



Caprolactam Chemicals Limited

CIN NO: - U24110MH1988PLC049683

30th Annual Report

31-03-2019

COMPANY INFORMATION**BOARD OF DIRECTORS**

Mrs. Z.S. Bhanushali	- Chairperson & Managing Director
Mr. S. S. Bhanushali	- Whole-time Director & CFO
Mr. V. P. Adagale	- Non Executive Independent Director
Mr. R. P. Mange	- Non Executive Independent Director
Mrs. P. B. Bhanushali	- Non Executive Independent Director

AUDITORS

M/s. L. J. Kothari & Co.
Chartered Accountant

BANKERS

Bank of India (Mumbai)
Bank of India (Mahad)

SHARE TRANSFER AGENT

Purva Sharegistry (India) Pvt. Ltd.
Unit no.9,
Shiv Shakti Industrial Estate
J.R.Boricha Marg
Opp. Kasturba Hospital Lane
Lower Parel (E)
Mumbai 400 011

REGISTERED OFFICE & WORKS

B/31, MIDC, Mahad,
Dist. Raigad - 402 302,
Maharashtra.

Ph No: - 02145-233427.

caprolactamcl@gmail.com

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NOTICE

NOTICE is hereby given that the 30th Annual General Meeting of **Caprolactam Chemicals Limited** will be held on Monday the 30th Day of September, 2019 at the Registered Office of the Company at B/31, MIDC, Mahad, Distt. - Raigad - 402302 at 10:00 a.m. to transact the following business:

ORDINARY BUSINESS:

1. To consider and adopt the Audited Financial Statements of the Company for the financial year ended 31st March, 2019 together with the reports of the Board of Directors and Auditors thereon.
2. To appoint Mrs. Zaver Shankarlal Bhanushali (DIN: 00663374), who retires by rotation as Director and being eligible, offers herself for re-appointment
3. To appoint M/s. Bipin Kothari and Associates, Chartered Accountants (Firm Registration No. 137687) as the Statutory Auditors of the Company and to fix the remuneration thereof.

Registered Office:
B/31, MIDC, Mahad,
Distt. - Raigad - 402302
CIN: L24110MH1988PLC049683
Date: 26/08/2019
Place: Mahad

For and on behalf of the Board

SD/-
Zaver S Bhanushali
Managing Director
DIN - 00663374

NOTES:

1. **A MEMBER ENTITLED TO ATTEND AND VOTE IS ENTITLED TO APPOINT A PROXY/PROXIES TO ATTEND AND VOTE AT THE MEETING INSTEAD OF HIMSELF/HERSELF AND PROXY/PROXIES NEED NOT BE A MEMBER OF THE COMPANY.**
A person can act as a proxy on behalf of members not exceeding fifty and holding in aggregate not more than ten percent of the total share capital of the Company carrying voting rights. A member holding more than ten percent of the total share capital of the Company carrying voting rights may appoint a single person as proxy and such person shall not act as a proxy or any other person or shareholder.
2. The instrument of Proxy in order to be effective, should be duly stamped, completed, signed and deposited at the Registered Office of the Company not less than 48 hours before the commencement. A Proxy form is sent herewith. Proxies submitted on behalf of the Companies, Societies etc., must be supported by an appropriate resolution/authority, as applicable.
3. The Register of Members and Share Transfer Books of the Company will remain closed from 24th September 2019 to 30th September 2019 (Both days inclusive).
4. Members/Proxies should bring duly filled attendance slips to attend the meeting.
5. Members are requested to notify the change in their address, if any, immediately, so that all communications can be sent to the latest address. In case of members holding shares in physical form, all intimations regarding change of address and change of bank account details are to be sent to Purva Sharegistry (India) Pvt. Ltd, Unit No. 9 **Shiv Shakti Ind. Estt. J.R. Boricha marg, Lower Parel East Mumbai 400011**. Members, who hold shares in electronic form, are requested to notify any change in their particulars like change in address, bank particulars etc. to their Depository Participants immediately. The Securities and Exchange Board of India (SEBI) vide circular ref No. MRD/Dop/CIR05/2007 dated April 27, 2007 made PAN the sole identification number for all participants transacting in the securities market, irrespective of the amount of such transaction. In continuation of the said circular, it is hereby clarified that for securities market transactions and off-market/private transactions involving transfer of shares in listed companies in physical form, it shall be mandatory for the transferee(s) to furnish a copy of the PAN card to the Company/RTA for registration of such transfer of shares.
6. The Register of Directors' Shareholding Register of Proxies and Statutory Auditors' would be available for inspection by the Members, at the Meeting. All documents referred to in the accompanying Notice and Explanatory Statement are also open for inspection by the Members at the Registered Office of the Company on any day between 10.00 a.m. to 12.00 p.m. except Saturday, Sunday and Public Holiday up to the date of Annual General Meeting.
7. Electronic copy of the Annual Report for 2018-19 is being sent to all the members whose email IDs are registered with the Company/Depository Participants(s) for communication purposes unless any member has requested for a hard copy of the same. For members who have not registered their email address, physical copies of the Annual Report for 2018-19 is being sent in the permitted mode.
8. Electronic copy of the Notice of the 30th AGM of the Company, inter alia, indicating the process and manner of electronic voting ('e-voting') along with Attendance Slip, Proxy Form and Route Map is being sent to all the members whose email addresses are registered with the Company/Depository Participants(s) for communication purposes unless any member has requested for a hard copy of the same. For members who have not registered their email address, physical copies of the Notice of the 30th AGM of the Company, inter alia, indicating the process and manner of e-voting along with Attendance Slip, Proxy Form and Route Map is being sent in the permitted mode. The Notice of the Annual General Meeting and Annual Report of the Company for the year ended 31st March, 2019 is uploaded on the Company's website www.caprolactam.co.in and may be accessed by the members. In compliance with provisions of Section 108 of the Companies Act, 2013, Rule 20 of the Companies (Management and Administration) Rules, 2014 as amended by the Companies (Management and Administration) Amendment Rules, 2015 and Clause 44 of the Listing Agreement and Secretarial standard on General Meetings (SS-2) issued by the Institute of Company Secretaries of India, the Company will be providing members facility to exercise their right to vote on resolutions proposed to be considered at the ensuing Annual General Meeting (AGM) by electronic means and the business may be transacted through e-Voting Services. The facility of casting the votes by the members using an electronic voting system from a place other than venue of the AGM ("remote e-voting") will be provided by Central Depository Services (India) Limited (CDSL). The detailed procedure to be followed in this regard has been given in Annexure to the notice. The members are requested to go through them carefully.

9. The route map showing directions to reach the venue of the Thirtieth AGM is annexed.

Important Communication to members

The Ministry of Corporate Affairs has taken a "Green Initiative in the Corporate Governance" by allowing paperless compliances by the companies and has issued circulars stating that the service of notice / documents including Annual Report can be sent by e-mail to its members. To support this green initiative of the Government in full measure, members who have not registered their e-mail address, so far, are requested to register their e-mail address in respect of electronic holdings with the Depository through their concerned Depository Participants. We

Annexure - Instructions for the voting through electronic means:

- i. The facility for voting through ballot paper shall be made available at the AGM and the members attending the meeting who have not cast their vote by remote e-voting shall be able to exercise their right at the meeting through ballot paper.
- ii. The members who have cast their vote by remote e-voting prior to the AGM may also attend the AGM but shall not be entitled to cast their vote again.
- iii. The remote e-voting period commences on 27th September, 2019 (9:00 am) and ends on 29th September, 2019 (5:00 pm). During this period members of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date of 23rd
- iv. September, 2019 may cast their vote by remote e-voting. The remote e-voting module shall be disabled by CDSL for voting thereafter. Once the vote on a resolution is cast by the member, the member shall not be allowed to change it subsequently.
- v. The shareholders should log on to the e-voting website www.evotingindia.com.
- vi. Click on Shareholders / Members
- vii. Now Enter your User ID
 - a. For CDSL: 16 digits beneficiary ID,
 - b. For NSDL: 8 Character DP ID followed by 8 Digits Client ID,
 - c. Members holding shares in Physical Form should enter Folio Number registered with the Company.
- viii. Next enter the Image Verification as displayed and Click on Login.
- ix. 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.

If you are a first time user follow the steps given below

For Members holding shares in Demat Form and Physical Form	
PAN	Enter your 10-digit alpha-numeric PAN issued by Income Tax Department (Applicable for both Demat shareholders as well as physical shareholders) <ul style="list-style-type: none"> • Members who have not updated their PAN with the Company/Depository Participant are requested to use the first two letters of their name and the 8 digits of the sequence number in the PAN field. • In case the sequence number is less than 8 digits enter the applicable number of 0's before the number after the first two characters of the name in CAPITAL letters. Eg. If your name is Ramesh Kumar with sequence number 1 then enter RA00000001 in the PAN field.
Dividend Bank Details OR Date of Birth (DOB)	Enter the Dividend Bank Details or Date of Birth (in dd/mm/yyyy format) as recorded in your Demat account or in the company records in order to login. <ul style="list-style-type: none"> • If both the details are not recorded with the depository or company please enter the member id / folio number in the Dividend Bank details field as mentioned in instruction (vi).

- x. After entering these details appropriately, click on "SUBMIT" tab.
- xi. Members holding shares in physical form will then directly reach the Company selection screen. However, members holding shares in Demat form will now reach 'Password Creation' menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the Demat holders for voting for resolutions of any other company on which they are eligible to vote, provided that company opts for e-voting through CDSL platform. It is strongly

- recommended not to share your password with any other person and take utmost care to keep your password confidential.
- xii. For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
 - xiii. Click on the relevant EVSN of **Caprolactam Chemicals Ltd.** on which you choose to vote.
 - xiv. On the voting page, you will see “RESOLUTION DESCRIPTION” and against the same the option “YES/NO” for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.
 - xv. Click on the “RESOLUTIONS FILE LINK” if you wish to view the entire Resolution details.
 - xvi. 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.
 - xvii. Once you “CONFIRM” your vote on the resolution, you will not be allowed to modify your vote.
 - xviii. You can also take a print of the votes cast by clicking on “Click here to print” option on the Voting page.
 - xix. If a Demat account holder has forgotten the changed login password, then Enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.
 - xx. Shareholders can also cast their vote using CDSL’s mobile app m-Voting available for android based mobiles. The m-Voting app can be downloaded from Google Play Store. Apple and Windows phone users can download the app from the App Store and the Windows Phone Store respectively. Please follow the instructions as prompted by the mobile app while voting on your mobile.
 - xxi. **Note for Non – Individual Shareholders and Custodians**
 - Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodian are required to log on to www.evotingindia.com and register themselves as Corporates.
 - A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to helpdesk.evoting@cdslindia.com.
 - After receiving the login details a Compliance User should be created using the admin login and password. The Compliance User would be able to link the account(s) for which they wish to vote on.
 - The list of accounts linked in the login should be mailed to helpdesk.evoting@cdslindia.com and on approval of the accounts they would be able to cast their vote.
 - A scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.
 - xxii. In case you have any queries or issues regarding e-voting, you may refer the Frequently Asked Questions (“FAQs”) and e-voting manual available at www.evotingindia.com, under help section or write an email to helpdesk.evoting@cdslindia.com.
 - xxiii. The Board of Directors has appointed Mr. Vinay. P. Yogi has been appointed as the Scrutinizer for providing facility to the members of the Company to scrutinize the voting at the AGM and remote e- voting process in a fair and transparent manner.
 - xxiv. The Chairman shall, at the AGM, at the end of discussion on the resolutions on which voting is to be held, allow voting with the assistance of scrutinizer, by use of “Ballot Paper” / “Poling Paper” for all those members who are present at the AGM but have not cast their votes by availing the remote e- voting facility.
 - xxv. The Scrutinizer shall after the conclusion of voting at the general meeting, will first count the votes cast at the meeting and thereafter unblock the votes cast through remote e-voting in the presence of at least two witnesses not in the employment of the Company and shall make, not later than three days of the conclusion of the AGM, a consolidated scrutinizer’s report of the total votes cast in favour or against, if any, to the Chairman or a person authorized by him in writing, who shall countersign the same and declare the result of the voting forthwith.
 - xxvi. The Results declared along with the report of the Scrutinizer shall be placed on the website of the Company and on the website of CDSL e-Voting immediately after the declaration of result by the Chairman or a person authorized by him in writing. The results shall also be immediately forwarded to the BSE Limited, Mumbai.

