



Caprolactam Chemicals Limited

CIN NO: - U24110MH1988PLC049683

26th Annual Report
31-03-2015

COMPANY INFORMATION**BOARD OF DIRECTORS**

Mrs. Z.S. Bhanushali
 Mr. S. S. Bhanushali
 Mr. V. P. Adagale
 Mr. R. P. Mange
 Mr. V. L. Mange

- Chairperson & Managing Director
- Whole-time Director & CFO
- Non Executive Independent Director
- Non Executive Independent Director
- Non Executive Independent Director

AUDITORS

M/s. Jatin Shah
 Chartered Accountant

BANKERS

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 26th Annual General Meeting of **Caprolactam Chemicals Limited** will be held on Monday the 28th Day of September, 2015 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 receive, consider, and adopt the Audited Accounts for the financial year ended 31st March, 2015 along with the Reports of the Directors and Auditors thereon.
2. To appoint M/s. L J Kothari & Co., Chartered Accountants, Mumbai (FRN 105313W) as statutory auditors of the Company to hold office till the conclusion of 31st Annual General Meeting to be held in the calendar year 2020 and authorize the Board to fix their remuneration.

SPECIAL BUSINESS:

3. To consider and, if thought fit, to pass with or without modification, the following resolution as an 'Ordinary Resolution':

"RESOLVED THAT pursuant to the provisions of section 196, 197, 203 and Schedule V of the Companies Act, 2013 and the rules made thereunder (including any statutory modifications or re-enactment thereof for the time being in force), the consent of the Company be and is hereby accorded to the re-appointment of and payment of remuneration to Mrs. Zaver S Bhanushali (having DIN 00663374) as Managing Director for a further period of five years effective from 01st August, 2015, on the following terms and conditions

Basic salary: 55,000/- per month (from 01st August, 2015, till March 31, 2016), with an annual increment not exceeding 30%.

Fixed Dearness allowance: 30% of the salary amount.

Incentive Bonus/Commission: The appointee will be paid such amount by way of incentive bonus and/or commission in addition to the salary and perquisite payable calculated with reference to the net profit of the Company in a particular financial year as may be determined by the Board of Directors of the Company at the end of the financial year, subject to the overall ceilings stipulated under section 197 of the Act and/or Schedule V as may be applicable from time to time.

Perquisites - Category "A"

- a) **Medical Reimbursement:** 8.33% of the basic salary per month towards medical expenses for self and family.
- b) **Leave Travel Allowance:** the yearly payment in the form of allowance shall be equivalent to one month's basic salary.
- c) The Company shall provide Group Insurance Scheme, in accordance with the Rules and Regulation of the Company.
Explanation: Family means the spouse, dependent children and parents of the appointee.

Category "B"

The following will not be considered as perquisites:

- a) Contributions by the Company to Provident Fund and Superannuation Fund to the extent these either singly or put together are not taxable under the Income-Tax Act, 1961.
- b) Payment of gratuity subject to an amount equal to half month's salary for each completed year of service.
- c) Encashment of Leave as per the Company's rules at the end of tenure.
- d) Provisions of car with driver for use on the Company's business and telephone and other communication facility at residence. However, personal, long distance calls and use of car for private purpose shall be billed by the Company.

Other terms and Conditions:

- a) **Minimum Remuneration:** In the event of loss or inadequacy of profits, in any financial year during the currency of tenure of service, the appointee shall be paid the above remuneration and perks as the Minimum Remuneration subject, however to the overall limits as per provisions contained in Schedule V to the Companies Act, 2013 including any statutory modification or re-enactment thereof, as may, for the time being, be in force.
- b) **Leave:** in accordance with the Rules and Regulation of the Company.
- c) **Sitting fee:** Mrs. Zaver S Bhanushali shall not be entitled to sitting fee for attending meetings of the Board of Directors or Committees thereof.

RESOLVED FURTHER THAT Mrs. Zaver S Bhanushali is appointed as a Managing Director on Board liable to retire by rotation.

