



CONTINENTAL SECURITIES LIMITED

27th

Annual Report 2016-17

Registered Office: 301, Metro Plaza ,Gopalbari , Jaipur-302001
CIN NO L67120RJ1990PLC005371

**BOARD OF DIRECTORS**

Shri. M.L. Khandelwal (Chairman)

Shri. Rajesh Khuteta (Managing Director)

Shri . Suresh Kumar Gupta (Independent Director)

Shri .Vishnu Dusad (Independent Director)

Smt. Ruchi Gupta (Independent Director)

COMPANY SECRETARY

J.C. Kedawat

CHIEF FINANCIAL OFFICER

Hemant Gupta

Auditors:

M/S R.P. Khandelwal & Associates, Jaipur
(Chartered Accountants)

Bankers :

State Bank of India

Bank Of Baroda

Registered & Corporate Office

301, Metro Plaza ,Gopalbari, Jaipur(Raj.,)

Phone No : 0141-2377301

Registrar & Share Transfer Agent :

Beetal Financial & Computer Service Pvt. Ltd.

Beetal House 3rd Floor, 99 ,Madangir,

Behind Local Shopping Centre,

Near Dada HarsukhdasMandir, New Delhi

Company Website :

www.continentalsecuritiesltd.com



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**NOTICE**

NOTICE is hereby given that 27th Annual General Meeting of the Member of CONTINENTAL SECURITIES LIMITED. Will be held on Wednesday, 27th September, 2017, at 11:30 A.M at Registered office of the company,. 301, METRO PLAZA, PARIVAHAN MARG, GOPAL BARI, JAIPUR, RAJASTHAN to transact the following business:-

ORDINARY BUSINESS:

1. To receive, consider and adopt the Audited Financial Statements of the Company for the financial year ended on 31st March, 2017, together with the Board's Report and Auditors thereon of the Companies Act, 201
2. To appoint Director in place of Shri M.L.Khandelwal (DIN- 00414717) who retires by rotation and being eligible, offers himself for re-appointment.
3. **APPOINTMENT OF AUDITOR**

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

"RESOLVED THAT pursuant to the provision of section 139 of the Companies Act, 2013, Rule 3 of Companies (Audit and Auditors) Rules, 2014, **M/s B L DUSAD & CO, CHARTERED ACCOUNTS (Firm Registration No. 001435C)**, who are eligible to be appointed as Statutory Auditor of the company and who have given their consent to act as Statutory Auditor of the company, be and are hereby appointed of Statutory Auditor of the company from the conclusion of this Annual General Meeting of the company held for the financial year ending on 31st March, 2017 until the conclusion of annual general meeting of the company to be held for the financial year ending on 31ST March, 2022 (subject to ratification of their appointment in an every annual general meeting).

"RESOLVED FURTHER THAT Board of Directors of the company be and is hereby authorized to fix the remuneration payable to **M/s B L DUSAD & CO, CHARTERED ACCOUNTS (Firm Registration No. 001435C)** Statutory Auditor of the company for financial year ending on 31st March 2018".

SPECIAL BUSINESS:**4 APPOINTMENT OF MR. RAJESH KHUTETA AS MANAGING DIRECTOR:**

To consider and if thought fit, to pass, with or without modification(s), the following



resolution as an Ordinary Resolution:

"RESOLVED THAT pursuant to Section 152, 196, 197, and other applicable provisions, if any, of the Companies Act, 2013 read with the Companies (Appointment and Remuneration of managerial personnel) Rules, 2014 (including any statutory modification(s) or re-enactment(s) thereof, Mr. Rajesh Khuteta be and is hereby appointed as 'Managing Director' of the Company, with effect from July 4, 2017 to hold office for a period of five years upon the remuneration as may be determined and agreed to between the Board of Directors and Mr. Rajesh Khuteta on the following terms and conditions as under:

1. Period of appointment: For 5 years
2. Remuneration: Rs.75000/- per month in the scale of 75000-5000-95000 inclusive of all the allowances and perquisites.

"RESOLVED FURTHER THAT the Board of Directors of the Company be and is hereby authorized to do all necessary acts, deeds and things, which may be usual expedient or proper to give effect to the above resolution

5 TO ADOPT NEW SET OF ARTICLES OF ASSOCIATION OF THE COMPANY:

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

"RESOLVED THAT pursuant to the provisions of Section 14 and all other applicable provisions of the Companies Act, 2013 read with Companies (Incorporation) Rules, 2014 (including any statutory modification(s) or re-enactment thereof, for the time being in force), the draft regulations contained in the Articles of Association submitted to this meeting be and are hereby approved and adopted in substitution, and to the entire exclusion, of the regulations contained in the existing Articles of Association of the Company;

RESOLVED FURTHER THAT the Board of Directors of the Company be and is hereby authorized to do all acts and take all such steps as may be necessary, proper or expedient to give effect to these resolutions."

6 INCREASE IN AUTHORIZED CAPITAL

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

"RESOLVED THAT Pursuant to section 13 read with section 64(1) of the Companies Act, 2013 and pursuant to Rule 15 of the Companies (Share Capital & Debentures) Rules, 2014, the Authorized Share Capital of the Company be and is hereby increased from Rs.



4,00,00,000/- to Rs. 10,00,00,000/- by issue of 60,00,000 Equity Shares of Rs. 10/-each and that clause V of the Memorandum of Association of the company be altered accordingly."

RESOLVED FURTHER THAT pursuant to Section 13 and other applicable provisions of the Companies Act, 2013, in the Capital clause of the Memorandum of Association, the following words be substituted as follows:

"The Authorized share capital of the company is Rs. 10,00,00,000/- (Rupees Ten Crore only) divided into 1,00,00,000 (One Crore) Equity Shares of Rs.10/- (Rupees Ten) each."

RESOLVED FURTHER THAT Board of Directors of the Company be and are hereby authorized to do all acts and deal with related matters in relation to increase of authorized capital."

EXPLANATORY STATEMENT PURSUANT TO SECTION 102(1) OF THE COMPANIES ACT, 2013:

ITEM 4:

The Board of Directors approved the appointment of Mr. RAJESH KHUTETA as Managing Director, for a further period of 5 years on the Board of the Company with effect from July 4,2017, subject to the shareholders approval.

The Remuneration proposed to be paid to Mr. RAJESH KHUTETA is Rs.75000/- per month in the scale of 75000-5000-95000 inclusive of all the allowances and perquisites.

None of the Directors / Key Managerial Personnel Except Shri M.L.Khandelwal is relative of Shri Rajesh Khuteta is interested in proposed resolution.

ITEM 5:

The Board of directors has proposed to alter the and amend the Article of Association of the Company, for that approval of the members is accordingly being sought by way of a Unanimous Resolution to amend the Article of Association of the Company.

The existing AOA are based on the Companies Act, 1956 and several regulations in the existing AOA contain references to specific sections of the Companies Act, 1956 and some regulations in the existing AOA are no longer in conformity with the New Companies Act, 2013. Hence, it is considered expedient to wholly replace the existing AoA by a new set of Articles to some extent which shall be in conformity with the new companies Act, 2013. The proposed new draft AOA are being uploaded on the Company's website for perusal by the shareholders. The draft AOA shall be available for inspection during the meeting and can be



inspected by members during the business hours at the registered office of the company. None of the Directors / Key Managerial Personnel of the Company / their relatives is, in any way, concerned or interested in this matter.

ITEM 6:

the Present Authorized Capital of the Company is Rs. 4,00,00,000/- (Rupees Four Crore only) divided into 40,00,000 (Fourty lacs) Equity Shares of Rs.10/- (Rupees Ten) each." In order to meet the authorized capital requirements in future, it is necessary to enhance the authorized capital to Rs. 10,00,00,000/- (Rupees Ten Crore only) divided into 1,00,00,000 (one crore) equity shares of Rs.10/- (Rupees Ten) each.

None of the Directors / Key Managerial Personnel of the Company / their relatives are, in any way, concerned or interested, financially or otherwise, in above resolutions.

For and on behalf of the Board of Directors

PLACE: JAIPUR

DATE: 29th May, 2017

J.C.Kedawat
Company Secretary

**NOTES**

1. Additional Information required pursuant to Regulation 36(3) of the SEBI (Listing and disclosure Requirements) Regulations, 2015 with regards to director seeking re-appointment at the Annual General Meeting is annexed here to .
2. A member entitled to attend and vote at the meeting is also entitled to appoint a proxy who need not be a member of the company. A person can act as proxy on behalf of members not exceeding fifty and holding in the aggregate not more than ten percent of the total value of share capital of the Company carrying voting rights. A member holding more than ten percent of the total share capital of the company carrying voting rights may appoint a single person as proxy and such person shall not act as proxy for any other person or shareholder .
3. The instrument appointing proxy must reach the Registered Office of the Company not later than 48 hours before the time fixed for the meeting.
4. Corporate members intending to send their authorized representative to attend the meeting pursuant to Section 113 of Companies Act, 2013 are requested to send to the company a certified copy of the relevant Board resolution together with the specimen signature of their authorized representatives to attend and vote on their behalf at the meeting .
5. The Register of the members and share transfer books of the Company will remain closed from 21th September,2017 to 27th September, 2017(both days inclusive).
6. The Members holding shares in physical form are requested to intimate quoting their Folio Number and the change of address immediately to M/s BeetalFinancial Services and Computers Pvt. Ltd (the registrar and transfer Agent) Beetal House,3rd Floor, 99 Madangir, Behind LSC, New Delhi 110062.
7. The shareholders holding shares in demat form and have not registered their e-mail IDs with their Depository Participant are requested to register their e-mail address , to enable the Company to use the same for serving documents electronically . Shareholders holding shares in physical form shall provide their e-mail address to RTA .
8. Pursuant to Section 72 of Companies Act, 2013 , shareholders holding shares in physical form may file nomination in form SH-13with the Registrar & share transfer agents of the Company .In respect of shares held in electronic /demat form the nomination form may be filed with respective depository participant .
9. Members desirous of obtaining any information required concerning the accounts of the company and any other information are requested to address their queries to the Company at least seven days in advance of the date of meeting.



10. The Securities and exchange Board of India (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 depository participants with whom they maintain their accounts. Members holding shares in physical form have to submit their PAN number to Registrar and Share Transfer Agents of the company.
11. Members may note that the notice of the Annual General meeting and Annual Report for the year 2016-17 will also be available on the Company website www.continentalsecuritiesltd.com for their download. The physical copies of the aforesaid documents will also be available for inspection at Registered office of the company for inspection during normal business hours on working days. Even after registering for e - communication, members are entitled to receive copy of above documents in physical form, upon making a request for the same at free of cost.
12. In accordance with rule 20 of the Companies (Management and Administration) amendment Rules, 2015, the Company has fixed 20th September, 2017 as the cutoff date to determine the eligibility to vote by electronic means or in the general meeting. A person whose name is recorded in register of members or in the register of beneficiary owners maintained by depositories as on the cutoff date, i.e. 20th September 2017 shall be entitled to avail facility of e-voting as well as voting at the general meeting.

13. VOTING THROUGH ELECTRIC MEANS

In compliance with provisions of Section 108 of the Companies Act, 2013, the Company is pleased to provide members facility to exercise their right to vote at the 27th Annual General Meeting (AGM) by electronic means.