EXPLANATORY STATEMENT

M/s. L. J. Kothari & Co. Chartered Accountants (Firm Registration No. 105313W) have tendered their resignation from the position of Statutory Auditors due to ineligibility found in continuing to act as Statutory Auditor of the company, resulting into a casual vacancy in the office of Statutory Auditors of the Company as envisaged by section 139(8) of the Companies Act, 2013 ("Act"). In case of Casual vacancy caused by the resignation of auditor, such appointment shall also be approved by the shareholders in General Meeting within three months from the date of recommendation of the Board of Directors of the Company. The Board of Directors of the Company recommended that M/s. Bipin Kothari & Associates, Chartered Accountants (Firm Registration no. 137687W), Mumbai be appointed as the Statutory Auditors of the Company to fill the casual vacancy caused by the resignation of the existing Statutory Auditor, M/s. Bipin Kothari & Associates, Chartered Accountants (Firm Registration no. 137687W) have conveyed their consent to be appointed as the Statutory Auditors of the Company along with a confirmation that, their appointment, if made by the members, would be within the limits prescribed under the Companies Act, 2013. Accordingly, Ordinary Resolution is submitted to the meeting for the consideration and approval of members. Following are brief details regarding the appointment of M/s Bipin Kothari & Associates as the Statutory Auditors of the Company.

Proposed fees payable to the Statutory Auditor along with term of appointment	Rs. 90,000/-P.A. The term of appointment of the Proposed Statutory Auditor will be for 5 consecutive years. (2019-2020 to 2023-2024)
Any material change in the fee payable to such auditor from that paid to the outgoing auditor along with the rationale for such change	The change in the fee payable to the proposed Statutory Auditor is recommended by the Audit Committee due to the experience of the proposed Statutory Auditor and to be at par with the Market rate.
Basis of recommendation for appointment including the details in relation to and credentials of the statutory auditor(s) proposed to be appointed	The proposed appointment is made according to the recommendation of the Audit Committee. Following mentioned are the credentials of the Auditor: Bipin Kothari & Associates Proprietor: Bipin Kothari B.com, LLB(Gen), Chartered Accountant Address: 602, Pure Gold Premises Co-Op Society, Opp. Saroj Sweets, Narayan Gajanan Marg, Chembur East, Mumbai-400071 Membership No.: 155037 Firm Registration No.: 137687W

None of the Directors, Key Managerial Persons or their relatives, in any way, concerned or interested in the said resolution

ROUTE MAP FOR THE ANNUAL GENERAL MEETING:

DIRECTOR'S REPORT**To the Members of the Company,**

Your Directors have pleasure in presenting the 30th Annual Report on the business and operations of your Company with Audited Accounts for the year ended 31st March 2019. The financial results of the Company are summarized below:

FINANCIAL HIGHLIGHTS AND OPERATIONS:

Particulars	(Amount in Lacs)	
	31 st March, 2019	31 st March, 2018
Profit /Loss (before interest, depreciation and tax)	195.387	96.277
Less: Interest	34.128	18.903
Less: Depreciation	96.840	57.151
Profit /Loss before Tax	64.419	20.223
Less: Loss on obsolescence/ damage to Plant/assets	00	0.142
Less: Current Tax	12.500	4.000
Less: Deferred Tax	1.755	(0.966)
Profit /Loss After Tax	50.164	17.189

The financial performance of the Company was satisfactory and the Company continues to focus on its initiatives to improve profitability through productivity improvement and cost optimization.

DIVIDEND:

Considering future requirement of the funds, your Directors think it prudent not to recommend any dividend for the financial year 2018-19.

SHARE CAPITAL

The paid up Equity share capital of the Company as on 31st March, 2019 was Rs. 4,60,00,000/- (Rupees Four Crore Sixty Lakhs only)

CORPORATE GOVERNANCE REPORT:

The compliance with the Corporate Governance provisions as specified in regulations 17 to 27 and Clause (b) to (i) of Sub- regulation (2) of regulation 46 and para C, D and E of Schedule V of SEBI (Listing Obligations and Disclosure Requirement) Regulations, 2015 is not applicable to your Company as the paid up equity share capital not exceeding rupees ten crore and net worth not exceeding rupees twenty-five crore as on the last day of the previous financial year. Accordingly, the information required under said clauses are not furnished hereafter. However, the Board of Directors at Company level has enforced complete adherence to the Corporate Governance norms.

Provided that where the provisions specified in above said regulation becomes applicable to the Company at a later date, the Company shall comply with the requirements of those regulations within six months from the date on which the provisions became applicable to the Company.

DIRECTORS:

The Board of Directors was duly constituted and consisted of the following Directors:

Name of the Director	Designation
Mrs. Zaver Shankarlal Bhanushali	Managing Director
Mr. Siddharth Shankarlal Bhanushali	Whole-Time Director
Mr. Rajesh Purshottam Mange	Independent Director
Mr. Vikram Popat Adagale	Independent Director
Ms. Poonam Bhavin Bhanushali	Independent Director

Zaver Shankarlal Bhanushali retires by rotation and being eligible, offers herself for re-appointment.

COMMITTEES OF THE BOARD:

The Board has constituted the following committees of Directors:

- I) Audit Committee
- II) Nomination and Remuneration Committee
- III) Stakeholders' Relationship Committee

I. AUDIT COMMITTEE:**a. Composition:**

The Audit Committee comprises of three Directors namely:

Name of the Director	Category
Mr. Vikram P. Adagale	Chairman
Mr. Rajesh P. Mange	Member
Mrs. Poonam Bhavin Bhanushali	Member

b. Terms of reference:

Apart from all the matters provided in SEBI Listing Regulations and section 177 of the Companies Act 2013, the Audit committee shall also perform the following functions:

- (a) Review of the Company's financial reporting process and financial statements.
- (b) Review of accounting and financial policies and practices.
- (c) Review of Internal control systems and Management discussion and analysis of financial condition
- (d) Discussion with Statutory/Internal Auditors on any significant findings and follow-up thereon.
- (e) Reviewing the Company's financial and risk management policies.

c. Audit committee Meetings and Attendance:

The Committee has met 4 times during the financial year ended 31st March 2019 i.e. on 30th May, 2018, 14th August, 2018, 10th November, 2018 and 13th February, 2019. Details of attendance of each Director at the Audit Committee Meetings are given below:

Name of the Director	Position	Meeting attendance
Mr. Vikram P. Adagale	Chairman	4
Ms Poonam Bhavin Bhanushali	Member	4
Mr. Rajesh P. Mange	Member	4

II. NOMINATION AND REMUNERATION COMMITTEE:**a. Composition and attendance:**

As on the date of this report Nomination and Remuneration Committee comprised of three Non-Executive Directors, namely Mr. Rajesh P. Mange (Chairman of the Committee), Mrs. Poonam Bhavin Bhanushali and Mr. Vikram P. Adagale as members of the Committee.

During the financial year, the committee did not have any meeting as there were no issues concerning the remuneration of whole-time/executive Directors.

b. Terms of Reference:

The broad terms of reference of the committee are to appraise the performance of Managing Director and whole time directors, determine and recommend to the Board the compensation payable to Managing Director and whole time directors. The remuneration policy of the Company is based on review of achievements. The remuneration policy is in consonance with the existing industry practice.

c. Remuneration Policy:

Subject to the approval of the Board of Directors and subsequent approval by the members at the General Meeting and such authorities as the case may be, remuneration of Managing Director and Whole-time Directors, is fixed by the Nomination & Remuneration Committee. The remuneration is decided by the Nomination & Remuneration Committee taking into consideration various factors such as qualifications, experience, expertise, prevailing remuneration in the competitive industries, financial position of the Company etc.,

d. Remuneration to Directors:

The details of remuneration for the year ended March 31, 2019 paid to the Executive / Non-Executive Directors are as follows:

	Designation	Remuneration
Mrs. Zaver S. Bhanushali	Chairman & Managing Director	INR 8,40,000.00
Mr. Siddharth S. Bhanushali	Whole-time Director	INR 7,20,000.00

The Company has paid sitting fees of Rs. 2,000/- per meeting to Non-Executive Directors during the financial year 2018-19.

III. STAKEHOLDERS RELATIONSHIP COMMITTEE:**a) Composition and attendance:**

The present Stakeholders Relationship Committee comprised of Executive and Non-Executive Directors, namely Mr. Rajesh Purshottam Mange (Chairman of the Committee), Mr. Vikram P. Adagale, Mrs Zaver Shankarlal Bhanushali and Mr. Siddharth S. Bhanushali as a members of the Committee.

The Committee has been empowered to look into all shareholder's grievances periodically and take necessary actions.

Further, there were no complaints pending to be redressed during the year under review.

b) Terms of Reference:

The Stakeholders Relationship Committee to look into redress of Investors Complaints and requests such as delay in transfer of shares, non-receipt of Dividend, Annual Report, revalidation of Dividend warrants etc.,

The committee deals with various matters relating to:

- Transfer / transmission of shares
- Issue of Share certificate in lieu of lost, sub-divided, consolidated, rematerialized or defaced certificates.
- Consolidation / splitting of folios
- Review of shares dematerialized and all other related matters
- Investors grievance and redressal mechanism and recommend measures to improve the level of investors services.

c) Meeting of Independent Directors

During the year under review, meeting of Independent Directors was held on 13th August, 2018 to review the performance of the Board as a whole and Chairman on parameters of effectiveness and to assess the quality, quantity and timeliness of flow of information between the management and the Board.

FAMILIARISATION PROGRAMME FOR INDEPENDENT DIRECTORS:

On their appointment, Independent Directors are familiarized about the Company's business and operations. Interactions with senior executives are facilitated to gather insight specific to the Company's operations. Detailed presentations are made available to apprise about Company's history, of their duties and responsibilities, rights, process of appointment and evaluation, compensation, Board and Committee procedures and expectation of various stakeholders. The details of familiarization programmes as above are also disclosed on the website of the Company at the link: <http://caprolactam.co.in>

DECLARATION BY INDEPENDENT DIRECTORS:

The Company has received necessary declaration from each Independent Director of the Company under Section 149(7) of the Companies Act, 2013 (Act) stating that the Independent Directors of the Company met with the criteria of Independence laid down in Section 149 (6) of the Act and Regulation 25(8) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

DIRECTORS' RESPONSIBILITY STATEMENT:

Pursuant to the requirement under Section 134 (3) (c) of the Companies Act, 2013 with respect to Directors' Responsibilities Statement, it is hereby confirmed:

- that in the preparation of the annual accounts for the financial year ended 31st March, 2019, the applicable accounting standards have been followed along with proper explanation relating to material departures;

- that the Directors have selected such accounting policies and applied them consistently and made judgements 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 that period;
- that the Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities; and
- that the Directors have prepared the accounts for the financial year ended 31st March, 2019 on a 'going concern' basis.
- that 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.
- that the directors have devised proper systems to ensure compliance with the provisions of all applicable laws and such systems are adequate and operating effectively.