“**RESOLVED FURTHER THAT** the Board of Directors (on the recommendations of Nomination and Remuneration Committee) be and are hereby authorized to alter and vary terms and conditions of appointment including remuneration as may be agreed to by the Board of Directors and Mrs. Zaver S Bhanushali but so as not to exceed the limits specified in Schedule V of the Companies Act, 2013, or any amendment thereto or enactments thereof with effect from such date as may be decided by it.”

“**RESOLVED FURTHER THAT** the Board of Directors, be and is hereby authorized to do all acts, deeds, matters and things as may be considered necessary, desirable or expedient to give effect to this resolution.”

4. To consider and, if thought fit, to pass with or without modification, the following resolution as an ‘Ordinary Resolution’:

“**RESOLVED THAT** pursuant to the provisions of section 196, 197, 203 and Schedule V of the Companies Act, 2013 and the rules made thereunder (including any statutory modifications or re-enactment thereof for the time being in force), the consent of the Company be and is hereby accorded to the appointment of and payment of remuneration to Mr. Siddharth S. Bhanushali (having DIN 01721586) as a whole-time Director for a period of five years effective from 01st April, 2015, on the following terms and conditions

Basic salary: 49,000/- per month (from 01st April, 2015, till March 31, 2016), with an annual increment not exceeding 30%.

Fixed Dearness allowance: 30% of the salary amount.

Incentive Bonus/Commission: The appointee will be paid such amount by way of incentive bonus and/or commission in addition to the salary and perquisite payable calculated with reference to the net profit of the Company in a particular financial year as may be determined by the Board of Directors of the Company at the end of the financial year, subject to the overall ceilings stipulated under section 197 of the Act and/or Schedule V as may be applicable from time to time.

Perquisites - Category “A”

- a) **Medical Reimbursement:** 8.33% of the basic salary per month towards medical expenses for self and family.
- b) **Leave Travel Allowance:** the yearly payment in the form of allowance shall be equivalent to one month’s basic salary.
- c) The Company shall provide Group Insurance Scheme, in accordance with the Rules and Regulation of the Company.
Explanation: Family means the spouse, dependent children and parents of the appointee.

Category “B”

The following will not be considered as perquisites:

- a) Contributions by the Company to Provident Fund and Superannuation Fund to the extent these either singly or put together are not taxable under the Income-Tax Act, 1961.
- b) Payment of gratuity subject to an amount equal to half month’s salary for each completed year of service.
- c) Encashment of Leave as per the Company’s rules at the end of tenure.
- d) Provisions of car with driver for use on the Company’s business and telephone and other communication facility at residence. However, personal, long distance calls and use of car for private purpose shall be billed by the Company.

Other terms and Conditions:

- a) **Minimum Remuneration:** In the event of loss or inadequacy of profits, in any financial year during the currency of tenure of service, the appointee shall be paid the above remuneration and perks as the Minimum Remuneration subject, however to the overall limits as per provisions contained in Schedule V to the Companies Act, 2013 including any statutory modification or re-enactment thereof, as may, for the time being, be in force.
- b) **Leave:** in accordance with the Rules and Regulation of the Company.
- c) **Sitting fee:** Mr. Siddharth S. Bhanushali shall not be entitled to sitting fee for attending meetings of the Board of Directors or Committees thereof.

RESOLVED FURTHER THAT Mr. Siddharth S. Bhanushali is appointed as a whole time Director on Board liable to retire by rotation.

“RESOLVED FURTHER THAT the Board of Directors (on the recommendations of Nomination and Remuneration Committee) be and are hereby authorized to alter and vary terms and conditions of appointment including remuneration as may be agreed to by the Board of Directors and Mr. Siddharth S. Bhanushali but so as not to exceed the limits specified in Schedule V of the Companies Act, 2013, or any amendment thereto or enactments thereof with effect from such date as may be decided by it.”

“RESOLVED FURTHER THAT the Board of Directors, be and is hereby authorized to do all acts, deeds, matters and things as may be considered necessary, desirable or expedient to give effect to this resolution.”