The members whose names appear in register of members as on cut-off date i.e. 20th September, 2017 will be entitled to vote electronically. The remote e- voting period will commence at 9.00 A.M. on 23rd September, 2017 and will end at 5.00 P.M. on 26th September, 2017. The facility for voting through electronic means system shall be made available at the meeting and the members attending the meeting who have not cast their vote by remote e-voting shall be able to vote at the meeting through 'ballot paper'. The company has appointed Shri Ajay Khandelwal, a partner of M/S Ajay Khandelwal & Associates, Chartered Accountants, A practicing Chartered Accountant firm to act as scrutinizer to scrutinize the ballot papers and remote e- voting process in a fair and transparent manner. The detailed procedure for remote e-voting is given below:

The instructions for e-voting are as under:

- (i) The shareholders should Log on to the e-voting website www.evotingindia.com.
- (ii) Click on "Shareholders" tab.



- (iii) now enter your user ID
 - a) for CDSL: 16digits beneficiary ID
 - b) for NSDL : 8 character DP ID followed by 8 digit client ID
 - c) members holding shares in physical form should enter Folio Number registered with the Company.
- (iv) Next enter the Image Verification as displayed and Click on Login.
- (v) If you are holding shares in demat form and had logged on to www.evotingindia.com and voted on an earlier voting of any company, then your existing password is to be used.
- (vi) If you are a first time user follow the steps given below:

For members holding shares in demat form and physical form

PAN: Enter your 10 digit alpha numeric PAN issued by Income Tax department (Applicable for both demat and physical shareholders).

Members who have not up dated their PAN with the Company/depository participant are requested to use the first two letters of their name and the 8 digits of sequence number in the PAN field. In case the sequence number is less than 8 digits enter the applicable number of 0's before the number after the first two characters of the name in capital letters i.e. if your name is Ramesh Kumar with sequence No.1, than enter RA00000001 in the PAN field.

DOB: Enter the date of birth as recorded in your demat account or in the Company records for the said demat account or folio in DD/MM/YY format.

- (vii) After entering these details appropriately, click on "SUBMIT" tab.
- (viii) Members holding shares in physical form will then reach directly the Company selection screen. However, members holding shares in demat form will now reach 'Password Creation' menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other company on which they are eligible to vote, provided that company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
- (ix) For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
- (x) Click on EVSN for CONTINENTAL SECURITIES LIMITED on which you choose to vote.



- (xi) On the voting page, you will see "RESOLUTION DESCRIPTION" and against the same the option "YES/NO".
- (xii) Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.
- (xiii) Click on the "RESOLUTIONS FILE LINK" if you wish to view the entire Resolution details.
- (xiv) After selecting the resolution you have decided to vote on, click on "SUBMIT". A confirmation box will be displayed. If you wish to confirm your vote, click on "OK", else to change your vote, click on "CANCEL" and accordingly modify your vote.
- (xv) Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.
- (xvi) You can also take out print of the voting done by you by clicking on "Click here to print" option on the Voting page.
- (xvii) If Demat account holder has forgotten the password then Enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.
- (xviii) Notes for Non Individuals and custodians shareholders:
- ◆ Institutional shareholders (i.e. other than Individuals, HUF, NRI etc.) and custodian are required to log on to www.evotingindia.com and register themselves as Corporate. They should submit a scanned copy of the Registration Form bearing the stamp and sign of the entity to helpdesk.evoting@cdslindia.com.
 - ◆ After receiving the login details they have to create a compliance user using the admin login and password. The compliance user would be able to link the accounts for which they wish to vote on.
 - ◆ The list of accounts linked in to login should be mailed to helpdesk.evoting@cdslindia.com and on approval of the accounts they would be able to cast their vote.
 - ◆ They should upload a scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, in PDF format in the system for the scrutinizer to verify the same.
- (xix) In case you have any queries or issues regarding e-voting, you may refer the Frequently Asked Questions
- (xx) ("FAQs") and e-voting manual available at www.evotingindia.com under help section or write an email to helpdesk.evoting@cdslindia.com.
- (xxi) The shareholders can opt for only one mode of voting, i.e. either physically by



attending AGM or e-voting. If any shareholders opt for e-voting, he/she will not be eligible to vote physically in AGM.

- (xxii) Mr. Ajay Khandelwal, Practicing Chartered Accountants (Membership No. 403532) has been appointed as the Scrutinizer to scrutinize the e-voting process in a fair and transparent manner. The scrutinizer shall within a period not exceeding three working days from the conclusion of the e- voting period unlock the votes in presence of two witnesses not in employment of the company make a scrutinizer's report of the votes casted in favour or against , if any, forthwith to the Chairman of the Company.
- (xxiii) The Results of e-voting shall be declared on or after the AGM of the Company and the Results declared with Scrutinizer Report shall be placed on the Website of the Company i.e. www.continentalsecuritieslimited.com and also on the website of CDSL viz. www.cdslindia.com within four days of passing of the Resolution at the AGM of the Company. The Scrutinizer will submit the report by 1st October 2017.
12. All documents referred to in the accompanying Notice shall be open for inspection at the Registered Office of the Company during normal business hours (9.00 am to 5.00 pm) on all working days, up to and including the date of the Annual General Meeting of the Company.

For and on behalf of the Board of Directors

PLACE: JAIPUR
DATE: 29th May ,2017

J.C.Kedawat
Company Secretary

ADDITIONAL INFORMATION PURSUANT TO REGULATION 36(3) OF THE SEBI (LISTING OBLIGATION & DISCLOSURE REQUIREMENTS) REGULATIONS, 2015 WITH REGARDS TO THE DIRECTOR SEEKING RE-APPOINTMENTS AT 27th ANNUAL GENERAL MEETING

Name Of Director :-	M.L.Khandelwal
Date of Birth :-	02-03-1945
Date of Appointment :-	30-03-1990
Qualifications :-	M.tech
Chairmanship/Directorship	
In other Companies :-	1. Continental Petroleums Limited
Number of Shares Held in the Company :	70,400

For and on behalf of the Board of Directors

PLACE: JAIPUR
DATE: 29th May ,2017

J.C.Kedawat
Company Secretary



DIRECTORS REPORT

Your Directors have pleasure in presenting the Annual Report together with Audited Accounts for the year ended 31st March, 2017

FINANCIAL RESULTS

	(Rs in lacs)	
	Year Ended 31st March, 2017	Year Ended 31st March, 2016
Income	39.58	32.56
Total Expenditure	22.82	20.37
Profit before interest , Dep. And tax	16.76	12.19
Interest	0.45	0.49
Depreciation	3.64	6.11
Taxation	3.06	0.96
Net profit	9.61	4.63
Profit (Loss) brought forward	10.35	6.65
Net Profit (Loss) carried forward	17.95	10.35

DIVIDEND

No dividend was declared during the financial year 2016-17 as the company has utilized or used its profits in other activities for promoting its business.

RESERVES

A sum of Rs. 2.01 Lacs has been transferred by company to Reserve fund as per guidelines prescribed by Reserve Bank Of India. No other amount is carried to any reserves during the period under review.

OPERATIONS

During the year under review the Company has registered a gross income of Rs. 39.58 Lacs as compared to the income of Rs. 32.56 lacs in the previous year. The net profit of the company was Rs.9.61 lacs as against net profit of Rs. 4.63 lacs in the previous year.

PROSPECTS

The year 2016-17 has seen downfall in some of the areas of the Indian economy. One of the major features of the fiscal year was the unfavorable financial market condition. However, the company expect good performance even after stiff competition with big players. The Company is still in process of consolidation and efforts are being made to enhance the network of the Company through renewed focus on core competence on Leasing and Investments. However, the finance is major problem in expending the business of the Company.

MANAGEMENT DISCUSSION AND ANALYSIS

The indian economy is now recovering and growth is on track . The financial position of banks and corporates have been deteriorated. There are numerous factors which may affect business of finance companies . The performance of the company , its profitability , attitude of consumers etc. are some of them. Company is taking cautions view and formulate policies accordingly.

**RESERVE BANK OF INDIA**

The Company has continued to follow all applicable guidelines issued by the Reserve bank of India for NBFCs regarding Capital Adequacy, Asset Classification, provisioning and income recognition on non-performing asset as applicable to category of NBFCs not accepting Public Deposits.

DEPOSITS

The Company has not accepted any deposits during the year under review.

PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS BY THE COMPANY

Details of loans, guarantees and investments, if any, covered under the provisions of section 186 of the Companies act, 2013 are given in the notes to the financial statements.

SIGNIFICANT AND MATERIAL ORDERS

No significant or material order has been passed by the Regulators /Courts or Tribunals which can impact the going concern status and Company's operation in future.

MATERIAL CHANGES AND COMMITMENTS AFFECTING THE FINANCIAL POSITION OF THE COMPANY

There were no material changes occurred subsequent to the close of financial year of the company to which the balance sheet relates and the date of the report which can affect the financial position of the Company

DISCLOSURE AS PER SEXUAL HARASSMENT OF WOMEN AT WORK PLACE (PREVENTION , PROHIBITION AND REDRESSAL)ACT,2013

The company has zero tolerance for sexual harassment at work places and has in place a policy on prevention , prohibition and redressal of sexual harassment at work place in the line of provisions of Sexual Harassment of women at work place (Prevention , prohibition and redressal),Act,2013and the rules framed there under . At present company has no women worker in service.

CORPORATE SOCIAL RESPONSIBILITY

THE Provisions of companies act ,2013 relating to Corporate social responsibility does not apply to the company.

DOCUMENTS PLACED ON THE WEBSITE

(www.continentalsecuritiesltd.com)

The following documents have been placed on the website in compliance with the Act :

- Financial statements of the Company .
- Code of conduct for insider trading and corporate disclosure practices.

RELATED PARTY TRANSACTIONS:

ALL the related party transactions that were entered in to during the financial year were on an arm's length basis and were in the ordinary course of business. There are no material / significant related party transaction made by the Company which has a potential conflict with the interest of the Company at large and disclosure in form AOC-2 is given as required.



The Board has framed a policy on related party transaction.

EXTRACTS OF ANNUAL RETURN :

Extracts of annual return is annexed to this report.

STATUTORY AUDITORS

As per the provision of the Act, the period of office of M/s R.P. Khandelwal & Associates, Chartered Accountants, Statutory Auditors of the Company, expires at the conclusion of the ensuing Annual General Meeting.

It is proposed to appoint M/s B L DUSAD & CO, CHARTERED ACCOUNTS (Firm Registration No. 001435C), for a term of 5(five) consecutive years who have confirmed their eligibility and qualification required under the Act for holding the office, as a Statutory Auditor of the Company.

The Notes on financial statement referred to the Auditor Report are self explanatory and do not call for any further comments. The Auditors Report does not contain any qualification, reservation adverse remark or disclaimer

INTERNAL AUDITORS

M/S Ajay Khandelwal & Associates, Chartered Accountants were appointed internal Auditors of the Company for the year ended 31st March, 2017 under the provisions of Companies act, 2013. The Company proposes to continue their services for the year 2017-18

VIGIL MECHANISM

In Accordance of Section 177 of the Companies act, 2013 the Company has constituted a Whistle Blower policy/ Vigil Mechanism to establish a vigil mechanism for the Directors and employees to report genuine concerns in such manner as may be prescribed and to report to the management instances of unethical behavior, actual or suspected fraud or violation or violation of company's code of conduct.

RISK MANAGEMENT

Company has implemented an integrated risk management approach through which it reviews and assesses significant risk on a regular basis to ensure there is a robust system of risk controls and mitigation in place.

Senior management periodically review the risk management. The management however, of the view that no risk element is identified which in opinion of the board may threaten the existence of the company.