INFORMATION REGARDING EMPLOYEES AND RELATED DISCLOSURES:

The Company has not appointed any employee(s) who is in receipt of remuneration exceeding the limits specified under Rule 5(2) of Companies (Appointment & Remuneration of Managerial Personnel) Rules, 2014.

The statement of Disclosure of Remuneration under Section 197 of the Act and Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 ("Rules"), is required to be the part of this Board's Report and to be sent to the Members of the Company along with the Board Report. However, same is not mentioned in this report and would be available for inspection by the Members, at the Meeting and report referred above is also open for inspection by the Members at the Registered Office of the Company on any day between 10.00 a.m. to 12.00 p.m. except Saturday, Sunday and Public Holiday up to the date of Annual General Meeting.

DEPOSIT:

The Company has not accepted any deposits within the meaning of Section 73 of the Companies Act, 2013 and the Companies (Acceptance of Deposits) Rules, 2014.

PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS:

The Company has not extended any loans, guarantees nor made any investments covered under the provisions of Section 186 of the Companies Act, 2013.

NUMBER OF MEETINGS OF THE BOARD:

The Board met 5 (Five) times during the financial year and the intervening gap between any two meetings was within the period prescribed by the Companies Act, 2013. The dates on which the meetings were held are 21st April 2018, 30th May 2018, 14th August 2018, 10th November 2018 and 13th February 2019.

The names of members of the Board and their attendance at the Board Meetings are as under:

Name of Directors	Number of Meetings attended/Total Meetings held during the F.Y. 2018-19
Zaver S. Bhanushali	5/5
Siddharth S. Bhanushali	5/5
Vikram P. Adagale	5/5
Poonam Bhanushali	5/5
Rajesh P. Mange	5/5

VIGIL MECHANISM:

In pursuant to the provisions of section 177(9) & (10) of the Companies Act, 2013, a Vigil Mechanism for directors and employees to report genuine concerns has been established. The Vigil Mechanism Policy has been uploaded on the website of the Company at www.caprolactam.in.

RISK MANAGEMENT POLICY:

Your Company is aware of the risks associated with the business. It regularly analyses and takes corrective actions for managing/ mitigating the same. Your Company has institutionalized the policy/process for identifying, minimizing and mitigating risk which is reviewed. The key risks and mitigation actions are placed before the Audit Committee.

BOARD EVALUATION:

Pursuant to the provisions of the Companies Act, 2013 and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, a structured questionnaire was prepared after taking into consideration the various aspects of the Board's functioning, composition of the Board and its Committees, culture, execution and performance of the specific duties obligations and governance.

The performance evaluation of the Independent Directors was completed. The performance evaluation of the Chairman and the Non Independent Directors was carried out by the Independent Directors. The Board of Directors expressed their satisfaction with the evaluation process.

REMUNERATION POLICY:

The Board has, on the recommendation of the Nomination & Remuneration committee framed a policy for selection and appointment of Directors, Senior Management and their remuneration.

SIGNIFICANT AND MATERIAL ORDERS:

There are no significant and material orders passed by the regulators or courts or tribunals impacting the going concern status and Company's operations in future.

CORPORATE SOCIAL RESPONSIBILITY (CSR)

The Company does not have any obligation to fulfill under corporate social responsibility as none of the criteria are applicable to the Company.

MATERIAL CHANGES AND COMMITMENTS AFFECTING FINANCIAL POSITION BETWEEN THE END OF THE FINANCIAL YEAR AND DATE OF REPORT:

There have been no material changes and commitments affecting the financial position of the Company between the end of the financial year and the date of the report.

CHANGE IN THE NATURE OF BUSINESS

During the year under review there is no change in the nature of Business of the Company.

DETAILS OF CHANGE IN DIRECTOR/KEY MANAGERIAL PERSONS:

Ms. Poonam Bhavin Bhanushali was appointed as the Additional Director of the Company with effect from 21st April 2019. Further, she was regularized as an Independent Director in the Company with effect from 29th September 2018

INTERNAL CONTROL SYSTEMS AND THEIR ADEQUACY:

The Company has also Appointed Abhishek Ruia & Co. as an Internal Auditor of the Company.

RELATED PARTY TRANSACTIONS:

All related party transactions that were entered into during the financial year were on an arm's length basis and were in the ordinary course of the business. There are no materially significant related party transactions made by the Company with the related parties and/or Promoters, Key Managerial Personnel or other designated persons which may have potential conflict with interest of the Company at large. None of the Directors have any pecuniary relationship or transactions vis-à-vis the Company other than sitting fees and reimbursement of expenses incurred, if any, for attending the Board meeting.

The Related Party Transactions are placed before the Audit Committee for review and approval as per the terms of the Policy for dealing with Related Parties. Prior omnibus approval of the Audit Committee is obtained on a quarterly basis for transactions which are foreseen and of repetitive nature. The statement containing the nature and value of the transactions entered into during the quarter is presented at every subsequent Audit Committee meeting by the CFO for the review and approval by the Committee. Further, transactions proposed in subsequent quarter are also presented. Besides, the Related Party Transactions are also reviewed by the Board on an annual basis. The details of the Related Party Transactions are provided in the accompanying financial statements. There are no contracts or arrangements entered into with Related Parties during the year ended 31st March, 2019 to be reported under section 188(1) of the Companies Act, 2013. The policy on dealing with Related Parties as approved by the Board is uploaded and is available on the Company's website at the following link <http://caparolactam.co.in>

SUBSIDIARY AND ASSOCIATES COMPANIES:

The Company does not have any Subsidiary or Associate Company.

AUDITOR'S REPORT/ SECRETARIAL AUDIT REPORT:

The observation/comment made in the Auditors' Report read together with relevant notes thereon are self-explanatory and hence, do not call for any further, comments under Section 134 of the Companies Act, 2013.

As required under section 204 (1) of the Companies Act, 2013 and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 the Company has appointed Ms. Alpi Nehra, Practicing Company Secretary to undertake the Secretarial Audit of the Company and has obtained a secretarial audit report. Further, after the close of the financial year 2018-19, Mr Surya Prakash Moud was appointed as a Company Secretary by the Company with effect from 30th April 2019

The Secretarial Audit report is annexed herewith as "Annexure B"

SECRETARIAL STANDARDS

The Company is in compliance with the Secretarial Standard on Meetings of the Board of Directors(SS-1) and Secretarial Standard on General Meetings (SS-2).

AUDITORS:

M/s L. J. Kothari & Co., Chartered Accountants, Mumbai [Firm Reg. No. 105313W] tendered their resignation to discontinue as the Statutory Auditor of the Company for the remaining term of their period. Hence, in order to fill up the casual vacancy, the Company has appointed M/s. Bipin Kothari & Associates, Chartered Accountants (Firm Registration no. 137687W) in the Board Meeting convened on 26th August, 2019.

The office of M/s. Bipin Kothari & Associates, Chartered Accountants (Firm Registration no. 137687W), Mumbai are to be confirmed by the members in the ensuing Annual General Meeting. Further, their appointment shall be for the tenure of 05 (Five) years, subject to the approval of members in the ensuing Annual General Meeting. As required under Section 139 of the Companies Act, 2013, the Company has received a written consent from M/s. Bipin Kothari & Associates, Chartered Accountants (Firm Registration no. 137687W), Mumbai, for such appointment and also a certificate to the effect that their appointment, if made, would be in accordance with Section 139(1) of the Companies Act, 2013 and the rules made thereunder.

LISTING OF SECURITIES IN STOCK EXCHANGES:

The Company's Equity Shares are presently listed on Bombay Stock Exchange Limited.

EXTRACT OF ANNUAL RETURN:

The details forming part of the extract of the Annual Return in form MGT-9 is annexed herewith as "Annexure A" and forms part of this Report and is also available at the website of Company: <http://cparolactam.co.in>

TRANSFER OF AMOUNTS TO INVESTOR EDUCATION AND PROTECTION FUND:

Your Company did not have any funds lying unpaid or unclaimed for a period of seven years. Therefore, there were no funds which were required to be transferred to Investor Education and Protection Fund (IEPF).

PREVENTION OF INSIDER TRADING:

In January 2015, SEBI notified the SEBI (Prohibition of insider trading) Regulations, 2015 which came into effect from May 15, 2015. Pursuant thereto, the Company has formulated and adopted a new Code for Prevention of Insider Trading.

The Company has adopted a Code of Conduct for Prevention of Insider Trading with a view to regulate trading in securities by the Directors and designated employees of the Company. The Code requires pre-clearance for dealing in the Company's shares and prohibits the purchase or sale of Company shares by the Directors and the designated employees while in possession of unpublished price sensitive information in relation to the Company and during the period when the Trading window is closed. The Board is responsible for implementation of the Code. All Directors and the designated employees have confirmed compliance with the Code.

CONSERVATION OF ENERGY TECHNOLOGY ABSORPTION, FOREIGN EXCHANGE EARNINGS AND OUTGO:

The related information is provided in "Annexure C", which is attached to this report.

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

Reporting under the sexual harassment of women at workplace (Prevention, Prohibition and Redressal) Act, 2013, is not required as the Company has not employed any women at work place.

ACKNOWLEDGEMENT:

An acknowledgement to all with whose help, cooperation and hard work the Company is able to achieve the results.

Place: Mahad

Date: 26/08/2019

For and behalf of the Board of Directors

SD/-

Zaver Shankarlal Bhanushali
Managing Director
DIN: 00663374

SD/-

Siddharth Shankarlal Bhanushali
Whole time Director
DIN: 01721586

MANAGEMENT DISCUSSION AND ANALYSIS REPORT

1) Industry structure & developments.

The earlier trend of smaller companies being marginalized has continued in the year under review. Our products being the intermediate for perfume industries, antioxidant and also in food colours and chemical intermediates.

2) Opportunities and threats.

Though the overall scenario for the smaller companies is extremely competitive, there are some niche areas where there are some opportunities for growth. The management is exploring these areas to consider entering these areas and develop expertise in such areas.

3) Outlook

The management is doing its best to form relations with other companies and take the Company forward. However, the outlook of the management is cautious in view of the competitive nature of the market.

4) Risk and concerns

Given below are some of the significant risks that could have an impact on the Company and the mitigation measures put in place by the Company.

- Quality Risk

The risk of quality of work not adhering to specifications as per contract, leading to short certifications of our invoice, payment delays and additional costs for rectification lowering the profitability and reputation loss.

Mitigation Measures

1. Constantly evaluating quality standards of our Vendor/Service Providers and having a prequalified panel for placing orders.
2. Monitoring of the quality of incoming materials and work execution through our in-house team.

- Risk of Timely Completion

Mitigation Measures

1. Timely mobilization of site team and other resources, as per contract requirements.
2. Ensuring availability of material / labour / equipment as per execution plan through effective planning and tracking.
3. Ensuring availability of drawings/clearances from client/various authorities and any gap is communicated in advance and delays from the client's end are documented.

- Cost Escalation Risk

Increase in costs beyond budget leading to margins getting affected.