5. To consider and, if thought fit, to pass with or without modification, the following resolution as an ‘Ordinary Resolution’:

“RESOLVED THAT pursuant to the provisions of Sections 149, 150, 152 and any other applicable provisions of the Companies Act, 2013 and the rules made thereunder (including any statutory modification(s) or re-enactment thereof for the time being in force) read with Schedule IV to the Companies Act, 2013 and clause 49 of the Listing Agreement, Mr. Vikram P. Adagale (having DIN 02085562) and in respect of whom the company has received a notice in writing from a member proposing his candidature for the office of director, be and is hereby appointed as an Independent Director of the Company to hold office for 4 (four) consecutive years for a term up to the conclusion of 30th Annual General Meeting of the Company to be held in the calendar year 2019 and that his office as Independent Director shall not be subject to retirement by rotation.

6. To consider and, if thought fit, to pass with or without modification, the following resolution as an ‘Ordinary Resolution’:

“RESOLVED THAT pursuant to the provisions of Sections 149, 150, 152 and any other applicable provisions of the Companies Act, 2013 and the rules made thereunder (including any statutory modification(s) or re-enactment thereof for the time being in force) read with Schedule IV to the Companies Act, 2013 and clause 49 of the Listing Agreement, Mr. Rajesh P. Mange (having DIN 01389705) and in respect of whom the company has received a notice in writing from a member proposing his candidature for the office of director, be and is hereby appointed as an Independent Director of the Company to hold office for 4 (four) consecutive years for a term up to the conclusion of 30th Annual General Meeting of the Company to be held in the calendar year 2019 and that his office as Independent Director shall not be subject to retirement by rotation.

7. To consider and, if thought fit, to pass with or without modification, the following resolution as an ‘Ordinary Resolution’:

“RESOLVED THAT pursuant to the provisions of Sections 149, 150, 152 and any other applicable provisions of the Companies Act, 2013 and the rules made thereunder (including any statutory modification(s) or re-enactment thereof for the time being in force) read with Schedule IV to the Companies Act, 2013 and clause 49 of the Listing Agreement, Mr. Vasant L Mange (having DIN 02685522) and in respect of whom the company has received a notice in writing from a member proposing his candidature for the office of director, be and is hereby appointed as an Independent Director of the Company to hold office for 4 (four) consecutive years for a term up to the conclusion of 30th Annual General Meeting of the Company to be held in the calendar year 2019 and that his office as Independent Director shall not be subject to retirement by rotation.

Registered Office:

B/31, MIDC, Mahad,

Distt. – Raigad - 402302

CIN: L24110MH1988PLC049683

Date: 14th August, 2015

Place: Mahad

For and on behalf of the Board

Sd/-

Zaver S Bhanushali

Managing Director

NOTES:

1. A MEMBER ENTITLED TO ATTEND AND VOTE IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE AT THE MEETING INSTEAD OF HIMSELF AND PROXY NEED NOT BE A MEMBER.
A person can act as a proxy on behalf of members not exceeding fifty and holding in the 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. Proxies, 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 meeting. 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 21st September, 2015 to 28th September, 2015 (Both days inclusive).
4. Members/Proxies should bring duly filled attendance slips to attend the meeting.
5. The Explanatory Statement pursuant to Section 102 of the Companies Act, 2013, which sets out details relating to Special Business at the meeting, is annexed hereto.
6. Members whose shareholding is in electronic mode are requested to direct change of address notification to their respective Depository Participants.
7. 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.
8. Electronic copy of the Annual Report for 2014-15 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 2014-15 is being sent in the permitted mode.
9. The Notice of the Annual General Meeting and Annual Report of the Company for the year ended 31st March, 2015 is uploaded on the Company's website [www. www.caprolactam.in](http://www.caprolactam.in) and may be accessed by the members.
10. 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 35B of the Listing Agreement, 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.

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 are sure, that as a responsible citizen, you will whole-heartedly support this initiative and will co-operate with the Company in implementing the same.

