYAL & CO.**

M-215, Rear Ground Floor, Greater Kailash-II, New Delhi-110048 (Mobile: 9811081491)

**SECRETARIAL AUDIT REPORT**

FOR THE FINANCIAL YEAR ENDED 31ST MARCH, 2022

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

We have conducted the Secretarial Audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by Continental Chemicals Limited having Corporate Identification Number (CIN) L24123UP1984PLC014111 (hereinafter called "the Company"). Secretarial Audit was conducted in a manner that provided me a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing my opinion thereon.

Based on my verification of the Company books, papers, minute books, forms and returns filed and other records maintained by the company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, I hereby report that in my opinion, the company has, during the audit period covering the financial period ended on 31st March, 2022 complied with the statutory provisions listed hereunder and also that the Company has proper Board- processes and Compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter.

We have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on 31st March, 2022 according to the provisions of:

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

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

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

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

We further report that

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

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

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

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

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

For B. S. Goyal & Co.  
Company Secretaries

Sd/-  
Bhim Sain Goyal  
(Proprietor)  
FCS:4204  
CP. No. 2915  
UDIN: F004204D000824474

Place: New Delhi  
Date: 22.08.2022

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

**B. S. GOYAL & CO.**

M-215, Rear Ground Floor, Greater Kailash-II, New Delhi-110048 (Mobile: 9811081491)

**ANNEXURE A**

To

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

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

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

For B. S. Goyal & Co.  
Company Secretaries

Sd/-  
Bhim Sain Goyal  
(Proprietor)  
FCS: 4204  
CP. No. 2915  
UDIN: F004204D000824474

Place: New Delhi  
Date: 22.08.2022

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

### Opinion

We have audited the accompanying financial statements of **CONTINENTAL CHEMICALS LIMITED** ("the Company"), which comprise the Balance Sheet as at March 31, 2022, the Statement of Profit and Loss, including the Statement of Other Comprehensive Income, the Cash Flow Statement and the Statement of Changes in Equity for the year then ended, and a summary of significant accounting policies and other explanatory information (hereafter referred to as Ind AS Financial Statements).

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Companies Act, 2013 as amended ("the Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules 2015, as amended, thereof ("Ind AS ") and other accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2022, the profit, changes in equity and its cash flows for the year ended on that date.

### Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Companies Act, 2013. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Companies Act, 2013 and the Rules there under, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

### Emphasis of Matters

Attention is invited to :

Note no 24(b) regarding no disclosure under the "Micro, Small and Medium Enterprises Development Act 2006" has been furnished.

### Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current period. Key audit matters are selected from matters communicated with those charge with governance, but are not intended to represent all matters that were discussed with them. The auditors' procedures relating to these matters were designed in the context of the audit of the financial statements as a whole.

However, there are no Key audit matters to report.

### Management's Responsibility for the Financial Statements

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Act with respect to the preparation of these financial statements that give a true and fair view of the financial position, financial performance, of the Company in accordance with the IND AS and other accounting principles generally accepted in India. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

The Board of Directors are responsible for overseeing the company's financial reporting process.

### Auditor's Responsibilities for the Audit of Financial Statements

Our Objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in aggregate, they could reasonably be expected to influence the economic decision of users taken on the basis of these financial statements. (Refer Appendix A)

As part of an audit in accordance with SAs, We exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and to obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the company has adequate

- internal financial controls system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the company's ability to continue as a going concern. If we conclude that material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusion are based on the audit evidences obtained up to the date of our auditor's report. However, future events or conditions may cause the company to cease to continue as a going concern.
- Evaluate the overall presentation, Structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

Materiality is the magnitude of misstatements in the financial statement that, individually or in aggregate, makes it probable that the economic decision of a reasonably knowledgeable user of the financial statements may be influenced. We consider quantitative materiality and qualitative factor in (i) planning the scope of our audit work; and (ii) to evaluate the effect of any identified misstatement in the financial statements.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charge with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

#### **Report on Other Legal and Regulatory Requirements**

As required by the Companies (Auditor's Report) Order, 2020("the Order"), issued by the Central Government of India in terms of section 143(11) of the Act, we give in "**Annexure I**" a statement on the matters specified in paragraphs 3 and 4 of the Order.

As required by Section 143 (3) of the Act, we report that:

- (a) We have sought and obtained all the information and explanations, which to the best of our knowledge and belief were necessary for the purposes of our audit.
- (b) In our opinion, proper books of account as required by the law have been kept by the Company so far as it appears from our examination of those books.
- (c) The Balance Sheet and the Statement of Profit and Loss dealt with by this Report are in agreement with the relevant books of account.
- (d) In our opinion, the aforesaid financial statements comply with Ind AS specified under Section 133 of the Act, read with relevant rules issued there under.
- (e) On the basis of the written representations received from the directors as on March 31, 2022 taken on record by the Board of Directors, none of the director is disqualified as on March 31, 2022 from being appointed as a director in terms of Section 164 (2) of the Act.
- (f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate report in "Annexure II". Our report express an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls over financial reporting.
- (g) With respect to the other matters to be included in the Auditor's report in accordance with the requirements of section 197(16) of the Act, as amended the Company has paid/provided for managerial remuneration in accordance with the requisite approvals mandated by the provisions of section 197 read with Schedule V to the Act.
- (h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended in our opinion and to the best of our information and according to the explanations given to us:
  - (i) The company does not have any pending litigations, which would impact its financial position.
  - (ii) The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
  - (iii) There were no amounts which were required to be transferred to Investor Education and Protection Fund by the Company.
  - (iv) (a) The Management has represented that, to the best of its knowledge and belief, no funds (which are material either individually or in the aggregate) have been advanced or loaned or invested (either from borrowed funds or share premium or any other

sources or kind of funds) by the Company to or in any other person or entity, including foreign entity ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;

(b) The Management has represented, that, to the best of its knowledge and belief, no funds (which are material either individually or in the aggregate) have been received by the Company from any person or entity, including foreign entity ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;

(c) Based on the audit procedures that have been considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) of Rule 11(e), as provided under (a) and (b) above, contain any material misstatement.

(v) The company has not paid or proposed any dividend for the year ended 31.03.2022

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

**Sd/-**

**(M.S.KAPUR) F. C A.  
(Partner)  
M. No: 074615**

**Place: NOIDA**

**Dated: 21.05.2022**

**UDIN: 22074615AJIXQY2086**

**“ANNEXURE I” TO THE AUDITORS REPORT”**

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

- i) a. A) The company has maintained proper records to show full particulars including quantitative details and situation of its fixed assets.  
B) The company does not have any intangible assets hence clause 3(i)(a)(B) not applicable to company
- b. The fixed assets of the company have been physically verified during the year by the management at reasonable intervals and no material discrepancies between the book records and the physical inventory have been noticed on such verification.
- c. According to the information and explanation given to us and on the basis of our examination of the records of the company, the title deeds of immovable properties are held in the name of the Company.
- d. The Company has not revalued any of its Property, Plant and Equipment during the year.
- e. No proceedings have been initiated during the year or are pending against the Company as at March 31, 2022 for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (as amended in 2016) and rules made thereunder.
- ii) (a) The Company does not have any inventory and hence reporting under clause 3(ii)(a) of the Order is not applicable.  
(b) The Company has not been sanctioned working capital limits in excess of ₹ 5 crore, in aggregate, at any points of time during the year, from banks or financial institutions on the basis of security of current assets and hence reporting under clause 3(ii)(b) of the Order is not applicable.
- iii) According to information made available to us, the Company has not made any investment and has not granted any loan or advance in the nature of Loan, secured or unsecured to Companies, firm, Limited Liability partnerships or other entities accordingly para 3(iii)(a) to (f) of the Order are not applicable to the Company.
- iv) In our opinion and according to the information and explanations given to us, no loan, investment, guarantees and security stated under section 185 and 186 of the Companies Act, 2013 have been given/made by the Company therefore, para 3(iv) of the order is not applicable.
- v) On the basis of information and explanations given to us and our scrutiny of Company's records, in our opinion, the Company has not accepted any public deposits within the meaning of section 73 to 76 or any other relevant provisions of the Act and the rules frames there under. The directives issued by the Reserve Bank of India are not applicable to the Company.
- vi) To the best of our knowledge and belief and according to information given to us, Central Government has not prescribed the maintenance of cost records under sub-section (1) of section 148 of the Companies Act, 2013 for the products of the Company.
- vii) (a) According to the information and explanation given to us the company is generally regular in depositing with appropriate authorities the undisputed statutory dues including provident fund, employees' state insurance, income-tax, sales-tax, service tax, custom duty, excise duty, value added tax, cess and any other statutory dues applicable to it. Further, there was no arrears of undisputed statutory dues outstanding as at 31st March, 2022 for a period of more than six month from the date they became payable.  
(b) According to the information and explanations given to us, there are no tax dues of income-tax, sales-tax, service tax, custom duty, excise duty, value added tax which have not been deposited on account of any dispute.
- viii) There were no transactions relating to previously unrecorded income that have been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961.
- ix) (a) Based on our examination and according to the information and explanation given us, the company has not defaulted in repayment of dues to banks. There are no dues to financial institution or debenture holders.  
(b) The Company has not been declared wilful defaulter by any bank or financial institution or government or any government authority.  
(c) Based upon the audit procedures performed and the information and explanations given by the management, no the term loans were taken during the year.  
(d) On an overall examination of the financial statements of the Company, funds raised on short- term basis have, prima facie, not been used during the year for long-term purposes by the Company.  
(e) On an overall examination of the financial statements of the Company, the Company has does not have any subsidiary, hence clause no 3(ix)(e) is not applicable to the company.  
(f) On an overall examination of the financial statements of the Company, the Company has does not have any subsidiary, joint venture or Associate company hence clause no 3(ix)(f) is not applicable to the company.
- x). (a) The Company has not raised moneys by way of initial public offer or further public offer (including debt instruments) during the year and hence reporting under clause 3(x)(a) of the Order is not applicable.  
(b) During the year, the Company has not made any preferential allotment or private placement of shares or convertible debentures (fully or partly or optionally) and hence reporting under clause 3(x)(b) of the Order is not applicable.
- xi) (a) No fraud by the Company and no material fraud on the Company has been noticed or reported during the year.  
(b) No report under sub-section (12) of section 143 of the Companies Act has been filed in Form ADT-4 as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government, during the year and upto the date of this report.

