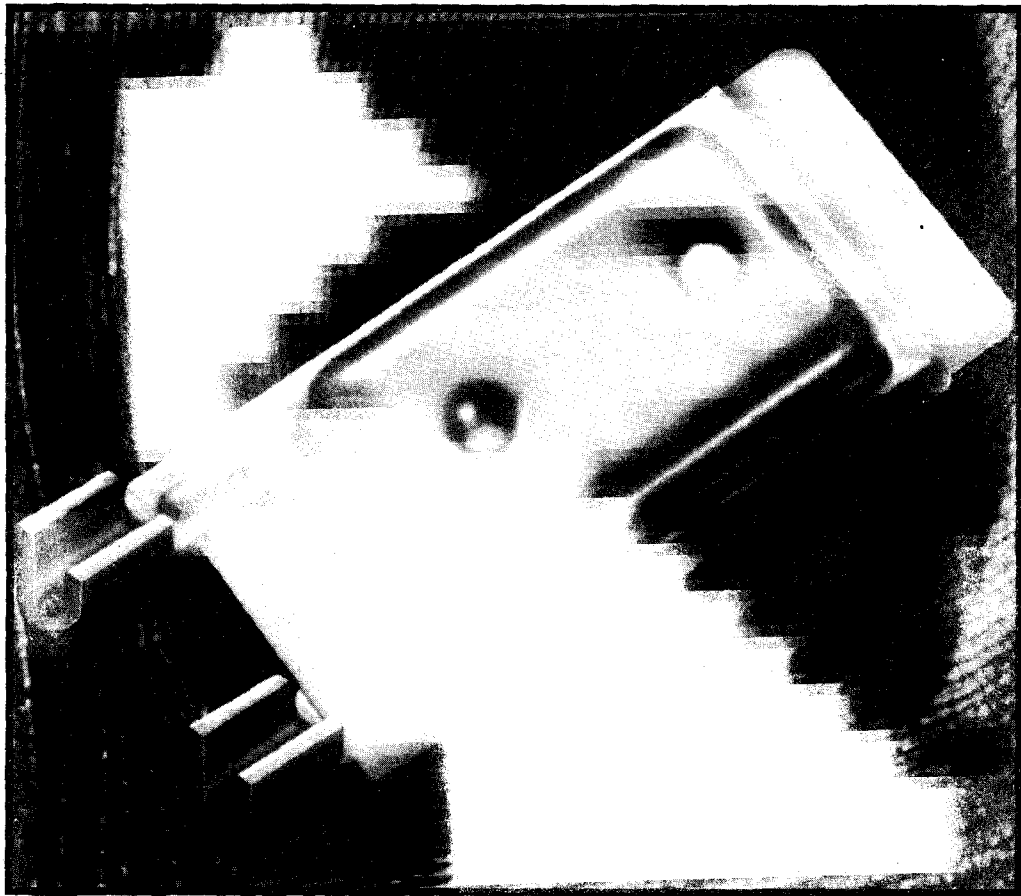


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CONTINENTAL CONTROLS LIMITED

14th

ANNUAL REPORT

2008-2009

Fourteenth Annual Report of the Board of Directors with the Audited Statement of Accounts for the year ended 31st March 2009**BOARD OF DIRECTORS**

| | |
|----------------------------|--------------------------------|
| Shri Navin G. Thakkar | - Chairman & Managing Director |
| Shri Samir N. Thakkar | - Director |
| Shri Amit N. Thakkar | - Director |
| Shri Pradeep C. Gaglani | - Director |
| Shri Harish S. Thakkar | - Director |
| Shri Kanaiyalal S. Thakkar | - Director |

AUDITORS

M/s. D. Kothary & Co.
Chartered Accountants
Mumbai.

ADVOCATE

A.B. Shah & Co.
Mumbai.

BANKERS

Bank of India
HDFC Bank Ltd.

REGISTERED OFFICE

Siddharth Industrial Estate, No. 2
Gala No. 1 Shailesh Udhyog Nagar,
Opp. Nicholas Garage, Sativali Road, Waliv,
Vasai (East), Dist. Thane – 401 208.

PLANT SITE

Siddharth Industrial Estate, No. 2
Gala No. 1 Shailesh Udhyog Nagar,
Opp. Nicholas Garage, Sativali Road, Waliv,
Vasai (East), Dist. Thane – 401 208.

Registrar and Transfer Agent

Purva Sharegistry (i) Pvt. Ltd
28-d, Police Court Lane,
33,printing House,
Behind Old Handloom House, Fort,
Mumbai 400 001.

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CONTINENTAL CONTROLS LIMITED

NOTICE

NOTICE IS HEREBY GIVEN THAT FOURTEENTH ANNUAL GENERAL MEETING OF THE MEMBERS OF CONTINENTAL CONTROLS LIMITED WILL BE HELD ON WEDNESDAY, 30TH SEPTEMBER, 2009, AT 1.00 P.M AT POUH, KRISHNA GARDEN, MALJIPADA, OPP. CROWN PETROL PUMP, AHMEDABAD HIGHWAY, TALUKA-VASAI (EAST) DIST. THANE TO TRANSACT THE FOLLOWING BUSINESS :-

ORDINARY BUSINESS:

1. To receive, consider and adopt the Audited Balance Sheet as at 31st March, 2009, and the Profit & Loss Account for the year ended on that date and the Reports of the Directors, Auditors.
2. To appoint a Director in place of Mr. Harish S. Thakkar who retires by rotation and, being eligible offers himself for re-appointment.
3. To appoint the auditors of the company and to fix their remuneration.

Registered Office:

Siddharth Industrial Estate, No. 2,
Gala No. 1, Shailesh Udhyog Nagar,
Sativali Road, Waliv, Vasai (East)
Dist. Thane – 401208

For and on behalf of the Board of Directors

Sd/-

Navin G. Thakkar
Chairman & Managing Director

Place: Mumbai.

Date: 29th August, 2009

NOTES :

- 1 The Register of Members and Share Transfer Book of the Company shall remain closed from **Saturday, September 26, 2009 to Wednesday, September 30, 2009** (both days inclusive)
2. A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT ONE OR MORE PROXIES TO ATTEND AND, ON A POLL, TO VOTE INSTEAD OF HIMSELF. A PROXY NEED NOT BE A MEMBER. PROXIES IN ORDER TO BE EFFECTIVE MUST BE RECEIVED BY THE COMPANY NOT LESS THAN 48 HOURS BEFORE THE COMMENCEMENT OF THE MEETING.
3. Members desirous of asking any questions at the Annual General Meeting are requested to send in their questions so as to reach the Company at least 7 days before the Annual General Meeting so that the same can be suitably replied.
4. Members are requested to notify change in address, if any, immediately to the Company at its Registered Office, quoting their Folio Numbers.

For and on behalf of the Board of Directors

Sd/-

Navin G. Thakkar
Chairman & Managing Director

Place: Mumbai.

Date: 29th August, 2009

DIRECTOR'S REPORT

The Members,

Your directors have pleasure in placing before you the 14th Annual Report of the Company along with the Audited Accounts for the year ended 31st March 2009:

FINANCIAL HIGHLIGHTS

Rs. Rs.
(In Lakhs) (In Lakhs)

| ACCOUNTING YEAR | 2008-2009 | 2007-2008 |
|-------------------------------------------------------------------------|-----------|-----------|
| Sales | 250.02 | 250.96 |
| Other Income | 24.47 | 9.85 |
| Profit before interest, depreciation and taxation | (72.41) | (18.32) |
| Interest | 10.99 | 10.57 |
| Depreciation | 29.21 | 72.57 |
| Provision for taxation (net) | (19.40) | 5.54 |
| Profit after tax | (93.21) | (107.00) |
| Profit and loss Account A/c on account of Demerger of Software Division | 117.21 | Nil |
| Profit and Loss Account balance B/f | (78.25) | 28.75 |
| Balance carried to the Balance Sheet | (54.25) | (78.25) |

DIVIDEND

Since the Company has incurred loss during the Financial Year under review, your directors express their inability to recommend any dividend for the year.

OPERATIONS

During the year under review the Company's turnover has increased from 205.96 lacs to 250.02 lacs. The Net loss before tax is Rs. (72.41) against the last year loss of Rs. (18.32) lacs.

CURRENT OUTLOOK & BUSINESS ACTIVITIES

Since the new plant is already commissioned, the Directors expect better capacity utilization and consequently good growth in export as well as local sales turnover. The demand for company's products continues to be good.

During the year the Company had two postal ballots for the purpose of passing resolution for sale of properties belonging to the Company which were situated at 5, Govt. Industrial Estate, Masat, Silvasa, Dadara Nagar Haveli, (U.T.) and Galas Situated At Triupati Udyog Nagar, Sativali Road, Valiv, Vasai (East) Thane- 4012008, Maharashtra, for the purpose of the same the Company has obtained scrutinizer's report dated 22nd April, 2008 and 27th October, 2008 respectively from Mr. Sanjay Doshi, Proprietor of M/s. Sanjay Doshi & Associates, Practicing Company Secretaries, an independent scrutinizer appointed by the Company.

ORDER FROM HIGH COURT FOR DEMERGER OF SOFTWARE DIVISION

During the year the Company demerged its Software Services Division into another Company namely Quest Softech (India) Ltd. The scheme of arrangement for demerger was approved by Hon'ble High Court of Bombay vide its order dated September 5, 2008.

DIRECTORS

Mr. Harish S. Thakkar retires by rotation at the forthcoming

Annual General Meeting and being eligible, offers himself for re-appointment.

LISTING ON THE STOCK EXCHANGES .

The Company's shares are listed with Bombay Stock Exchange Ltd. and the Company has paid the necessary listing fees for the Financial Year 2009-10.

MANAGEMENT'S DISCUSSION AND ANALYSIS REPORT

Management's Discussion and Analysis Report for the year under review, as stipulated under Clause 49 of the Listing Agreement with Stock Exchange, Mumbai, is included elsewhere in this Annual Report.

CORPORATE GOVERNANCE

A separate report on Corporate Governance together with Certificate from Practicing Company Secretary on its compliance is included elsewhere in this Annual Report.

FIXED DEPOSITS

The Company has not accepted or renewed any Fixed Deposits within the meaning of Section 58-A of the Companies Act, 1956.

PARTICULARS OF EMPLOYEES

Particulars of employees as required u/s 217 (2A) of the Companies Act, 1956 are not annexed since there are no employees drawing remuneration of more than Rs.24,00,000/- per annum during the year under review, if employed for full year or more than Rs. 2,00,000/- per month, if employed for part of the year.

DIRECTOR'S RESPONSIBILITY STATEMENT

The Directors confirm that in the preparation of the annual accounts for the year ended 31st March 2009 –

- i) The applicable accounting standards have been followed along with proper explanations relating to material departures, if any.
- ii) That the directors had 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 and of the profit or loss of the Company for the period ended 31st March, 2009.
- iii) That the directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities.
- iv) That the directors had prepared the annual accounts on a going concern basis.

CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION, FOREIGN EXCHANGE EARNINGS AND OUTGO {Section 217 (1) (e)}**A. Conservation of Energy:**

Your Company operation does not involve intensive energy consumption. Despite not a heavy energy user, the company acknowledges its importance and hence

CONTINENTAL CONTROLS LIMITED

adequate measures have been taken to reduce energy consumptions wherever possible.

B. Research & Development Technology Absorption:

- a) Particulars of Research and Developments:
As business and technologies are changing constantly, continuous investments in research and development are of paramount importance. As a result of research efforts, your company has been able to develop processes and methodologies that have resulted in constant improvement in quality and productivity.
- b) Particulars of Technology Absorption, Adoption and Innovation:
(i) The company gets information on latest technology on equipment/process, marketing etc. and this has been continuously absorbed and adopted to suit to company's operations.
(ii) Benefits derived as a result of the above efforts e.g., product improvement, cost reduction, product development, import substitution etc.
- c) Details of Technology- Not Applicable.

C. Foreign Exchange Earning and Outflow:

During the year under review; your company earned a foreign exchange of Rs.169.93 Lacs and utilized foreign exchange worth Rs. 38.38 Lacs.

SECRETARIAL COMPLIANCE REPORT

According to the provisions of section 383A of the Companies Act, 1956, our company has obtained the Secretarial Compliance Report from a Company Secretary in whole time practice and attached with this report.

AUDITORS

M/s. D. Kothary & Co., Chartered Accountants, the Statutory Auditors of the Company retire at this Annual General Meeting and are eligible for the reappointment as Auditors of the company to hold the office from the date of this Annual General Meeting until the conclusion of the next Annual General Meeting. The Directors recommend reappointing M/s. D. Kothary & Co., as auditors of the Company. A certificate has been received from the Auditors to the effect that their reappointment, if made, would be within the prescribed limits u/s. 224 (1B) of the Companies Act, 1956.

ACKNOWLEDGEMENT

Your directors would like to express their sincere appreciation for the assistance and cooperation received from bankers, employees, auditors and consultants during the period under review. The Directors sincerely appreciate the high degree of professionalism, commitment and dedication displayed by employees at all levels. The Directors also place on record their gratitude to the Members for their continued support and confidence.

By Order of the Board

Sd/-

Navin G.Thakkar

Place : Mumbai.

Date : 29th August, 2009 Chairman & Managing Director

MANAGEMENT DISCUSSION AND ANALYSIS REPORT

Continental Controls Limited is one amongst the few companies into the manufacturing of Thermal Overload Protectors have carried out a niche for themselves in this particular of the engineering industry. The management of the company vests in the Board comprising of personnel with more than over a decade of hands-on industry experience. The day to day affairs are being managed by a team of experienced and qualified professionals.

The company always strives to achieve optimum performance at all levels by adhering to corporate governance practices which rests upon the four pillars of: transparency, disclosure, independent monitoring and fairness to all.

Continental Controls Limited always strived to promote good governance practices, which ensures that:

- A Competent management team is at the helm of affairs.
- The Board is strong with an optimum combination of Executive and Non-Executive directors, who represent the interest of all stakeholders.
- The Board effectively takes all key corporate decisions and is effectively in control of the company affairs.
- The management and employees have a stable environment.

The total revenue of the Company has been Rs.25.00 million as against the corresponding figure of Rs. 20.60 million for the last year.

The Company also maintained its export sales to Rs.16.99 million as compared to the last year figures of Rs. 15.05 million and the loss after tax has decreases from Rs. (10.70) million to Rs.(9.32) million. The sales of the software have shown a downward trend and the same has fallen to Rs. Nil as against last year's figure of Rs.0.10 million.

With the positive economic environment, the company is positioning itself to reach greater heights with increase in production of all its product groups. Continuous R & D initiatives have shown improvement in quality and in the introduction of new products. However, with the un-organized players in the Indian Market, more particularly in the

small-scale sector, prices have been under constant pressure resulting in lower realization. This threat is being effectively met by constant product up gradation, cost reduction, avoidance of waste and going for high value component.

CORPORATE GOVERNANCE REPORT

Pursuant to Clause 49 of the Listing Agreement following is the report on Corporate Governance for the financial year 2008-09.

I. Company's Philosophy on Code of Corporate Governance:

The Company believes that Corporate Governance envisages attainment of high level of transparency, accountability, fair and equal treatment of all shareholders, compliance with regulations, and sustainable value creation for all shareholders, ethical practices and uprightness thereby assisting the top management of the Company in efficient conduct of its business by developing Trust and Integrity which plays an essential role in building over all value of business and future success.

The Company believes that its systems and actions must be integrated for enhancement of corporate performance resulting in maximization of shareholders' value in the long run, protection of the interest of its shareholders and employees and maintenance of cordial relationship with its customers and bankers. The Company places due emphasis on regulatory compliances.

II. Board of Directors

(A) Composition of Board and changes since the date of last Annual General Meeting

The present Board of Directors of the Company comprises of 6 Directors, of which 3 are Executive Directors, and remaining 3 are Non Executive Independent Directors and are professionally competent and vastly experienced in their respective fields.

The Company has an optimum combination of Executive and Non-executive Directors of the Company with not less than fifty percent of the Directors comprising of non-executive directors.

Since the Chairman of the Company is an Executive Director, the Board comprises of the requisite number of Independent Directors to maintain the independence of the Board and to segregate the functions of governance and management.

At the end of the year, none of the Directors is a member of more than ten Board-level Committees or a Chairman of more than five such Committees, as required under Clause 49 of the Listing Agreement.

(B) No. of Board Meetings

The Board of Directors met 7 Times during the year under review. The meetings of the Board of Directors were held on various dates as follows:

9th April, 2008, 31st July, 2008, 1st September, 2008, 25th September, 2008, 27th October, 2008, 28th January, 2009 and 31st January, 2009. Detailed agenda notes and the information required to be given in terms of Business on the agenda were circulated in advance to all the Directors of the Company. The Directors including Non-Executive Directors actively participated in the Board Meetings.

Attendance of each Director at Board Meeting for the year 2008-09 and last Annual General Meeting:

| Name of the Director | Designation | Category | No. of Board Meetings held during The year | No. of - Board Meetings attended during the Year | Attendance at last AGM Held on September 30, 2008 |
|--------------------------|---------------------|------------------------------------|--------------------------------------------|--------------------------------------------------|---------------------------------------------------|
| Shri Navin G. Thakkar | Managing Director | Promoter Executive Director | 7 | 7 | Yes |
| Shri Samir N. Thakkar | Whole Time Director | Promoter Executive Director | 7 | 7 | Yes |
| Shri Amit N. Thakkar | Whole Time Director | Promoter Executive Director | 7 | 7 | Yes |
| Shri Pradeep C. Gagliani | Director | Independent Non-Executive Director | 7 | 7 | Yes |
| Shri Hareh S. Thakkar | Director | Independent Non-Executive Director | 7 | 7 | Yes |
| Shri Kanjajal S. Thakkar | Director | Independent Non-Executive Director | 7 | 7 | Yes |

(C) Information to be made available to the Board:

Among others includes:

- Review of Annual operating plans of business, capital budgets, updates.
- Quarterly results of the Company and its operating divisions or business segments.
- Minutes of meeting of Audit Committee and other Committees.
- Information on recruitment and remuneration of senior Officers just below the Board level including appointment or removal of Chief Financial officer and the Company Secretary.
- Fatal or Serious accidents or dangerous

CONTINENTAL CONTROLS LIMITED

occurrences.

- Any materially relevant default in financial obligations to and by the Company or substantial non-payment for goods sold by the Company.
- Details of any joint venture or Collaboration Agreement.
- Transactions that involve substantial payment towards goodwill, brand equity or intellectual property.
- Significant labour problems and their proposed solutions.

(D) Secretarial Standards relating to the Meetings:

The Institute of Company Secretaries of India (ICSI) has established Secretarial Standards relating to the Meetings of the Board and Committees thereof and Annual General Meetings. At this stage, these are only recommendatory and are likely to become mandatory in due course. It is the intention of the Company to generally comply with these Standards.

(E) DIRECTORS PROFILE

Brief resume of the Director, who retire by rotation, nature of their expertise in specific functional area and name of companies in which they hold directorship and membership/chairmanship of Board Committees are provided below:

Harish S. Thakkar

Harish S. Thakkar, Independent Non Executive Director of the company holds a graduate degree and has a wide experience in policy making and control of production.

(F) REMUNERATION TO DIRECTORS

| Name of Director | Sitting Fees Rs. | Salary & Perquisites (Rs.) |
|-------------------------|------------------|----------------------------|
| Shri Navin G. Thakkar | Nil | 10,000/- p.m |
| Shri Samir N. Thakkar | Nil | - |
| Shri Amit N. Thakkar | Nil | 15,000/- p.m |
| Shri Pradeep C. Gaglani | Nil | - |
| Shri Harish S. Thakkar | Nil | - |

III. BOARD COMMITTEES

(A) AUDIT COMMITTEE

The Audit Committee comprises of 3 directors viz. Chairman : Shri Pradeep C. Gaglani - Independent Non-Executive Director, Members : Shri Harish S. Thakkar - Independent Non-Executive Director, Shri Kanaiyalal S. Thakkar - Independent Non-Executive Director.

The Audit Committee met 5 times during the year under review. The meetings of the Committee were held on various dates as follows:

9th April, 2008, 31st July, 2008, 1st September, 2008, 27th October, 2008 and 31st January, 2009. Detailed agenda notes and the information required to be given in terms of Business on the agenda were circulated in advance to all the members of the Audit Committee.

The role of the Audit Committee shall include the following:

- a. Oversight of the Company's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible.
- b. Recommending the appointment and removal of statutory auditor, fixation of audit fee and also approval for payment for any other services.
- c. Reviewing with management the annual financial statements before submission to the board, focusing primarily on:
 - Any changes in accounting policies and practices.
 - Major accounting entries based on exercise of judgment by management.
 - Significant adjustments arising out of audit.
 - The going concern assumption.
 - Compliance with stock exchange and legal requirements concerning financial statements.
 - Any related party transactions i.e. transactions of the company of material nature with promoters or the management, their subsidiaries or relatives etc. that may have potential conflict with the interests of company at large.
- d. Reviewing with the management, external and internal auditors and the adequacy of internal control systems.
- e. Reviewing the adequacy of internal audit function, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit.

- f. Discussion with internal auditors any significant findings and follow up thereon.
- g. Reviewing the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the board.
- h. Discussion with external auditors' before the audit commences about nature and scope of audit as well as post-audit discussion to ascertain any area of concern.
- i. Reviewing the company's financial and risk management policies.
- j. To look into the reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders (in case of non-payment of declared dividends) and creditors.