INTERNAL CONTROL SYSTEM

The Company has an internal control system commensurate with the size and complexity of operations. The Company has appointed M/S Ajay Khandelwal & Associates, Chartered accountants Jaipur as internal auditors of the Company. The Audit committee has also taken effective steps to review internal control system from time to time.

SECRETARIAL AUDITORS

Pursuant to provisions of Section 204 of the companies act, 2013 M/S MKGP & Associates Secretaries were appointed as Secretarial auditors of the company for the year ended 31st



March, 2017. The Secretarial Audit report submitted by them is annexed. The report does not contain any qualification

DIRECTORS

Shri M.L Khandelwal Director of the Company, is retiring by rotation at the ensuing Annual General Meeting and being eligible, offers himself for appointment

Shri Rajesh Khuteta also be re - appointed Managing Director of Company in this Annual General Meeting.

BOARDS COMMITTEES:-

The Boards of Directors of the Company has constituted various Committees in Compliances with the provision of the Companies and SEBI listing Regulations, such as Audit Committee, Nomination Remuneration and Compensation Committee, Shareholder Grievance Committee.

All Decision pertaining to the constitution of the Committees, appointment of members and fixing of the terms of reference /role of the committees are taken by the Board of Directors.

AUDIT COMMITTEE

The Audit Committee comprises Independent Director namely Shri Suresh Kumar Gupta (Chairman) Shri Vishnu Dusad and Mrs Ruchi Gupta During the year, all the recommendation made by the Audit Committee were accepted by the Board.

Details of the Number of Meeting held during the year; 30th May 2016. 13th August 2016, 14th November 2016, and 14th February 2017.

NOMINATION AND REMUNERATION COMMITTEE

The Board on the recommendation of the Nomination remuneration and compensation Committee has adopted a policy for Selection, appointment and remuneration of Directors, key Managerial personnel and Senior Management. Meeting was held during the year on 20th December 2016.

MEETING OF BOARD OF DIRECTORS

The meetings of Board of Directors held during the year under review on 30th May 2016. 6th August 2016 13th August 2016, 14th November 2016, 20th December 2016 and 14th February 2017

INDEPENDENT DIRECTORS MEETING

During the year under reference one meeting of Independent directors was held on 14th Feb 2017 in compliance with the requirement of Schedule IV of the Companies Act, 2013. At the said meeting performance of non-independent Directors, Board as a whole and Chairman of the Company was reviewed.

DECLARATION BY INDEPENDENT DIRECTORS :

The Company has obtained a declaration from independent Directors. The said independent Directors meets the criteria of independence as mentioned in Section 149 (6), of the Companies Act, 2013 and Schedule IV of the Companies Act 2013.

PREVENTION OF INSIDER TRADING

The Company has adopted a code of conduct for fair disclosure and prevention of insider



trading in order to regulate and control trading in securities by Directors and designated employees of the Company. The code requires pre-clearance for dealing in the Company shares and prohibits the purchase and sales of Company shares by Directors and designated employees while in possession or unpublished price sensitive information in relation to Company and during the period of closure of trading window.

(i) Demat/Remat of shares

No request was received for Remat during the financial year. Details of Demat as follows;

- a) Number of shares Dematerialized - 14,89,571
 b) Percentage of Shares Dematerialized as on 31st march,2017 - 45.82% .

(ii) Disclosures

- a) There were no transactions of material nature with its related parties that may have the potential conflict with the interest of the company at large. Transactions with related parties are disclosed in Note No 12 of the financial statements.
 b) There were no instances of non compliance nor have any penalties imposed by Stock Exchanges or SEBI or any other statutory authority on any matter related to capital market during the last here financial years.
 c) Managing Director of the company has certified to the Board with regard to the compliance made by them in terms of Clause 49 of the listing agreement and the certificate form part of this report.

Sr. no	Name of Director/KMP and its designation	Remuneration to the Director/KMP for the Financial Year 2016-17	Percentage Increase/Decrease in remuneration in the Financial Year 2016-17	Ratio of Remuneration of each director to the Median Remuneration of Employees
1.	Mr. M.L. Khandelwal (Chairman)	4500	-	.04
2.	Mr. Rajesh Khuteta	5,37,000	7.19	5.09
3.	Mr. Vishnu Dusad (Independent Director)	4500	-	.04
4.	Mr. Suresh Kumar Gupta (Independent Director)	4500	-	0.04
5.	Mrs. Ruchi Gupta (Independent Director)	4500	-	0.04
6.	Mr. J.C. Kedawat (Company Secretary)	1,44,000	-	1.36
7.	Mr. Hemant Gupta (C.F.O)	2,16,000	22.72	2.04



REMUNERATION OF NON-EXECUTIVE/EXECUTIVE DIRECTORS

Details pertaining to remuneration as required under Section 197(12) of the companies act, 2013 read with Rule 5 (1) of the Companies (Appointment and Remuneration of Managerial Personnel) 2014 :

* Only sitting fee is paid to Independent and non executive Directors.

- i. The number of employees on the roll of the company is one.
- ii. The median remuneration of employees(MRE) of the Company is Rs.105600 .The MRE for the year is increased by 5.00 % compared to previous year.
- iii. There was no increase in salary of Key Managerial Personnel during the year and managerial remuneration except increase in salary of Managing Director by Rs. 36000.00 and CFO by Rs.40000.
- iv. There is no variable component in remuneration of Directors of the Company.
- v. The ratio of the remuneration of the highest paid director to that of the employees who are not Directors but receive remuneration in excess of the highest paid director during the year -None .
- vi. It is hereby affirmed that the remuneration paid is as per the remuneration policy of the company.

DIRECTORS RESPONSIBILITY STATEMENT

Pursuant to the provisions of Section 134 ((3) (c) of the Companies Act, 2013, your Directors state that

1. That in preparation of the annual accounts for the financial year ended 31st March, 2017, the applicable accounting standards have been followed along with proper explanation relating to material departures;
2. That they have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent, so as to give a true and fair view of the state of affairs of the Company at the end of the financial year 31st march ,2017 and of the profit or loss of the Company for that period ;
3. That they have taken proper and sufficient care for the maintenance of proper accounting records in accordance with the provisions of the companies Act, 2013 and rules made there under for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities.
4. That they have prepared the annual accounts for the financial year ended 31st March, 2017 on a going concern basis. The Directors had laid down internal financial controls to be followed by the Company and that such internal financial controls are adequate and were operating effectively.



5. The directors had devised proper and systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively .

PARTICULARS REGARDING CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNING AND OUTGO

The information required under Section 134(3)(m) of the Companies Act,2013 relating to conservation of energy and technology absorption, is not given, since the Company is not engaged in manufacturing activity. The inflow and outgo of the foreign exchange was nil during the year.

CORPORATE GOVERNANCE

As per to SEBI (Listing Obligation & Disclosure Requirements) Regulations , 2015 Company is not in perview of Corporate governance regulation .Hence Corporate Governance Report is not enclosed with Directors Report.

ACKNOWLEDGMENT

The Board would like to place on record its sincere appreciation to all the employees for their continued efforts towards the growth of the company. The Board also wishes to place on record the support extended by its Bankers and the trust reposed in it by its shareholders.

For and on behalf of the Board of Directors,

PLACE: JAIPUR

DATE: 29th May, 2017

M.L Khandelwal
Chairman



ANNEXURE - I TO THE DIRECTORS REPORT

EXTRACT OF ANNUAL RETURN

As on financial year ended on 31.03.2017

Pursuant to Section 92(3) of the companies Act, 2013 and Rule 12(1) of Company (Management & Administration) Rules, 2014

MGT 9

Extract of Annual Return

As on the Financial Year 31.03.2017

[Pursuant to section 92(3) of the Companies Act 2013 and rule 12(1) of the Companies (Management and Administration) Rules, 2014]

I. REGISTRATION AND OTHER DETAILS:

I	CIN	L67120RJ1990PLC005371
ii	Registration Date	30 th March 1990
iii	Name Of The Company	Continental Securities Limited
iv	Category/Sub-Category of the Company	Non-Banking Financial Company
V	Address of the Registered office and contact details	301, Metro Plaza, Gopalbari , Jaipur -302001
Vi	Whether listed company Yes/No	Yes
Vii	Name, Address and Contact Details of Registrar and Transfer Agent , if any	M/S Beetal Financial & Computer Services Pvt. Ltd. , BEETAL HOUSE , 3 rd Floor , 99, Madangir, Behind LSC , New Delhi - 110062 Ph : 011-29961281-282 , Fax : 011-29961284

II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY

All the business activities contributing 10% or more of the total turnover of the company shall be stated :

Name and Description of main products/services		% to total turnover of the company
1. Finance		100 %

III. PARTICULARS OF HOLDING , SUBSIDIARY AND ASSOCIATE COMPANIES

Name and Address of the Company	CIN/GLN	Holding/ Subsidiary/ Associate	% of shares held	Applicable Section
---------------------------------	---------	--------------------------------	------------------	--------------------

Company has no subsidiary/associate company .

IV. SHARE HOLDING PATTERN (Equity Share Capital Break-Up as percentage of Total Equity)



Share Holding Pattern

Category of Share Holder	No of Shares held at the beginning of the year 1st April 2016				No of Shares held at the End of the year 31st March 2017				Change during the Year
	Demat	Physical	Total	% of total Shares	Demat	Physical	Total	% of total Shares	
INDIAN									
(a) Individual /Huf	-	813500	813500	25.03	384900	593600	978500	30.1	20.28
(b) Central Govt /State Govt	-	-	-	-	-	-	-	-	-
(c) Bodies Corporate	-	486500	486500	14.97	91500	230000	321500	9.89	(33.92)
(d) Banks/FI	-	-	-	-	-	-	-	-	-
(e) Any Other	-	-	-	-	-	-	-	-	-
Sub Total (A) 1	-	130000	1300000	39.99	476400	823600	1300000	39.99	
Foreign									
(a)NRIs Individual	-	-	-	-	-	-	-	-	-
(b)other Individual	-	-	-	-	-	-	-	-	-
(c) Bodies Corporate	-	-	-	-	-	-	-	-	-
(d) Banks/FI	-	-	-	-	-	-	-	-	-
(e) Any Other	-	-	-	-	-	-	-	-	-
Sub Total (A)2	-	-	-	-	-	-	-	-	-
TOTAL SHARE HOLDING OF PROMOTER (A)1+(A)2	-	130000	130000	39.99	476400	826300	1300000	39.99	0
B.Public Holding									
A.INSTITUTIONS									
(a) Mutual Fund	-	-	-	-	-	-	-	-	-
(b) Central Govt /State Govt	-	-	-	-	-	-	-	-	-
(d) Banks/FI	-	-	-	-	-	-	-	-	-
(e) Any Other	-	-	-	-	-	-	-	-	-
(f) Venture Capital Fund	-	-	-	-	-	-	-	-	-
(g) FLLs	-	-	-	-	-	-	-	-	-
(h) Foreign Venture Capital Fund	-	-	-	-	-	-	-	-	-
(i) Others (specify)	-	-	-	-	-	-	-	-	-
Sub Total (B)1	-	-	-	-	-	-	-	-	-
B. NON INSTITUTIONS									
A)BODIES CORPORATION									
i) Indian	-	5000	5000	0.015	-	-	-	-	-
ii) Overseas	-	-	-	-	-	-	-	-	-
B) INDIVIDUALS									
i) Individual shareholders holding nominal shares capital upto Rs2 lacs	18600	885600	904200	27.82	112138	881338	993476	30.56284994	9.84
ii) Individual shareholders holding nominal shares capital in exceeds Rs 2 lacs	0	965300	965300	26.96	876523	0	876523	26.96	0
C) OTHERS (SPECIFY)									
1.NRI	0	56100	56100	1.73	0	56100	56100	1.73	0
2.HUF	0	20000	20000	0.61	24510	0	24501	0.75	22.505
3. CLEARING MEMBERS									
Sub Total (B)2	18600	961700	1950600	60.01	1013171	937438	1950600	60.01	-