(c) We have taken into consideration the whistle blower complaints received by the Company during the year (and upto the date of this report), while determining the nature, timing and extent of our audit procedures.

- xii) In our opinion, the Company is not a Nidhi Company. Therefore, the provisions of clause 3 (xii) of the Order are not applicable to the Company.
- xiii) In our opinion, all transactions with the related parties are in compliance with section 177 and 188 of Companies Act, 2013 and the details have been disclosed in the Financial Statements as required by applicable Indian Accounting Standard.
- xiv) (a) In our opinion the Company has an adequate internal audit system commensurate with the size and the nature of its business.  
(b) We have considered, the internal audit reports for the year under audit, issued to the Company during the year and till date, in determining the nature, timing and extent of our audit procedures.
- xv) In our opinion during the year the Company has not entered into any non-cash transactions with its Directors or persons connected with its directors. and hence provisions of section 192 of the Companies Act, 2013 are not applicable to the Company.
- xvi) (a) In our opinion, the Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934. Hence, reporting under clause 3(xvi)(a), (b) and (c) of the Order is not applicable.  
(b) In our opinion, there is no core investment company within the Group (as defined in the Core Investment Companies (Reserve Bank) Directions, 2016) and accordingly reporting under clause 3(xvi)(d) of the Order is not applicable.
- xvii) The Company has not incurred cash losses during the financial year covered by our audit and the immediately preceding financial year.
- xviii) There has been no resignation of the statutory auditors of the Company during the year.
- xix) According to the information and explanations given to us and on the basis of the financial ratios, ageing and expected dates of realization of financial assets and payment of financial liabilities, other information accompanying the financial statements, our knowledge of the Board of Directors and management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report that company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due
- xx) (a) Since the provision of Section 135 of the Companies Act. Accordingly, reporting under clause 3(xx)(a) and (b) of the Order is not applicable for the year.

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

**Sd/-**

**(M.S.KAPUR) F. C A.**  
**(Partner)**  
**M. No: 074615**

**PLACE: NOIDA**  
**DATED: 21.05.2022**

**Annexure - II to Independent Auditors' Report****Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")**

We have audited the internal financial controls over financial reporting of **CONTINENTAL CHEMICALS LIMITED** ("the Company") as of March 31, 2022 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

**Management's Responsibility for Internal Financial Controls**

The Board of Directors of the company is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India.

These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

**Auditor's Responsibility**

Our responsibility is to express an opinion on the internal financial controls over financial reporting of the company based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") issued by the Institute of Chartered Accountant of India and the Standards on Auditing prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over

financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the internal financial controls system over financial reporting of the company.

**Meaning of Internal Financial Controls over Financial Reporting**

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that

- (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company;
- (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and those receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and
- (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

**Inherent Limitations of Internal Financial Controls over Financial Reporting**

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

**Opinion**

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2022, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India.

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

Sd/-  
(M.S.KAPUR) F. C A.  
(Partner)  
Membership No: 074615

Place : Noida  
Dated : 21.05.2022



**CONTINENTAL CHEMICALS LIMITED****Balance Sheet as at 31st March 2022**

Amount in (Rupees in lakh)

	<b>Particulars</b>	<b>Note no</b>	<b>As at 31.03.2022</b>	<b>As at 31.03.2021</b>
	<b>ASSETS</b>			
(1)	<b>Non-current assets</b>			
	(a) Property, Plant and Equipment	4	178.35	186.26
	(b) Other non-current assets	5	80.26	79.10
(2)	<b>Current assets</b>			
	(a) Financial Assets			
	Trade receivables	6	1.55	4.19
	Cash and cash equivalents	7	20.20	12.07
	Bank Balance other than Cash and cash equivalents	7A	195.47	195.13
	(b) Other current assets	8	3.43	1.03
	(c) Income Tax Assets (Net)	9	10.35	5.83
	(c) Deferred tax Asset (Net)	10	2.04	2.20
	<b>Total Assets</b>		<b>491.65</b>	<b>485.82</b>
	<b>EQUITY AND LIABILITIES</b>			
(1)	<b>Equity</b>			
	(a) Equity Share capital	11	224.90	224.90
	(b) Other Equity	12	155.77	149.41
(2)	<b>Liabilities</b>			
	(a) Financial Liabilities			
	Borrowings	13	14.46	14.99
	(b) Provisions	14	8.42	8.24
(3)	<b>Current liabilities</b>			
	(a) Short Term Borrowing	15	.54	6.12
	(b) Trade and other payable			
	- Total outstanding dues of Micro and Small Enterprises	16	-	-
	- Total outstanding dues of creditors other than micro and small enterprises		4.15	5.07
	(c) Financial Liabilities			
	Other financial liabilities	17	14.70	14.20
	(d) Other current liabilities	18	68.06	62.25
	(e) Provisions	14	.65	.63
	<b>Total Equity and Liabilities</b>		<b>491.65</b>	<b>485.82</b>

**Significant Accounting Policies and Notes on Accounts forming part of the Financial Statements**  
(Note no 1-31 )

As per Our Report of Even Date  
FOR B.K.KAPUR & CO.  
Chartered Accountants  
Firm Reg No 000852C

Sd/-  
Sunaina Chibba

**DIRECTOR**  
(00370454)

Place : Noida  
Date : 21.05.2022  
UDIN: 22074615AJIXQY2086

Sd/-  
Naresh Kumar Chibba

**DIRECTOR**  
(00376963)

Sd/-  
M.S. KAPUR  
(FCA)  
Partner  
M.NO 074615

**CONTINENTAL CHEMICALS LIMITED**

Statement of Profit and Loss for the period ended 31st March 2022

Amount in (Rupees in lakh)

	<b>Particulars</b>	<b>Note No.</b>	<b>For the Year ended 31.03.2022</b>	<b>For the Year ended 31.03.2021</b>
I	Revenue From Operations	19	47.88	19.43
II	Other Income	20	56.19	77.38
III	Total Income (I+II)		104.06	96.80
IV	<b>EXPENSES</b>			
	Employee benefits expense	21	46.61	43.07
	Finance costs	22	3.65	4.04
	Depreciation and amortization expense		8.95	8.68
	Other expenses	23	37.80	24.40
	Total expenses (IV)		97.01	80.20
V	Profit/(loss) before exceptional items and tax (I- IV)		7.05	16.60
VI	Exceptional Items		-	-
VII	Profit/(loss) before tax (V-VI)		7.05	16.60
VIII	Tax expense:			
	(1) Current tax		1.02	-
	(2) Income tax for earlier year		-	2.47
	(2) Deferred tax		.05	(.21)
XIII	Profit/(loss) for the period (IX+XII)		5.99	14.34
XIV	Other Comprehensive Income			
	A (i) Items that will not be reclassified to profit or loss		(.48)	(.26)
	(ii) Income tax relating to items that will not be reclassified to profit or loss		.11	.06
	B (i) Items that will be reclassified to profit or loss		-	-
	(ii) Income tax relating to items that will be reclassified to profit or loss		-	-
XV	Total Comprehensive Income for the period (XIII+XIV) (Comprising Profit (Loss) and Other Comprehensive Income for the period)		6.36	14.54
XVI	Earnings per equity share (for continuing operation):			
	(1) Basic		0.27	0.64
	(2) Diluted		0.27	0.64
XVII	Earnings per equity share (for discontinued operation):			
	(1) Basic		-	-
	(2) Diluted		-	-
XVIII	Earnings per equity share (for discontinued & continuing operations)			
	(1) Basic		0.27	0.64
	(2) Diluted		0.27	0.64

Significant Accounting Policies  
and Notes on Accounts forming part of the Financial Statements (Note no 1-31)

As per Our Report of Even Date  
FOR B.K.KAPUR & CO.  
Chartered Accountants  
Firm Reg No 000852C

Sd/-

Sunaina Chibba  
DIRECTOR  
(00370454)

Sd/-

Naresh Kumar Chibba  
DIRECTOR  
(00376963)

Sd/-

M.S. KAPUR (FCA)  
Partner  
M.NO 074615

Place : Noida  
Date : 21.05.2022

**CONTINENTAL CHEMICALS LIMITED**  
**CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH 2022**

Amount in(Rupees in lakh)

Particulars	Note No.	For the Year ended 31.03.2022	For the year ended 31.03.2021
<b>A. Cash Flow from operating activities</b>			
Net Profit /(Loss) before extraordinary items and tax Other comprehensive income		7.05	16.60
Adjustments for :-			
Add : Depreciation and Amortisation		8.95	8.68
Finance Cost		3.65	4.04
Loss on sale of Fixed Assets		.27	-
Prior period expenses		-	1.60
Interest Earned		(12.36)	(30.77)
<b>Operating profit / (Loss) before working capital changes</b>		<b>7.57</b>	<b>.15</b>
Adjustment for ( increase ) / decrease in operating assets :			
Provision		.69	.74
Non- Current Assets		(1.16)	(1.28)
Bank Balance other than Cash and cash equivalents		(.34)	(80.67)
Trade Receivables		2.64	.97
Other financial liabilities		.50	(4.63)
Other Current liabilities		5.80	11.17
Other Current assets		(2.40)	(.81)
Cash generated from operations		<b>13.31</b>	<b>(74.36)</b>
Net Income Tax ( Paid ) / refunds		(5.53)	3.95
<b>Net cash flow / (used in) operating activities ( A)</b>		<b>7.78</b>	<b>(70.42)</b>
<b>B. Cash Flow from investing activities</b>			
Interest Earned		12.36	30.77
Purchase of Fixed Assets		(1.41)	(.37)
Sale of Fixed Assets		.10	-
<b>Net cash flow / (used in) investing activities (B)</b>		<b>11.05</b>	<b>30.40</b>
<b>C. Cash Flow from Financing activities</b>			
Loan received		-	(6.12)
Finance Cost		(3.65)	(4.04)
<b>Net cash flow / (used in) financing activities ( C)</b>		<b>(3.65)</b>	<b>(10.15)</b>
<b>Net increase / ( decrease ) in cash and cash equivalents (A+B+C)</b>		<b>15.17</b>	<b>(50.17)</b>
Cash and Cash equivalent at the beginning of the year		12.07	62.24
<b>Cash and Cash equivalent at the end of the year</b>		<b>27.24</b>	<b>12.07</b>