Mitigation Measures

1. Project Cost estimates to be based on specific site conditions, seasonal cost variation and availability factors and anticipated cost push over the tenure of the project.
2. Escalation clauses based on base prices for key input materials to be included in the contracts.
3. Negotiating better rates from supplier's/service providers, based on volumes.
4. Ensuring timely completion of the project.

- Compliance Risk

1. Contractual and Legal - noncompliance of specific contractual obligations and general obligations in practice and statutory noncompliance will result in penalty and loss of reputation.

1. Monitoring industry specific statutory requirements including RERA regulations as applicable, and training of employees to ensure compliance.
2. Checklist to capture applicable contractual obligations from quotation stage and ensure onerous clauses are not accepted.
3. Maintaining documentation to record non-compliances on contractual obligations due to client issues.

- Human Resources Risk

Attracting and retaining right talent, impacting the performance and growth of the business

Mitigation Measures

1. Identifying good performers and ensuring opportunities for career growth through challenging roles and performance related compensation.
2. Attracting talent from industry with up to date technical skills through market related compensation.

- Liquidity Risk

Not generating adequate cash as per requirements, resulting in delayed payments affecting execution and higher borrowings, resulting in higher interest cost.

Mitigation Measures

1. Ensuring timely submission of bills, certification of the work done by the client to meet cash flow.
2. Monitoring collections as per contractual terms and put in escalation mechanism for close follow-up of overdue when delays occur.
3. Ensuring better credit terms from suppliers. The risk management matrix consisting of probable risks, their impact and the mitigation measures are reviewed periodically at the senior management level as well as by the Risk Management Committee

5) Internal control systems and adequacy

The Company is endeavouring to place all the controlling systems to have proper control and accountability on the operations at each level.

6) Discussion on financial performance with respect to operational performance.

Income from operations:

During the year, the Company achieved revenue from Operations of Rs. 518.841/- lakhs as against Rs. 406.999/- lakhs in the previous year, registering a growth of 27.47%. EBIDTA was positive at Rs 195.387/- Lakhs as against Rs 98.209/- Lakhs in the previous year. Profit before tax was at Rs 64.419/- Lakhs as against profit of 20.223/- Lacs in the previous year.

Summary of Financial Results:

The revenue and breakup of expenditure for the year are as follows:

Net Profit

	In Lacs	
	2018-19	2017-18
Total revenue	526.049	414.010
Profit before interest and tax (PBIT)	98.547	39.268
Profit before tax (PBT)	64.42	20.22
PBT as % of revenue	12.25%	4.88%

Net Worth

The net worth of the Company as at March 31, 2019 was Rs. 2,54,48,504 lakhs as compared to Rs. 2,03,35,151 lakhs as at March 31, 2018.

Key Financial Ratios

In accordance with the SEBI (Listing Obligations and Disclosure Requirements) Regulations 2018, the Company is required to give details of significant changes (change of 25% or more as compared to the immediately previous financial year) in key sector specific financial ratios. The Company has identified the following ratios as Key Financial ratios:

RATIOS

	2018-19	2017-18
Debtors turnover (Avg days)	2.80	69.07
Inventory turnover (times)	2.86	1.62
Current ratio (times)	0.23	0.55
Debt Equity ratio	0.71	0.41
Operating profit margin % -	12.25	4.88

7) Human Resources/Industrial relation

The Company believes and recognizes that its employees are a vital resource in its growth and to give competitive edge in the present business scenario. The Board of Directors wishes to place on record its appreciation for the hard work and dedication of its employees at all levels.

FORM NO. MGT 9
EXTRACT OF ANNUAL RETURN
As on financial year ended on 31.03.2019

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

I. REGISTRATION & OTHER DETAILS:

1	CIN	L24110MH1988PLC049683
2	Registration Date	18/11/1988
3	Name of the Company	Caprolactam Chemicals Limited
4	Category/Sub-category of the Company	Company limited by Shares
5	Address of the Registered office & contact details	B/31, MIDC, Mahad, Distt. – Raigad – 402302 Tel: 02145-233427 E-mail: caprolactamcl@gmail.com, caprolactam@gmail.com
6	Whether listed company	Yes
7	Name, Address & contact details of the Registrar & Transfer Agent, if any.	Purva Shareregistry (I) Pvt. Ltd. No-9, Shiv Shakti Industrial Estate, Gr. Floor, J. R. Boricha Marg, Lower Parel, Mumbai - 400011 Tel. : 022-2301 6761 / 2301 8261

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)

S. No.	Name and Description of main products / services	NIC Code of the Product/service	% to total turnover of the company
1	Chemicals	20119	100%
2	-	-	-

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES

SN	Name and address of the Company	CIN/GLN	Holding/ Subsidiary/ Associate	% of shares held	Applicable Section
1					

IV. SHARE HOLDING PATTERN

(Equity share capital breakup as percentage of total equity)

(i) Category-wise Share Holding

Category of Shareholders	No. of Shares held at the beginning of the year [As on 31-March-2018]				No. of Shares held at the end of the year [As on 31-March-2019]				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
A. Promoters									
(1) Indian									
a) Individual/ HUF		2,046,800	2,046,800	44.50%	2209300		2,209,300	48.03%	3.53%
b) Central Govt			-	0.00%				-0.00%	0.00%
c) State Govt(s)			-	0.00%				-0.00%	0.00%
d) Bodies Corp.			-	0.00%				-0.00%	0.00%
e) Banks / FI			-	0.00%				-0.00%	0.00%
f) Any other			-	0.00%				-0.00%	0.00%
Sub Total (A) (1)		2,046,800	2,046,800	44.50%	2,209,300		2,209,300	48.03%	3.53%
(2) Foreign									
a) NRI Individuals			-	0.00%				-0.00%	0.00%
b) Other Individuals			-	0.00%				-0.00%	0.00%
c) Bodies Corp.			-	0.00%				-0.00%	0.00%
d) Any other			-	0.00%				-0.00%	0.00%
Sub Total (A) (2)		-	-	0.00%				-0.00%	0.00%
TOTAL (A)		2,046,800	2,046,800	44.50%	2,209,300		2,209,300	48.03%	3.53%

B. Public										
1. Institutions										
a) Mutual Funds				-	0.00%				-0.00%	0.00%
b) Banks / FI				-	0.00%				-0.00%	0.00%
c) Central Govt				-	0.00%				-0.00%	0.00%
d) State Govt(s)				-	0.00%				-0.00%	0.00%
e) Venture Capital Funds				-	0.00%				-0.00%	0.00%
f) Insurance				-	0.00%				-0.00%	0.00%
g) FIs				-	0.00%				-0.00%	0.00%
h) Foreign Venture Capital Funds				-	0.00%				-0.00%	0.00%
i) Others (specify)				-	0.00%				-0.00%	0.00%
Sub-total (B)(1):-				-	0.00%				-0.00%	0.00%
2. Non-Institutions										
a) Bodies Corp.		181,225	181,225		3.94%		181,600	181,600	3.95%	0.01%
i) Indian					0.00%				-0.00%	0.00%
ii) Overseas					0.00%				-0.00%	0.00%
b) Individuals										
i) Individual shareholders holding nominal share capital upto Rs. 1 lakh					0.00%				-0.00%	0.00%
ii) Individual shareholders holding nominal share capital in excess of Rs 1 lakh					0.00%				-0.00%	0.00%
c) Others (specify)		2,306,121	2,306,121		50.13%		2,144,746	2,144,746	46.62%	-3.51%
Non Resident					0.00%				-0.00%	0.00%
Overseas Corporate Bodies					0.00%				-0.00%	0.00%
Foreign Nationals		63,500	63,500		1.38%		63,500	63,500	1.38%	0.00%
Clearing Members		2,354	2,354		0.05%		854	854	0.02%	-0.03%
Trusts					0.00%				-0.00%	0.00%
Foreign Bodies - D R					0.00%				-0.00%	0.00%
Sub-total (B)(2):-		2,553,200	2,553,200		55.50%		2,390,700	2,390,700	51.97%	-3.53%
Total Public (B)		2,553,200	2,553,200		55.50%		2,390,700	2,390,700	51.97%	-3.53%
C. Shares held by Custodian for GDRs & ADRs										
					0.00%				0.00%	0.00%
Grand Total		4,600,000	4,600,000		100.00%		2,209,300	2,390,700	4,600,000	100.00%

(ii) Shareholding of Promoter

SN	Shareholder's Name	Shareholding at the beginning of the year			Shareholding at the end of the year			% change in shareholding during the year
		No. of Shares	% of total Shares of the company	% of Shares Pledged/ encumbered to total shares	No. of Shares	% of total Shares of the company	% of Shares Pledged / encumbered to total shares	
1	Siddharth Shankarlal Bhanushali	702,850	15.28%	0	1028340	22.36%	0	7.08%
2	Zaver Shankarlal Bhanushali	150,010	3.26%	0	150010	3.26%	0	0.00%
3	Shankarlal Gopalji Bhanushali	382,320	8.31%	0	382320	8.31%	0	0.00%
4	Shital Sidharth Bhanushali	238,130	5.17%	0	238430	5.18%	0	0.06%
5	S G Bhanushali HUF	410,200	8.92%	0	410200	8.92%	0	0.00%
6	Ashmi S Bhanushali	163,290	3.55%	0	0	0.00%	0	-3.55%

(iii) Change in Promoters' Shareholding (please specify, if there is no change)

SN	Particulars	Date	Reason	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
				No. of shares	% of total shares	No. of shares	% of total shares
	At the beginning of the year			2,046,800	44.50%	2,046,800	44.50%
	Changes during the year			162,500	3.53%	162,500	3.53%
	At the end of the year			2,209,300	48.03%	2,209,300	48.03%

(iv) Shareholding Pattern of top ten Shareholders

DRs):

Details enclosed

(O t h e r t h a n D i r e c t o r s, P r o m o t e r s a n d H o l d e r s o f G D R s a n d A

SN	For each of the Top 10 shareholders	Date	Reason	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
				No. of shares	% of total shares	No. of shares	% of total shares
1	Name of the shareholder						
	At the beginning of the year				0.00%		0.00%
	Changes during the year				0.00%		0.00%
	At the end of the year				0.00%		0.00%
2	Name of the shareholder						
	At the beginning of the year				0.00%		0.00%
	Changes during the year				0.00%		0.00%
	At the end of the year				0.00%		0.00%

(v) Shareholding of Directors and Key Managerial Personnel:

SN	Shareholding of each Directors and each Key Managerial Personnel	Date	Reason	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
				No. of shares	% of total shares	No. of shares	% of total shares
1	Name		Siddharth Shankarlal Bhanushali				
	At the beginning of the year			702,850	15.28%	702,850	15.28%
	Changes during the year			325,490	7.08%	325,490	7.08%
	At the end of the year			1,028,340	22.36%	1,028,340	22.36%
SN	Shareholding of each Directors and each Key Managerial Personnel	Date	Reason	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
				No. of shares	% of total shares	No. of shares	% of total shares
1	Name		Zaver Shankarlal Bhanushali				
	At the beginning of the year			150,010	3.26%	150,010	3.26%
	Changes during the year				0.00%		0.00%
	At the end of the year			150,010	3.26%	150,010	3.26%

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

(Amt. Rs./Lacs)

Particulars	Unsecured Loan	Secured Loans excluding deposits	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year				
i) Principal Amount	189.35	-	-	189.35
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	-	-	-	-
Total (i+ii+iii)	189.35	-	-	189.35
Change in Indebtedness during the financial year				
* Addition	138.29	-	-	138.29
* Reduction	-	-	-	-
Net Change	138.29	-	-	138.29
Indebtedness at the end of the financial year				
i) Principal Amount	327.65	-	-	327.65
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	-	-	-	-
Total (i+ii+iii)	327.65	-	-	327.65

VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL**A. Remuneration to Managing Director, Whole-time Directors and/or Manager/ or others:**

SN.	Particulars of Remuneration	Name of MD/WTD/ Manager		Total Amount
	Name	Siddharth Shankarlal Bhanushali	Zaver Shankarlal Bhanushali	(Rs)
	Designation	Whole Time Director	Managing Director	
1	Gross salary	7,20,000	8,40,000	15,60,000
	(a) Salary as per 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	-	-	-
4	Commission	-	-	-
	- as % of profit	-	-	-
	- others, specify	-	-	-
5	Others, please specify	-	-	-
	Total (A)	7,20,000	8,40,000	15,60,000
	Ceiling as per the Act	-	-	-

B. Remuneration to other Directors: NIL					
SN.	Particulars of Remuneration	Name of Directors			Total Amount (Rs/Lac)
1	Independent Directors				
	Fee for attending board committee				-
	Commission				-
	Others, please specify				-
	Total (1)	-	-	-	-
2	Other Non-Executive Directors				-
	Fee for attending board committee				-
	Commission				-
	Others, please specify				-
	Total (2)	-	-	-	-
	Total (B)=(1+2)	-	-	-	-
	Total Managerial Remuneration				-
	Overall Ceiling as per the Act				

C. Remuneration to Key Managerial Personnel other than MD/Manager/WTD: NIL					
SN.	Particulars of Remuneration	Name of Key Managerial Personnel			Total Amount (Rs/Lac)
		Name	CEO	CFO	CS
		Designation			
1	Gross salary				
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act,				-
	(b) Value of perquisites u/s 17(2)				-
	(c) Profits in lieu of salary under section 17(3) Income- tax Act, 1961				-
2	Stock Option				-
3	Sweat Equity				-
4	Commission				
	- as % of profit				-
	- others, specify				-
5	Others, please specify				-
	Total				-

VII. PENALTIES / PUNISHMENT/ COMPOUNDING OF OFFENCES: NIL					
Type	Section of the Companies Act	Brief Description	Details of Penalty / Punishment/ Compounding fees imposed	Authority [RD / NCLT/ COURT]	Appeal made, 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					
SD/-					
ZAVER BHANUSHALI SHANKARLAL					
DIRECTOR					
DIN: 00663374					
SD/-					
SIDDHARTH SHANKARLAL BHANUSHALI					
DIRECTOR					
DIN: 01721586					
Date: 26/06/2019					
Place: Mahad					

CAPROLACTAM CHEMICALS LIMITED					
Shareholding Pattern of Top 10 Shareholders					
Sr. no	Name of the Shareholder	Details of Shareholding at the beginning of the Financial Year		Details of Shareholding at the end of the Financial Year	
		Number of shares	% of shareholding	Number of shares	% of shareholding
1	ORNATE TRADERS LIMITED	153400	3.33%	153400	3.33%
2	HARENDRA K GOSALIA	33500	0.73%	39900	0.87%
3	DIPIKA GANDHI	24500	0.53%	24500	0.53%
4	ARCHANA JAIN	16300	0.35%	16300	0.35%
5	ANITA ANIL BANSAL	15300	0.33%	15300	0.33%
6	LAXMIDAS V BHANUSHALI	10999	0.24%	13914	0.30%
7	RM SHAH HUF	11400	0.25%	11400	0.25%
8	SPRING FIELD HEALTH AND HEART PVT LTD	10000	0.22%	10000	0.22%
9	VIMAL P BANSAL	9900	0.22%	9900	0.22%
10	RASHMI NAVINBHAI MEHTA	9661	0.21%	9661	0.21%

Annexure 'B'

SECRETARIAL AUDIT REPORT FOR THE FINANCIAL YEAR ENDED 31ST MARCH, 2019

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

To,

The Members,

Caprolactam Chemicals Limited

CIN: L24110MH1988PLC049683

I have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **Caprolactam Chemicals Limited** (hereinafter called **the "Company"**). Secretarial Audit was conducted in a manner that provided me a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing my opinion thereon.

Based on my verification of the Company's 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 March 31, 2019, 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, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on March 31, 2019 according to the provisions of:

- i. The Companies Act, 2013 (the Act) and the rules made thereunder;
- ii. The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;
- iii. The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
- iv. Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment and Overseas Direct Investment if any;
- v. The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):
 - a) Securities and Exchange Board of India (Substantial Acquisition of Shares and The Takeovers) Regulations, 2011;
 - b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
 - c) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;
 - d) The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015;
 - e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008 (Not applicable to the Company during the audit period);

- f) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009 (Not applicable to the Company during the audit period);
- g) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009 (Not applicable to the Company during the audit period);
- h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998 (Not applicable to the Company during the audit period);
- i) The Securities and Exchange Board of India (Share Based Employee Benefits) Regulation, 2014 (Not applicable to the Company during the audit period);
- vi. I have relied on the representations made by the Company and its Officers for systems and mechanism formed by the Company for compliances under other applicable Acts, Laws and Regulations as applicable to the Company.

The list of major head/ groups of other Acts as applicable to the Company is as under:

- a) Factories Act, 1948
- b) The Indian Boiler Act, 1923
- c) Labour Laws and other incidental laws related to labour and employees appointed by the Company either on its payroll or on contractual basis as related to wages, provident fund, compensation etc.;
- d) Acts prescribed under prevention and control of pollution;
- e) Acts prescribed under Environmental protection;
- f) Acts as prescribed under Shop and Establishment Act of various local authorities.
- Further, the management has confirmed that there are no sector specific laws applicable to the Company during the Audit Period.

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

- Secretarial Standards issued by The Institute of Company Secretaries of India;
- The Listing Agreements entered into by the Company with Stock Exchange in India.

During the period under review the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above subject to following observations:

- After the Closure of Financial year 2018-19 the Company has appointed a whole time Company Secretary cum compliance officer in terms of Section 203 of the Companies Act, 2013 and rules made thereunder.

I further report that -

The compliance by the Company of applicable financial laws, like direct and indirect tax laws, has not been reviewed in this Audit since the same have been subject to review by statutory financial audit and other designated professionals.

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

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 clarification on the agenda items before the meeting and for meaningful participation at the meeting.

As per the minutes of the meetings duly recorded and signed by the Chairman, the decisions of the Board were unanimous and no dissenting views have been recorded.

There are adequate systems and processors in the Company commensurate with the size and operations of the Company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

During the audit period, there were no specific events/ actions in pursuance of the above referred laws, rules, regulations, guidelines etc., having a major bearing on the Company's affairs

SD/-

Alpi Nehra

Practising Company Secretary.

M. No. - ACS 38011

CP No. - 14202

Place: Mumbai

Date: 26/08/2019

Note: This report is to be read with our letter of even date which is annexed as 'ANNEXURE I' and forms an integral part of this report.

ANNEXURE I

**To,
The Members,
Caprolactam Chemicals Limited
CIN: L24110MH1988PLC049683**

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

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

SD/-

**Alpi Nehra
Practising Company Secretary.
M. No. - ACS 38011
CP No. - 14202
Place: Mumbai
Date: 26/08/2019**

Annexure C**Conservation of energy, Technology absorption and Foreign exchange earnings and outgo**

[Pursuant to Sub-section (3) (m) of Section 134 of the Companies Act, 2013, read with the Companies (Accounts) Rules, 2014,]

I. CONSERVATION OF ENERGY

- a) Steps taken or impact on conservation of energy - Energy conservation continues to receive priority attention at all levels. All efforts are made to conserve and optimise use of energy with continuous monitoring, improvement in maintenance and distribution systems and through improved operational techniques.
- b) Steps taken by the company for utilising alternate sources of energy - N.A.
- c) Capital investment on energy conservation equipment's - NIL

II TECHNOLOGY ABSORPTION

- a) Efforts made in technology absorption - The Company has acquired technology know how to manufacture Ethyl Acetate. Continuous efforts are made to check the material balances on the actual on the actual performance against designs.
- b) The benefits derived like product improvement, cost reduction, product development or import substitution - These measures have helped in increasing the productivity and reduction in overall energy consumption.
- c) In case of imported technology (imported during the last three years reckoned from the beginning of the financial year) - N.A.
- d) The expenditure incurred on Research and Development - N.A

III. FOREIGN EXCHANGE EARNINGS AND OUTGO

The Foreign Exchange earned in terms of actual inflows during the year and the Foreign Exchange outgo during the year in terms of actual outflows - NIL

Independent Auditor's Report

To the Members of Caprolactam Chemicals Limited

Report on the Financial Statements

We have audited the accompanying financial statements of Caprolactam Chemicals Limited ('the Company'), which comprise the Balance Sheet as at 31 March 2019, the Statement of Profit And Loss and the Cash Flow Statement for the year then ended, and a summary of significant accounting policies and other explanatory information.

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 31 March 2019 and its profit and its cash flows for the year ended on that date.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current period. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. We have determined the matters described below to be the key audit matters to be communicated in our report.

Sr. No.	Key Audit Matter	Auditor's Response
1	Revenue	Our audit included but was not limited to the following activities:
	Revenue from sale of Goods and Job Work is recognized to the extent the Company has delivered goods or rendered services under an agreement, the amount of revenue can be measured reliably and it is probable that the economic benefits associated with the transaction will flow to the Company. Revenue is measured at the fair value of the consideration received; further, revenues are accounted net of net of taxes, sales returns and	Mapped and evaluated selected systems and processes for revenue recognition and tested a sample of key controls. Assessed whether the accounting principles comply with the Ind AS. Tested a sample of sales transactions for compliance with the Company's accounting principles. Performed data analytical procedures to identify and evaluate a sample of manual and automatic journal entries. Traced disclosure information to accounting records and other supporting documentation.
2	Property, Plant & Equipment Property, Plant & Equipment are stated at cost less accumulated depreciation. When parts of an item of plant have different useful lives they are accounted for as separate items of plant and equipment. Refer Notes 9 to the Financial Statements	Our audit included but was not limited to the following activities: Reviewed the key assumptions and estimates used by management in the value in use calculation. Reviewed the key assumptions in making additions in the value of assets and its date considered as put to use. Reviewed management assessment on the reasonableness of the useful lives of fixed assets. Assessed whether the accounting principles comply with the Ind AS. Tested a sample of transactions for compliance with the Company's accounting principles. Performed data analytical procedures to identify and evaluate a sample of manual and automatic journal entries. Traced disclosure information to accounting records and other

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 and presentation 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. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit.

We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made thereunder.

We conducted our audit in accordance with the Standards on Auditing specified under Section 143(10) of the Act. 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 free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and the 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 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. An audit also includes evaluating the appropriateness of the 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.

Report on Other Legal and Regulatory Requirements

As required by the Companies (Auditor's Report) Order, 2016 ("the Order") issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the Annexure A, a statement on the matters specified in the paragraph 3 and 4 of the order.

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

We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.

in our opinion proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;

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;

in our opinion, the aforesaid financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014;

on the basis of the written representations received from the directors as on 31 March 2019 taken on record by the Board of Directors, none of the directors is disqualified as on 31 March 2019 from being appointed as a director in terms of Section 164 (2) of the Act;

with respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating

effectiveness of such controls, refer to our separate report in

"Annexure B"; and

with respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and

Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:

the Company has disclosed the impact of pending litigations on its financial position in its financial statements;

the Company has made provision, as required under the applicable law or accounting standards, for material foreseeable losses, if any, on long-term contracts including derivative contracts;

There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company. As per my report of even date attached

For L J Kothari & Co.