TOTAL PUBLIC HOLDING	18600	961700	1950600	60.01	1013171	937438	1950600	60.01	0
B=(B) (1)+(B)(2)									
C SHARES HELD BY	-	-	-	-	-	-	-	-	-
CUSTODIAN FOR GDRS ZND ADRS									
GRAND TOTAL (A+B+C)	18600	961700	1950600	60.01	1013171	937438	1950600	60.01	

PROMOTER SHARE Holding

SHARE HOLDER'S NAME	No of Shares held at the beginning of the year 1st April 2016				No of Shares held at the end April 2016 of the year 31st March 2017				Change during the Year
	Demat	Physical	Total	% of total Shares	Demat	Physical	Total	% of total Shares	
SUNIDHI KHUTETA	161000	-	161000	4.95	161000	-	161000	4.95	
HEMLATA KHANDELWAL		152300	152300	4.69	-	152300	152300	4.69	
RAJ KHUTETA	-	138500	138500	4.26	138500		138500	4.26	
VIKARANT KHANDELWAL	-	79600	79600	2.45	-	79600	79600	2.45	
MADAN LAL KHANDELWAL	-	70400	70400	2.17	-	70400	70400	2.17	
HEMANT GUPTA	68900	-	68900	2.12	68900	-	68900	2.12	
NAVNEET KHANDELWAL	-	62600	62600	1.93	-	62600	62600	1.93	
ORCHID SECURITITES (P) LTD	-	91500	91500	2.81	91500	-	91500	2.81	
UNIQUE -TECHNO ASSOCIATES (P) LTD -	170000		170000	5.23	-	170000	170000	5.23	
CENTURY PROJECTS INDIA (P) LTD -	60000		60000	1.85	-	60000	60000	1.85	
BHAGWATI KHANDELWAL	-	48400	48400	1.49	-	48400	48400	1.49	
DINESH KHANDELWAL	-	34000	34000	1.05	-	34000	34000	1.05	
RAMESH CHAND RAWAT	-	24600	24600	0.76	-	24600	24600	0.76	
MURARI LAL KHANDELWAL	-	22400	22400	0.69	-	22400	22400	0.69	
MADHU KHANDELWAL	-	17600	17600	0.54	-	17600	17600	0.54	
RAJESH KHUTETA	-	16500	16500	0.51	-	16500	16500	0.51	
JAGDISH PRASAD KHANDELWAL	-	14300	14300	0.44	-	14300	14300	0.44	
GIRIRAJ PRASAD KHANDELWAL	-	12400	12400	0.38	-	12400	12400	0.38	
RADHIKA DANGAYACH	-	11900	11900	0.37	-	11900	11900	0.37	
RAMSWAROOP RAWAT	-	10800	10800	0.33	-	10800	10800	0.33	
GEETA DEVI MAMODIA	-	10000	10000	0.31	-	10000	10000	0.31	
ASHOK MAMODIA	-	7600	7600	0.23	-	7600	7600	0.23	
RAJEEV KHANDELWAL	-	7500	7500	0.23	-	7500	7500	0.23	
GORDHAN DAS SETHI	-	7200	7200	0.22	-	7200	7200	0.22	

Share holding of Top 10 Promoters

	No of Shares held at the beginning of the year 1st April 2016		No of Shares held at the beginning of the year 31st March 2017	
SUNIDHI KHUTETA	161000	4.95	161000	4.95
HEMLATA KHANDELWAL	152300	4.69	152300	4.69
RAJ KHUTETA	124000	3.81	138500	4.26



VIKARANT KHANDELWAL	79600	2.45	79600	2.45
MADAN LAL KHANDELWAL	70400	2.17	70400	2.17
HEMANT GUPTA	68900	2.12	68900	2.12
NAVNEET KHANDELWAL	62600	1.93	62600	1.93
ORCHID SECURITITES (p) LTD	91500	2.81	91500	2.81
Unique -techno Associates (p) Ltd	170000	5.23	170000	5.23
Century Projects India (P) Ltd	60000	1.85	60000	1.85

SHARE HOLDER'S NAME	No of Shares held at the beginning of the year 1st April 2016				No of Shares held at the end April 2016 of the year 31st March 2017				Change during the Year
	Demat	Physical	Total	% of total Shares	Demat	Physical	Total	% of total Shares	
PRABHA GUPTA	162000	-	162000	4.98	162000	-	162000	4.98	
MAHENDRA KHANDELWAL	94800	-	94800	2.92	99800	-	99800	3.07	0.15
VIBHA GUPTA	158033	-	158033	4.86	158033	-	158033	4.86	
DIPTANSHU GUPTA	150916	-	150916	4.64	150916	-	150916	4.64	
VIJAY LAXMI GUPTA	77700	-	77700	2.39	77700	-	77700	2.39	
RINKU KHANDELWAL	69300	-	69300	2.13	69300	-	69300	2.13	
KAUSHALYA DEVI GHIYA	55800	-	55800	1.72	55800	-	55800	1.72	
RISHI TAMBHI	52874	-	52874	1.63	52874	-	52874	1.63	
NAVAL BIHARI KHANDELWAL	-	-	-	-	50100	-	50100	1.54	100
KAMLESH KHANDELWAL HUF	-	-	-	-	20000	-	20000	0.62	100

SHARE HOLDING OF DIRECTORS AND KEY MANAGERIAL PERSONNEL:-

Name of the Directors and KMP	Share Holding at the beginning of the year 1st April 2016		No of Shares held at the End of the year 31st March 2017	
	No of Shares	% of Total Shares of the	No of Shares	% of Total Shares of the Company
M.L KHANDELWAL	70400	2.17	70400	2.17
RAJESH KHUTETA	16500	0.51	16500	0.51
VISHNU DUSAD	-	-	-	-
SURESH KUMAR GUPTA	-	-	-	-
Mrs RUCHI GUPTA	-	-	-	-
HEMANT GUPTA	68900	2.12	68900	2.12
JAGDISH CHAND KEDAWAT	-	-	-	-



I INDEBTEDNESS

Indebtedness of the Company including interest outstanding/accrued but not due for payment

Indebtedness at the beginning of the financial year	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
i. Principal amount	277579	----	----	277579
ii. Interest due but not paid	-	----	----	-
iii. Interest accrued but not due	-	----	----	-
Total (i+ii+iii)	277579	----	----	277579
Change in indebtedness during the financial year Reduction	214914	----	----	214914
Net change	(214914)	----	----	(214914)
Indebtedness at the end of the financial year		----	----	
i. Principal amount	62665	----	----	62665
ii. Interest due but not paid	-	----	----	-
Total (i+ii+iii)	-			-
	62665	NIL	NIL	62665

II Remuneration of Directors and Key Managerial Personnel

A. Remuneration to Directors whole -time Director and/or Manager

Particulars of Remuneration	Name of MD/WTD/ Manager	Total Amount
	Rajesh Khuteta	
1. Gross Salary (a) Salary as per the provisions contained in section 17(1) of the Income-tax Act, 1961 (b) Value of perquisites u/s 17(2) Income-tax Act, 1961 (c) Profits in lieu of salary under Section 17(3) Income-tax Act, 1961	5,37,000	5,37,000
2. Stock Option		
3. Sweat Equity		
4. Commission –as % of profit - others , specify ____		
5. Others, please specify ____		
6. Total	5,37,000	5,37,000



B. Remuneration to other Directors

Particulars of Remuneration	Name of Director				Total Amount
	Suresh Gupta	Ruchi Gupta	Vishnu Dusad	M.L. Khandelwal	
Independent Directors					
(i) Fees for attending board/committee meetings	4500	4500	4500	4500	18000
(ii) Commission-Others please specify					
Total (1)					
Other Non-Executive Directors					
(i) Fees for attending board/committee meetings					
(ii) Commission-Others please specify					
Total (2)					
Total(B)=(1+2)	4500	4500	4500	4500	18000
Total Managerial Remuneration Overall ceiling as per the Act	Yes	Yes	Yes	Yes	Yes

A. Remuneration to Key Managerial Personnel other than MD/Manager/

Particulars of Remuneration	Key Managerial Personnel			Total Amount
	CEO	Company Secretary	CFO	
1. Gross Salary		1,44,000	2,16,000	3,60,000
(a) Salary as per the provisions contained in section 17(1) of the Income tax Act, 1961				
(b) Value of perquisites u/s 17(2) Income tax Act, 1961				
(c) Profits in lieu of salary under Section 17(3) Income-tax Act, 1961				
2. Stock Option				
3. Sweat Equity				

5. Others, please specify ___				
Total		1,44,000	2,16,000	3,60,000



V. Penalties/Punishment/Compounding Of Offences :

Type	Section of the Companies Act	Brief Description	Details of Penalty Punishment/ Compounding fees imposed	Authority [RD/NCLT/COURT]	Appeal mode,if any (give details)
A.COMPANY					
Penalty	----	----	----	----	----
Punishment	----	----	----	----	----
Compounding	----	----	----	----	----
B.DIRECTORS					
Penalty	----	----	----	----	----
Punishment	----	----	----	----	----
Compounding	----	----	----	----	----
C.OTHER OFFICERS IN DEFAULT					
Penalty	----	----	----	----	----
Punishment	----	----	----	----	----
Compounding	----	----	----	----	----

For and on behalf of the Board of Directors,

PLACE: JAIPUR

DATE: 29th May, 2017

M.L Khandelwal

Chairman

**SECRETARIAL AUDIT REPORT****Form No. MR-3**

FOR THE FINANCIAL YEAR ENDED 31ST MARCH, 2017

[Pursuant to section 204(1) of the Companies Act, 2013 and Rule No. 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]

To,

The Members,

CONTINENTAL SECURITIES LIMITED

FLAT NO. 301, METRO PLAZA, PARIVAHAN MARG,
JAIPUR, RAJASTHAN- 302001

I have conducted the Secretarial Audit of the compliance of applicable statutory provisions and the adherence to good corporate practice by CONTINENTAL SECURITIES LIMITED (herein after called "The Company"). Secretarial Audit was conducted in the manner that provided us a reasonable basis for evaluating the corporate conduct/ statutory compliance and expressing our opinion thereon.

Based on the verification of the 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 year ended on 31st March, 2017 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.