Significant Accounting Policies and Notes on Accounts forming part of the Financial Statements (Note no 1-31)

FOR B.K.KAPUR & CO.  
Chartered Accountants  
Firm Reg No 000852C

Sd/-  
  
Sunaina Chibba  
DIRECTOR  
(00370454)

Sd/-  
  
Naresh Kumar Chibba  
DIRECTOR  
(00376963)

Sd/-  
  
M.S. KAPUR (FCA)  
Partner  
M.NO 074615

Place : Noida  
Date : 21.05.2022

## CONTINENTAL CHEMICALS LIMITED

## Other Equity

Particulars	Securities Premium Reserve	Revaluatio n Reserve	Retained Earnings	Other Comprehensive Income	Total Other Equity
<b>Balance as at 01.04.2020</b>	37.50	-	95.77		133.27
<b>Add: Prior Period Income</b>			1.60		1.60
<b>Changes in equity during the year ended 31st March,2021</b>					
Profit for the year			14.34		14.34
Other Comprehensive income/(loss) for the year				0.20	0.20
Transfer from/to other comprehensive income/retained earnings			0.20	-0.20	
<b>Balance as at 31st March, 2021</b>	<b>37.50</b>		<b>111.91</b>	<b>-</b>	<b>149.41</b>
<b>Balance as at 01.04.2021</b>	37.50	-	111.91		149.41
<b>Add: Prior Period Income</b>					-
<b>Changes in equity during the year ended 31st March,2022</b>					
Profit for the year			5.99		5.99
Other Comprehensive income/(loss) for the year				0.37	0.37
Transfer from/to other comprehensive income/retained earnings			-0.37	-0.37	
<b>Balance as at 31st March, 2022</b>	<b>37.50</b>		<b>117.53</b>	<b>-</b>	<b>155.77</b>

Significant Accounting Policies

As per Our Report of Even Date

**CONTINENTAL CHEMICALS LIMITED****Notes to standalone financial statements for the year ended March 31, 2022****1. Corporate information**

Continental Chemical Ltd. (CCL) is a public limited company incorporated and domiciled in India. The registered office of the Company is situated at A-7 sector -7, Noida-201301 (U.P.) India.

The Company's shares are listed on the BSE

The Company is engaged in the business of Computer Programming, consultancy and related activities.

**Basis of preparation**

The financial statements of the Company have been prepared in accordance with Indian Accounting Standards (Ind AS) notified under the Companies (Indian Accounting Standards) Rules, 2015 as amended by the Companies (Indian Accounting Standards) (Amendment) Rules, 2016.

The financial statements have been prepared on the historical cost basis, except for certain financial instruments (including derivative instruments) which are measured at fair values at the end of each reporting period, as explained in the accounting policies below. The financial statements are presented in Indian rupees (INR) and all values are presented in full, except otherwise indicated.

**2. Summary of significant accounting policies****2.1 Current Vs Non- current classification****The company presents assets and liabilities in the Balance Sheet based on current/non-current classification.****An asset is current when it is:**

- i) Expected to be realized or intended to be sold or consumed in normal operating cycle
- ii) Held primarily for the purpose of trading
- iii) Expected to be realised within twelve months after the reporting period, or
- iv) Cash or cash equivalents unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period.

All other assets are classified as non-current

**A liability is current when it is:**

- i) Expected to be settled in normal operating cycle
- ii) Held primarily for the purpose of trading
- iii) Due to be settled within twelve months after the reporting period, or
- iv) There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period

All other liabilities are treated as non-current

Deferred tax assets and liabilities are classified as non-current assets and liabilities.

**2.2 Revenue recognition**

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured, regardless of when the payment is being made. Revenue is measured at the fair value of the consideration received or receivable net of discounts, taking into account contractually defined terms and inclusive of excise duty, taking into account contractually defined terms of payment excluding taxes or duties collected on behalf of the government.

**Income from project and services**

Revenue from long term service contracts is recognized using the proportionate completion method, and recognised net of service tax. Completion is determined as a proportion of cost incurred till date to the total estimated contract cost. Provision is made for any loss in the period in which it is foreseen. Billing in excess of contract revenue has been reflected as 'Billing in excess of revenues' under 'Other liabilities' in the Balance Sheet. In case of contracts where payments have been received in advance, revenue is deferred until the related service is complete as per the terms of the agreement with the customers and shown as "Unbilled revenue" under other current assets.

In case of other service contracts, revenue is recognized when services are rendered. In case of services are rendered as per the terms of contract."

**Interest income**

Interest income is recognized using effective interest method (EIR). EIR is the rate that exactly discounts the estimated future cash payments or receipts over the expected life of the financial instrument or a shorter period, where appropriate, to the gross amount of the financial asset or to the amortized cost of a financial liability. When calculating the EIR, the Company estimates the expected cash flows by considering all the contractual terms of the financial instrument but doesn't consider the expected credit losses. Interest income is included in the other income in the Statement of Profit and Loss."

**Dividend income**

Dividend income from investments is recognized when the shareholder's rights to receive payment have been established.

**CONTINENTAL CHEMICALS LIMITED****Notes to standalone financial statements for the year ended March 31, 2022****2.3 Cash and cash equivalents**

Cash and cash equivalents in the balance sheet comprise cash at banks and on hand and short-term deposits with an original maturity of three months or less, which are subject to an insignificant risk of changes in value.

For the purpose of the statement of cash flows, cash and cash equivalents consist of cash and short-term deposits, as defined above, net of outstanding bank overdrafts as they are considered an integral part of the Company's cash management.

**2.4 Property, plant and equipment (PPE) and Investment property**

Under the previous GAAP (Indian GAAP), fixed assets are stated at cost net of accumulated depreciation and accumulated impairment losses, if any. The cost comprises the purchase price, borrowing costs, if capitalization criteria are met, directly attributable cost of bringing the asset to its working condition for the intended use.

Property, plant and equipment are stated at cost of acquisition or construction net of accumulated depreciation and impairment loss (if any). All significant costs relating to the acquisition and installation of property, plant and equipment are capitalised. Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably. The carrying amount of the replaced part is derecognised. All other repairs and maintenance are charged to the Statement of Profit and Loss during the financial period in which they are incurred.

Borrowing cost relating to acquisition / construction of property, plant and equipment which take substantial period of time to get ready for its intended use are also included to the extent they relate to the period till such assets are ready to be put to use.

**Depreciation and Amortisation**

Depreciation is charged on the basis of useful life of assets on Straight line method Life as prescribed under Schedule-II of Companies Act, 2013

Freehold land is carried at cost.

An item of property, plant and equipment and any significant part initially recognized is derecognized upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on derecognized of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the Statement of Profit and Loss when the asset is derecognized.

The residual values, useful lives and methods of depreciation of property, plant are reviewed at each financial year end and adjusted prospectively, if appropriate.

**2.5 Intangible assets**

Intangible assets are recognised when it is probable that the future economic benefits that are attributable to the assets will flow to the Company and the cost of the assets can be measured reliably.

Intangible assets acquired separately are measured on initial recognition at cost. The cost of intangible assets acquired in a business combination is their fair value at the date of acquisition. Following initial recognition, intangible assets are carried at cost less any accumulated amortization and accumulated impairment losses. Internally generated intangibles, excluding capitalised development costs, are not capitalised and the related expenditure is reflected in profit or loss in the period in which the expenditure is incurred.

The useful lives of intangible assets are assessed as either finite or indefinite.

Intangible assets with finite lives are amortised over the useful economic life and assessed for impairment whenever there is an indication that the intangible asset may be impaired. The amortisation period and the amortisation method for an intangible asset with a finite useful life are reviewed at least at the end of each reporting period. Changes in the expected useful life or the expected pattern of consumption of future economic benefits embodied in the asset are considered to modify the amortisation period or method, as appropriate, and are treated as changes in accounting estimates. The amortisation expense on intangible assets with finite lives is recognised in the statement of profit and loss unless such expenditure forms part of carrying value of another asset.

Intangible assets with indefinite useful lives are not amortised, but are tested for impairment annually, either individually or at the cash-generating unit level. The assessment of indefinite life is reviewed annually to determine whether the indefinite life continues to be supportable. If not, the change in useful life from indefinite to finite is made on a prospective basis.

Gains or losses arising from de-recognition of an intangible asset are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognised in the statement of profit or loss when the asset is derecognised.

Intangible assets with finite life are amortized on a written down value basis over the estimated useful economic life of 7 years.

**2.6 Employees benefits**

Short term employee benefits

Short term benefits comprise of employee costs such as salaries, bonuses, and accumulated absents are accrued in the year in which the associated services are rendered by employees of the Company and are measured at the amounts expected to be paid when the liabilities are settled.

The liabilities are presented as current employee benefit obligations in the balance sheet.

**CONTINENTAL CHEMICALS LIMITED****Notes to standalone financial statements for the year ended March 31, 2022****Compensated absences**

Provision for compensated absence is determined using the projected unit credit method with actuarial valuation being carried out at each balance sheet date. Accumulated leave, which is expected to be utilised within the next twelve months, is treated as short term employee benefits.

**Other long term employee benefits**

The liabilities which are not expected to be settled wholly within 12 months after the end of the period in which the employees render the related service are classified as long term employee benefits. They are therefore measured as the present value of expected future payments to be made in respect of services provided by employees up to the end of the reporting period using the projected unit credit method. The benefits are discounted using the market yields of Indian Government at the end of the reporting period that have terms approximating to the terms of the related obligation. Re-measurements as a result of experience adjustments and changes in actuarial assumptions are recognised in the statement of profit and loss."