Chartered Accountant

FRN: 105313W

CA. Lalit J Kothari

[Proprietor]

Membership No 030917

Date :- 26/08/2019

Place :- Mahad

Annexure - A to the Auditors' Report

The Annexure referred to in Independent Auditors' Report to the members of the Company on the financial statements for the year ended 31 March 2019, we report that:

- (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of Fixed Asset.

The Company has a regular programme of physical verification of its fixed assets. In accordance with this programme, certain fixed assets were verified during the year and no material discrepancies were noticed on such verification. In our opinion, this periodicity of physical verification is reasonable having regard to the size of the Company and the nature of its assets.

According to the information and explanations given to us and on the basis of our examination of the records of the Company, the title deeds of immovable properties are held in the name of the Company.

- (a) Inventories have been physically verified by management at reasonable intervals during the year. In my opinion, the frequency of such verification is reasonable.
- (b) In my opinion and according to the information and explanations given to us, the procedures of physical verification of inventories followed by the management are reasonable and adequate in relation to the size of the Company and the nature of its business.

According to the information and explanation given to us, the Company has not granted any loans, secured or unsecured to company, firms, Limited Liability Partnership or other parties covered in the register maintained under section 189 of the Act. Accordingly, paragraph (iii) (a), (b) (c) is not applicable.

In our opinion and according to the information and explanations given to us, the Company has not made any loan, guarantee or security in favour of its directors or to any other person in whom the director is interested neither made any loans and investment. Therefore Sec185 and 186 of the Act, is not applicable. The Company has not accepted any deposits from the public and hence the directives issued by the Reserve Bank of India and the provisions of Sections 73 to 76 or any other relevant provisions of the Act and the Companies (Acceptance of Deposit) Rules, 2015 with regard to the deposits accepted from the public are not applicable.

The Central Government has not prescribed the maintenance of cost records under section 148(1) of the Act, for any of the services rendered by the Company.

- (a) According to the information and explanation given to us and the records of the company examined by us, In my opinion, the company is generally regular in depositing undisputed statutory dues including Provident fund, Employee State Insurance, Income Tax, Sales Tax, Wealth Tax, Service Tax, Custom Duty Excise Duty, Goods and Services Tax (GST), Cess & other statutory dues as applicable with appropriate authorities. According to the information & explanation given to us, no undisputed amounts payable in respect of the aforesaid dues were outstanding as at 31st March 2019 for a period of more than six months from the date they becoming payable.
- (b) According to the information & explanation given to me there are no disputed amount of statutory dues towards Income Tax, Sales Tax, Wealth Tax, Service Tax, Custom Duty, Goods and Services Tax (GST), Cess that have not been paid to concerned authorities.

The Company does not have any loans or borrowings from any financial institution, banks, government or debenture holders during the year. Accordingly, paragraph 3(viii) of the Order is not applicable.

The company did not raise any money by way of initial public offer or further public offer (including debt instruments) and term loans during the year. Accordingly, paragraph 3 (ix) of the Order is not applicable.

According to the information and explanations given to us, no material fraud by the Company or on the Company by its officers or employees has been noticed or reported during the course of our audit.

According to the information and explanations give to us and based on our examination of the records of the Company, the Company has paid/provided for managerial remuneration in accordance with the requisite approvals mandated by the provisions of section 197 read with Schedule V to the Act

In our opinion and according to the information and explanations given to us, the Company is not a Nidhi company. Accordingly, paragraph 3(xii) of the Order is not applicable.

According to the information and explanations given to us and based on our examination of the records of the Company, transactions with the related parties are in compliance with sections 177 and 188 of the Act where applicable and details of such transactions have been disclosed in the financial statements as required by the applicable accounting standards.

According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year.

According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not entered into non-cash transactions with directors or persons connected with him. Accordingly, paragraph 3(xv) of the Order is not applicable.

The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act 1934.

CA. Lalit J. Kothari
[Proprietor]
Membership No 030917
Date :- 26/08/2019
Place :- Mahad

As per my report of even date attached

For L J Kothari & Co.
Chartered Accountant
FRN: 105313W

Annexure - B to the Auditors' Report

Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act") We have audited the internal financial controls over financial reporting of Caprolactam Chemicals Limited ("the Company") as of 31 March 2019 in conjunction with our audit of the financial statements of the Company for the year ended on that date. Management's Responsibility for Internal Financial Controls

The Company's management 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.

Auditors' 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 Guidance Note on Audit of Internal Financial Controls over Financial Reporting (the "Guidance Note") and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures

selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the 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 authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls Over Financial Reporting

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

Opinion

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31 March 2019, 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.

Place : Mahad

Date:26/08/2019

L.J. KOTHARI & CO

Chartered Accountant

SD/-

Lalit J. Kothari

Membership No 03093

CAPROLACTAM CHEMICALS LIMITED
NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2019

Note 3:	As at 31/03/2019	As at 31/03/2018
Share Capital		
Authorised Share Capital :		
Equity Shares		
5,000,000 (Previous Year 5,000,000) of Rs.10/- each	5,00,00,000	5,00,00,000
TOTAL	5,00,00,000	5,00,00,000
Issued, Subscribed and Paid-up:		
46,00,000 (Previous Year 46,00,000) Equity Shares	4,60,00,000	4,60,00,000
of Rs. 10/- each fully paid-up.		
Less : Call in Arrears	-	97,000
TOTAL	4,60,00,000	4,59,03,000

A. Reconciliation of the Shares Outstanding at the beginning and at the end of the reporting period

Particulars	No. of Shares	As at 31/03/2019	As at 31/03/2018
			No. of Shares
At the beginning of the period	46,00,000	4,60,00,000	46,00,000
Less : shares forfeited			
Outstanding at the end of the period	46,00,000	4,60,00,000	46,00,000

B. Terms/Rights attached to Equity Shares

The Company has only one class of Equity shares having a par value of Rs 10 per share. Each holder of Equity shares is entitled to one vote per share. In the event of liquidation of the company, the holders of Equity Shares will be entitled to receive remaining assets of the Company , after distribution of all preferential amounts. The distribution will be proportion to the number of Equity Shares held by shareholders.

C. The Company has neither bought back nor forfeited any shares.

D. Details of Shareholders holding more than 5% shares in the Company as at March 31st, 2019 and March 31, 2018 are set out below :

Name of the Shareholder	As at March 31, 2019		As at March 31, 2018	
	No. of Shares	% held	No. of Share	% held
Siddharth S. Bhanushali	10,28,340	22.36%	7,02,850	15.28%
Shankar G. Bhanushali (HUF)	4,10,200	8.91%	4,10,200	8.91%
Shankar G. Bhanushali	3,82,320	8.31%	3,82,320	8.31%
Sheetal Bhanushali	2,38,130	5.17%	2,38,130	5.17%

Note 4:Reserves and Surplus

Particulars	As at March 31st 2019	As at March 31st 2018
Surplus/ (deficit) in the statement of profit and loss		
As per Last Balance sheet	(2,55,67,849)	(2,72,86,714)
Add: Profit for the year	50,16,353	17,18,866
Net Surplus/(deficit) in the statement of profit and loss	<u>(2,05,51,496)</u>	<u>(2,55,67,849)</u>
Total Reserves and Surplus	29 (2,05,51,496)	(2,55,67,849)

CAPROLACTAM CHEMICALS LIMITED**NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2019****Note 5: Long Term Borrowings****Unsecured Loans**

Unsecured Loans	75,00,000	-
	<u>75,00,000</u>	<u>-</u>

Note 6: Deferred Tax Liability

Particulars	As at March 31st 2019	As at March 31st 2018
Related to Depreciation/amortisation	24,30,732	22,55,207
	<u>24,30,732</u>	<u>22,55,207</u>

Note 7: Short Term Borrowings

Particulars	As at March 31st 2019	As at March 31st 2018
Unsecured Loans		
Loan from Directors	2,52,64,497	1,14,38,246
Loan from Others	-	75,00,000
	<u>2,52,64,497</u>	<u>1,89,38,246</u>

Note 8: Trade Payables

Particulars	As at March 31st 2019	As at March 31st 2018
Micro Small and Medium Enterprises Trade Payable	80,52,688	84,75,202
	<u>80,52,688</u>	<u>84,75,202</u>

Note 9: Other Current Liabilities

Particulars	As at March 31st 2019	As at March 31st 2018
Other Current Liabilities		
Audit fees payable	25,000	25,000
Security Deposit	30,00,000	1,00,00,000
Provident Fund Contribution	18,327	2,160
TDS Paybal	1,27,680	82,756
GST Paybal	-	21,79,846
Others Liabilities	5,48,740	-
Provision for Tax	16,50,000	4,00,000
	<u>53,69,747</u>	<u>1,26,89,762</u>

Note 11: Long Term Loans and Advances

Particulars	As at March 31st 2019	As at March 31st 2018
Deposits	10,47,453	7,33,453
Prepaid Expenses	4,17,660	5,26,075
Other Loans and Advances	-	37,61,708
	<u>14,65,113</u>	<u>50,21,236</u>

CAPROLACTAM CHEMICALS LIMITED**NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST March 2019****Note - 10****FIXED ASSETS**

	GROSS BLOCK			DEPRECIATION				NET BLOCK		
	As on 31/03/18	Additions	Deductions	As on 31/03/19	As on 31/03/18	For the year	Depreciation Deduction	As on 31/03/19	As on 31/03/19	As on 31/03/18
Tangible Assets										
A. LAND										
1. Leasehold	3,99,089	-	-	3,99,089	-	-	-	-	3,99,089	3,99,089
B. BUILDINGS										
1. Factory Building	71,62,007	8,77,109	-	80,39,116	65,87,220	80,663	-	66,67,883	13,71,233	5,74,787
2. Administration Bldg.	5,58,415	-	-	5,58,415	4,96,865	5,191	-	5,02,056	56,359	61,550
C. PLANT & MACHINERY										
1. Glycol Ether Plant	2,27,36,623	-	-	2,27,36,623	1,57,32,672	13,20,833	-	1,70,53,505	56,83,118	70,03,951
2. Vinyl Sulphone Plant	4,19,12,070	2,09,44,790	-	6,28,56,860	1,61,90,016	61,68,278	-	2,23,58,294	4,04,98,566	2,57,22,054
3. Ethyl Acetate Plant	1,94,03,057	1,01,775	-	1,95,04,832	1,77,00,773	4,21,620	-	1,81,22,393	13,82,439	17,02,285
4. E.T.P.	59,54,720	-	-	59,54,720	59,54,720	-	-	59,54,720	-	5
5. Boiler	-	59,85,347	-	59,85,347	-	7,19,142	-	7,19,142	52,66,205	-
6. Boiler House	-	83,86,439	-	83,86,439	-	7,74,034	-	7,74,034	76,12,405	-
7. Steel Tank	1,61,400	14,40,792	-	16,02,192	1,53,319	1,22,723	-	2,76,042	13,26,150	8,082
D. OFFICE EQUIPMENTS										
1. Air Conditioners	1,68,069	-	-	1,68,069	51,195	61,607	-	1,12,802	55,267	1,16,874
2. Computers	-	36,746	-	36,746	-	9,415	-	9,415	27,331	-
E. VEHICLES										
1. Motor & Motor Cycle	6,20,222	-	-	6,20,222	6,19,752	470	-	6,20,222	-	471
TOTAL (Rs.)	9,90,75,671	3,77,72,998	-	13,68,48,670	6,34,86,532	96,83,976	-	7,31,70,508	6,36,78,165	3,55,89,140
PREVIOUS YEAR (Rs.)	9,15,39,705	75,50,167	14,201	9,90,75,671	5,77,57,184	57,15,147	14,201	6,34,86,531	3,55,89,140	3,37,82,523