(B) SHARE TRANSFER CUM INVESTORS GRIEVANCE COMMITTEE

The Share transfer cum Investors Grievance Committee consists of 3 Directors. Chairman : Shri Harish S. Thakkar - Independent Non-Executive Director, Members : Shri Navin G Thakkar - Executive Director, Shri Kanaiyalal S. Thakkar - Independent Non-Executive Director

No transfers were pending as on 31st March, 2009. The Company did not receive complaints during the year under review and the same were resolved satisfactorily. No complaint was pending as on 31st March, 2009.

IV. THE DETAILS OF THE LAST THREE ANNUAL GENERAL MEETINGS HELD ARE AS FOLLOWS:

| Year | Venue | Date | Time |
|-----------|------------------------------------------------------------------------------------------------------|------------|----------|
| 2005-2006 | Krishna Garden, Maljipada Opp. Crown Petrol Pump, Ahemdabad Highway, Taluka Vasai (East) Dist. Thane | 30.09.2006 | 2.00p.m. |
| 2006-2007 | Krishna Garden, Maljipada Opp. Crown Petrol Pump, Ahemdabad Highway, Taluka Vasai (East) Dist. Thane | 29.09.2007 | 2.30p.m. |
| 2007-2008 | Krishna Garden, Maljipada Opp. Crown Petrol Pump, Ahemdabad Highway, Taluka Vasai (East) Dist. Thane | 30.09.2008 | 1.00p.m. |

V. DISCLOSURES

- Disclosures on materially significant related party transactions i.e. transactions of the Company of material nature, with its Promoters, the Directors or the Management, their subsidiaries or relatives etc. that may have potential conflict with the interests of the Company at large. Details are given elsewhere in the Annual Report at Para.14 of the Notes to Accounts. (Schedule -16)
- Details of non-compliance by the company, penalties, and strictures imposed on the Company by the Stock Exchanges or SEBI or any statutory authority, on any matter related to capital markets, during the last three years -NIL.
- Company has complied with all mandatory requirements of clause 49 of the listing Agreement in respect of Corporate Governance. The Company has not adopted a whistle blower policy, which is not a mandatory requirement as per the Listing Agreement.

VI. MEANS OF COMMUNICATION

The quarterly / half-yearly/annual financial results are normally published in English and Marathi Newspapers viz. in Free Press Journal and Navshakti respectively. A Report on Management Discussion and Analysis forms part of the Annual Report.

VII. GENERAL SHAREHOLDER INFORMATION

A. Annual General Meeting

Day : Wednesday
 Date : 30th September, 2009
 Time : 1.00 P.M
 Venue : Poush, Krishna Garden, Maljipada Opp. Crown Petrol Pump, Ahemdabad Highway, Taluka Vasai (East) Dist. Thane

B. Financial Calendar

| Quarter | Period | Publications of Results |
|---------|----------|----------------------------|
| First | Apr-Jun | last week of July, 2008 |
| Second | Jul-Sep. | last week of October, 2008 |
| Third | Oct-Dec | last week of January, 2009 |
| Fourth | Jan-Mar | last week of April, 2009 |

CONTINENTAL CONTROLS LIMITED

C. Dates of Book Closure : Saturday 26th September, 2009 to Wednesday, 30th September, 2009 (Both days inclusive).

D. Dividend Payment Date : Not Applicable

E. Listing on Stock

Exchanges : The Company's Equity Shares are listed on Bombay Stock Exchange, Mumbai.

F. Stock Code : 531460 on the Stock Exchange, Mumbai.

G. ISIN Number for NSDL & CDSL

: INE545 B01014

H. Market Price Data

: High & Low during each month in the last financial year (given below).

| Month | High (Rs.) | Low (Rs.) | Volume (in lacs) |
|----------------|------------|-----------|------------------|
| April 2008 | 4.99 | 3.67 | 1.76 |
| May 2008 | 6.03 | 4.39 | 4.01 |
| June 2008 | 9.42 | 6.15 | 8.87 |
| July 2008 | 9.89 | 5.01 | 2.38 |
| August 2008 | 8.19 | 5.28 | 1.31 |
| September 2008 | 6.94 | 5.19 | 1.32 |
| October 2008 | 6.30 | 3.49 | 0.44 |
| November 2008 | 3.78 | 2.79 | 0.35 |
| December 2008 | 3.36 | 2.36 | 0.18 |
| January 2009 | 5.17 | 3.20 | 0.24 |
| February 2009 | 5.15 | 3.10 | 0.07 |
| March 2009 | 3.51 | 2.26 | 0.23 |

I. Registrars & Transfer Agent :

Purva Share Registry (I) Private Limited
28-D, Police Court Lane, 33, Printing House,
Behind Old Handloom House, Fort,
Mumbai-400001
Phone No: 23016761/ 23018261/ 22626407/
6634 8073

J. Share Transfer:

All transfers received are processed by the Share Transfer Agents and Share transfer Register is sent to the Company for approval. The Share Transfer cum Investors /

Shareholders' Grievance Committee comprising Directors considers and approves the same. Thereafter, the Share Transfer Agents carry out necessary endorsements on the share certificates and dispatch the same to the transferees.

K. Shareholding Pattern:

The Distribution of the shareholding pattern as on 31st March 2009 was as under:

| Category | No. of Sh.holders | % of total Sh.holders | No. of Sh.held | % of Sh.holding |
|----------------|-------------------|-----------------------|------------------|-----------------|
| upto 5000 | 4019 | 69.11 | 1018199 | 11.51 |
| 5001 - 10000 | 960 | 16.51 | 846215 | 9.57 |
| 10001 - 20000 | 397 | 6.83 | 655848 | 7.42 |
| 20001 - 30000 | 121 | 2.08 | 319611 | 3.61 |
| 30001 - 40000 | 73 | 1.26 | 267714 | 3.03 |
| 40001 - 50000 | 75 | 1.29 | 362821 | 4.10 |
| 50001 - 100000 | 95 | 1.63 | 7,00,151 | 7.92 |
| 100001 & above | 75 | 1.29 | 46,71,953 | 52.92 |
| Total | 5,815 | 100.00 | 88,42,512 | 100.00 |

Shareholding Pattern as on 31st March, 2009

| Category code | Category of Shareholder | Number of Shareholders | Total number of shares | Number of shares held in dematerialized form | Total shareholding as a percentage of total number of shares | | Shares pledged or otherwise encumbered | |
|---------------|-----------------------------------------------------------------------------|------------------------|------------------------|----------------------------------------------|--------------------------------------------------------------|----------------------------|----------------------------------------|-------------------------------|
| | | | | | As a percentage of(A+B) ¹ | As a percentage of (A+B+C) | Number of shares | As a percentage (IV=IU/D*100) |
| (A) | Shareholding of Promoter and Promoter Group² | | | | | | | |
| 1 | Indian | | | | | | | |
| (a) | Individuals/ Hindu Undivided Family | 4 | 1519312 | 720237 | 17.18 | 17.18 | 0 | 0 |
| (b) | Central Government/ State Government(s) | 0 | 0 | 0 | 0.00 | 0.00 | 0 | 0 |
| (c) | Bodies Corporate | 0 | 0 | 0 | 0.00 | 0.00 | 0 | 0 |
| (d) | Financial Institutions/ Banks | 0 | 0 | 0 | 0.00 | 0.00 | 0 | 0 |
| (e) | Any Others(Specify) | 0 | 0 | 0 | 0.00 | 0.00 | 0 | 0 |
| | | | | | | | 0 | 0 |
| | Sub Total(A)(1) | 4 | 1519312 | 720237 | 17.18 | 17.18 | 0 | 0 |
| 2 | Foreign | | | | | | | |
| (a) | Individuals (Non-Residents Individuals/ Foreign Individuals) | 0 | 0 | 0 | 0.00 | 0.00 | 0 | 0 |
| B | Bodies Corporate | 0 | 0 | 0 | 0.00 | 0.00 | 0 | 0 |
| C | Institutions | 0 | 0 | 0 | 0.00 | 0.00 | 0 | 0 |
| D | Any Others(Specify) | 0 | 0 | 0 | 0.00 | 0.00 | 0 | 0 |
| | Sub Total(A)(2) | 0 | 0 | 0 | 0.00 | 0.00 | 0 | 0 |
| | | | | | | | | |
| | Total Shareholding of Promoter and Promoter Group (A)= (A)(1)+(A)(2) | 4 | 1519312 | 720237 | 17.18 | 17.18 | 0 | 0 |
| | | | | | | | | |
| (B) | Public shareholding | | | | | | | |
| 1 | Institutions | | | | | | | |
| (a) | Mutual Funds/ UTI | 0 | 0 | 0 | 0.00 | 0.00 | | |
| (b) | Financial Institutions/Banks | 1 | 27852 | 27852 | 0.31 | 0.31 | | |
| (c) | Central Government/ State Government(s) | 0 | 0 | 0 | 0.00 | 0.00 | | |
| (d) | Venture Capital Funds | 0 | 0 | 0 | 0.00 | 0.00 | | |
| (e) | Insurance Companies | 0 | 0 | 0 | 0.00 | 0.00 | | |
| (f) | Foreign Institutional Investors | 0 | 0 | 0 | 0.00 | 0.00 | | |
| (g) | Foreign Venture Capital Investors | 0 | 0 | 0 | 0.00 | 0.00 | | |
| (h) | Any Other (specify) | 0 | 0 | 0 | 0.00 | 0.00 | | |
| | | | | | | | | |
| | Sub-Total (B)(1) | 1 | 27852 | 27852 | 0.31 | 0.31 | N.A. | N.A. |