- Post-employment obligations

The Company operates the following post-employment schemes:

- (a) defined benefit plans such as gratuity and
- (b) defined contribution plans such as provident fund."

**(a) Gratuity**

The Company has unfunded benefit plans in the form of post retirement gratuity. The liability or asset recognised in the balance sheet in respect of defined benefit is the present value of the defined benefit obligation at the end of the reporting period less the fair value of plan assets, if any. The defined benefit obligation is calculated annually by actuaries using the projected unit credit method.

The present value of the defined benefit obligation is determined by discounting the estimated future cash outflows by reference to market yields at the end of the reporting period on government bonds that have terms approximating to the terms of the related obligation.

The net interest cost is calculated by applying the discount rate to the net balance of the defined benefit obligation. This cost is included in employee benefit expense in the statement of profit and loss.

Re-measurement gains and losses arising from experience adjustments and changes in actuarial assumptions are recognised in the period in which they occur, directly in other comprehensive income. They are included in retained earnings in the statement of changes in equity and in the balance sheet.

Changes in the present value of the defined benefit obligation resulting from plan amendments or curtailments are recognised immediately in the statement of profit and loss as past service cost."

**(b) Defined contribution plan**

A defined contribution plan is a plan under which the Company pays fixed contributions into an independent fund administered by the government. The entity has no legal or constructive obligations to pay further contributions after its payment of the fixed contribution.

Contributions to provident fund, labour welfare fund and employee state insurance are deposited with the appropriate authorities and charged to the Statement of Profit and Loss on accrual basis. The Company has no further obligations under these plans beyond its monthly contributions."

**2.7 Borrowing costs**

Borrowing costs directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalised as part of the cost of the asset. All other borrowing costs are expensed in the period in which they occur. Borrowing costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds. Borrowing cost also includes exchange differences to the extent regarded as an adjustment to the borrowing costs.

**2.8 Leases**

The determination of whether an arrangement is (or contains) a lease is based on the substance of the arrangement at the inception of the lease. The arrangement is, or contains, a lease if fulfilment of the arrangement is dependent on the use of a specific asset or assets and the arrangement conveys a right to use the asset or assets, even if that right is not explicitly specified in an arrangement.

For arrangements entered into prior to the date of transition, the Company has determined whether the arrangement contains lease on the basis of facts and circumstances existing on the date of transition.

**The Company as a lessee**

A lease is classified at the inception date as a finance lease or an operating lease. A lease that transfers substantially all the risks and rewards incidental to ownership to the Company is classified as a finance lease. Assets acquired on leases where substantial risks and rewards incidental to ownership are not transferred to the Company are classified as operating leases.

Finance leases are capitalised at the commencement of the lease at the inception date fair value of the leased property or, if lower, at the present value of the minimum lease payments. Lease payments are apportioned between finance charges and reduction of the lease liability so as to achieve a constant rate of interest on the remaining balance of the liability. Finance charges are recognised in finance costs in the statement of profit and loss, unless they are directly attributable to qualifying assets, in which case they are capitalized in accordance with

**CONTINENTAL CHEMICALS LIMITED****Notes to standalone financial statements for the year ended March 31, 2022**

the Company's general policy on the borrowing costs. Contingent rentals are recognised as expenses in the periods in which they are incurred.

A leased asset is depreciated over the useful life of the asset. However, if there is no reasonable certainty that the Company will obtain ownership by the end of the lease term, the asset is depreciated over the shorter of the estimated useful life of the asset and the lease term.

Operating lease payments are recognised as an expense in the statement of profit and loss on a straight-line basis over the lease term after considering effects of escalation unless the payments are structured to increase in line with general inflation to compensate for lessors expected inflationary cost increase.

**The Company as a lessor**

Leases in which the Company does not transfer substantially all the risks and rewards of ownership of an asset are classified as operating leases. Rental income from operating lease is recognised on a straight-line basis over the term of the relevant lease unless the payments are structured to increase in line with general inflation to compensate expected inflationary cost increase. Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and recognised over the lease term on the same basis as rental income. Contingent rents are recognised as revenue in the period in which they are earned.

Leases are classified as finance leases when substantially all of the risks and rewards of ownership are transferred from the Company to the lessee. Amounts due from lessees under finance leases are recorded as receivables at the Company's net investment in the leases. Finance lease income is allocated to accounting periods so as to reflect a constant periodic rate of return on the net investment outstanding in respect of the lease.

**2.9 Earnings per share**

"Basic earnings per share is calculated by dividing the net profit or loss for the period attributable to equity shareholders (after deducting attributable taxes) by the weighted average number of equity shares outstanding during the period. The weighted average number of equity shares outstanding during the period.

For the purpose of calculating diluted earnings per share, the net profit or loss for the period attributable to equity shareholders and the weighted average number of shares outstanding during the period are adjusted for the effects of all dilutive potential equity shares.

**2.10 Segment reporting**

The chief operational decision maker monitors the operating results of its business segments separately for the purpose of making decisions about resource allocation and performance assessment. Segment performance is evaluated based on profit or loss and is measured consistently with profit or loss in the financial statements.

In accordance with the Ind-As 108 –“ Operating segments” , the company has determined its business segment as business process outsourcing. Since there are no other business segments in which the company operates, there are no reportable segments. Therefore, the segment revenue, results, segment assets, segment liabilities, total cost incurred to acquire segment assets, depreciation charge are all as is reflected in the financial statement.

**2.11 Taxes**

The tax expense for the period comprises current and deferred tax. Tax is recognised in the statement of Profit and Loss, except to the extent that it relates to items recognised in other comprehensive income or directly in equity. In this case, the tax is also recognised in other comprehensive income or directly in equity, respectively.

**Current income tax**

Current tax is measured at the amount expected to be paid to the tax authorities in accordance with the taxation laws prevailing and applicable for the relevant assessment year. Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation. It establishes provisions where appropriate on the basis of amounts expected to be paid to the tax authorities.

**Deferred tax**

Deferred income taxes are recognised for the future tax consequences attributable to temporary differences between the financial statement carrying amounts of existing assets and liabilities and their tax bases in the financial statements. The effect on deferred tax assets and liabilities of a change in the tax rates is recognised using the tax rates and tax laws that have been enacted or substantively enacted by the Balance Sheet date. Deferred tax liabilities are recognized for all taxable temporary differences, except when the deferred tax liability arises from the initial recognition of an asset or liability in a transaction that affects neither the accounting profit nor taxable profit or loss.

Deferred tax assets are recognized for all deductible temporary differences, the carry forward of unused tax credits and any unused tax losses. Deferred tax assets are recognized to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses can be utilized, except when the



**CONTINENTAL CHEMICALS LIMITED****Notes to standalone financial statements for the year ended March 31, 2022**

deferred tax asset relating to the deductible temporary difference arises from the initial recognition of an asset or liability in a transaction that affects neither the accounting profit nor taxable profit or loss.

Deferred tax assets are recognised only to the extent that it is probable that future taxable profit will be available against which the temporary differences can be utilized. Deferred tax assets and deferred tax liabilities are offset, if a legally enforceable right exists to set-off current tax assets against current tax liabilities and the deferred tax assets and deferred tax liabilities relate to the same taxable entity and the same taxation authority.

"The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient future taxable profit will be available to allow all or part of the deferred tax asset to be utilized. Unrecognized deferred tax assets are re-assessed at each reporting date and are recognized to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered.

**Impairment of non-financial assets**

At each balance sheet date, the Company reviews the carrying values of its property, plant and equipment and intangible assets to determine whether there is any indication that the carrying value of those assets may not be recoverable through continuing use. If any such indication exists, the recoverable amount of the asset is reviewed in order to determine the extent of impairment loss (if any).

Where the asset does not generate cash flows that are independent from other assets, the Company estimates the recoverable amount of the cash generating unit to which the asset belongs.

Recoverable amount is the higher of fair value less costs to sell and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted. An impairment loss is recognised in the statement of profit and loss as and when the carrying value of an asset exceeds its recoverable amount.

Where an impairment loss subsequently reverses, the carrying value of the asset (or cash generating unit) is increased to the revised estimate of its recoverable amount so that the increased carrying value does not exceed the carrying value that would have been determined had no impairment loss been recognised for the asset (or cash generating unit) in prior years. A reversal of an impairment loss is recognised in the statement of profit and loss immediately

**2.12 Provisions, contingent liabilities, contingent assets and commitments**

A provision is recognised when there is a present legal or constructive obligation as a result of past event; it is probable that an outflow of resources will be required to settle the obligation, and in respect of which a reliable estimate can be made. These are reviewed at each Balance Sheet date and adjusted to reflect the current best estimates. A disclosure for a contingent liability is made where there is a possible obligation arising out of past event, the existence of which will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company or a present obligation arising out of past event where it is either not probable that an outflow of resources will be required to settle or a reliable estimate of the amount cannot be made.

If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, when appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost.

**2.13 Foreign currency transactions**

The standalone financial statements are presented in currency INR, which is also the functional currency of the Company. Functional currency is the currency of the primary economic environment in which the entity operates.

In preparing the financial statements, transactions in currencies other than the Company's functional currency are recorded at the rates of exchange prevailing on the date of the transaction. At the end of each reporting period, monetary items denominated in foreign currencies are re-translated at the rates prevailing at the end of the reporting period. Non-monetary items carried at fair value that are denominated in foreign currencies are retranslated at the rates prevailing on the date when the fair value was determined. Non-monetary items that are measured in terms of historical cost in a foreign currency are not translated.

**2.14 Fair value measurement**

The Company measures financial instruments, such as, investments and derivatives, at fair value at each balance sheet date.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

- > In the principal market for the asset or liability, or
- > In the absence of a principal market, in the most advantageous market for the asset or liability

The principal or the most advantageous market must be accessible by the Company.