I have examined the books, papers, minutes' book, forms and returns filed and other records maintained by the Company for the financial year ended on 31st March, 2017, to the extent applicable, according to the provisions of:

- I. The Companies Act, 2013 (the Act) and the rules made there under;
- II. The Securities Contract (Regulation) Act, 1956 (SCRA) and Rules made there under;
- III. The Depositories Act, 1996 and Regulations and Bye-laws framed there under;
- IV. Foreign Exchange Management Act, 1999 and the Rules and Regulations made there under to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings; if any;
- V. The following Regulations and Guidelines prescribed under the Securities & Exchange Board of India Act, 1992 ("SEBI Act") to the extent applicable;
- A. SEBI (Substantial Acquisition of Shares and Takeover) Regulation, 2011;



- B. SEBI (Prohibition of Insider Trading) Regulations, 1992;
- C. SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2009;
- D. SEBI (Employee Stock Option Scheme and Employee Stock purchase Scheme) Guidelines, 1999;
- E. SEBI (Issue and listing of Debt securities) Regulations, 2008;
- F. SEBI (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with clients;
- G. The SEBI (Delisting of Equity Shares) Regulations, 2009;
- H. The SEBI (Buyback of Securities) Regulations, 1998;
- VI. As identified by the management, following laws are specifically applicable to the Company:

A. Reserve Bank of India, 1934

- B. Guidelines of Fair Practice Code for NBFC
- C. Non Banking Financial Companies Prudential Norms (Reserve Bank) Directions, 1998
- D. Negotiable Instrument Act, 1881
- E. NBFC Auditors Directions, 2008
- F. Guidelines, Directions and Instructions issued by RBI through notifications and circulars
- G. The Right to Information Act, 2005
- H. Any other applicable laws.

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

- a) **Secretarial Standards issued by The Institute of Company Secretaries of India. (Notified SS-1 and SS-2 hence applicable to the Company during Audit Period);**
- b) **The Listing Agreements entered into by the Company to get itself listed with BSE Limited.**

In my observation, during the period under review, the Company has-complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above except following:-

- 1. Company did not inform about 'Disclosure of Interest of Directors' to Stock exchange



due to Board of Directors did not consider the same in Board Meeting.

2. Company has failed to file the MGT-14 form (with regard to the Disclosure of Director Interest) with the Registrar of Companies.
3. Trading Window for the meeting held on 30.06.2016, which has closed from 23.05.2016 to 02.06.2016, but notice was sent to Bombay Stock Exchange on 27.05.2016. As per our opinion intimation sent to stock exchange was too late which was a good compliance.
4. Further, due date of filing the outcome of Board Meeting to the exchange is 30 minutes, but no such outcome was filled by the Company.
5. As per LODR Compliance, due date of shareholding pattern for the fourth quarter of the financial year 2015-2016 (i.e. January to March) is 21.04.2016 but Company has filed on 12.05.2016 which is not a good practice.

I Further Observe that-

- a) The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors.
- b) Further, there are some changes made in the position of Key Managerial Person (KMP) such as Company Secretary has been resigned from the post duly w.e.f. 06.08.2016 and Company has appointed Company Secretary (CS) on 20.12.2016

I 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.

This report is to be read with my letter of even date which is annexed as Annexure - I which forms an integral part of this report.

- c) Adequate notice is given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.
- d) I 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.
- e) The Company has called its AGM 29/09/2016 and is regular in filing its return to the ROC and complying with all the rules and regulation of SEBI from time to time.
- f) The company has duly closed its register of members when the dividend is declared



and closed its trading window when approved its financials and discussing any price sensitive information by giving proper notice of such closure in the newspaper and intimates the same to BSE.

For MKGP & Associates
Company Secretaries

Date: 25 May 2017

Place: JAIPUR

Mahendra Prakash Khandelwal

(Partner)

FCS No.: 6266

CP No.: 4459



Annexure - I

To,

The Members,

CONTINENTAL SECURITIES LIMITED

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

1. It is management's responsibility, to identify the Laws, Rules, Regulations, Guidelines and Directions which are applicable to the Company depending upon the industry in which it operates and to comply and maintain these records with same in letter and in spirit. My responsibility is to express an opinion on those records based on our audit.
2. I have followed the audit practices and process 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 process and practices I followed provide a reasonable basis for our opinion.
3. I have not verified the correctness and appropriateness of financial records and books of accounts of the Company.
4. Wherever required, I have obtained the Management's Representation about the compliance of Laws, Rules, Regulations, Guidelines and Directions and happening 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 MKGP & Associates
Company Secretaries

Date: 25 May 2017

Place: JAIPUR

Mahendra Prakash Khandelwal

(Partner)

FCS No.: 6266

CP No.: 4459

**INDEPENDENT AUDITOR'S REPORT****TO THE MEMBERS OF M/S CONTINENTAL SECURITIES LIMITED:****Report on the Financial Statements**

We have audited the accompanying financial statements of Continental Securities Limited ("the Company"), which comprise the Balance Sheet as at March 31, 2017, the Statement of Profit and Loss and Cash Flow Statement for the year the Ended and a summary of significant accounting policies and other explanatory information.

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 companies Act,2013("the Act") with respect to the preparation of these financial statements that give a true and fair view of the financial position ,financial performance and cash flows of the Company in Accordance with the Accounting principles generally accepted in India, including the Accounting Standards specified under section 133 of the Act , read with Rule 7 of the Companies (Accounts)Rules 2014, as applicable. This responsibility also includes maintenance of adequate accounting records in accordance with provision of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities ; the selection and application of appropriate accounting policies ; making judgments and estimates that are reasonable and prudent ; and the design, implementation and maintenance of the adequate internal financial controls , that were operating effectively for ensuring the accuracy and completeness of 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.

Auditors' Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with the Standards on Auditing issued by the Institute of Chartered Accountants of India. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are freefrom material misstatements.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. 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. In making those risk assessments, the auditor considers the internal financial control relevant to the Company's preparation of the financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances , but not for the purpose of expressing an opinion on whether the Company has in place an adequate internal financial controls system over financial reporting and the operating effectiveness of such controls. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the



accounting estimates made by the Company's Directors , as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the financial statements.

Opinion

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 Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India:

Of the state of affairs of the Company as at March, 31, 2017, and its profit and its cash flow for the year ended on that date.

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 Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at March,31,2017, and its profit and its cash flow for the year ended on that date.

Report on Other Legal and Regulatory Requirements

1. As Required by the Companies (Auditor's Report) Order, 2015 ("the Order") as amended issued by the Central Government of India in terms of Sub-section(11) Of Section 143 of the Act, We give in the Annexed a statement on the matters specified in paragraphs 4 and 5 of the Order.
2. As required by Section 143(3) of the Act, we report that :
 - a. We have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit;
 - b. In our opinion, proper books of account as required by law have been kept by the Company so far as appears from our examination of those books;
 - c. The Balance Sheet, the Statement of Profit and Loss, and the Cash Flow Statement dealt with by this Report are in agreement with the books of account;
 - d. In our opinion, the aforesaid standalone financial statements comply with the Accounting Standards specified under Section 133 of the Act , read with Rule 7 of the Companies (Accounts) Rules, 2014 .
 - e. On the basis of written representations received from the directors as on 31st March , 2017 taken on record by the Board of Directors, none of the Directors is disqualified as on 31st March, 2017 from being appointed as a Director of the company in terms of Section 164(2) of the Act.
 - f. with respect to adequacy of the internal financial controls over financial reporting



of the company, the company is having adequate internal control system with the size and nature of its business and further on the basis of our examination of books and records of the company and according to the information and explanation given to us, we have not observed any irregularities in the internal control system.

- g. with respect to the other matters to be included in the Independent Auditor's Report in accordance with rule 11 of the Companies (Audit and Auditors) Rules 2014. In our opinion and to the best of our information and according to explanations given to us :
- I. The Company has disclosed the impact of pending litigations on its financial position in its financial statements as referred to in note no.24(3) of 31 March 2017
 - II. The Company did not have any long term contract including derivatives contracts for which there were any material foreseeable losses.
 - III. The Company does not have any dues that are required to be transferred to the Investor Education and Protection Fund.

Place : Jaipur

Date : 29th May, 2017

For R.P. Khandelwal & Associates
(Chartered Accountants)
FRN 001759C

R.P Khandelwal
(Partner)
M.No 071002

**ANNEXURE "C" TO THE INDEPENDENT AUDITORS'**

Annexure referred to in our report of even date to the members of

CONTINENTAL SECURITIES LIMITED

On the account of the company for the year ended 31st March,2017

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 SECURITIES LIMITED ("the Company") as at 31st March,2017 in conjunction with our audit of the standalone financial statements of the Company for the year ended and as 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("ICAI").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 Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Standards on Auditing ,prescribed under section 143(10) of the Companies Act,2013 , and the Guidance Note , to the extent applicable to an audit of internal financial controls over financial reporting.Those Standards and the Guidance Note require that we comply with the 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 the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls system over financial reporting.



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 that 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.

Qualified Opinion

In our opinion, on the achievement of the objectives of the control criteria, the Company has maintained, in all material respects, adequate internal financial controls over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2017, 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.

We have considered the material weaknesses identified and reported above in determining the nature, timing, and extent of audit tests applied in our audit of the March 31, 2017 financial statements of the Company, and these material weaknesses does not affect our opinion on the financial statements of the Company.

Place :- Jaipur
Date:-29th May 2017

For R.P.Khandelwal & Associates
Chartered Accountants
FRN 001759C

R.P Khandelwal
(Partner)
M.No 071002

**Annexure - A to the independent Auditors' Report**

(Referred to in paragraph 1 under the heading | Report on other legal & Regulatory Requirement of our report of even date)

Report on companies (Auditors' report) order, 2016 (" the order) issued by the Central Government in terms of section 143 (11) of the Companies Act, 2013 ("the Act") of the Continental Securities Limited ("Company)

1. In respect of Company's Fixed Assets :

- a. According to the information and explanation given to us, the Company has maintained proper records showing full particular including quantitative details and situation of the assets.
 - b. As explained to us, the company has a policy and procedures for physical verification of the fixed assets at reasonable interval and have been physically verified during the year by the management.
 - c. In our opinion and according to the information and explanations given to us, the company has maintained proper records and no material discrepancies were noticed on physical verification
2. In respect of the Loans, secured or unsecured granted by the company to companies, firms or other parties in the register maintained under section 189 of the companies Act.
 - a. According to the information & explanations given to us, the company has not granted any loan to the parties listed in the register maintained under section 189 of the Act,
 - b. The company has also given advances in nature of loans of its employees which are recovered regularly together with interest if applicable as per company policy.
 3. The provisions of section 185 and 186 of the Act in respect of grants of loans, making investment and providing guarantees and securities is not applicable.
 4. The company has not accepted any deposits under the provisions of section 73 to 76 or any other relevant provisions of the Companies Act and the rules framed there under, and as such the question of compliance under the companies Act or any other directives or orders does not arise.
 5. As informed to us the maintenance of cost records is not applicable on the company being a non banking finance company.
 6. According to information and explanations given to us and on the basis of our examination of books of accounts, records, the Company has been generally regular in depositing undisputed statutory dues with the appropriate authorities in India and there were there no dues of income tax, sales tax, service tax custom duty, excise duty or value added tax outstanding on account of any dispute for more than 6 month from the date on when they become payable. CONTINENTAL SECURITIES LIMITED
Annual Report 2015-2016



7. According to the information and explanations given to us in our opinion and according to the information and explanations given to us, the company has not defaulted in the repayment of loans of borrowings from Bank and Government of Company does not have nay loans or borrowings from financial institutions and has not issued any debentures.
8. The Company has not raised moneys by way of initial public offer or further public offer (including Debt instruments) or term loans and hence reporting under Clause 3 (ix) of the order is not applicable.
9. To the best of our knowledge and according to the information and explanations given by the management, no fraud by the company and no fraud on the Company by its officers or employees has been noticed or reported during the year.
10. As the Company is not NIDHI Company, hence reporting under clause 3 (Xii) of the order is not applicable.
11. According to the information and explanation given to us and based on the examination of the books of accounts, the Company has paid/ provided for managerial remuneration in accordance with the requisite approvals mandate by the provisions of section 197 read with schedule- V to the Act.
12. In our opinion and according to the information and explanation given to us, the company is in compliance with section 177 and 188 of the Act, where applicable, for all transaction with the related parties and the details of related parties transactions have been disclosed in the financial statements as required by the applicable accounting standards.
13. During the year the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures.
14. In our opinion and according to the information and explanation given to us during the year the company has not entered in to any non cash transactions with its directors or persons connected to its directors and hence provisions of section 192 of the Act are not applicable.
15. The company is a non banking finance company and is registered under section 451A of the Reserve bank of India, Act, 1934

Place : Jaipur
Date : 29th May 2017

For R.P. Khandelwal & Associates

Chartered Accountant
Firm Reg. No. 001795C

R.P. Khandelwal
Partner
M.N. 071002

**AUDITOR'S ADDITIONAL REPORT**

To, Board of Directors,
Continental Securities Limited
Jaipur

REPORT ON COMPLIANCE WITH THE NON-BANKING FINANCIAL COMPANIES AUDITOR'S REPORT (RESERVE BANK) DIRECTIONS,2008.