CONTINENTAL CONTROLS LIMITED

| | | | | | | | |
|------------|-------------------------------------------------------------------------------------------|-------------|----------------|----------------|---------------|---------------|-------------|
| B 2 | Non-institutions | | | | | | |
| (a) | Bodies Corporate | 135 | 1287337 | 1223837 | 14.56 | 14.56 | |
| (b) | Individuals | | | | | | |
| I | Individuals -i. Individual shareholders holding nominal share capital up to Rs 1 lakh | 5590 | 3937027 | 3160569 | 44.52 | 44.52 | |
| II | Individuals -i. Individual shareholders holding nominal share capital more than Rs 1 lakh | 62 | 2053116 | 1991116 | 23.22 | 23.22 | |
| (c) | Any Other (specify) | | | | | | |
| (c-i) | Clearing Member | 0 | 0 | 0 | 0.00 | 0.00 | |
| (c-ii) | Market Maker | 0 | 0 | 0 | 0.00 | 0.00 | |
| (c-iii) | Foreign Nationals | 0 | 0 | 0 | 0.00 | 0.00 | |
| (c-iv) | NRI (Repeat and Non Repeat) | 23 | 17868 | 11368 | 0.20 | 0.20 | |
| (c-vi) | Foreign Companies | 0 | 0 | 0 | 0.00 | 0.00 | |
| (c-vii) | OCB | 0 | 0 | 0 | 0.00 | 0.00 | |
| (c-viii) | Trust | 0 | 0 | 0 | 0.00 | 0.00 | |
| | | | | | | | |
| | Sub-Total (B)(2) | 5810 | 7295348 | 6386890 | 82.50 | 82.50 | N.A. |
| (B) | | | | | | | |
| | Total Public Shareholding (B)= (B)(1)+(B)(2) | 5811 | 7323200 | 6414742 | 82.82 | 82.82 | |
| | | | | | | | |
| | TOTAL (A)+(B) | 5815 | 8842512 | 7134979 | 100.00 | 100.00 | N.A. |
| (C) | | | | | | | |
| | Shares held by Custodians and against which Depository Receipts have been issued | 0 | 0 | 0 | 0.00 | 0.00 | N.A. |
| | | | | | | | |
| | GRAND TOTAL (A)+(B)+(C) | 5815 | 8842512 | 7134979 | 100.00 | 100.00 | |

NOTE: The process of Allotment of Shares subsequent to reduction of capital as per demerger scheme approved by Hon'ble High Court, Bombay was pending as on 31st March, 2009. The effect of reduction of capital was pending to be carried out in the member's register but the necessary effect is already given in the Audited Books of Accounts. So the total Paid-Up Capital & number of shares shown in the Balance Sheet is less than Paid-Up Capital & number of shares shown in Shareholding Pattern as at 31st March, 2009.

Dematerialization of Shares: 71,34,979 Equity Shares equivalent to 80.69% of the total paid-up Equity Capital have been in dematerialized form as on 31st March, 2009.

Compliance Officer :

Amit Thakkar

Tel No: 95250-2454952/53

Fax No: 95250-2454956

Address for Correspondence:

Siddharth Industrial Estate, No. 2, Gala No. 1,

Shailesh Udhyog Nagar, Sativali Road,

Waliv, Vasai (East)

Dist. Thane - 401208

COMPLIANCE CERTIFICATE

CIN of the Company: L31909MH1995PLC086040

Nominal Capital: 91,500,000/-

The Members,

Continental Controls Limited

Siddharth Indus. Estate No 2 Gala No 1,

Shailesh, Udyognagar Opp Nicholas Garage,

Vasai, Thane- 401208.

We have examined the registers, records, books and papers of **CONTINENTAL CONTROLS LIMITED** as required to be maintained under the Companies Act, 1956, (the Act) and the rules made thereunder and also the provisions contained in the Memorandum and Articles of Association of the Company for the financial year ended on 31st March, 2009. In our opinion and to the best of our information and according to the examinations carried out by us and explanations furnished to me/us by the company, its officers and agents, we certify that in respect of the aforesaid financial year:

1. the Company has kept and maintained all registers as stated in **Annexure 'A'** to this certificate, as per provisions and the rules made there under and all entries therein have been duly recorded.
2. the Company has duly filed the forms and returns as stated in **Annexure 'B'** to this certificate, with the Registrar of Companies, Regional Director, Central Government, Company Law Board or other authorities within the time prescribed under the act and the rules made thereunder.
3. The Company, being Public Limited Company, comments under section 3(1)(iii) of the Companies Act, 1956, applicable to private company are not required.
4. The Board of Directors duly met 7 times on 9th April, 2008, 31st July, 2008, 1st September, 2008, 25th September, 2008, 27th October, 2008, 28th January, 2009 and 31st January, 2009, in respect of which meetings proper notices were given and the proceedings were properly signed and recorded in the Minutes Book maintained for the purpose.
5. The Company has closed its Register of Members from 26th September 2008 to 30th September 2008 (both days inclusive) and necessary compliance of Section 154 of the Act has been made.
6. The Annual General Meeting for the financial year ended on 31st March 2008 was held on 30th September, 2008 after giving due notice to the Members of the Company and the resolution passed thereat were duly recorded in the minutes book maintained for the purpose.
7. One extra ordinary general meeting was held during the financial year.
8. The Company has not advanced any loans to its directors and/or persons or firms referred in the Section 295.
9. The Company has duly complied with the provisions of the section 297 of the Act in respect of contracts specified in that section during the year under scrutiny.
10. The Company has duly complied with the provisions of the section 301 of the Act.
11. As there were no instances falling within the purview of section 314 of the Act, the Company has not obtained any approval from the Board of Directors, members or Central Government.
12. The Company has not issued any duplicate share certificates during the financial year.
13. The Company:
 - (i) Has no allotment during the F.Y 2008-2009 and has delivered all the certificates on lodgement thereof for transfer/transmission or any other purpose during the F.Y 2008-2009 in accordance with the provisions of the Act.
 - (ii) Has not deposited any amount in a separate Bank Account as no dividend was declared during the financial year.

CONTINENTAL CONTROLS LIMITED

- (iii) Was not required to post warrants to any member of the Company as no dividend was declared during the year.
 - (iv) Has duly complied with the requirements of Section 217 of the Act.
 - (v) Has not transferred any amount from Dividend Account, which have remained unclaimed / unpaid for a period of seven years to Investor Education and Protection Fund.
14. The Board of Directors of the company is duly constituted and there was no appointment of alternate directors, additional directors and directors to fill casual vacancies during the financial year.
 15. The Company has not appointed any Managing Director / Whole Time Director during the financial year under scrutiny.
 16. The Company has not appointed any sole-selling agents during the financial year.
 17. The Company was not required to obtain any approvals of the Central Government, Company Law Board, Regional Director, Registrar and/or such other authorities except High Court prescribed under the various provisions of the Act during the financial year.
 18. The Directors have disclosed their interest in other firms/companies to the Board of Directors pursuant to the provisions of the Act and the rules made there under.
 19. The Company has not issued any Equity Shares during the F.Y. ending on 31st March 2009.
 20. The Company has not bought back any shares during the financial year ending on 31st March 2009.
 21. The Company has no preference shares/debentures.
 22. There were no transactions necessitating the company to keep in abeyance the rights to dividend, rights shares and bonus shares pending registration of transfer of shares.
 23. The Company has not invited/accepted any deposits including any unsecured loans falling within the purview of section 58A the financial year
 24. The amount borrowed by the company from directors, members, public, financial institutions, banks and others during the financial year ending 31st March 2009 is within the borrowing limits of the company.
 25. The Company has made loans and investments, or given guarantees or provided securities to other bodies corporate in compliance with the provisions of the Act.
 26. The Company has not altered the provisions of the Memorandum with respect to situation of the company's registered office from one state to another during the year under review.
 27. The Company has not altered the provisions of the Memorandum with respect to the objects of the company during the year under scrutiny.
 28. The Company has not altered the provisions of the Memorandum with respect to the name of the company during the year under scrutiny.
 29. The Company has altered the provisions of the Memorandum with respect to the share capital of the company during the year under scrutiny and complied with the provisions of the Act.
 30. The Company has not altered its Articles of Association during the year under scrutiny.
 31. There were no prosecution initiated against the Company and no fines or penalties or any other punishment was imposed on the company during the financial year for offences under the Companies Act.
 32. The Company has not received any money as security from its employees during the financial year.
 33. As informed to us, the Provident Fund contributions has been generally deposited regularly during the year with the prescribed authorities.

For Sanjay Doshi & Associates
Company Secretaries

Sanjay Doshi.
Proprietor.
C.P. No.: 7595

Place : Mumbai
Date : 29th August, 2009

Auditor's Certificate on Compliance With the condition of Corporate Governance under clause 49 of the Listing Agreement of the Stock Exchange of India.

To,
The Members of
Continental Controls Limited.

We have examined the compliance of conditions of Corporate Governance by Continental Controls Limited for the year ended 31st March, 2009 as stipulated in clause 49 of the Listing Agreement entered into with stock exchanges. The compliance of conditions of Corporate Governance is the responsibility of the management. Our examination was limited to procedure and implementation thereof, adopted by the Company for ensuring the compliance of the conditions of Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.

In our opinion and to the best of our information and according to the explanations given to us, and the representations made by the directors and the management, we certify that the Company has complied with conditions of Corporate Governance as stipulated in the above mentioned Listing Agreement.

We state that no investor grievances are pending for a period exceeding one month against the Company as per the records maintained by the Shareholders/ Investors Grievance Committee.

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

Place : Mumbai
Date : 29th August, 2009

For D. Kothary & Co.
Chartered Accountants
(Vipul N. Chauhan)
Partner
Membership No. : 47846

DECLARATION REGARDING COMPLIANCE BY BOARD MEMBERS AND SENIOR MANAGEMENT PERSONNEL WITH COMPANY'S CODE OF CONDUCT.

This is to confirm that the Company has adopted a Code of Conduct for its each Director and Senior Managers of the Company. The Code of Conduct is available on the company's website.

I confirm that the Company has in respect of the financial year ended on 31st March, 2009 received from the senior managers of the company and the Members of the Board of compliance with the Code of Conduct as applicable to them.

For the purpose of this declaration, senior managers meaning Senior Management team comprising of members of the category of General Manager and above, including all functional heads.

Place : Vasai, Thane
Date : 29th August, 2009

Navin G. Thakkar
Chairman & Managing Director

CONTINENTAL CONTROLS LIMITED

AUDITORS' REPORT

We have audited the attached Balance Sheet of CONTINENTAL CONTROLS LIMITED as at 31st March, 2009 and also the profit and loss account and the cash flow statement for the year ended on 31st March 2009 annexed thereto. These financial statements are the responsibility of the company's management. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with the auditing standards generally accepted in India. Those Standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

1. As required by the Companies (Auditor's Report) Order, 2004 issued by the Central Government in terms of section 227(4A) of the Companies Act, 1956.; we enclose in the Annexure a statement on the matters specified in paragraphs 4 and 5 of the said order.
2. Further to our comments in the Annexure referred to in paragraph (1) above, 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 purposes of our audit;
 - b) In our opinion proper books of accounts as required by law have been kept by the Company so far as appears from our examination of those books;
 - c) The balance sheet, profit and loss account and cash flow statement dealt with by this report are in agreement with the books of account;
 - d) In our opinion the balance sheet, profit and loss account and cash flow statement dealt with by this report comply with the accounting standards referred to in sub-section (3C) of section 211 of the Companies Act, 1956;
 - e) On the basis of written representations received from the directors, as on 31st March, 2009 and taken on record by the Board of Directors, we report that none of the directors is disqualified as on 31st March, 2009 from being appointed as a Director in terms of clause(g) of sub-section (1) of section 274 of the Companies Act 1956;
 - f) In our opinion and to the best of our information and according to explanations given to us the said accounts read with the notes thereon give the information as required by The Companies Act of India, 1956 in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India:
 - i) In the case of the Balance Sheet of the state of affairs of the

- Company as at 31st March 2009;
- ii) In the case of the Profit and Loss Account of the Loss for the year ended on that date; and
- iii) In the case of the cash flow statement of the cash flows for the year ended on that date.