Note 12: Inventories

Particulars	As at March 31st 2019	As at March 31st 2018
Inventories		
For Inventory Valuation Refer note 2 (As Certified by the Management)		
Finished goods	41,934	12,50,207
Raw Material		
Raw Material	-	7,08,610
Stores and spares	5,71,647	5,56,097
Lab Material	18,898	16,348
Packing materials	63,401	2,21,973
Utility	5,195	63,174
Fuel	<u>2,19,986</u>	<u>2,10,261</u>
Total	<u>9,21,062</u>	<u>30,26,670</u>

CAPROLACTAM CHEMICALS LIMITED

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2019

Note 13: Trade Receivables

Particulars	As at March 31st 2019	As at March 31st 2018
Trade Receivables		
Unsecured and Considered good unless stated otherwise Outstanding for a period exceeding six months from the- date, they are due for payment		
	-	-
Others	<u>3,98,324</u>	<u>77,01,924</u>
	<u>3,98,324</u>	<u>77,01,924</u>

Note 14: Cash and Cash Equivalents

Particulars	As at March 31st 2019	As at March 31st 2018
Cash and Cash Equivalents		
Balances with Bank		
-In Current Accounts	15,91,954	66,21,919
-In Deposit Accounts	14,48,571	12,86,983
Cash in Hand	<u>1,50,378</u>	<u>3,328</u>
	<u>31,90,903</u>	<u>79,12,230</u>

Note 15: Short Term Loans and Advances

Particulars	As at March 31st 2019	As at March 31st 2018
Short Term Loans and Advances		
Balance with Tax Authorities	43,08,544	34,42,369
Others	<u>1,04,060</u>	-
	<u>44,12,604</u>	<u>34,42,369</u>

Note 16: Revenue from operations

Particulars	As at March 31st 2019	As at March 31st 2018
Sale of products		
Job Work Charges	4,72,22,716	3,84,28,814
Sale of products	<u>46,61,346</u>	<u>22,71,060</u>
Traded Goods	<u>5,18,84,062</u>	<u>4,06,99,873</u>
Total	<u>5,18,84,062</u>	<u>4,06,99,873</u>

Note 17: Other Income

Particulars	As at March 31st 2019	As at March 31st 2018
Other Income		
Interest Income	2,33,642	1,21,882
Discount	<u>4,87,151</u>	<u>5,79,215</u>
Total	<u>7,20,792</u>	<u>7,01,096</u>

CAPROLACTAM CHEMICALS LIMITED**NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2019****Note 18: Cost of materials consumed**

Particulars	As at March 31st 2019	As at March 31st 2018
Cost of materials consumed		
A) Raw Material Consumed		
Opening Stock	15,54,489	25,69,541
Add: Purchases	17,35,060	37,86,549
	32,89,549	63,56,090
Less: Closing Stock	<u>8,15,725</u>	<u>15,54,489</u>
Total	<u>24,73,824</u>	<u>48,01,600</u>
B) Packing Materials		
Opening Stock	2,21,973	82,693
Add: Purchases	-	2,50,880
	2,21,973	3,33,573
Less: Closing Stock	<u>63,401</u>	<u>2,21,973</u>
Total	<u>1,58,572</u>	<u>1,11,600</u>
Total (A+B)	<u>26,32,396</u>	<u>49,13,200</u>

Note 19 : Changes in inventories of finished goods, work-in-progress and Stock-in-Trade

Particulars	As at March 31st 2019	As at March 31st 2018
Opening Stock of Finished goods	12,50,207	41,934
Less: Closing Stock	<u>41,934</u>	<u>12,50,207</u>
Total	<u>12,08,273</u>	<u>(12,08,273)</u>

Note 20: Employee Cost

Particulars	As at March 31st 2019	As at March 31st 2018
Employee Cost		
Salary and other perquisites	12,06,200	11,08,800
Contribution to Provident Fund and Other Funds	35,383	18,496
Staff Welfare Expenses	9,45,892	3,85,549
Other Employee related expenses	<u>82,851</u>	<u>2,77,932</u>
Total	<u>22,70,326</u>	<u>17,90,777</u>

Note 21: Financial costs

Particulars	As at March 31st 2019	As at March 31st 2018
Financial costs		
Interest on Loan	<u>34,12,819</u>	<u>18,90,298</u>
Total	<u>34,12,819</u>	<u>18,90,298</u>

Note 22: Manufacturing Expenses:

Particulars	As at March 31st 2019	As at March 31st 2018
Power and Fuel	80,76,328	96,60,263
Stores, Spares and other consumables	20,04,969	7,91,291
Utility Expenses	15,38,487	11,75,522
Round off	4,229	-
Labour Charges	68,79,966	76,64,981
Water Charges	5,93,748	4,48,067
Weighing Charges	45,440	40,480
Repairs & Maintenance - Machinery	23,55,458	14,13,288
Lab Expenses	42,136	35,327
Testing Charges	36,220	-
Freight	2,28,671	99,610
Total	2,18,05,653	2,13,28,829

CAPROLACTAM CHEMICALS LIMITED**NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2019****Note 23: Administration Expenses:**

Particulars	As at March 31st 2019	As at March 31st 2018
Advertising Expenses	22,892	31,248
Audit Fees	25,000	25,000
Bank Charges	10,164	17,257
Conveyance	80,598	53,677
Courier Charges	36,245	37,308
Desiel & Petrol Charges	3,21,896	2,55,654
Directors Remuneration	15,60,000	15,60,000
Donation	21,000	-
Grampanchayt Tax	46,752	46,752
General Expenses	1,61,098	1,99,268
Insurance Factory	1,35,259	1,09,168
Insurance	21,957	10,057
Insurance Workman Compensation	-	68,089
Inspection Charges	2,100	10,000
Internet web Charges	40,383	-
License Fees	2,23,545	1,12,919
Listing Fees	2,75,857	3,23,083
Loading & Unloading	37,403	37,570
Meeting Fees	24,000	24,000
Motor Car Expenses	3,75,630	1,54,110
Other Expenses	-	11,899
Packing & Forwarding	12,275	9,470
Postage & Telegram	53,169	61,573
Printing & Stationary	36,371	66,821
Professional fees	5,52,110	2,31,951
Professional Tax (company)	2,500	2,500
Professional Tax Directors	-	5,000
Rent	29	1,40,000
Repairs & Maintenance	5,70,177	7,58,976
ROC Fees	5,454	21,000
Security Charges	4,61,723	3,57,089
Service Tax	-	28,481
Subscription Charges	9,300	2,100
Telephone Charges	24,648	19,473
Treatment Charges	-	42,600
Income Tax earlier year	-	1,00,443
Total	51,49,535	49,34,536

CAPROLACTAM CHEMICALS LIMITED**1. Corporate Information**

Caprolactam Chemicals Limited ('the Company') is engaged in manufacturing of chemicals and provides Job Work services as per customer's requirement.

The Company is a Public Limited Company incorporated and domiciled in India has registered office in B-31, MIDC, Mahad, District Raigad - 402302, Maharashtra, India.

2. Summary of Significant Accounting Policies**A. Basis of Preparation Financial Statements:**

The accompanying Standalone Financial Statements for the year ended March 31, 2019 have been prepared in accordance with Indian Accounting standards ('Ind AS') notified by the Ministry of Corporate Affairs in consultation with the National Advisory Committee on Accounting Standards, under section 133 of the Companies Act, 2013 ('Act') read with Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 and the relevant provisions of the Act.

These financial statements have been prepared under the historical cost convention.

The Management has assessed its liquidity position and its possible sources of funds. The Board of Directors is confident of the Company's ability to meet its obligations as and when they arise in the next twelve months from the balance sheet date. Accordingly, these financial statements have been prepared on a going concern basis.

The Company presents assets and liabilities in Balance Sheet based on current/non-current classification.

An asset is classified as current when it is:

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

All other assets are classified as non-current.

A liability is classified as current when:

- (i) it is expected to be settled in normal operating cycle,
- (ii) it is held primarily for the purpose of trading,
- (iii) it is due to be settled within twelve months after the reporting period

All other liabilities are classified as non-current.

B. Use of Estimates and Judgments

The preparation of financial statements in conformity with generally accepted accounting principles requires estimates and assumptions to be made that affect the reported amounts of assets and liabilities and disclosure of contingent liabilities on the date of financial statements and reported amounts of revenues and expenses during the reporting period. Actual result could differ from these estimates and differences between the actual results and estimates are recognized in the period in which the results are known/materialized.

The estimates and underlying assumptions are reviewed on an on-going basis. Revisions to accounting estimates are recognized in the period in which the estimate is revised if the revision affects only that period or in the period of the revision and future periods if the revision affects both current and future periods.

C. Revenue recognition:

Revenue from sale of Goods and Job Work is recognised to the extent the Company has delivered goods or rendered services under an agreement, the amount of revenue can be measured reliably and it is probable that the economic benefits associated with the transaction will flow to the Company. Revenue is measured at the fair value of the consideration received; further, revenues are accounted net of net of taxes, sales returns and discounts.

Interest income

For all financial instruments measured at amortized cost and interest bearing financial assets, interest income is recognized using the effective interest rate (EIR),

which is the rate that discounts the estimated future cash receipts through the expected life of the financial instrument or a shorter period, where appropriate, to the net carrying amount of the financial asset.

D. Useful life of Property, Plant & Equipment

The useful life used to amortize/depreciate intangible assets or property, plant and equipment respectively relates to the expected future performance of the assets acquired and management's judgment of the period over which economic benefit will be derived from the asset.

The charge in respect of periodic depreciation is derived after determining an estimate of an asset's expected useful life and the expected residual value at the end of its life. Increasing an asset's expected life or its residual value would result in a reduced depreciation charge in the Statement of Profit and Loss.

The useful lives and residual values of Company's assets are determined by management at the time the asset is acquired and reviewed annually for appropriateness. The lives are based on historical experience with similar assets as well as anticipation of future events which may impact their life such as changes in technology.

E. Fixed Assets:

Fixed Assets are stated at cost including incidental and pre-operative expenses less accumulated depreciation. When parts of an item of plant have different useful lives they are accounted for as separate items of plant and equipment.

F. Depreciation:

The Company provides depreciation on written down value method. Depreciation is provided based on useful life of the assets as prescribed in Schedule II to the Companies Act, 2013. Depreciation on additions to / deductions from assets is calculated pro-rata from the date the assets are put to use /till the date the assets are sold/ disposed off.

G. Inventories

Inventories held in form of raw materials, consumables and spares have been valued at cost or net realizable value whichever is lower. Finished Goods are valued at Cost.

Cost comprises all cost of purchase, non-creditable taxes and other costs incurred in bringing the inventories to their present location and condition. Net realizable value is estimated selling price in the ordinary course of business less estimated cost necessary to make the sale.

H. Borrowing Cost

Borrowing costs incurred for directly attributable to the acquisition, construction or production of qualifying asset, which are assets that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalized as part of the cost of the respective asset until such time as the assets are substantially ready for their intended use or sale. All other borrowing costs are expensed in the period they occur. Borrowing costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds.

I. Income Tax**Current tax**

Income tax expense represents the sum of the current tax and deferred tax.