Pursuant to the Non-Banking Financial Companies Auditor's Report (Reserve Bank)Directions,2008(the "Directions"). We have examined the matters specified in the Directions in respect of Continental Securities Limited(the "Company") for the year ended March 31,2017.

MANAGEMENT'S RESPONSIBILITY

The Management is responsible for the design and implementation of the internal procedures , systems , processes and controls to ensure compliance with the Directions on an ongoing basis.This responsibility also includes reporting non-compliances , if any, to the Reserve Bank of India, Board of the Company and its Audit Committee.

AUDITOR'S RESPONSIBILITY

Our responsibility is to report on the matters specified in the Directions based on our audit.We conducted our audit in accordance with the Standards on Auditing issued by the Institute of Chartered Accountants of India(ICAI).Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether there are any identified non-compliances. An audit involves performing procedures to obtain audit evidence about the compliance with the Directions. The procedures selected depend on the Auditor's Judgment , including the assessment of the risks of material misstatement of the information and records , whether due to fraud or error . In making those risk assessments , the Auditor considers internal controls relevant to the Company's compliance with the Directions in order to design audit procedures that are appropriate in the circumstances . We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our certificate. We conducted our examination in accordance with the Guidance Note on Special Purpose Audit Reports and Certificates issued by the Institute of Chartered Accountants of India.

CONCLUSION

Based on our examination of the books and records of the Company as produced for our examination and the information and explanations given to us we further report that:

1. The Company is engaged in the Business of non-banking financial institution and has obtained a Certificate Of Registration (COR) No. 10.00022 dated march, 3 , 1998 from the Reserve Bank Of India ("the Bank") Department of Non-Banking Supervision, Jaipur Regional Office.
2. The Company is entitled to continue to hold such COR in terms of its asset/income pattern as on 31st March,2017.
3. The Company during the year is not an Asset Finance Company(AFC) as defined in



Non-Banking Financial Companies Acceptance of Public Deposits (Reserve Bank) Directions 1998.

4. The Company during the year is not a Non-Banking Financial Company - Micro Finance Institutions (NBFC-MFI) as defined in Non-Banking Financial Company - Micro Finance Institutions (Reserve Bank) Directions, 2011 dated December 02, 2011 (MFI Directions).
5. The Board of Directors has passed a resolution for non-acceptance of public deposits.
6. The Company has not accepted any public deposits during the year ended 31st March, 2017.
7. The Company has complied with the prudential norms relating to income recognition, accounting standards, asset classification and provisioning for bad and doubtful debts as applicable to it in terms of Systematically Important Non-Banking Financial (Non-Deposit Accepting or Holding) Companies Prudential Norms (Reserve Bank) Directions, 2015.
8. The annual statement of Capital funds, risk assets/exposures and risk asset ratio (NBS-7) has been furnished to the Bank within the stipulated period based on the un-audited books of account. The Company had correctly arrived at and disclosed the capital adequacy ratio, based on the un-audited books of account, in the return submitted to the Bank in Form NBS-7 and such ratio is in compliance with the minimum CRAR prescribed by the Bank.

RESTRICTION ON USE

This report is issued pursuant to our obligations under Non-Banking Financial Companies Auditor's Report (Reserve Bank) Directions, 2008 to Reserve Bank Of India and should not be used by any other person or for any other purpose. R.P.Khandelwal & Associates neither accepts nor assumes any duty or liability for any other purpose or to any other party to whom our report is shown or into whose hands it may come without our prior consent in written.

For R.P.Khandelwal & Associates
Chartered Accountants
Firm Reg. No. 001795C

Place : Jaipur
Date : 29th May 2017

R.P.Khandelwal
Partner
M.No. 071002



ANNEXURE TO THE AUDITOR'S REPORT

[Referred to in our report of even date to the Member of Continental Securities Ltd]:

- (i)
- a. The Company is in the process of compiling fixed assets records to show full particulars, including quantitative details and situation of fixed assets.
 - b. We were informed that all major items of fixed assets were physically verified by the management at the end of the year and that no discrepancy was notified on such verification, which on account of proper records being still under compilation, could not be verified.
- ii.
- The Company has not granted any loans , secured or unsecured to companies , firms or other parties covered in the register maintained under section 189 of the Companies Act , 2013 . Accordingly the clause 3(iii)(a) and 3 (iii)(b) of the Order are not applicable to the Company.
- iii.
- a. In our opinion and according to information and explanation given to us ; there is adequate internal control system commensurate with the size of the Company and the nature of its business ,fixed assets and with regard to loans given . Further on the basis of our examination of books and records of the Company , and according to the information and explanations given to us , we have not observed any continuing failure to correct major weaknesses in the aforesaid internal control system
- iv.
- The Company has not accepted any deposited as defined in the Companies(Acceptance Of Deposits) Rules 2014.Accordingly , the provisions of Clause 3(v) of the order are not applicable to the Company.
- v.
- According to information and given to us, The central government has not prescribed maintenance of cast records under section (1) one of section 148 of the company's act, 2013.
- a.
- According to the information and explanation given to us, the company has no disputed outstanding statutory dues as at 31st march, 2017
- b.
- According to the information and explanation given to us, the amount which were reacquired to be transferred to the investor Education and Protection fund and accordance with the relevant provision of the company's Act,2013 and rules there



under has been transfer to such funds within time .

- vi. The company does not have any accumulated losses at the end of the financial year and has not incurred cash losses during the financial year end in the immediately preceding financial year.
- vii. According to the information and explanation given to us, the Company has not defaulted in the repayments of dues to financial institution, bank or debenture holder during the year
- viii. According to the information and explanation given to us, the Company has not given any guarantee for loans taken by others from bank or financial intuitions during the year.
- ix. According to the information and explanation given to us, the Company has applied term loans for the purpose for which the loans were obtained.
- x. According to the information and explanation given to us, no fraud on or by the Company has been noticed or reported during the year review.

For R.P.Khandewal& Associates
Chartered Accountants
Firm Reg. No.001795C

Place : Jaipur
Date : 29th May 2017

R.P.Khandelwal
Partner
M.No. 071002



BALANCE SHEET AS ON 31ST MARCH, 2017

(Amt. in Rupees)

Particulars	Note No.	as at 31.03.2017	as at 31.03.2016
I EQUITY & LIABILITIES			
1. Shareholders' Funds			
(a) Share Capital	1	32,506,000.00	32,506,000.00
(b) Reserves & Surplus	2	3,819,634.00	2,858,366.00
(c) Money received against share warrants			
2 Share Application Money pending Allotment		-	-
3 Non-current Liabilities			
(a) Long Term Borrowings	3	62,665.00	277,579.00
(b) Deferred Tax Liabilities (Net)		-	-
(c) Other Long Term Liabilities		-	-
(d) Long Term Provisions		-	-
4 Current Liabilities			
(a) Short Term Borrowings		-	-
(b) Trade Payables		-	-
(c) Other Current Liabilities	4	384,245.00	424,399.00
(d) Short Term Provisions	5	336,699.00	173,171.00
TOTAL		<u>37,109,243.00</u>	<u>36,239,515.00</u>
II ASSETS			
1 Non-Current Assets			
(a) Fixed Assets			
(i) Tangible Assets	6	756,714.00	1,081,134.00
(ii) Intangible Assets		-	-
(iii) Capital Work-in-Progress		-	-
(ii) Intangible Assets under development		-	-
(b) Non-current Investments	7	3,695,000.00	4,295,000.00
(c) Deferred Tax Assets (Net)	8	291,801.00	191,090.00
(d) Long Term Loans & Advances		-	-
(e) Other Non-current Assets		-	-
2 Current Assets			



(a) Current Investments	-	-	-
(b) Inventories	-	-	-
(c) Trade Receivables	-	-	-
(d) Cash & Cash Equivalents	9	638,898.00	747,546.00
(e) Short Term Loans & Advances	10	31,397,185.00	29,680,013.00
(f) Other Current Assets	11	329,645.00	244,732.00
TOTAL		<u>37,109,243.00</u>	<u>36,239,515.00</u>

See accompanying notes to the financial statements

As per our Report of even date annexed

For R. P. Khandelwal & Associates
Chartered Accountants

For & on behalf of Board of Directors

(R. P. KHANDELWAL) (M.L.Khandelwal)
(PARTNER) Chairman

(Rajesh Khuteta)
Managing Director

(J.C.Kedawat)
Company Secretary

M. No. : 071002

Place : Jaipur

Date : 29th May 2017



STATEMENT OF PROFIT & LOSS FOR THE YEAR ENDED 31ST MARCH, 2017

(Amt. in Rupees)

Particulars	Note No.	As at 31.03.2017	As at 31.03.2016
I Revenue from Operations	12	3,957,785.00	3,255,746.00
II Other Income		-	-
III Total Revenue (I + II)		<u>3,957,785.00</u>	<u>3,255,746.00</u>
IV Expenses :			
Employee Benefits Expense	13	1,120,700.00	642,269.00
Finance Costs		45,162.00	48,773.00
Depreciation and Amortisation Expenses		363,770.00	610,775.00
Administration & Other Expenses	14	1,161,175.00	1,395,263.00
Total Expenses		<u>2,690,807.00</u>	<u>2,697,080.00</u>
V Profit Before Exceptional & Extraordinary Items & Tax (III - IV)		1,266,978.00	558,666.00
VI Exceptional Items		-	-
VII Profit Before Extraordinary Items & Tax (V-VI)		1,266,978.00	558,666.00
VIII Extraordinary Items		-	-
IX Profit before Tax (VII - VIII)		1,266,978.00	558,666.00
X Tax Expenses			
Current Tax		406,421.00	318,849.00
Deferred Tax		(100,711.00)	(223,488.00)
XI Profit from Continuing Operations (VII-VIII)		961,268.00	463,305.00
XII Profit from Discontinuing Operations		-	-
XIII Tax expenses of Discontinuing Operations		-	-
XIV Profit from Discontinuing Operations after Tax		-	-
XV Profit for the period (XI + XIV)		961,268.00	463,305.00
XVI Earnings Per Share	15		
Basic		0.30	0.14
Diluted		0.30	0.14

See accompanying notes to the financial statements

As per our Report of even date annexed

For R. P. Khandelwal & Associates

For & on behalf of Board of Directors

Chartered Accountants

(R. P. KHANDELWAL)