For D .KOTHARY & CO
Chartered Accountants

VIPUL N. CHAUHAN
Partner

M / No: 47846

Address: 149, Behram Mahal,
2nd Floor, 534, Dhobi Talao,

Place : Vasai, Thane

Date : 29th August, 2009

Mumbai 400 002

ANNEXURE TO THE AUDITORS REPORT

(Referred in paragraph (1) of report of even date)

- (i)
 - a) *In our opinion and according to the information and explanation given to us, the Company has not maintained the relevant records showing full particulars, including quantitative details and situation of fixed assets.*
 - b) In our opinion, the fixed assets have been physically verified by the management at reasonable intervals, having regard to the size of the company and nature of its assets.
 - c) In our opinion and according to the information and explanations given to us, a substantial part of fixed assets has not been disposed off by the company during the year except on account of scheme of Demerger of Software Division.
- ii)
 - a) The inventory has been physically verified during the year by the management. In our opinion, the frequency of verification is reasonable.
 - b) The procedures of physical verification of inventory followed by the management have appeared to be reasonable and adequate in relation to the size of the Company and nature of its business.
 - c) The company is maintaining proper records of inventory. The discrepancies noticed on verification between the physical stocks and book records have been properly dealt with in the books of account.
- iii)
 - a) The company has not granted any loan whether secured or unsecured to companies, firm or other parties covered in the registered under section 301 of the Act.
 - b) The company has not taken any loan whether secured or unsecured from companies, firm or other parties covered in the registered under section 301 of the Act.
- iv) In our opinion and according to the information and explanations given to us, there is adequate internal control procedure commensurate with the size of the company and nature of its business, with regard to purchase of stores, raw material including components, packing material, plant and machinery, equipment and other assets and with

- regard to sale of goods. There is no major weakness in the internal control procedures.
- v a All the transaction with parties covered under section 301 of the Companies Act, 1956 have been properly entered in the register maintained under section 301 of the act.
- b There are no transactions of purchase and sale of goods, materials and services made in pursuance of contracts or arrangements entered in the register maintained under section 301 of the Companies Act, 1956, aggregating during the year to Rs, 5,00,000/- or more in respect of each party .
- vi In our opinion and according to the information and explanations given to us, the Company has not accepted any deposit from the Shareholders, Friends, Relatives of Directors and Business Associates. Hence the provision of section 58A and 58AA of the Companies Act, 1956 and Companies (Acceptance of Deposit) Rules 1975 are not applicable to Company.
- vii *In our opinion, the company has no internal audit system commensurate with the size and nature of its business*
- viii In our opinion and according to the information given to us, cost records under section 209(1) (d) of the Companies Act, 1956 are not prescribed by the Central Government for the activities of the Company.
- ix a According to the information and explanation given to us and the records examined by us, the company is regular in depositing undisputed statutory dues including Income Tax, Sales Tax, Professional Tax, Customs Duty, Excise Duty, Cess and other statutory dues with the appropriate authority though there has been delay of Rs .59, 424 towards investor education and protection fund which will be paid in subsequent year and delays in the deposit of withholding tax.
- b According to the information and explanations given to us, no undisputed amounts payable in respect of Income Tax, Wealth Tax, Sales Tax, Custom Duty and Excise Duty were outstanding, as at 31st March, 2009 for a period of more than six months from the date they become payable except Income Tax and Professional Tax.
- x The company has incurred cash losses in the current year. However in the immediately preceding financial year the company has accumulated losses as well in this current year
- xi Based on our audit procedures and on the information and explanations given by the management, we are of the opinion that the company has not defaulted in repayment of dues to any financial institutions, banks or to debenture holders.
- xii According to the information and explanations given to us, the company has not granted any loans and advances on the basis of security by way of pledge of Stock, Debentures and Other Securities
- xiii The provisions of any special statute applicable to Chit Fund, Nidhi Fund or Mutual Benefit Fund / Societies are not applicable to the company.
- xiv As the company is not dealing or trading in shares, securities, debentures or other investments, paragraph 4(xiv) of the Order is not applicable.
- xv According to the information and explanations given to us, the company has not given any guarantees for loans taken by others from banks or financial institutions.
- xvi The term loans were applied for the purpose for which the loan is obtained.
- xvii Based on the information and explanations given to us and on an overall examination of the balance sheet of the company, in our opinion, there are no funds raised on a short term basis which have been used for long term investments.
- xviii The company has not made preferential allotment to parties or companies covered in the register maintained under section 301 of the Companies Act, 1956, during the year and the question of whether the price at which the shares have been issued is prejudicial to the interest of the Company does not arise.
- xix The company has not issued any debentures during the year.
- xx The company has not raised any money by public issue during the year.
- xxi To the best of our knowledge and belief and according to the information and explanations given to us, no fraud on or by the Company was notice or reported during the year.

For D .KOTHARY & CO
Chartered Accountants
VIPUL N. CHAUHAN
Partner

M / No: 47846

Address: 149, Behram Mahal,
2nd Floor, 534, Dhobi Talao,
Mumbai 400 002

Place : Vasai, Thane
Date : 29th August, 2009

CONTINENTAL CONTROLS LIMITED**BALANCE SHEET AS ON 31ST MARCH, 2009**

| | Schedule | As At 31-03-2009 Rs. | As At 31-03-2008 Rs. |
|---------------------------------------------|----------|--------------------------|---------------------------|
| SOURCES OF FUNDS | | | |
| Shareholders' Funds: | | | |
| Share Capital | 1 | 44,212,560 | 88,425,120 |
| Reserves and Surplus | 2 | 11,055,236 | 6,108,120 |
| | | <u>55,267,796</u> | <u>94,533,240</u> |
| Loan Funds: | | | |
| Secured Loans | 3 | 7,122,371 | 7,050,779 |
| Deferred Tax Liability | | 2,597,735 | 3,471,142 |
| TOTAL | | <u>64,987,902</u> | <u>105,055,161</u> |
| APPLICATION OF FUNDS | | | |
| Fixed Assets: | | | |
| Gross Block | 4 | 52,653,512 | 96,651,299 |
| Less: Depreciation | | 20,959,728 | 38,282,511 |
| Net Block | | 31,693,784 | |
| Capital WIP | | 4,734,268 | 58,368,788 |
| Investments | 5 | 1,592,100 | 1,592,100 |
| Current Assets, Loans and Advances: | | | |
| Inventories | 6 | 6,065,652 | 19,315,346 |
| Sundry Debtors | | 8,132,011 | 9,075,446 |
| Cash & Bank Balances | | 1,158,442 | 1,219,687 |
| Loans, Advances & Deposits | | 10,850,611 | 16,030,566 |
| | | <u>26,206,716</u> | <u>45,641,044</u> |
| Less: | | | |
| Current Liabilities and Provisions | | | |
| Current Liabilities | 7 | 5,844,680 | 8,211,007 |
| Provisions | | 4,36,437 | 1,922,594 |
| | | <u>6,281,117</u> | <u>10,133,601</u> |
| Net Current Assets | | 19,925,598 | 35,507,444 |
| Misc. Expenditure | 8 | 7,042,152 | 95,86,829 |
| (To the extent not written off or adjusted) | | | |
| TOTAL | | <u>64,987,902</u> | <u>105,055,161</u> |
| Significant Accounting Policies | 15 | | |
| Notes To Accounts | 16 | | |

As per our report of even date

For D. Kothary & Co.
Chartered Accountants

(Vipul N. Chauhan)

Partner

M.No.: 47846

Place: Mumbai.

Date: 29th August, 2009

For and on behalf of the Board of Directors

Shri Navin G. Thakkar
Chairman & Managing DirectorShri Amit N. Thakkar
DirectorShri Sameer N. Thakkar
Director

Place: Mumbai.

Date: 29th August, 2009

CONTINENTAL CONTROLS LIMITED

PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 31ST MARCH, 2009

| | Schedule | Year ended 31.03.2009 Rs | Year ended 31.03.2008 Rs |
|-------------------------------------------------------------------------------------|----------|--------------------------------|--------------------------------|
| I. INCOME | | | |
| <i>Sales / Services rendered (Net of Return and Excise)</i> | 9 | 25,001,859 | 20,596,019 |
| <i>Other Income</i> | 10 | 2,447,434 | 985,947 |
| TOTAL | | 27,449,293 | 21,581,966 |
| II. EXPENDITURE | | | |
| <i>Manufacturing Expenses</i> | 11 | 21,506,032 | 15,184,816 |
| <i>Employment Costs</i> | 12 | 3,502,562 | 3,010,746 |
| <i>Financial charges</i> | 13 | 1,098,814 | 1,057,225 |
| <i>Administrative, Selling & General Expenses</i> | 14 | 9,682,364 | 5,217,644 |
| <i>Depreciation</i> | | 2,921,116 | 7,257,712 |
| TOTAL | | 38,710,888 | 31,728,142 |
| III. Profit & Loss Before Tax (I-II) | | (11,261,595) | (10,146,176) |
| IV. Less: Provision for Taxation | | | |
| <i>Current Tax (Including Excess Provision of Rs. 11.91 Lacs for Prior years)</i> | | (1,191,609) | - |
| <i>Frieng Benefit Tax</i> | | 125,000 | 150,000 |
| <i>Deferred Tax</i> | | (873,408) | 404,111 |
| V. Profit & Loss after Tax | | (9,321,578) | (10,700,287) |
| Add: Balance brought forward from Previous Year | | (7,825,387) | 2,874,899 |
| | | (17,146,966) | (7,825,387) |
| VI. Add: Profit & Loss Account - on A/c of Demerger of Software division | | 11,721,463 | - |
| | | (5,425,503) | (7,825,387) |
| VII. Balance carried to Balance Sheet | | | |
| <i>Average number of Equity Shares outstanding during the year</i> | | 4,421,256 | 8,842,512 |
| <i>Basic and Diluted Earning Per Share</i> | | (2.11) | (1.21) |
| <i>Significant Accounting Policies</i> | 15 | | |
| <i>Notes To Accounts</i> | 16 | | |

As per our report of even date
For D. Kothary & Co.
Chartered Accountants

(Vipul N. Chauhan)
Partner

M.No.: 47846

Place: Mumbai.

Date: 29th August, 2009

For and on behalf of the Board of Directors

Shri Navin G. Thakkar
Chairman & Managing Director

Shri Amit N. Thakkar
Director

Shri Sameer N. Thakkar
Director

Place: Mumbai.