The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

**CONTINENTAL CHEMICALS LIMITED****Notes to standalone financial statements for the year ended March 31, 2022**

A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

The Company uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximizing the use of relevant observable inputs and minimizing the use of unobservable inputs.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorized within the fair value hierarchy, described as follows, based on the lowest level

- > Level 1 — Quoted (unadjusted) market prices in active markets for identical assets or liabilities
- > Level 2 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable
- > Level 3 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable

For assets and liabilities that are recognized in the financial statements on a recurring basis, the Company determines whether transfers have occurred between levels in the hierarchy by re-assessing categorization (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

The Company's Management determines the policies and procedures for both recurring fair value measurement, such as derivative instruments and unquoted/quoted financial assets measured at fair value.

External valuers are involved for valuation of unquoted financial assets and financial liabilities. Involvement of external valuers is decided upon annually by the Management. Selection criteria includes market knowledge, reputation, independence and whether professional standards are maintained. The Management decides, after discussions with The Company's external valuers, which valuation techniques and inputs to use for each case.

At each reporting date, the Company analyses the movements in the values of assets and liabilities which are required to be remeasured or re-assessed as per the Company's accounting policies. For this analysis, the Company verifies the major inputs applied in the latest valuation by agreeing the information in the valuation computation to contracts and other relevant documents.

The Company, in conjunction with the Company's external valuers, also compares the change in the fair value of each asset and liability with relevant external sources to determine whether the change is reasonable on a yearly basis.

For the purpose of fair value disclosures, the Company has determined classes of assets and liabilities on the basis of the nature, characteristics and risks of the asset or liability and the level of the fair value hierarchy as explained above.

**2.15 Financial instruments**

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

**Financial assets****Initial recognition and measurement**

All financial assets are recognized initially at fair value plus, in the case of financial assets not recorded at fair value through profit or loss, transaction costs that are attributable to the acquisition of the financial asset.

**Subsequent measurement**

For purposes of subsequent measurement, financial assets are classified in following categories:

**A) Debt instruments****i) Debt instruments at amortized cost**

A 'debt instrument' is measured at the amortised cost if both the following conditions are met:

- (a) The asset is held within a business model whose objective is to hold assets for collecting contractual cash flows, and
- (b) Contractual terms of the asset give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding.

This category is the most relevant to the Company. After initial measurement, such financial assets are subsequently measured at amortised cost using the effective interest rate (EIR) method. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included in finance income in the profit or loss. The losses arising from impairment are recognised in the profit or loss. This category generally applies to loans, security deposits given, trade and other receivables.

**ii) Debt instrument at FVTOCI**

A debt instrument is subsequently measured at fair value through other comprehensive income if it is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets and the contractual terms of the

financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding. The Company has not classified any financial asset into this category.

**CONTINENTAL CHEMICALS LIMITED****Notes to standalone financial statements for the year ended March 31, 2022****iii) Debt instrument at FVTPL**

FVTPL is a residual category for debt instruments. Any debt instrument, which does not meet the criteria for categorization as at amortized cost or as FVTOCI, is classified as at FVTPL.

In addition, the Company may elect to designate a debt instrument, which otherwise meets amortized cost or FVTOCI criteria, as at FVTPL. However, such election is allowed only if doing so reduces or eliminates a measurement or recognition inconsistency (referred to as 'accounting mismatch').

Debt instruments included within the FVTPL category are measured at fair value with all changes recognized in the P&L.

**B) Equity instruments**

All equity instruments are subsequently measured at fair value in the balance sheet, with value changes recognised in statement of profit and loss, except for those equity instruments for which the Company has elected to present value changes in "other comprehensive income". If an equity instrument is not held for trading, the Company may make an irrevocable election for its investments which are classified as equity instruments to present the subsequent changes in fair value in other comprehensive income. The Company makes such election on an instrument by instrument basis.

If the Company decides to classify an equity instrument as at FVTOCI, then all fair value changes on the instrument, excluding dividends, are recognized in the OCI. There is no recycling of the amounts from OCI to P&L, even on sale of investment. However, The Company may transfer the cumulative gain or loss within equity.

The Company has elected to present all equity instruments, other than those in subsidiary, through FVTPL and all subsequent changes are recognized in Statement of Profit and Loss.

**Derecognition**

A financial asset (or, where applicable, a part of a financial asset or part of a group of similar financial assets) is primarily derecognised (i.e. removed from the Company's balance sheet) when:

- > The rights to receive cash flows from the asset have expired, or
- > The Company has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through' arrangement; and either (a) the Company has transferred substantially all the risks and rewards of the asset, or (b) the Company has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

When the Company has transferred its rights to receive cash flows from an asset or has entered into a pass-through arrangement, it evaluates if and to what extent it has retained the risks and rewards of ownership. When it has neither transferred nor retained substantially all of the risks and rewards of the asset, nor transferred control of the asset, the Company continues to recognise the transferred asset to the extent of the Company's continuing involvement. In that case, the Company also recognises an associated liability. The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the Company has retained.

Continuing involvement that takes the form of a guarantee over the transferred asset is measured at the lower of the original carrying amount of the asset and the maximum amount of consideration that the Company could be required to repay.

**Impairment of financial assets**

The Company applies expected credit loss (ECL) model for measurement and recognition of impairment loss on the following financial assets and credit risk exposure;

- a. Financial assets that are debt instruments, and are measured at amortised cost e.g. loans, debt securities, deposits, trade receivables and bank balances
- b. Financial assets that are debt instruments and are measured as at other comprehensive income (FVTOCI)
- c. Lease receivables under Ind AS 17
- d. Trade receivables or any contractual right to receive cash or another financial asset that result from transactions that are within the scope of Ind AS 11 and Ind AS 18

The Company follows 'simplified approach' for recognition of impairment loss allowance on:

- > Trade receivables or contract revenue receivables; and
- > All lease receivables resulting from transactions within the scope of Ind AS 17

Under the simplified approach the Company does not track changes in credit risk. Rather, it recognises impairment loss allowance based on lifetime ECLs at each reporting date, right from its initial recognition.

For recognition of impairment loss on other financial assets and risk exposure, the Company determines that whether there has been a significant increase in the credit risk said initial recognition. If credit risk has not increased significantly, 12 month ECL is used to provide for impairment loss. However, if credit risk has increased significantly, lifetime ECL is used. If in subsequent period the credit risk reduces since initial recognition, then the entity reverts to recognizing impairment loss allowance based on 12 month ECL.

**CONTINENTAL CHEMICALS LIMITED****Notes to standalone financial statements for the year ended March 31, 2022**

As a practical expedient, the Company uses a provision matrix to determine impairment loss allowance on portfolio of its trade receivables. The matrix is based on its historically observed default rates over the expected life of the trade receivables and is adjusted for forward looking estimates. At every reporting date, the historical observed default rates are updated and changes in the forward looking estimates are analysed. The Company has presumed that default doesn't occur later than when a financial asset is 90 days past due.

ECL is the difference between all contracted cash flows that are due to the Company in accordance with the contract and all the cash flows that the Company expects to receive, discounted at the original EIR. ECL impairment loss allowance ( or reversal) recognised during the period is recognised as income / (expense) in the statement of profit and loss (P&L). This amount is reflected under the head "Other Expense" in the P&L. The impairment loss is presented as an allowance in the Balance Sheet as a reduction from the net carrying amount of the trade receivable, loan, deposits and lease receivable respectively.

**Financial liabilities****Initial recognition and measurement**

All financial liabilities are initially recognised at fair value. The Company's financial liabilities include trade and other payables, loans and borrowings including bank overdraft and derivative financial instruments.

**Subsequent measurement**

Subsequent measurement of financial liabilities depends on their classification as fair value through Profit and loss or at amortized cost.

All changes in fair value of financial liabilities classified as FVTPL is recognized in the Statement of Profit and Loss. Amortised cost category is applicable to loans and borrowings, trade and other payables. After initial recognition the financial liabilities are measured at amortised cost using the EIR method. Gains and losses are recognized in profit and loss when the liabilities are derecognized as well as through the EIR amortization process. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or cost that are integral part of the EIR. The EIR amortization is included as finance cost in the Statement of Profit and Loss.

**Derecognition**

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in the statement of profit or loss.

**Reclassification of financial instruments**

After initial recognition, no reclassification is made for financial assets which are equity instruments. For financial assets, which are debt instruments, a reclassification is made only if there is a change in the business model for managing those assets. Changes to the business model are expected to be infrequent. If the Company reclassifies the financial assets, it applies the reclassification respectively from the reclassification date which is the first day of the immediately next reporting period following the change in the business model.

**Offsetting financial assets and financial liabilities**

Financial assets and liabilities are offset and the net amount is reported in the balance sheet if there is a currently enforceable legal right to offset the recognized amounts and there is an intention to settle on a net basis, to realise the assets and settle the liabilities simultaneously.

**2.16 Related party transactions**

Disclosure of transactions with Related Parties, as required by Ind-As 24 "Related Party Disclosures" has been set out in a separate note. Related parties as defined under Ind-As 24 have been identified on the basis of representations made by key managerial personnel and information available with the Company.

**3.1 Significant accounting estimates and assumptions**

The preparation of the Company's financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts of revenues,

**Estimates and assumptions**

The key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are described below. The Company based its assumptions and estimates on parameters available when the financial statements were prepared. Existing circumstances and assumptions about future developments, however, may change due to market changes or circumstances arising that are beyond the control of the Company. Such changes are reflected in the assumptions when they occur.