(M.L.Khandelwal)

(Rajesh Khuteta)

(J.C.Kedawat)

(PARTNER)

Chairman

Managing Director

Company Secretary

M. No. : 071002

Place : Jaipur

Date : 29th May 2017



CASH FLOW STATEMENT FOR THE YEAR 2016-2017

	Rs in Lacs	
	2016- 17	2015-16
A. CASH FLOE FROM OPERATING ACTIVITIES		
NET PROFIT AFTER TAX AND EXTRAORDINARY ITEMS	10.05	4.63
ADJustment For :-		
Depreciation	3.64	6.11
Interest Expenses	0.45	0.48
Provision for Taxes	3.63	3.19
Deferred Tax	0.00	0.00
Extra Ordinary Item	0.00	0.00
OPERATING PROFIT BEFORE WORKING CAPITAL CHANGES	17.77	14.41
ADJustment For :-		
Decrease/ (Increase) in Current Assets	-18.02	-8.81
Increase/(Decrease) in Current Liabilities	0.80	1.25
deffered tax	-1.01	-2.23
Other Advances		
Cash Generated from Operations	-0.46	4.62
Interest Paid	-0.45	-0.48
Direct Taxes Paid	-3.63	-3.19
NET CASH FROM OPERATING ACTIVITIES	-4.54	0.95
B. CASH FLOW INVESTMENT ACTIVITIES		
Purchase of Fixed Assets & Misc. Assets (Net)	-0.39	0.00
Net Sales/ (Purchase) of investments	6.00	0.00
NET CASH USED IN INVESTING ACTIVITIES	5.61	0.00
C. CASH FLOW FROM FINANCING ACTIVITIES		
Secured loans taken/ (Repayment done) (NET)	-2.15	-1.94
Repayment of Unsecured Loans		
Call Money Raised & Excess Amt Received from Issue of Share	0.00	0.00
NET CASH USED IN FINANCING ACTIVITIES	-2.15	-1.94
NET INCREASE IN CASH & CASH EQUIVALENTS	-1.08	-0.99
CASH & CASH EQUIVALENTS (OPENING BALANCE)	7.47	8.46
CASH & CASH EQUIVALENTS (CLOSING BALANCE)	6.39	7.47

Note : the previous year figures have been re-grouped where-ever it was necessary.
As per our Report of even date annexed

For R.P.Khandelwal & Associates
Chartered Accountants
FRN 001759C

For & on behalf of Board of Directors

Sd/-
(R. P. KHANDELWAL)
PARTNER
M.No '071002
Place : Jaipur
Date : 29th May 2017

Sd/-
ML Khandelwal
(Chairman)

Sd/-
Rajesh Khuteta
(Mangaing Director)

Sd/-
JC Kedawat
(Company Secretary)

**AUDITOR'S CERTIFICATE**

We have examined the attached Cash flow Statement of Continental Securities Limited for the year 2016-17. The statement has been prepared by the Company in accordance with the requirement of listing agreement clause 32 with stock exchanges and is based on corresponding profit and loss account and balance sheet of the company covered by our report of 29th May 2017 to the Member of the Company

For R.P.Khandelwal & Associates
Chartered Accountants
FRN 001759C

(R. P. KHANDELWAL)
PARTNER
M.No '071002
Place : Jaipur
Date : 29th May, 2017



NOTES ON FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2017

The previous year figures have been regrouped / reclassified, wherever necessary to conform to the current year presentation.

(Amount in Rupees)

1 SHARE CAPITAL

	As at 31.03.2017	As at 31.03.2016
Authorised Share Capital :	(Rs.)	(Rs.)
4000000 equity shares of Rs. 10/- each	40,000,000.00	40,000,000.00
Issued, Subscribed & Paid up :		
3250600 equity shares of Rs. 10/- each	32,506,000.00	32,506,000.00
Less : Calls in Arrears	<u>-</u>	<u>-</u>
	<u>32,506,000.00</u>	<u>32,506,000.00</u>
1.1 Details of Shareholders holding more than 5% shares	No. of Sh. %	No. of Sh. %
Unique Techno Associates Pvt. Ltd.	NA NA	NA NA
1.2 The reconciliation of the no. of shares is As below :		
Equity Shares at the beginning of the year	3,250,600.00	3,250,600.00
Add : Shares issued during the year	-	-
Less : Shares cancelled on buy back during the year	-	-
Equity Shares at the end of the year	3,250,600.00	3,250,600.00
2 RESERVES & SURPLUS	(Rs.)	(Rs.)
General Reserve	51,110.00	51,110.00
Reserve Fund	770,659.00	569,669.00
Capital Reserve	1,017,240.00	1,017,240.00
Profit & Loss A/c	1,795,488.00	1,035,210.00
Reserve for Standard Assets	185,137.00	185,137.00
	<u>3,819,634.00</u>	<u>2,858,366.00</u>
2.1 Profit & Loss A/c :		
As per LAst Balance Sheet	1,035,210.00	664,566.00
Profit/ (Loss) for the year	961,268.00	463,305.00
Transfer to Reserve Fund	(200,990.00)	(92,661.00)
	<u>1,795,488.00</u>	<u>1,035,210.00</u>
3 LONG TERM BORROWINGS	(Rs.)	(Rs.)
Secured	62,665.00	277,579.00
	<u>62,665.00</u>	<u>277,579.00</u>
3.1 Secured Loan indicates only car loan.		
4 OTHER CURRENT LIABILITIES	(Rs.)	(Rs.)
Other Current Liabilities	384,245.00	424,399.00
	<u>384,245.00</u>	<u>424,399.00</u>



		(Amount in Rupees)	
		As at 31.03.2017	As at 31.03.2016
5	SHORT TERM PROVISIONS		
	Provision for Income Tax	336,699.00	173,171.00
	Provision on Standard Assets	-	-
		<u>336,699.00</u>	<u>173,171.00</u>
7	NON CURRENT INVESTMENTS	(Rs.)	(Rs.)
7.1	TRADE INVESTMENTS	-	-
7.2	OTHER INVESTMENTS		
	Investment in Associate Concerns		
	Orchid Securities Pvt.Ltd.	197500 1,975,000.00	1,975,000.00
	Other Investments		
	Tarachand & Bros. Pvt.Ltd.	72000 720,000.00	720,000.00
	A. H. Stock Broking Co. (P) Ltd.	-	300,000.00
	Goodwill fincom (P) Ltd.	50000 1,000,000.00	1,000,000.00
	Bondwell Corporate Advisors (P) Ltd.	-	100,000.00
	Secure Stock fin Co. (P) Ltd.	-	200,000.00
	TOTAL	<u>3,695,000.00</u>	<u>4,295,000.00</u>
8	DEFERRED TAX ASETS (Net)	(Rs.)	(Rs.)
	Related to Fixed Assets	291,801.00	191,090.00
	Total	291,801.00	191,090.00
9	Cash & Cash EQUIVALENTS	(Rs.)	(Rs.)
	Cash in Hand	70,257.00	309,496.00
	Balances with Banks : In Current Account	342,968.00	226,715.00
	In Fixed Account	225,673.00	211,335.00
		<u>638,898.00</u>	<u>747,546.00</u>
10	SHORT TERM LOANS & ADVANCES		
10.1	Secured	-	-
10.2	Unsecured :		
	Considered Good		
	Inter-Corporate Loans	9,089,841.00	3,962,162.00
	Other Finance, Loans & Advances	<u>22,307,344.00</u>	<u>25,717,851.00</u>
		<u>31,397,185.00</u>	<u>29,680,013.00</u>
	Considered Bad & Doubtful	-	-
11	OTHER CURRENT ASSETS		
	Tax Deducted at Source	315,729.00	217,421.00
	Other Current Assets	13,916.00	27,311.00
		<u>329,645.00</u>	<u>244,732.00</u>
12	REVENUE FROM OPERATIONS		
	Interest Income	<u>3,957,785.00</u>	<u>3,255,746.00</u>
		<u>3,957,785.00</u>	<u>3,255,746.00</u>



(Amount in Rupees)

	As at 31.03.2017	As at 31.03.2016
13 EMPLOYEE BENEFITS EXPENSES		
Salaries	1,050,600.00	1,066,600.00
Bonus to Staff	70,100.00	70,100.00
Staff Welfare	-	6,569.00
	1,120,700.00	1,143,269.00
14 ADMINISTRATIVE & OTHER EXPENSES		
Advertisement Exp.	54,603.00	42,228.00
Vehicle & Conveyance Exp.	117,159.00	92,895.00
Printing & Stationery Exp.	32,554.00	36,260.00
Office Rent	217,800.00	198,000.00
Postage & Courier Exp.	22,110.00	880.00
Telephone Exp.	10,929.00	20,350.00
Auditor's Remuneration	34,500.00	34,500.00
Internal Audit Fee	5,750.00	5,725.00
Directors' Sitting Fees	6,250.00	7,000.00
Legal & Professional Charges	81,692.00	92,954.00
Travelling Exp.	41,249.00	-
Electricity & Water Exp.	36,841.00	29,446.00
Share Transfer & Registrar Exp.	30,788.00	18,493.00
Repair & Maintenance Exp.	135,600.00	14,300.00
Listing Fees	229,000.00	224,720.00
Insurance Exp.	28,044.00	21,164.00
Other Administrative Exp.	76,306.00	55,348.00
	1,161,175.00	894,263.00
14.1 Remuneration to Auditors includes		
Statutory Audit Fees	23,000.00	23,000.00
Tax Representation & Certifications	11,500.00	11,500.00
	34,500.00	34,500.00
15 Basic & Diluted EPS		
Net Profit after Tax (a)	961,268.00	463,305.00
No. of Shares (b)	3,250,600.00	3,250,600.00
BASIC EPS (a/b)	0.30	0.14
Diluted EPS	0.30	0.14

See accompanying notes to the financial statements

For R.P.Khandelwal & Associates
Chartered Accountants
FRN 001759C

For & on behalf of Board of Directors

(R. P. KHANDELWAL)
PARTNER
M.No '071002
Place : Jaipur
Date : 29th May 2017

ML Khandelwal
(Chairman)

Rajesh Khuteta
(Managing Director)

JC Kedawat
(Company Secretary)



FIXED ASSETS	GROSS BLOCK				DEPRECIATION				Net Block	
	Balance as on 1.4.16	Addition during yr	Deletion during yr	Total as on 31.3.17	UPTO 31.3.16	Provided during yr	Earlier Yrs. Written Back	Total as on 31.3.17	As at 31.03.2017	As at 31.03.2016
TANGIBLE ASSETS :										
A. TANGIBLE ASSETS										
Furniture & Fixtures	785994	-	-	785994	595608	49291	-	644899	141095	190386
Office Equipments	757234	-	-	757234	504247	45790	-	550037	207197	252987
Vehicles	2803622	-	-	2803622	2323547	149927	-	2473474	330148	480075
Computers	10912698	39350	-	10952048	10755012	118762	-	10873774	78274	157686
Total A	15259548	39350	-	15298898	14178414	363770	-	14542184	756714	1081134
B. INTANGIBLE ASSETS										
Intangible Assets	-	-	-	-	-	-	-	-	-	-
Total A+B	15259548	39350	-	15298898	14178414	363770	-	14542184	756714	1081134
Previous Year	15259548	-	-	15259548	13567639	610775	-	14178414	1081134	1691909

**SCHEDULE - 9****NOTES AND ACCOUNTING POLICIES**

(Notes annexed to and forming part of Accounts)

I. SIGNIFICANT ACCOUNTING POLICIES

1. The financial statements of the Company have been prepared and presented in accordance with the generally accepted accounting principles under the historical cost convention on the accrual basis . These financial statements have been prepared as going concern and comply , in all material respects , with the Accounting Standards as prescribed under Section 133 of the Companies Act, 2013 read with Rule 7 of Companies (Accounts) Rules,2014 .
2. The presentation of financial statements requires estimates and assumptions to be made that affect the reported amount of assets and liabilities on the date of the financial statements and reported amount of revenues and expenses during the reported period . Differences between the actual results and estimates are recognized in the period in which the results are known /materialized
 - a. Interest Income on loans are being accounted for on accrual basis
 - b. Other financing activity are being accounted for on accrual basis
3. Investments are valued at cost and as certified by the Management.
4. Fixed Assets are stated at cost and in respect of assets other than leased assets, depreciation has been provided on written down value basis as per Companies Act , 2013.
5. The Company has complied with the guidelines issued by Reserve Bank of India, in respect of Prudential norms for income recognition, accounting standard and Provision for bad and doubtful debts.
6. Income Recognition
 - (A) Penal/ additional interest and additional finance charges are recognized as income as and when received.
 - (B) All other income are recognized on their accrual.
7. The Company has not accepted any public deposit during the relevant year and the Board of Directors has also passed a resolution on Date 30th April, 2017 for non acceptance of any public deposits.
8. The Mandatory accounting standards prescribed by the institute of Chartered Accountants of India have been followed wherever applicable.