Date: 29th August, 2009

CONTINENTAL CONTROLS LIMITED

| CASH FLOW STATEMENT FOR THE YEAR ENDED 31 ST MARCH, 2009 | (Rs. In Lacs) 2008-2009 | (Rs. In Lacs) 2007-2008 |
|---------------------------------------------------------------------|----------------------------|----------------------------|
| CASH FLOW FROM OPERATING ACTIVITIES | | |
| Net Profit Before Tax | (112.62) | (101.46) |
| Adjustments for - | | |
| Depreciation | 29.21 | 72.58 |
| Preliminary expenses written off | 1.45 | 1.45 |
| Amalgamation expenses written off | - | 0.63 |
| Interest Paid | 10.99 | 10.57 |
| Interest Income | (0.54) | (0.59) |
| Loss on Sale of Fixed Assets | 37.38 | - |
| OPERATING PROFIT BEFORE WORKING CAPITAL CHANGE | (34.13) | (16.82) |
| Change in Sundry Debtors | 9.43 | 26.83 |
| Loans and Advances | 51.80 | 27.65 |
| Inventories | 132.50 | 41.58 |
| Other liability | 38.52 | (27.67) |
| CASH GENERATED FROM OPERATIONS | 232.26 | 68.38 |
| Interest Paid | (10.99) | (10.57) |
| Direct Taxes Paid | (0.44) | - |
| | 220.83 | 57.80 |
| CASH FLOW BEFORE EXTRA - ORDINARY ITEMS | 186.70 | 40.98 |
| Add: Extra - Ordinary items | - | - |
| NET CASH FROM OPERATING ACTIVITIES (A) | 186.70 | 40.98 |
| CASH FLOW FROM INVESTING ACTIVITIES | | |
| (Purchase) \ Sale of Fixed Assets | 138.74 | (49.45) |
| Interest Received | (0.54) | 0.59 |
| Payment on scheme of demerger of software division | (326.23) | - |
| NET CASH USED IN INVESTING ACTIVITIES (B) | (188.03) | (48.86) |
| CASH FLOW FROM FINANCING ACTIVITIES | | |
| Proceeds from Borrowing | 0.72 | 7.59 |
| NET CASH FROM FINANCING ACTIVITIES (C) | 0.72 | 7.59 |
| NET INCREASE IN CASH AND CASH ACTIVITIES (A+B+C) | (0.61) | (0.29) |
| CASH AND CASH EQUIVALENTS AS AT THE 1st April, 2008 | 12.20 | 12.49 |
| CASH AND CASH EQUIVALENTS AS AT THE END OF THE YEAR | 11.58 | 12.20 |

Note : (i) Figures in brackets represent outflows.

(ii) Previous Year figures have been recast / restated wherever necessary

As per our report of even date

For D. Kothary & Co.
Chartered Accountants

(Vipul N. Chauhan)

Partner

M.No.: 47846

Place: Mumbai.

Date: 29th August, 2009

For and on behalf of the Board of Directors

Shri Navin G. Thakkar
Chairman & Managing Director

Shri Amit N. Thakkar
Director

Shri Sameer N. Thakkar
Director

Place: Mumbai.

Date: 29th August, 2009

CONTINENTAL CONTROLS LIMITED

Schedule forming part of the Accounts for the year ended 31ST March, 2009

| | As at 31.03.2009 | As at 31.03.2008 |
|------------------------------------------------------------------------------------------------------------|---------------------|-------------------|
| | Rs. | Rs. |
| SCHEDULE 1 - SHARE CAPITAL | | |
| AUTHORISED | | |
| 91,50,000 (P.Y. 91,50,000) Equity Shares of Rs. 10/- each | <u>91,500,000</u> | <u>91,500,000</u> |
| ISSUED SUBSCRIBED AND PAID UP | | |
| 88,42,512, (P.Y. 88,42,512) Equity Shares of Rs. 10/- each fully paid up | 88,425,120 | 88,425,120 |
| Less : 44,21,256 Equity Shares on account of Demersger of Software Division as per Bombay High Court Order | <u>(44,212,560)</u> | <u>88,425,120</u> |
| SCHEDULE 2 - RESERVE AND SURPLUS | | |
| Capital Reserves | 11,055,236 | - |
| Securities Premium | <u>-</u> | <u>6,108,120</u> |
| | <u>11,055,236</u> | <u>6,108,120</u> |
| SCHEDULE 3 - LOAN FUNDS | | |
| SECURED LOANS | | |
| Cash Credit from Bank of India (Secured against Stock) | 6,708,442 | 6,367,004 |
| Loans from others | <u>413,929</u> | <u>683,775</u> |
| | <u>7,122,371</u> | <u>7,050,779</u> |

SCHEDULE 4 - FIXED ASSETS

| Particulars | GROSS BLOCK | | | | DEPRECIATION | | | | NET BLOCK | |
|--------------------------|---------------------------|----------------|-------------------|---------------------------|--------------------|---------------------------|-------------------|--------------------|---------------------------|---------------------------|
| | Op. Balance 01.04.2008 | Addition | Deduction | Cl. Balance 31.03.2009 | Upto 01.04.2008 | For the year 2008-2009 | Written back | Upto 31.03.2009 | Value as at 31.03.2009 | Value as at 31.03.2008 |
| Computer | 26,937,535 | 93,460 | 25,872,964 | 1,158,031 | 16,371,155 | 184,972 | 15,716,309 | 839,818 | 318,213 | 10,566,380 |
| Factory Premises | 16,582,204 | 186,930 | 11,792,604 | 4,976,530 | 4,362,570 | 384,756 | 3,726,612 | 1,020,714 | 3,955,816 | 12,219,634 |
| Furniture & Fixture | 3,010,849 | 3,742 | 859,564 | 2,155,027 | 1,645,081 | 136,176 | 477,073 | 1,304,184 | 850,843 | 1,365,768 |
| Land Factory | 804,394 | - | 804,394 | - | - | - | - | - | - | 804,394 |
| Land Quarters | 52,901 | - | - | 52,901 | - | - | - | - | 52,901 | 52,901 |
| Plan & Machinery | 41,455,000 | 113,150 | 545,254 | 41,022,896 | 14,556,230 | 1,902,839 | 323,905 | 16,135,164 | 24,887,732 | 26,898,770 |
| Vehicles | 3,155,417 | 132,710 | - | 3,288,127 | 1,347,475 | 312,372 | - | 1,659,847 | 1,628,280 | 1,807,942 |
| Sub-Total (A) | 91,998,300 | 529,992 | 39,874,778 | 52,653,512 | 38,282,511 | 2,921,116 | 20,243,899 | 20,959,728 | 31,693,784 | 53,715,789 |
| Capital Wp | | | | | | | | | 4,734,268 | 4,653,000 |
| Sub-Total (B) | | | | | | | | | 4,734,268 | 4,653,000 |
| Grand Total (A+B) | 91,998,300 | 529,992 | 39,874,778 | 52,653,512 | 38,282,511 | 2,921,116 | 20,243,899 | 20,959,728 | 36,428,052 | 58,368,789 |
| Previous Year | 87,052,407 | 4,945,893 | | 91,998,300 | 31,024,799 | 7,257,712 | - | 38,282,511 | 58,368,789 | - |

SCHEDULE 5 - INVESTMENTS

Long Terms Investments in:

(i) Shares of Ahmedbad Bank Ltd. 1710 shares

Rs.10/- each fully paid up

17,100

17,100

(ii) Application Money Pending Allotment

PAN Drugs Limited

350,000

350,000

Niyati Industries Limited

325,000

325,000

Rushabh Techno Tubes Limited

900,000

900,000

1,592,100

1,592,100

CONTINENTAL CONTROLS LIMITED

Schedule forming part of the Accounts for the year ended 31ST March, 2009

| | As at 31.03.2009 Rs. | As at 31.03.2008 Rs. |
|-----------------------------------------------------------------|-------------------------|-------------------------|
| SCHEDULE 6 - CURRENT ASSETS, LOANS AND ADVAN | | |
| A) INVENTORIES | | |
| Stock of Raw Materials | 5,874,041 | 6,879,869 |
| Stock of Work in Progress | 191,611 | 9,452,969 |
| Stock of Finished Goods | - | <u>2,982,508</u> |
| (As taken, Valued & certified by Management) | 6,065,652 | 19,315,346 |
| B) SUNDRY DEBTORS | | |
| (i) Outstanding more than six months(Unsecured considered good) | 2,304,122 | 2,870,945 |
| (ii) Other Debts (Unsecured considered good) | 4,705,389 | 6,204,501 |
| (iii) Other Debts | <u>1,122,500</u> | - |
| | 8,132,011 | 9,075,446 |
| C) CASH AND BANK BALANCE | | |
| (i) Cash on Hand | 161,226 | 326,893 |
| (ii) Bank Balance | | |
| Current Accounts | 574,018 | 163,257 |
| Deposit Accounts | <u>423,198</u> | <u>729,537</u> |
| | 1,158,442 | 1,219,687 |
| D) LOANS, ADVANCES AND DEPOSITS | | |
| (i) Loans and Advances to Companies | 628,811 | 617,047 |
| (ii) Balance with Central Excise | 573,711 | 281,123 |
| (iii) Sundry Deposits | 445,254 | 570,859 |
| (iv) Advances recoverable in cash or in kind | 8,731,395 | 13,714,785 |
| (v) Advance Tax & Tax Deducted at source | <u>471,440</u> | <u>846,752</u> |
| | 10,850,611 | 16,030,566 |
| | <u>26,206,716</u> | <u>45,641,044</u> |
| SCHEDULE 7 - CURRENT LIABILITIES & PROVISIONS | | |
| A) CURRENT LIABILITIES : | | |
| (i) Sundry Creditors | | |
| For Goods | 107,768 | 2,028,426 |
| For Capital Goods | 515,292 | 537,828 |
| For Expenses & Services | 5,049,944 | 5,515,480 |
| (ii) Unclaimed Dividend | 59,424 | 59,424 |
| (iii) Duties and Taxes | 101,253 | 58,849 |
| (iv) Other Liabilities | <u>11,000</u> | <u>11,000</u> |
| | 5,844,680 | 8,211,007 |
| B) PROVISIONS | | |
| (i) For Taxation | <u>436,437</u> | <u>1,922,594</u> |
| | 436,437 | 1,922,594 |
| | <u>6,281,117</u> | <u>10,133,601</u> |
| SCHEDULE 8 - MISCELLANEOUS EXPENSES | | |
| Preliminary Expenses | 1,616,649 | 1,761,441 |
| Profit & Loss Account (Dr. Balance) | 5,425,503 | 78,25,388 |
| (To the extent not written off or adjusted) | <u>7,042,152</u> | <u>9,586,829</u> |