NOTE NO -4

## CONTINENTAL CHEMICALS LIMITED

## FIXED ASSETS FORMING PART OF BALANCE SHEET AS AT 31ST MARCH, 2022

S. No.	PARTICULARS	C O S T				D E P R E C I A T I O N				W. D. V.	
		UP TO	ADDITIONS	DELETION DURING	AS ON	UP TO	FOR THE	DELETIO N	UP TO	AS AT	AS AT
		01.04.21	DURING THE YEAR		31.03.2022	01.04.2021	DURING THE YEAR		31.03.2022	31.03.2022	01.04.21
	<b>Tangible Assets</b>										
(1)	Lease Hold Land	13.56	-	-	13.56	-	-	-	-	13.56	13.56
(2)	Office Building	162.18	1.41	-	163.60	14.11	3.09	-	17.20	146.39	148.07
(3)	Furniture & Fixture	-	-	-	-	-	-	-	-	-	-
(4)	Vehicles	.37	-	-	.37	-	-	-	-	.37	.37
	Vehicles II	42.02	-	12.40	29.62	20.10	5.71	12.03	13.79	15.84	21.92
(5)	Office Equipment I	-	-	-	-	-	-	-	-	-	-
	BLOCK-II	2.87	-	-	2.87	1.82	.10	-	1.93	.95	1.05
(6)	Electrical Fitting & Equipment	-	-	-	-	-	-	-	-	-	-
	BLOCK-II	1.70	-	-	1.70	.50	.05	-	.55	1.15	1.20
(7)	Computer										
	Block I	-	-	-	-	-	-	-	-	-	-
	Block II	.02	-	-	.02	-	-	-	-	.02	.02
	Block III	.85	-	-	.85	.78	-	-	.78	.07	.07
	<b>Total</b>	<b>223.58</b>	<b>1.41</b>	<b>12.40</b>	<b>212.60</b>	<b>37.32</b>	<b>8.95</b>	<b>12.03</b>	<b>34.25</b>	<b>178.35</b>	<b>186.26</b>
	Previous Year	223.21	.37	-	223.58	28.64	8.68	-	37.32	186.26	194.57

**CONTINENTAL CHEMICALS LIMITED****NOTES ON FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2022**

	AS AT 31.03.2022	AS AT 31.03.2021
<b><u>NOTE - 5 : OTHER NON CURRENT ASSET</u></b>		
Capital Advances	77.41	76.25
Advances other than capital advances	-	-
Security Deposits	2.85	2.85
	<b>80.26</b>	<b>79.10</b>

**NOTE - 6 : FINANCIAL ASSETS (CURRENT ASSETS)****TRADE RECEIVABLES**

a) Secured, considered good;	-	-
Trade receivable considered goods Unsecured	1.55	4.19
Trade receivable which have significant increase in credit risk	-	-
Trade receivable - Credit Impaired	-	-
Less: Allowances for expected credit loss and doubtful receivable	-	-
	<b>1.55</b>	<b>4.19</b>

**Trade Receivables ageing schedule as on 31.03.2022**

Particulars	Outstanding for following periods from due date of payment			
	Less than 6 months	6 months-1 year	1-2 yrs.	2-3 yrs.
(i) Undisputed Trade receivables- considered good	-	-	1.55	-
(ii) Undisputed Trade Receivables- Considered Doubtful	-	-	-	-
(iii) Disputed Trade Receivables considered good	-	-	-	-
(iv) Disputed Trade Receivables considered doubtful	-	-	-	-

**Trade Receivables ageing schedule as on 31.03.2021**

Particulars	Outstanding for following periods from due date of payment			
	Less than 6 months	6 months-1 year	1-2 yrs.	2-3 yrs.
(i) Undisputed Trade receivables- considered good	2.64	1.55	-	-
(ii) Undisputed Trade Receivables- Considered Doubtful	-	-	-	-
(iii) Disputed Trade Receivables considered good	-	-	-	-
(iv) Disputed Trade Receivables considered doubtful	-	-	-	-

**Note-7 CASH & CASH EQUIVALENT**

Balances with Banks	20.07	11.61
Cash on hand	.13	.46
	<b>20.20</b>	<b>12.07</b>

**Note-7A BANK BALANCE OTHER THAN CASH AND CASH EQUIVALENTS**

Fixed Deposit		
Original maturity period upto 12 months (Including Interest)	195.47	195.13
	<b>195.47</b>	<b>195.13</b>

**NOTE - 8 : OTHER CURRENT ASSETS**

Other Advances	3.33	.75
Prepaid Expenses	.10	.28
	<b>3.43</b>	<b>1.03</b>

**NOTE - 9 : Income Tax Assets(Net)**

TDS Receivable	10.35	5.83
	<b>10.35</b>	<b>5.83</b>

**NOTE -10 : Deferred Tax**

	As at 31.03.21	During the Year	As at 31.03.2022
<b>Deferred Tax Liability</b>			
Difference between Book & Tax Depreciation	(.11)	.06	(.05)
<b>Deferred Tax Assets</b>			
Expenses allowed on payment basis U/s 43B of the Income Tax Act,1961	2.31	(.22)	2.09
Deferred Tax Assets(Net )	<b>2.20</b>	<b>(.16)</b>	<b>2.04</b>

**CONTINENTAL CHEMICALS LIMITED**  
**NOTES ON FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2022**

	AS AT 31.03.2022	AS AT 31.03.2021
<b>NOTE -11 : SHARE CAPITAL</b>		
<b>Authorised</b>		
30,00,000 Equity Shares of Rs. 10 each	300.00	300.00
<b>Issued</b>		
22,49,000 Equity Shares of Rs.10 each.	224.90	224.90
<b>Subscribed &amp; Fully Paid up</b>		
22,49,000 Equity Shares of Rs.10 each fully paid up.	224.90	224.90
	<b>224.90</b>	<b>224.90</b>

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

Name of Equity Shareholders	As at 31.03.2022		As at 31.03.2021	
	No. of Shares held	% Holding	No. of Shares held	% Holding
Naresh Kumar Chibba	1.33	5.92%	1.33	5.92%
Aditya Vikram Chibba	12.52	55.66%	12.52	55.66%

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

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

Particulars	No. of Shares
Aggregate number and class of shares allotted as fully paid up pursuant to Contract(s) without payment being received in cash	Nil
Aggregate number and class of shares allotted as fully paid up by way of bonus shares	Nil
Aggregate number and class of shares bought back	Nil

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

<b>5(e) Reconciliation of No. of Shares Outstanding:</b>	<b>NUMBER</b>	<b>NUMBER</b>
Shares outstanding at the beginning of the year	22.49	22.49
Shares Issued during the year	-	-
Shares outstanding at the end of the year	<b>22.49</b>	<b>22.49</b>

5(f) **Terms & Conditions of Equity Shares**

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

**Shares held by promoters at the end of year as on 31.03.2022**

Promoters Name	No. of shares as on 31.03.2021	% of Total Shares	Change during the year	No. of shares as on 31.03.2022	% of Total Shares	% of Changes
Naresh Kumar Chibba	1.33	5.92%	-	1.33	5.92%	-
Aditya Vikram Chibba	12.52	55.66%	-	12.52	55.66%	-

**Shares held by promoters at the end of year as on 31.03.2021**

Promoters Name	No. of shares as on 31.03.2020	% of Total Shares	Change during the year	No. of shares as on 31.03.2021	% of Total Shares	% of Changes
Naresh Kumar Chibba	1.33	5.92%	-	1.33	5.92%	-
Aditya Vikram Chibba	12.52	55.66%	-	12.52	55.66%	-



## CONTINENTAL CHEMICALS LIMITED

## NOTES ON FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2022

	AS AT 31.03.2022	AS AT 31.03.2021
<b>NOTE - 12: Other Equity</b>		
<b>Surplus</b>		
<b>Profit &amp; Loss Statement</b>		
As per Last Balance Sheet	111.91	95.77
less: Prior Period Income (Net)	-	1.60
Add: Profit during the year	6.36	14.54
	<b>118.27</b>	<b>111.91</b>
<b>Share Premium Amount</b>		
As per Last Balance Sheet	37.50	37.50
Add: Addition during the year	-	-
	<b>155.77</b>	<b>149.41</b>

	AS AT 31.03.2022	AS AT 31.03.2021
--	------------------	------------------

**NOTE -13 : FINANCIAL LIABILITIES (NON CURRENT ASSETS)****(i) Borrowings**

Term loans		
from banks	14.46	14.46
Vehicle Loan from Kotak		.54
	<b>14.46</b>	<b>14.99</b>

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

Bank loan from ICICI bank is secured by mortgage of flat financed by them

**Home Loan from ICICI Bank**

Rate of Interest

**10.25%**

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

There was no delay in repayment of dues to Banks/others

The Company has not been declared willful defaulter by any bank or financial institution or any other lender.

The company has not borrowed any new loan during the year

All the charge or satisfaction has been registered with Registrar of Companies within the prescribed period.

The Company has during the year has not sanctioned working capital limits in excess of ₹ 5 crore, in aggregate, from banks

**NOTE -14:PROVISION**

Gratuity Payable		
Current	.65	.63
Non Current	8.42	8.24
	<b>9.08</b>	<b>8.87</b>

**NOTE - 15: Short Term Borrowing**

Current Maturity of borrowing	.54	6.12
	<b>.54</b>	<b>6.12</b>

**NOTE - 16: Trade Payable**

Total outstanding dues of Micro and Small Enterprises	-	-
Total outstanding dues of creditors other than micro and small enterprises	4.15	5.07
	<b>4.15</b>	<b>5.07</b>

Particulars	Trade Payables ageing schedule as on 31.03.2022				Total
	Less than 1 yr.	1-2 yrs.	2-3 yrs.	More than 3 yrs.	
(i) MSME	-	-	-	-	-
(ii) Others	4.15	-	-	-	4.15
(iii) Disputed dues- MSME	-	-	-	-	-
(iv) Disputed dues- Others	-	-	-	-	-

Trade Payables ageing schedule as on 31.03.2021					
Particulars	Outstanding for following periods from due date of payment				
	Less than 1 yr.	1-2 yrs.	2-3 yrs.	More than 3 yrs.	Total
(i) MSME	-	-	-	-	-
(ii) Others	5.07	-	-	-	5.07
(iii) Disputed dues- MSME	-	-	-	-	-
(iv) Disputed dues- Others	-	-	-	-	-