NOTES ON ACCOUNTS

1. In the opinion of the Board of Directors Current Assets, Loans, advances have value



of realization in the ordinary course of business atleast equal to the amount stated in the Balance Sheet and provisions for all known liabilities have been made.

2. Provision for further liability of gratuity payable at a future date has not been made as no employee has become entitled for the same as on date same and shall be accounted for as and when paid.
3. No provision have been made for diminution in the value of investment in shares which show the investment in the unquoted shares.
4. Provision is made for Standard Assets as per RBI norms.
5. Creditors & Loans and Advances are subject to confirmation.
6. Traveling Expenses includes Rs. 41,249/- towards Directors. (Previous year Rs. 19,463/-)
7. Previous year figures have been re-grouped/rearranged wherever necessary to make them comparable with those of current year.
8. Loan to Directors outstanding are Rs. Nil
9. Audit Fee represents:

	2016-17	2015-16
Fees for Audit	23,000	23,000
Tax representation & Certifications	11,500	11,500
Total	34,500	34,500

10. The Company has only one revenue segment -Interest income. Hence, no separate segment wise information on revenue result and capital employed is given.
11. Related party disclosure : As per AS-18 issued by the Institute of Chartered Account of India, the institution's related parties are disclosed below:

Related Party	Nature of Relationship	Transaction	Amount 2016-17	Balance outstanding 31 st March 2017	Amount 2015-16	Balance Outstanding 31 st March 2016
Rajesh Khuteta	Key Management Personel	Remuneration	5,37,000	1,912	5,01,000	Nil
Rajesh Khuteta	Key Management Personel	Rent	2,17,800	8,005	Nil	Nil



12. There is no Earning & Expenditure in foreign Currency
13. There is no Claims against the Company not acknowledged as debts
14. There is no Contingent liability for which provisions are to be made.
15. Figures have been rounded off to the nearest rupee.
16. Quantitative information in respect of goods traded in shares/ debentures/ securities are nil.
17. In accordance with provisions contained in Section 203 of the Companies act, 2013 read with Rule 8 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 and Section 149 (1) of the Companies Act,2013 read with Rule 3 of the Companies (Appointment and Qualification of the Directors) Rules ,2014 the appointment of Key Managerial Personnel and women Director has become mandatory . The Company has appointed Company Secretary ,CFO and woman Director in this process.
18. The previous year figures has been regrouped where ever it was necessary .

As per our Audit Report of even date annexed.

For R.P.Khandelwal & Associates
Chartered Accountants
FRN 001759C

For & on behalf of Board of Directors

(R. P. KHANDELWAL)
PARTNER
M.No '071002
Place : Jaipur
Date : 29th May, 2017

ML Khandelwal
(Chairman)

Rajesh Khuteta
(Mangaing Director)

JC Kedawat
(Company Secretary)


SCHEDULE TO THE BALANCE SHEET FOR THE YEAR ENDED 31ST MARCH 2017

As required in terms of paragraph 9BB of Non-Banking Financial Companies Prudential Norms (Reserve Bank) Directions, 1998)

PARTICULARS	PRINCIPAL	INTEREST ACCRUED	AMOUNT	AMOUNT
		BUT NOT DUE	OUTSTANDING	OVERDUE
LIABILITIES SIDE				
(1) Loans and advances availed by the NBFCs		Rate in Lacs		
Inclusive if interest accrued thereon but not paid:				
(a) Debentures: Secured	---	---	---	---
: Unsecured	---	---	---	---
(Other than falling within the meaning of public deposits)				
(b) Deferred Credits	---	---	---	---
(c) Term Loans	.63	---	.63	---
(d) Inter-corporate loans and borrowing	---	---	---	---
(e) Commercial Paper	---	---	---	---
(f) Public Deposits	---	---	---	---
(g) Cash Credit and Working Capital Demand Loan	---	---	---	---
TOTAL	.63	---	.63	---
(2) Break-up of (1) (f) above (outstanding public deposits				
Inclusive of interest accrued thereon but not paid):				
(a) In the form of unsecured Debentures	--	--	--	--
(b) In the form of partly secured debentures				
i.e. Debentures where there is a shortfall				
in the value of security	--	--	--	--
(c) Other public deposits	--	--	--	--
Interest accrued but not paid - Nil				
PARTICULARS			AMOUNT OUTSTANDING	
ASSETS SIDE				
(3) Break - up of Loans and advances including bills receivables				
(other than those included in (4) below):				
(a) Secured			----	
(b) Unsecured			313.97	
(4) Break up of Leased Assets and stock on hire and hypothecation loans counting towards EL /SP activities				
1) Lease assets including lease rentals under sundry debtors:				
(a) Financial Lease				
(b) Operating Lease				
(ii) Stock on hire including hire charges under sundry debtors.				
(a) Assets on hire				
(b) Repossessed Assets				
(iii) Hypothecation loans counting towards EL/ HP activities				
(a) Loans where assets have been repossessed				
(b) Loans other than (a) above				
(5) Break -up of Investments:				
Current Investments:				



1. Quoted :
 - (i) Shares :
 - (a) Equity
 - (b) Preference
 - (ii) Debentures and Bonds
 - (iii) Units of mutual funds
 - (iv) Government Securities
 - (v) Others (please specify)
2. Unquoted:
 - (i) Shares (a) Equity (b)Preference
 - (ii) Debentures and Bonds
 - (iii) Units of mutual funds
 - (iv) Government Securities
 - (v) Others (please specify)

PARTICULARS	AMOUNT OUTSTANDING
Long Term Investments	
1.Quoted :	
(i) Shares : (a) Equity	--
(b) Preference	--
(ii) Debentures and Bonds	--
(iii) Units of Mutual Funds	--
(iv) Government Securities	--
(v) Others (Please specify)	--
2.Unquoted :	
(i) Shares : (a) Equity	36.95
(b) Preference	--
(ii) Debentures and Bonds	--
(iii) Units of Mutual Funds	--
(iv) Government Securities	--
v) Others (Please specify)	--
Total	36.95

(6) Borrower group-wise classification of all leased assets, stock-on-hire and loans and advances :

Category	Amount net of Provisions		
	Secured	Unsecured	Total
1. Related Parties			
(a) Subsidiaries	--	--	--
(b) Companies in the same group	--	--	--
(c) Other related parties	--	--	--
2. Other than related parties	--	313.97	313.97
Total	--	313.97	313.97

(7) Investor group-wise classification of all investment (current and long term) in shares and securities (both quoted and unquoted) :



Category	Market Value/ Break up or fair value or NAV	Book Value (Net of Provisions)
1. Related Parties		
(a) Subsidiaries	--	--
(b) Companies in the same group	--	--
(c) Other related parties	--	--
2. Other than related parties	36.95	36.95
Total	36.95	36.95
(8) Other Information		
Particulars	Amount	
(i) Gross Non-Performing Assets		
(a) Related Parties	--	
(b) Other than related parties	--	
(ii) Net Non-Performing Assets		
(a) Related Parties	--	
(b) Other than related parties	--	
(iii) Asset acquired in satisfaction of debt	--	

For R.P.Khandelwal & Associates
Chartered Accountants
FRN 001759C

Place : JAIPUR
Date : 29th May, 2017

R.P. Khandelwal
Partner
M. No. 071002

**PROXY FORM**

(Pursuant to Section 105(6) of the Companies Act, 2013 and Rule 19(3) of the Companies (Management and Administration) Rules, 2014)

Name of The Member(s) : _____
 Registered Address : _____
 E-Mail Id : _____
 Folio No/DP ID-Client ID : _____

I/We being the Member(s) holding _____ shares of the above named company , hereby appoint

1. Name : _____ Address : _____
 E-Mail Id : _____ Signature : _____ or Failing him
2. Name : _____ Address : _____
 E-Mail Id : _____ Signature : _____ or Failing him
3. Name : _____ Address : _____
 E-Mail Id : _____ Signature : _____

As my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the 27th Annual General Meeting of the Company , to be held on the Wednesday, 27th Sep 2017 at 11.30 A.M. at Registered Office of the company , 301 Metro Plaza , Gopalbari Jaipur-302001 and at any adjustment thereof in respect of such resolutions as are indicated below:

Resolution No Resolutions**Ordinary Business**

1. Adoption of Financial Statements For The Year Ended 31st March 2017
2. Appointment of M/S B.L Dusad & Co , Chartered Accountants, as Auditors
3. Appointment of director in the place of Shri M.L. Khandelwal (DIN:00414717) who retires by rotation and being eligible. offers himself for re-appointment.

Affix Re1
Revenue
Stamp

Special Business

1. To Adopt New Set Of Articles Of Association Of The Company:
2. To Increase Authorized Share Capital
3. To Appointment Of Rajesh Khuteta As Managing Director

Signed this _____ day of _____ 2017.

Member's Signature

Signature of Shareholder _____

Signature of Proxy Holder(s) _____

Note : A Member entitled to attend and vote at the meeting is entitled to appoint a Proxy to attend and vote Instead of himself and the Proxy need not be a Member of the Company . The Instrument appointing a Proxy must be received at the Registered Office of The Company , not less than 48 hours before the commencement of the meeting.

ATTENDANCE SLIP

Name & Address of The Shareholder

Folio No : _____

DP ID : _____

Client ID : _____

I hereby certify that I am a member/proxy appointed by the member* of the Company and record my presence at the 27th Annual General Meeting of the Company, at 301 Metro Plaza, Gopalbari, Jaipur-302001, on Wednesday 27th Sep 2017 at 11.30A.M.

Name of The Shareholder/Proxy*

Signature of the Shareholder/Proxy*

*Strike out whichever is not applicable.

Note: Please fill up this attendance slip and hand over at the entrance of the meeting hall.

BOOK - POST



If undelivered please return to :
CONTINENTAL SECURITIES LTD.
Registered Office :
301, Metro Plaza, Gopalbari,
Jaipur-302001

Ph. : 2361963, 2360528
Email ID : kamaldeep.printer@gmail.com