CONTINENTAL CONTROLS LIMITED

Schedule forming part of the Accounts for the year ended 31ST March, 2009

| | As at 31.03.2009 | As at 31.03.2008 |
|---------------------------------------------------------------|-------------------|-------------------|
| | Rs. | Rs. |
| SCHEDULE 9 - SALES | | |
| DOMESTIC SALES | | |
| <i>Sale of Manufactured Goods</i> | 9,502,528 | 6,799,533 |
| <i>Less: Excise</i> | (1,493,692) | (1,352,982) |
| <i>Sale of Software / Services</i> | - | 104,000 |
| | <u>8,008,836</u> | <u>5,550,551</u> |
| EXPORT SALES | | |
| <i>Sale of Manufactured Goods</i> | 16,993,023 | 15,045,468 |
| | <u>16,993,023</u> | <u>15,045,468</u> |
| | <u>25,001,859</u> | <u>20,596,019</u> |
| SCHEDULE 10 - OTHER INCOME | | |
| <i>DEPB Claim Received</i> | 841,992 | 653,884 |
| <i>Interest Received from Others</i> | 54,000 | 113,141 |
| <i>Stock transfer on A/c of demerger of software division</i> | 1,350,000 | - |
| <i>Other Incomes</i> | 201,442 | 218,922 |
| | <u>2,447,434</u> | <u>985,947</u> |
| SCHEDULE 11 - MANUFACTURING EXPENSES | | |
| i) Raw Material Cost | | |
| <i>Opening Stock</i> | 5,879,869 | 8,085,948 |
| <i>Add: Purchases</i> | 6,834,130 | 8,417,108 |
| | <u>13,713,999</u> | <u>16,503,056</u> |
| <i>Less : Closing Stock</i> | 5,874,041 | 6,879,869 |
| | <u>7,839,958</u> | <u>9,623,187</u> |
| ii)(Increase)\Decrease Work in Progress | | |
| <i>Opening Stock</i> | 9,452,969 | 8,959,554 |
| <i>Less : Closing Stock</i> | 191,611 | 9,452,969 |
| | <u>9,261,358</u> | <u>(493,415)</u> |
| iii)(Increase)/Decrease Finished Goods | | |
| <i>Opening Stock</i> | 2,982,508 | 6,427,344 |
| <i>Less : Closing Stock</i> | - | 2,982,508 |
| | <u>2,982,508</u> | <u>3,444,836</u> |
| iv) Direct Expenses | | |
| <i>Agency Charges</i> | 36,513 | 249,490 |
| <i>Clearing & Forwarding Charges</i> | 126,276 | 280,733 |
| <i>Labour charges</i> | 1,067,167 | 1,677,691 |
| <i>Octroi Charges</i> | 8,111 | 7,623 |
| <i>Packing Materials</i> | 107,562 | 35,053 |
| <i>Tools, Spares and Machine Oils</i> | 75,434 | 346,743 |
| <i>Other Direct Charges</i> | 1,145 | 12,874 |
| | <u>1,422,208</u> | <u>2,610,208</u> |
| | <u>21,506,032</u> | <u>15,184,816</u> |
| SCHEDULE 12 - EMPLOYMENT COSTS | | |
| <i>Directors Remuneration</i> | 300,000 | 300,000 |
| <i>Salaries, Wages, Bonus etc.</i> | 2,906,903 | 2,242,288 |
| <i>Workmen and Staff Welfare Expenses</i> | 295,659 | 468,458 |
| | <u>3,502,562</u> | <u>3,010,746</u> |
| SCHEDULE 13 - Financial charges | | |
| <i>Bank Interest, Commission & Charges</i> | 1,082,491 | 1,016,060 |
| <i>Interest on car loan</i> | 16,323 | 41,165 |
| | <u>1,098,814</u> | <u>1,057,225</u> |

CONTINENTAL CONTROLS LIMITEDSchedule forming part of the Accounts for the year ended 31ST March, 2009

| | As at 31.03.2009 | As at 31.03.2008 |
|--------------------------------------------------------------------------------------|------------------|------------------|
| | Rs. | Rs. |
| SCHEDULE 14 - MANUFACTURING, ADMINISTRATIVE, SELLING AND GENERAL EXPENSES | | |
| Advertisement | 37,844 | 87,094 |
| Annual General Meeting | 10,000 | 7,200 |
| Auditors remuneration | 66,180 | 56,120 |
| Annual Listing Fees | 43,382 | 44,287 |
| Bank Charges and Commission | 304,789 | 215,248 |
| Business Development Expenses | 104,537 | 93,504 |
| Computer and Internet Charges | 103,379 | 37,512 |
| Conveyance Expenses | 218,358 | 144,418 |
| DEPB License Fees | 40,052 | - |
| Electricity Charges | 343,471 | 460,274 |
| Foreign Exchange Fluctuation | 175,957 | (280,252) |
| Freight Charges | 618,943 | 690,355 |
| Insurance Charges | 172,435 | 223,323 |
| Loss on sale of premises | 3,738,000 | - |
| Legal & Professional Fees | 310,758 | 558,882 |
| MVAT Registration fees | 5,025 | - |
| Membership & Subscription | 19,000 | 19,000 |
| Miscellaneous Expenses | 24,956 | 96,848 |
| Motor Car Expenses | 274,064 | 166,537 |
| Office Expenses | 58,635 | 82,241 |
| Postage, Telegram & Courier charges | 462,778 | 304,512 |
| Printing & Stationery | 206,419 | 180,899 |
| Preliminary expenses w/off | 144,792 | 208,535 |
| Rent, Rates & Taxes | 147,600 | 16,536 |
| Repairs & Maintenance | 406,748 | 198,414 |
| Share transfer agent fees | 88,986 | - |
| Security Charges | 300,763 | 432,289 |
| Society Maintenance Charges | - | 22,705 |
| Telephone and Mobile Expenses | 379,064 | 467,292 |
| Transport Charges | 102,841 | 53,769 |
| Testing Charges. | 24,537 | - |
| Traveling expenses | 629,375 | 497,148 |
| UL Certification charges | 118,696 | 132,953 |
| | <u>9,682,364</u> | <u>5,217,643</u> |

Schedule 15**Significant Accounting Policies for Financial Year 2008-09****1 Basis of Accounting**

The financial statements are prepared on the historical cost convention basis, in accordance with the normally accepted accounting principles and the provision of the Companies Act, 1956 and Accounting Standards issued by the Institute of Chartered Accountants of India.

2 Income Recognition

Income and Expenditure are recognized and accounted on accrual basis.

3 Use of Estimates

The preparation of Financial Statement in conformity with generally accepted accounting principles requires estimates and assumptions to be made that affect the reported amount of assets and liabilities on the day of the financial statements and the reported amounts of revenues and expenses during the reporting period. Difference between actual results and estimates are recognized in the period in which the results are known/ materialized.

4 Fixed Assets

Fixed Assets are stated at the cost of acquisition or construction. Cost comprises of the purchase price and other attributable costs. They are stated at historical cost.

5 Depreciation

Depreciation on Fixed Assets has been provided on straight line method at the rates prescribed in Schedule XIV of the Companies Act, 1956.

Depreciation on additions during the year is provided on pro-rata basis from the date of acquisition and put to use till the date of Balance Sheet.

6 Investments

Investments held by the company are Long term investments as per Accounting Standard 13 'Accounting for investment' issued by the Institute of Chartered Accountant of India.

7 Inventories

The Imported raw material is valued at purchase cost plus Insurance, Freight, and Import Duty.

Indigenous raw materials, Components and Finished goods are stated at cost.

Cost comprises all cost of purchase, cost of conversion and other cost incurred in bringing the inventories of finished goods to their present location and condition.

8 Foreign Currency Transactions

Foreign currency transactions are accounted at exchange rates prevailing on the date transaction takes place.

Monetary items outstanding at the year end are translated at the exchange rate prevailing on the last date of the accounting year.

9 Taxes on Income

Provision for income tax is made on the basis of estimated taxable income for the year. Deferred tax resulting from timing differences between taxable income and accounting income that originate in one period and are capable of reversal in one or more subsequent period.

10 Contingent Liabilities

The Directors are of the opinion that no contingent liabilities would occur to the company.

11 Miscellaneous expenditure

Preliminary expenses shown under the head Miscellaneous Expenditure, have been written off during the year as per the provisions of the Income Tax act, 1961.

Segment Information**12 Segment Information**

Primary segment information (By Business segment):
The Company is engaged in the business of Electrical,
Which constitute single business segment.

CONTINENTAL CONTROLS LIMITED

16. Notes to Accounts:

Financial Year 2008-2009

1. Composite scheme of Arrangement/Reconstruction:

Pursuant to the composite scheme of Arrangement under section 391 to 394 of the Companies Act, 1956, as approved by the Honourable High Court of Judicature at Bombay vide its Order dated 5th September 2008, the company has demerged and transferred its Software related business to Quest Softech (India) Limited (QSIL) from the appointed date i.e. 1st April, 2008.

Pursuant to the order, the assets and liabilities of Software division as at 31st March, 2008, have been transferred in the books of the QSIL. Consequently, the paid up share capital of Company has been decreased by Rs. 44, 12,560 equity shares of Rs. 10 each.

Pursuant to the Scheme of Arrangement between CCL and QSIL as approved by the High Court of Bombay Judicature the shareholders of CCL are entitled for issue of 1 equity shares of Rs. 10/- each in QSIL for every 2 equity shares of Rs. 10/- each held by them in CCL. Further, their holding in CCL is reduced to 1 share.

2. Deferred Tax:

The Company has recognized deferred tax arising on account of timing differences, being the difference between the taxable income and accounting income, that originates in one period and is capable of reversal in one or more subsequent period(s) in compliance with Accounting Standard (AS 22) – Accounting for Taxes on Income issued by Institute of Chartered Accountants of India.

The major components of Deferred Tax Assets / (liabilities) arising on account of timing differences are as follows:

| Deferred Tax Assets / (Liabilities) | 2008 - 09 | 2007 - 08 |
|-------------------------------------------------------------------------------------------------------|-----------|-----------|
| Difference between the Written Down Value of assets as per books of accounts and Income Tax Act, 1961 | 600,469 | 2,138,175 |
| Other Miscellaneous items | 2,226,093 | 830,373 |
| Deferred Tax Liabilities | 2,597,735 | 3,471,142 |
| Deferred Tax for the year | 873,408 | 404,111 |

3. Earning Per Share (Basic and Diluted)

| | | 2008 - 09 | 2007 - 08 |
|----|------------------------------------------------------------------|-------------|--------------|
| a) | Profit for the Year | (9,321,578) | (10,700,287) |
| b) | Total number of Equity shares outstanding at the end of the year | 4,421,256 | 8,842,512 |
| | Face Value of Equity shares | 10 | 10 |
| c) | Basic and diluted earnings per share (in rupees) (a / b) | (2.11) | (1.21) |

The basic and diluted earning per share is computed by dividing the net profit for the year by weighted average number of Equity Shares outstanding during the year.