**NOTE - 17: OTHER FINANCE LIABILITIES**

Security Deposits	14.70	14.20
	<b>14.70</b>	<b>14.20</b>

**NOTE -18: OTHER CURRENT LIABILITIES**

Statutory Liabilities	.67	1.43
Advance Received	4.02	-
Due to Director	11.61	12.69
Liability for Expenses	4.10	3.18
Other Expenses	47.65	44.96
	<b>68.06</b>	<b>62.25</b>

**CONTINENTAL CHEMICALS LIMITED**  
**NOTES ON FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2022**

	FOR THE YEAR ENDED 31.03.2022	FOR THE YEAR ENDED 31.03.2021
<b><u>NOTE - 19 : REVENUE FROM OPERATIONS</u></b>		
Sale of Services	47.88	19.43
	<b>47.88</b>	<b>19.43</b>
<b><u>NOTE - 20: OTHER INCOME</u></b>		
Rental Income	43.66	46.60
Other Income	12.52	30.77
	<b>56.19</b>	<b>77.38</b>
<b><u>NOTE -21 : EMPLOYEE BENEFIT EXPENSES</u></b>		
Salary & Allowances	46.34	42.49
Staff welfare	-	.32
Gratuity	.26	.26
	<b>46.61</b>	<b>43.07</b>
<b><u>NOTE - 22 : FINANCE COSTS</u></b>		
Interest Expenses	3.65	4.04
	<b>3.65</b>	<b>4.04</b>
<b><u>NOTE - 23: OTHER EXPENSES</u></b>		
<b>Administrative and Other Expenses</b>		
Electricity Expenses	2.10	1.56
Security Service Charges	2.06	2.16
Training Expenses	4.49	1.94
Vehicle Running & Maintenance	1.20	1.30
Repair & Maintenance	10.83	3.14
Office Expenses	1.26	.83
Computer Repair & Maintenance	.13	.91
Legal & Professional Charges	8.30	5.39
ROC Fees	.07	.11
Travelling and Conveyance Expenses	.43	.12
Insurance Expenses	.63	.82
Advertisement & Publicity	.47	.39
Misc. Expenses	.03	.07
Telephone & Fax Charges	.84	1.05
Penalty and Fine	.01	.29
Printing & Stationery	.19	.10
Courier, Postage & Registries	.51	.02
Software expenses	.33	.19
Exchange Fluctuation	.06	.05
Loss on sale of fixed assets	.27	-
Duty and taxes	-	.35
Audit Fees	.58	.58
Listing Fees	3.00	3.04
	<b>37.80</b>	<b>24.40</b>

**Note no.: 24**

- a. All the Current Assets, Loans and Advances, in the opinion of the Board, have a value on Realization which in the ordinary course of business shall at least be equal to the amount at Which it is stated in the Balance Sheet.
- b. The company in the process of identifying its suppliers as Micro, Small & Medium Enterprises as defined under the "Micro, Small and Medium Enterprises Development Act, 2006". However the company has not received any intimation/ Communication from its suppliers regarding applicability of said Act to them. Therefore no such disclosures under the said Act has been furnished
- c. In terms of Ind AS 36 on impairment of assets, there was no impairment indicators exist as of reporting date as per the internal management estimates done and hence no impairment charge is recognized during the year under review.
- d. **Employee Benefits:**  
As per Indian Accounting Standard – 19 "Employees Benefits", the disclosures of Employees Benefits are as follows:

**Gratuity**

The gratuity plan is governed by the payment of Gratuity Act 1972, under the said Act an employee who has completed five years of service is entitled to specific benefit. The gratuity plan provides a lump sum payment to employees at retirement death, incapacitation or termination of employment. The level of benefits provided depends on the member's length of service and salary at retirement age.

**i)Detail of unfunded post Retirement Defined Benefit obligations are as follows:**

Employee benefits in respect of Gratuity and Leave Encashment are based on actuarial valuation as on 31st March 2022. The details are given below:

Particulars	31.03.2022	31.03.2021
<b>A) Change in the Present Value of obligation</b>		
a) Present Value of obligation as at 1 <sup>st</sup> April 2020	8.87	8.39
b) Interest Cost	.43	.48
c) Past Service Cost		
d) Current Service Cost	.26	.26
e) Benefits Paid		
f) Actuarial Loss/(Gain)	(.48)	(.26)
g) Present Value of Obligation as at 31 <sup>st</sup> March 2021		
Current Liability	.65	.63
Non - Current Liability	8.42	8.24
<b>B) Change in Fair Value of Plan Assets</b>		
<b>C) Amount recognized in Balance Sheet (A-B)</b>	9.08	8.87
<b>D) Expenses recognized in the Profit &amp; Loss Account</b>		
a) Current Service Cost	.26	.26
b) Past Service Cost		
c) Interest Cost	.43	.48
<b>E) Expenses recognized in Other Comprehensive Income</b>		
a) Actuarial Loss/(Gain)	(.48)	(.26)
Net Cost		
<b>b) Details of Plan Assets</b>		
<b>c) Actuarial Assumptions</b>		
a) Discount Rate	4.85%	4.93%
b) Rate of escalation in Salary (Per Annum)	5.00%	5.00%
c) Mortality Table	IALM (2012-2014)	IALM (2012-2014)
d) Retirement Age (Years)	65	65

**e. Related Party Disclosures:**

The disclosures in respect of Related Parties as required under Ind AS 24 'Related Party Disclosures' is stated herein below:

- (i) **Parties where control exists** **NIL**
- (ii) **Other related parties where transaction have taken place during the year**

**a) Key Management Personnel (KMP):**

Naresh Kumar Chibba	:	Managing Director
Sunaina Chibba	:	Director
Pradeep Kumar Chopra	:	Director
Akshat Bhaskar	:	Director
Aditya Vikram Chibba	:	Director
Sakshi Dhawan	:	Company Secretary from 13.01.2022
Bhawna Gupta	:	Company Secretary up to 15.07.2021
Puneet Kumar	:	CFO

**b) Enterprises where Significant Influence exists:**

Interads E Communication Limited  
World Pro Solutions Limited  
Interads Media Group LLC  
Continental Software Solution Private Limited  
Interads Advertising Private Limited  
Decorscape Solutions LLP

**C. Details of Transactions with the above related parties in the ordinary course of business:**

Name of Enterprises	Transactions during the year	Amount of Transactions (Rs.)		Outstanding Balances (Rs.)	
		Year Ended 31.03.2022	Year Ended 31.03.2021	As at 31.03.2022	As at 31.03.2021
Interads E Communications Ltd.	Export Sales	47.88	19.42	NIL	2.53

Key Management Personnel (KMP)		Year Ended 31.03.2022	Year Ended 31.03.2021		As at 31.03.2022	As at 31.03.2021
Naresh Kumar Chibba	Remuneration & Perquisites	11.58	10.26	Remuneration Payable	11.61	12.69
Puneet Kumar	Remuneration & Perquisites	2.28	2.70	Remuneration Payable		.30
Bhawna Gupta	Remuneration & Perquisites	1.26	2.07	Remuneration Payable		.42
Himanshi Mittal	Remuneration & Perquisites		.86	Remuneration Payable	-	-
Amit Kumar	Remuneration & Perquisites		.04	Remuneration Payable	-	-
Sakshi Dhawan	Remuneration & Perquisites	.73		Remuneration Payable	.28	

**f. Auditors' Remuneration:**

Particulars	Current Year	Previous Year
(a) As Statutory Auditors	.58	.58
(b) For Tax Audit	-	-
(c) For Taxation Matters	-	-
(d) For other Matters	-	-
<b>Total</b>	<b>.58</b>	<b>.58</b>

**g. Earnings per share (EPS)**

Particulars	Current Year	Previous Year
a. Profit / (Loss) attributable to the Equity Shareholders (Rs. in lakhs)	5.99	14.34
b. Weighted average number of equity shares outstanding		
i) <u>Basic</u> : Weighted average number of equity shares at the end	22.49	22.49
ii) <u>Diluted</u> : Weighted average number of shares as in b(i)	22.49	22.49
d. Paid up value per share	10	10
e. Basic Earnings per share(Rs)(a/bi)	0.27	0.64
f. Diluted Earnings per share (Rs.) (a/bii)	0.27	0.64

**Note no.25.**

The previous year figures have been reworked, regrouped, rearranged and reclassified wherever necessary .

**Note No 26.**

The Company has considered the possible effects that may arise out of the still unfolding COVID-19 pandemic on the carrying amounts of property, plant & equipment, investments, inventories, trade receivables, etc. For this purpose, the Company has considered internal and external sources of information up to the date of approval of the Financial statement including credit reports and related information, economic forecasts, market value of certain investments etc. Based on the current estimates, the Company does not expect any significant impact on such carrying values. The impact of COVID-19 on the Company's financial statements may differ from that estimated as at the date of approval of Financial statement

**Note no. 27 Other Disclosures**

- a. The Company has not been declared willful defaulter by bank or financial institution or any other lender during the year
- b. The company does not have any transactions or balances with the companies struck off under section 248 of the Companies Act,2013 or section 560 of Companies Act,1956 during the year and previous year.
- c. During the year, there are no instances of any registration, modification or satisfaction of charges which are pending for registration with Registrar of Companies beyond the statutory period.
- d. The Company has no layer of Companies, Company is in compliance with the relevant provisions of the Companies Act,2013 with respect to the number of layers prescribed under clause(87) of Section 2 of the Companies Act,2013 read with Companies (Restriction on number of layers) Rules,2017.
- e. The Company do not have any benami property, and no proceeding has been initiated against the Company for holding any benami property.
- f. The Company have not traded or invested in crypto currency or virtual currency during the financial year.
- g. The Company have not advanced or loaned or invested funds to any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding that the Intermediary shall:
  - i) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company (ultimate beneficiaries) or
  - ii) provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries.
- h. The Company have not received any fund from any person(s) or entity(ies), including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the Group shall:
  - a. directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the funding party (ultimate beneficiaries) or
  - b. provide any guarantee, security or the like on behalf of the ultimate beneficiaries.
- i. The Company have not any such transaction which is not recorded in the books of accounts that has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (such as, search or survey or any other relevant provisions of the Income Tax Act, 1961".