Current tax payable or recoverable is based on taxable profit for the year. Taxable profit differs from profit as reported in the Statement of Profit and Loss because some items of income or expense are taxable or deductible in different years or may never be taxable or deductible. The Company's liability for current tax is calculated using Indian tax rates and laws that have been enacted by the reporting date.

Current tax assets and liabilities are offset when there is a legally enforceable right to set off current tax assets against current tax liabilities and when they relate to income taxes levied by the same taxation authority.

Deferred Tax

Deferred tax is the tax expected to be payable or recoverable in the future arising from temporary differences between the carrying amounts of assets and liabilities in the Balance Sheet and the corresponding tax bases used in the computation of taxable profit. Deferred tax liabilities are generally recognized for all taxable temporary differences and deferred tax assets are recognized to the extent that it is probable that taxable profits will be available against which deductible temporary differences can be utilized. Deferred tax is calculated at the tax rates that are expected to apply in the period when the liability is settled or the asset realized, based on tax rates that have been enacted or substantively enacted by the reporting date.

A deferred tax asset shall be recognized for the carry-forward of unused tax losses and unused tax credits to the extent that it is probable that future taxable profit will be available against which the unused tax losses and unused tax credits can be utilized.

Such assets and liabilities are not recognized if the temporary difference arises from the initial recognition (other than in a business combination) of assets and liabilities in a transaction that affects neither the taxable profit nor the accounting profit. Deferred tax liabilities are not recognized to the extent they arise from the initial recognition of non-tax deductible goodwill.

The carrying amount of deferred tax assets is reviewed at each reporting date and adjusted to reflect changes in probability that sufficient taxable profits will be available to allow all or part of the asset to be recovered.

Minimum Alternate Tax

Minimum Alternate Tax ('MAT') credit entitlement is generally recognized as a deferred tax asset if it is probable (more likely than not) that MAT credit can be used in future years to reduce the regular tax liability

J. Provisions:

Provisions are recognized when the Company has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation.

K. Contingent Liabilities and Contingent Assets

Contingent Liabilities are disclosed when there is a possible obligation arising from past events, the existence of which will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the company or a present obligation that arises from past events where it is either not probable that an outflow of resources will be required to settle or a reliable estimate of the amount cannot be made.

Contingent Assets are neither recognised nor disclosed in the financial statements.

L. Earnings Per Share

Basic earnings per share are calculated by dividing the net profit for the period attributable to equity shareholders by the weighted average number of equity shares outstanding during the period.

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

M. Employee Benefit:

- (a) Short term employee benefits are recognized as an expense at the undiscounted amount in the profit and loss account of the year in which the related service is rendered.
- (b) Long term benefits:
- (i) Defined Contribution Plan:
Provident Fund:

The eligible employees of the Company are entitled to receive postemployment benefits in respect of provident fund, in which both employees and the Company make monthly contributions at a specified percentage of the employees' eligible salary (currently 12% of employees' eligible salary). The contributions are made to Regional Provident fund Commissioner. Provident Fund is classified as Defined Contribution Plans as the Company has no further obligations beyond making the contribution. The Company's contributions to Defined Contribution Plan are charged to profit and loss account as incurred.

- (ii) Defined Benefit Plan:
Gratuity:

Gratuity payable under the Payment of Gratuity Act, 1972 and liability if any, will be

Accounted on payment basis.

J. Prior Period Items:

Significant items of Income and Expenditure, which relate to prior accounting period, are accounted in the Profit and Loss account under the head "Prior Period Adjustments" other than those arising due to events occurring after the close of the year and which are treated as relating to the current year.

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2019

23. In the opinion of Board of Directors, the current assets, loans and advances have realizable value at least equal to the amount at which they are stated.

24. According to information provided by the management no dues are payable to Micro, small and medium enterprises.

25. Details of payment to Auditors (excluding Goods and Services Tax)

(Amount in Rs.) (Amount in Rs.)

	<u>2018-19</u>	<u>2017-18</u>
For Audit work	15,000	15,000
For Tax audit	5,000	5,000
For Taxation matter	5,000	5,000

26. Deferred Tax Liability

2018-19 2017-18

On Account of Depreciation	96, 83,976	57,15,147
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27. Earnings Per Share

Basic and Diluted Earnings per share has been computed as under: -

Particulars	2018-19	2017-18
Net Profit/(Loss) after tax and Prior period items	50,16,353	17,18,866
Weighted Average Number of Equity Shares		
Basic	46,00,000	46,00,000
Add: Effect of Dilutive Shares Diluted	0	0
	46,00,000	46,00,000
Earnings Per Share (in Rs.)		
Basic	1.09	0.37
Diluted earnings per share	1.09	0.37

28. Related party disclosures as required by AS 17 :-

Key Management Personnel

Zaver S. Bhanushali - Managing director

Siddharth S. Bhanushali - Director

Relatives of Key Management Personnel – Please give names of relatives

Shankarlal Gopalji Bhanushali

Ashmi Tanmay Ganacharya

Shital Siddharth Bhanushali

Entities over which Key Management personnel exercise significant influence –

Adhiraj Chemindustries Pvt. Ltd.

Transactions with Related Parties:	(Amount in Rs.)	(Amount in Rs.)
	<u>2018-19</u>	<u>2017-18</u>

Expenditure**Remuneration**

Zaver S. Bhanushali 8,40,000 8,40,000

Siddharth S. Bhanushali 7,20,000 7,20,000

Interest on Loan

Zaver S. Bhanushali 25,30,108 17,91,853

Siddharth S. Bhanushali 4,28,002 76,133

Unsecured Loans Taken

Zaver S. Bhanushali 3,95,11,524 1,94,20,224

Siddharth S. Bhanushali 50,96,600 38,00,000

Unsecured Loans repaid

Zaver S. Bhanushali 2,55,78,273.26 2,55,22,458

Siddharth S. Bhanushali 52,03,600 -

Unsecured Loans Balance

Zaver S. Bhanushali 2,15,71,497 76,38,246

Siddharth S. Bhanushali 36,93,000 38,00,000

29. Value of Import on CIF Basis NIL NIL

30. Expenditure in foreign Currency NIL NIL

31. Earnings in Foreign Exchange NIL NIL

32. Details of Imported and indigenous Consumption

Particulars	Year ended 31-03-2019		Year ended 31-03-2018	
	Amount	%	Amount	%
Imported	0	0	0	0
Indigenous	38,40,668	100	37,04,928	100

33. The company's activities falls under only one segment namely Chemicals.

34. The figure of the previous year are regrouped or reclassified as wherever necessary.

35. The closing stock of raw material and finished stock is taken as ascertained, valued and certified by the Management.

36. Balance of debtors and creditors are subject to confirmation and reconciliation.

As per my report of even date attached		
For L J Kothari & Co.	For and on behalf of the Board of Directors	
Chartered Accountant		
FRN: 105313W		
	SD/-	SD/-
CA. Lalit J Kothari	Mrs. Z. S. Bhanushali	Mr. S. S. Bhanushali
[Proprietor]	Managing Director	Director
Membership No 030917		
Date :- 30/05/2019		
Place :- Mahad		

ABSTRACT OF THE BALANCE SHEET FOR THE YEAR ENDED 31ST MARCH 2019

The information relating to the Balance Sheet abstracted and the Company's general business profit as per Part IV to Schedule III to The Companies Act, 2013 is as under:

I. Registration Details

Registration No. CIN NO. L24110MH1988PLC049683 State Code: 11

Balance Sheet Date: 31-03-2019.

II. Capital raised during the year

Public Issue Nil Right Issue Nil

Bonus Issue Nil Private Issue Nil

III. Position of Mobilization and Deployment of Funds

IV.
Total Liabilities 7,40,66,169 Total Assets 7,40,66,169

Sources of Funds

Paid-up Capital 4,60,000 Reserves and Surplus (2,05,51,497)

Secured Loans Nil Unsecured Loans 2,52,64,497

Deferred Tax 24,30,733

Application of Funds

Net Fixed Assets 6,36,78,165 Investment Nil Net

Current Assets (2,97,64,041) Misc. Expenditure (P&L a/c) Nil V.

Performance of Company

Turnover 5,18,84,062 Total Expenditure 4,61,62,976

Profit / Loss before tax 64,41,878 Profit / Loss after tax 50,16,353

Earnings per Share Rs.1.09 Dividend Rate % Nil

VI. Generic Names of Three Principal Products of Company (as per monetary terms)

1. Item Code No. (ITC Code) NA

As per my report of even date attached

For L J Kothari & Co.

For and on behalf of the Board of Directors

Chartered Accountant

FRN: 105313W

SD/-

SD/-

CA. Lalit J Kothari

Mrs. Z. S. Bhanushali

Mr. S. S. Bhanushali

[Proprietor]

Managing Director

Director Membership No

030917

Mr. Surya Prakash Moud

Date :- 30/05/2019

Company Secretary

Place :- Mahad

ICSI M. No. ACS54419

CAPROLACTAM CHEMICALS LIMITED
(CIN: L24110MH1988PLC049683)
Regd. Office: B/31, MIDC, Mahad, Distt. – Raigad - 402302
E-mail: caprolactamcl@gmail.com, website: www.caprolactam.co.in
Telfax: 02145-233427

Form No. MGT-11

Proxy form

[Pursuant to section 105(6) of the Companies Act, 2013 and rule 19(3) of the Companies Management and Administration) Rules, 2014]

CIN: L24110MH1988PLC049683

Name of the Company: Caprolactam Chemicals Limited

Registered Office: B/31, MIDC, Mahad, Distt. – Raigad - 402302

Name of the Member(s):

Registered Address:

Email-id:

Folio No.:

I / We, being the holder(s) of _____ shares of the above mentioned company, hereby appoint:

1. Name: _____

Address: _____

E-mail Id: _____

Signature: _____, or failing him/her

2. Name: _____

Address: _____

E-mail Id: _____

Signature: _____, or failing him/her

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 30th Annual General Meeting of the Company which will be held on Monday the 30th Day of September, 2019 at the Registered Office of the Company at B/31, MIDC, Mahad, Distt. – Raigad - 402302 at 10:00 a.m and at any adjournment thereof, in respect of the following resolutions:

- 1) consideration of financial statements for the year ended on March 31, 2019 and the reports of the Board of Directors and Auditors;

Signature of Shareholder:

Signature of Proxy Holder(s):

____ day of _____, 2019



CAPROLACTAM CHEMICALS LIMITED

(CIN: L24110MH1988PLC049683)

Regd. Office: B/31, MIDC, Mahad, Distt. – Raigad - 402302

E-mail: caprolactamcl@gmail.com, website: www.caprolactam.co.in

Telfax: 02145-233427

ATTENDANCE SLIP

(Members attending the meeting in person or by proxy are requested to complete the Attendance Slip and hand it over at the entrance of the meeting room)

CIN: L24110MH1988PLC049683

Name of the Company: Caprolactam Chemicals Limited

Registered Office: B/31, MIDC, Mahad, Distt. – Raigad - 402302

I / We hereby record my / our presence at the 30th Annual General Meeting of the Company which was held on Monday the 30th Day of September, 2019 at the Registered Office of the Company at B/31, MIDC, Mahad, Distt. – Raigad - 402302 at 10:00 a.m.

Name of the Member(s):

Folio Number:

Name of Proxy, (if any):

No. of Shares Held:

Member's / Proxy's Signature

If Undelivered please return to :
CAPROLACTAM CHEMICALS LIMITED
B-31, M. I. D. C., Mahad,
Dist – Raigad – 402302, Maharashtra.