4. The management is currently in the process of identifying enterprises which have provided goods to the company. Accordingly, the disclosures in respect of the amounts payable to such medium and small enterprises as at 31st March, 2009 has not been made in the financial statements
5. The schedules referred to in the Balance Sheet and Profit and Loss Account form an integral part of the accounts.
6. Balances of Depositors, Sundry Debtors, Creditors and Loans and Advances are subject to confirmation and reconciliation.
7. In the opinion of the Board of Directors, the current assets, loans and advances are approximately of the value stated, if realised in the ordinary course of business.
8. Previous year figures have been regrouped and rearranged, wherever necessary.
9. Payment made to Auditors:

| | <u>2008 - 09</u> | <u>2007 - 08</u> |
|-----------------------|--------------------------|--------------------------|
| For Statutory Audit | 45,000 | 35,000 |
| For Tax Audit | 10,000 | 10,000 |
| For Income Tax Matter | 5,000 | 5,000 |
| For Service Tax | 6,180 | 6,180 |
| | ----- 66,180 ===== | ----- 56,180 ===== |

10. Import and other Expenses in Foreign Currency :

| | <u>2008-09</u> | <u>2007- 08</u> |
|-----------------------------------|----------------|-----------------|
| 1) Value of Imported Raw Material | 3,247,480 | 6,692,652 |
| 2) Foreign Travelling | 591,255 | 449,044 |
| Total | 3,838,735 | 7,141,696 |

11. Earning in Foreign Exchange:

| Particular | <u>2008 - 09</u> | <u>2007 - 08</u> |
|-----------------|------------------|------------------|
| Export of Goods | 16,993,023 | 15,045,468 |

CONTINENTAL CONTROLS LIMITED

12. Capacity, Production, Purchases, Turnover and Stock:

i) Capacity and Production.

| Product | Units | Licensed Registered Capacity | Installed Capacity (as certified by the management) | Actual Production |
|-------------------|-------|------------------------------|-----------------------------------------------------|-------------------|
| OLP Single Phase | Nos. | -- | 60 Lacs Pieces per Single Shift | 2,415,704 |
| OLP Three Phase | Nos. | -- | 36 Lacs Pieces per Single Shift | NIL |
| OLP Refrigeration | Nos. | -- | 6 Lacs Pieces per Single Shift | NIL |

ii) Turnover:

| Product | Units | Year | Quantity | Value |
|------------------|-------|------|-----------|---------------|
| OLP Single Phase | Nos. | 2009 | 2,823,846 | Rs.25,980,580 |
| OLP Single Phase | Nos. | 2008 | 2,382,595 | Rs.25,565,244 |

iii) Imported and indigenous Raw Material Consumption:

| | Raw Materials and Components | As at 31.03.2009 | | As at 31.03.2008 | |
|---|------------------------------|------------------|-------|------------------|-------|
| | | Rs. | % | Rs. | % |
| 1 | Imported | 3,247,380 | 49.31 | 6,692,652 | 69.18 |
| 2 | Indigenous | 3,338,684 | 50.69 | 2,981,300 | 30.82 |

13. Managerial Remuneration:

| Particular | 2008 - 09 | 2007 - 08 |
|------------|-----------|-----------|
| Salaries | 300,000 | 300,000 |

14. In accordance with requirements of AS 18 on related party disclosures:

Related Party Relationship:

Key management personnel

Amit N. Thakkar

Navin G. Thakkar

Where Control exists

DMS Graphic & Component

Transaction with Related Parties during the financial year :

| Name | Nature of transaction | 2008-09 | 2007-08 |
|------------------|------------------------|---------|---------|
| Amit N. Thakkar | Directors Remuneration | 180,000 | 180,000 |
| Navin G. Thakkar | Directors Remuneration | 120,000 | 120,000 |

15. Pursuant to the scheme of arrangement the company has demerged its software Division to QSIL w.e.f. 1st April, 2008, hence previous year figures are not comparable.

CONTINENTAL CONTROLS LIMITED

16) Quantitative Details

| SR. NO. | ITEM | YEAR | UNITS | OP. STOCK | | ADDITIONS | | CONSUMPTION | | CL. STOCK | |
|---------|---------------------|-------|-------|-----------|------------|-----------|------------|-------------|------------|-----------|-----------|
| | | | | QUANTITY | AMOUNT | QUANTITY | AMOUNT | QUANTITY | AMOUNT | QUANTITY | AMOUNT |
| 1 | Heat Shrink SLEEVES | 2,009 | NOS. | 489,137 | 122,798 | 2,450,000 | 842,547 | 1,250,000 | 587,500 | 1,689,137 | 631,699 |
| | | 2,008 | NOS | 1,092,268 | 535,168 | 1,500,000 | 677,653 | 2,103,131 | 1,091,022 | 489,137 | 122,798 |
| 2 | INSULATED WIRE | 2,009 | FTS. | 273,813 | 533,205 | 342,116 | 775,555 | 261,500 | 515,155 | 354,428 | 851,475 |
| | | 2,008 | FTS. | 611,899 | 1,305,423, | 360,026 | 843,931 | 698,112 | 1,279,164 | 273,813 | 533,205 |
| 3 | MOVING CONTACT | 2,009 | NOS | 2,985,250 | 1,159,788 | 1,500,000 | 920,184 | 3,140,000 | 727,350 | 1,345,250 | 825,244 |
| | | 2,008 | NOS. | 887,501 | 593,117 | 5,465,195 | 2,711,912 | 3,367,446 | 2,438,642 | 2,985,250 | 1,159,788 |
| 4 | SLUG CONT | 2,009 | NOS | 6,062,311 | 2,065,018 | - | - | 4,740,000 | 473,300 | 1,322,311 | 328,184 |
| | | 2,008 | NOS. | 2,961,756 | 1,328,071 | 4,200,000 | 1,385,410 | 1,099,445 | 422,861 | 6,062,311 | 2,065,018 |
| 5 | S S PATTI | 2,009 | KGS | 6 | 1,880 | 3,722 | 552,340 | 2,245 | 196,441 | 1,483 | 177,936 |
| | | 2,008 | KGS | 5,424 | 634,152 | 6 | 1,868 | 5,424 | 605,533 | 6 | 1,880 |
| 6 | OTHERS | 2,009 | | - | 2,997,180 | - | 3,656,787 | - | 3,491,554 | - | 3,059,504 |
| | | 2,008 | | - | 3,690,018 | - | 4,388,103 | - | 5,895,332 | - | 2,997,180 |
| | TOTAL | 2,009 | | - | 6,879,869 | - | 6,747,412 | - | 5,991,300 | - | 5,874,041 |
| | TOTAL | 2,008 | | - | 8,085,949 | - | 10,008,877 | - | 11,732,554 | - | 6,879,869 |

T. O.P. Switches (Finished Goods)

T. O.P. Switches (W. I. P.)

191,611

TOTAL VALUE OF INVENTORY AS ON 31ST MARCH, 2009

6,065,652

CONTINENTAL CONTROLS LIMITED

(11) Additional information as required under Part IV of schedule VI to the Companies Act, 1956

BALANCE SHEET ABSTRACT AND COMPANY'S GENERAL BUSINESS PROFILE

I Registration Details

Registration No. State Code Balance sheet

II Capital Raised during the year (Amount in Rupees)

Public Issue Bonus Issue
Right Issue Private Placement

III Position of Mobilisation and Deployment of Funds (Amount in Rupees)

Total Liabilities Total Assets

Sources of Funds

Paid up Capital Reserve & Surplus
Secured Loans Unsecured Loans
Deferred Tax Liability

Application of Funds

Net Fixed Assets Investment
Net Current Assets Misc. Expenditure
Accumulated Losses

IV Performance of Company

Turnover Total Expenditure
Profit & Loss Before Tax Profit & Loss after Tax
Earning per share Dividend Rate

V Generic name of the Principal Products / Services of Company

Item Code No. (ITC Code)

Product Description

As per our report of even date

For D. Kothary & Co.
Chartered Accountants

(Vipul N. Chauhan)

Partner

M.No.: 47846

Place: Mumbai.

Date: 29th August, 2009

For and on behalf of the Board of Directors

Shri Navin G. Thakkar
Chairman & Managing Director

Shri Amit N. Thakkar
Director

Shri Sameer N. Thakkar
Director

Place: Mumbai.

Date: 29th August, 2009

CONTINENTAL CONTROLS LIMITED

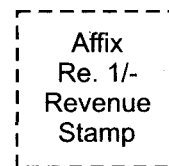
Registered Office :

Siddarth Industrial Estate, No. 2, Gala No. 1, Shailesh Udhyog Nagar,
Sativali Road, Waliv, Vasai (East), Dist - Thane - 401 208.

PROXY FORM

I/We, the undersigned _____ of _____ being
a Member of Continental Controls Ltd. hereby appoint _____ of
_____ or failing him _____
of _____ or failing him _____
of _____ or failing him _____
as my/our proxy to vote for me/our behalf at the 14th Annual General Meeting of the Company to be held on 30th
September, 2009 at 1.00 P.M. or at any adjournment thereof

Signed this _____ day of _____ 2009.



FOLIO NO.:

Note: The proxy in order to be effective should be duly stamped, completed and signed and must be deposited at registered office of the Company not less than 48 hours the time for holding the aforesaid meeting. The proxy need not be a member of the company.

----- Tear Here -----

ATTENDANCE SLIP

CONTINENTAL CONTROLS LIMITED

Registered Office :

Siddarth Industrial Estate, No. 2, Gala No. 1, Shailesh Udhyog Nagar,
Sativali Road, Waliv, Vasai (East), Dist - Thane - 401 208.

PLEASE FILL ATTENDANCE SLIP AND HAND IT OVER THE ENTRANCE OF THE MEETING HALL

Join Shareholders may obtain additional Slip on request.

FOLIO NO.:

**NAME AND ADDRESS OF:
THE SHAREHOLDER**

No. of shares held :

I hereby record my presence at the 14th Annual General Meeting of the Company held on 30th September, 2009 at 1.00 P.M. at Poush, Krishna Gardens, Maljipada, Opp. Crown Petrol Pump, Ahmedabad Highway, Taluka Vasai, Distt. Thane-401208

SIGNATURE OF THE SHAREHOLDER PROXY*

* Strike out whichever is not applicable.

NOTES

Area containing horizontal dashed lines for notes.

NOTES

A series of horizontal dotted lines for writing notes.

BOOK-POST

IF UNDELIVERED, PLEASE RETURN TO :

CONTINENTAL CONTROLS LIMITED

Registered Office :

Siddarth Industrial Estate, No. 2, Gala No. 1, Shailesh Udhyog Nagar,
Sativali Road, Waliv, Vasai (East), Dist - Thane - 401 208.