**Key Financial Ratios is as under: -**

Sl. No.	Particulars	Method of Calculations	2021-22	2020-21	% Change	Reason of Change
1	Current Ratio (Times)	Current Assets / Current Liabilities	2.52	2.59	3%	
2	Debt Equity Ratio (Times) Including Cash Credit	(Long Term Debts+ Current Maturity of TL + Cash Credit Limit + Leased Liabilities) / Shareholder's Equity	0.04	0.06	30%	Due to repayment of Term Loans
3	Debt Service Coverage Ratio	(Profit after Tax + Deferred Tax + Depreciation+ Interest on Term Loan + Loss on sale of Fixed Assets) / (Term Loan Paid + Interest on Term Loan)	1.05	1.17	10%	
4	Return on Equity Ratio	Net Profit after Taxes / (opening Shareholder's equity + closing Shareholder's equity) / 2 =Average Shareholder's Equity	2%	4%	(60)%	Return on equity reduced due to increase in overhead

5	Inventory Turnover Ratio	Revenue / (Opening Inventory + Closing Inventory) / 2 = Average Inventory	NA	NA		
6	Trade Receivable Ratio	Revenue / (Opening Debtors + Closing Debtors) / 2 = Average Debtors	16.66	4.15	301%	On account of better realization
7	Trade Payable Turnover Ratio	Purchases / (opening Creditors + Closing Creditors) / 2 = Average Trade Payable	2.35	0.62	280%	Increase due to increase in repair and maintenance work carried out during the year and increase in revenue from operation
8	Net Capital Turnover Ratio	Revenue from Operation / Working Capital (CA-CL)	0.36	0.15	141%	Increase due to increase in revenue
9	Net Profit Ratio	Net Profit / Net Sales	5.75	14.81	61%	Reduced due to increase in expenses
10	Return on Capital Employed	Earnings before Interest and Taxes / Capital Employed	8.04	15.84	49%	Reduced due to increase in expenses
11	Return on Investment		NA	NA		

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

**Sd/-**  
**Sunaina Chibba**  
**(Director)**

**Sd/-**  
**Naresh Kumar Chibba**  
**(Director)**

**Sd/-**  
**(M.S. KAPUR) F.C.A.**  
**Partner.**  
**Membership No.074615**

**Place: Noida**  
**Dated: 21.05.2022**

**CONTINENTAL CHEMICALS LIMITED****Notes to standalone financial statements for the year ended March 31, 2022****28 Capital management**

- (a) The Company's capital management objective are to ensure Company's ability to continue as a going concern as well to create value for shareholders by facilitating the meeting of long term and short term goals of the Company. The Company determines the amount of capital required on the basis of annual business plan coupled with long term and short term strategic investment and expansion plans. The funding needs are met through cash generated from operations, long term and short term bank borrowings. The Company monitors the capital structure on the basis of net debt to equity ratio and maturity profile of the overall debt portfolio of the Company. Net debt includes interest bearing borrowings less cash and cash equivalents, other bank balances (including non-current earmarked balances) and current investments. The table below summarises the capital, net debt and net debt to equity ratio of the company.

Particulars	As at 31	As at 31
	March 2022	March 2021
Equity share capital	224.90	224.90
Other equity	155.77	149.41
<b>Total equity</b>	<b>380.67</b>	<b>374.31</b>
Non-current borrowings	14.46	14.99
Short term borrowings	.54	6.12
Current maturities of long term borrowings		
<b>Gross Debt</b>	<b>14.99</b>	<b>21.11</b>
Gross debt as above	14.99	21.11
Less: Cash and cash equivalents	20.20	12.07
Less: Margin money with banks against working capital facilities	-	-
<b>Net Debt</b>	<b>(5.21)</b>	<b>9.04</b>
<b>Net debt to equity</b>	<b>0.00</b>	<b>0.00</b>

**29 Fair value measurement**

- (a) The carrying value and fair value of financial instruments by categories as of 31 March 2022 is as follows :

Particulars	Fair value through other comprehensive income	Fair value through other profit & loss	Amortised Cost
<b>Financial assets</b>			
Trade receivables		-	1.55
Cash and cash equivalents		-	20.20
Bank Balance other than Cash and cash equivalents			195.47
		-	<b>217.22</b>
<b>Financial liabilities</b>			
Borrowings		-	14.46
Other financial liabilities		-	14.70
		-	<b>29.16</b>

(b) The carrying value and fair value of financial instruments by categories as of 31 March 2021 is as follows :

Particulars	Fair value through other comprehensive income	Fair value through other profit & loss	Amortised Cost
<b>Financial assets</b>			
Trade receivables		-	4.19
Cash and cash equivalents		-	12.07
Bank Balance other than Cash and cash equivalents			195.13
	-	-	<b>211.40</b>
<b>Financial liabilities</b>			
Borrowings		-	14.99
Other financial liabilities		-	20.32
	-	-	<b>35.31</b>

The carrying amounts of trade payables and other payables, working capital borrowing current loan and cash & cash equivalents are considered to be the same as fair value, due to short term in nature

### 30 Fair value hierarchy

#### (a) Financial assets and liabilities measured at fair value

Particulars	As at 31 March 2022			
	Level 1	Level 2	Level 3	Total
<b>Assets</b>				
Investments equity instruments (other than investments in subsidiaries)	-	-	-	-
Derivative instrument	-	-	-	-
<b>Total</b>	-	-	-	-
Particulars	As at 31 March 2021			
	Level 1	Level 2	Level 3	Total
<b>Assets</b>				
Investments equity instruments (other than investments in subsidiaries)	-	-	-	-
Derivative instrument	-	-	-	-
<b>Total</b>	-	-	-	-

31 The Company is exposed to various risks in relation to financial instruments. The main types of risks are market risk, credit risk and liquidity risk. Company's principal financial liabilities comprises, loans and borrowings, trade and other payables, and financial guarantee contracts. The main purpose of these financial liability is to finance company's operation. Company's principal financial asset include loan to subsidiaries, investments, trade and other receivables, security deposits and cash and cash equivalent, that directly derive from its business.

#### (a) Credit Risk

Credit Risk in case of the company arises from cash and cash equivalents, deposits with banks and financial institutions, as well as credit exposures to customers including outstanding receivables.

#### Credit Risk Management

Credit risk is the risk that a counterparty fails to discharge an obligation to the Company. The Company is exposed to this risk for various financial instruments, for example by granting loans and receivables to customers, placing deposits etc. the Company's maximum exposure to credit risk is limited to the carrying amount of financial assets recognised at 31 March 2022, as summarised below:



	As at 31 March 2022	As at 31 March 2021
Cash and cash equivalents	20.20	12.07
Bank Balance other than Cash and cash equivalents	195.47	195.13
Trade receivables	1.55	4.19
	<b>217.22</b>	<b>211.40</b>

The Company continuously monitors defaults of customers and other counterparties and incorporates this information into its credit risk controls. The Company's policy is to deal only with creditworthy counterparties only.

**(b) Liquidity Risk**

Liquidity risk is the risk that the Company will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset. The Company's approach to managing liquidity is to ensure as far as possible, that it will have sufficient liquidity to meet its liabilities when they are due.

**(i) Financing arrangements**

The Company has no undrawn borrowing facilities at the end of the reporting period:

**(ii) Maturities of financial liabilities**

31 March 2022	Less than 1 year	Over 1 and less than 3 year	Over 3 and less than 5 year	More than 5 years	Total
<b>Non-derivatives</b>					
Borrowings	.54		-	14.46	14.99
Security deposits	14.70	-	-	-	14.70
<hr/>					
31 March 2021	Less than 1 year	Over 1 and less than 3 year	Over 3 and less than 5 year	More than 5 years	Total
<b>Non-derivatives</b>					
Borrowings	6.12	.54	-	14.46	21.11
Security deposits	14.20	-	-	-	14.20

**(c) Market Risk**

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises three types of risk: interest risk, currency risk and other price risk. Financial instruments affected by market risk include borrowings, deposits, Investments, trade and other receivables, trade and other payables and derivative financial instruments.

The sensitivity analysis in the following sections relate to the position as at 31 March 2021, 31 March 2022

The analysis exclude the impact of movements in market variables on: the carrying values of gratuity, pension and other post-retirement obligations and provisions.

The following assumption has been made in calculating the sensitivity analyses:

The sensitivity of the relevant statement of profit and loss item is the effect of the assumed changes in respective market risks. This is based on financial assets and financial liabilities held at 31 March 2021 and 31 March 2022 including the effect of hedge accounting.

**(d) Interest rate risk**

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company does not have any long term borrowings with floating interest rate and carrying short term borrowings with floating interest rate. The company's investment in fixed deposit deposit carries fixed interest rate.

(i) Below is the overall exposure of the Company to interest rate risk:

Particulars	31 March 2022	31 March 2021
Variable rate borrowing		
Fixed rate borrowing	14.46	14.99
<b>Total borrowings</b>	<b>14.46</b>	<b>14.99</b>
<b>Amount disclosed under borrowings</b>		

**Sensitivity**

1% increase in base rate will not have any impact on profit or loss.

(e) **Foreign Currency Risk**

The foreign currency risk is the risk that the fair value or future cash flow of an exposure will fluctuate because of change in foreign exchange rates. The Company's exposure to the risk of changes in foreign exchange rates relates primarily to the export made by the company which are made during the year however same is very negligible as compare to total turnover.

As per our report of even date

For B.K.KAPUR AND CO

Chartered Accountants

Firm Registration No.: 000852C

For and on behalf of Board of Directors of

CONTINENTAL CHEMICALS LIMITED

Sd/-

MS KAPUR (FCA)

Partner

M.NO 074615

Sd/-

Sunaina Chibba

Director

DIN: 00370454

Sd/-

Naresh Kumar Chibba

Director

DIN: 0376963

Place: Noida

Date: 21.05.2022

If undelivered, please return to :  
**Continental Chemicals Limited**  
**A-7, Sector - VII, NOIDA**  
**Pin - 201301**  
**Distt.: Gautam Buddha Nagar**  
**U.P**