Additional information on Directors seeking appointment / re-appointment at the forthcoming Annual General Meeting as per clause 49 of the Listing Agreement:

Name of Director	Mrs. Zaver S Bhanushali	Mr. Siddharth S Bhanushali	Mr. Vikram P. Adagale	Mr. Rajesh P Mange	Mr. Vasant L Mange
Date of Birth	28/12/1958	30/06/1979	10/04/1984	18/03/1957	04/11/1952
Nationality	Indian	Indian	Indian	Indian	Indian
Qualification	D. Ed.	B.E (Chemical)	D.E (Chemical)	B.Com	B.Com, L.L.B
Relationship with other Directors	Mother of Mr. Siddharth S Bhanushali	Son of Mrs. Zaver S Bhanushali	None	None	None
Expertise in specific functional area	Vast experience in Corporate and management affairs	Expertise in chemical engineering such as process control, polymerization, separation technology etc.	Technical knowledge in plant engineering, designing	Expert in the field of administration & Human resources	Vast knowledge in the field of Banking & Finance
Other Directorship in public companies as on 31.03.2015	N.A.	N.A.	N.A.	N.A.	N.A.
Chairman/member of the committees in other public Companies in which he is a Director	N.A.	N.A.	N.A.	N.A.	N.A.
No. of Shares held in the Company	150010	702850	Nil	Nil	Nil

ANNEXURE TO THE NOTICE:**EXPLANATORY STATEMENT UNDER SECTION 102 OF THE COMPANIES ACTS, 2013.**

The following Explanatory Statement sets out the material facts relating to the business under items of the accompanying Notice:

Item No. 3

Mrs. Zaver S Bhanushali is re-appointed as Managing Director of the Company for a further period of 5 years effective from 01st August, 2015 to 31st July, 2020. The appointment of and payment of remuneration to Mrs. Zaver S Bhanushali was made in the Board meeting of the Company held on 30th April, 2015 and is subject to approval from shareholders of the Company and terms and conditions detailed in the proposed resolution at item nos. 3 of the Notice:

A brief about Mrs. Zaver S Bhanushali is given herein for the information of the shareholders.

Mrs. Zaver S Bhanushali is having Expertise in chemical engineering such as process control, polymerization, separation technology etc. Taking into consideration her experience and expertise in the relevant fields, she is suited for the responsibilities assigned to her by the Board of Directors.

The name of companies in which she holds other directorship / committee membership are given in Directors Report. She holds 150010 equity shares @10/- each of the Company. This statement may also be regarded as a disclosure under clause 49 of the listing agreement with Stock Exchanges.

Mrs. Zaver S Bhanushali and Mr. Siddharth S Bhanushali are interested in the Resolution pertaining to respective appointment at Item No. 3 of the Notice. Save as aforesaid, none of the Directors of the Company and Key Managerial Personnel of the Company and their relatives is concerned or interested, financially or otherwise, in any way, in the said resolutions.

Item No. 4

Mr. Siddharth S Bhanushali is appointed as Whole-time Director of the Company for a period of 5 years effective from 01st April, 2015 to 31st March, 2020. The appointment of and payment of remuneration to Mr. Siddharth S Bhanushali was made in the Board meeting of the Company held on 30th April, 2015 and is subject to approval from shareholders of the Company and terms and conditions detailed in the proposed resolution at item nos. 4 of the Notice:

A brief about Mr. Siddharth S Bhanushali is given herein for the information of the shareholders.

Mr. Siddharth S Bhanushali is having over two decades rich experience in the area corporate and management affairs and has strong entrepreneurial skills. Taking into consideration his qualification and expertise in the relevant fields, he is suited for the responsibilities assigned to her by the Board of Directors.

The name of companies in which she holds other directorship / committee membership are given in Directors Report. He holds 702850 equity shares @10/- each of the Company. This statement may also be regarded as a disclosure under clause 49 of the listing agreement with Stock Exchanges.

Mrs. Zaver S Bhanushali and Mr. Siddharth S Bhanushali are interested in the Resolution pertaining to respective appointment at Item No. 4 of the Notice. Save as aforesaid, none of the Directors of the Company and Key Managerial Personnel of the Company and their relatives is concerned or interested, financially or otherwise, in any way, in the said resolutions.

Item Nos. 5 to 7

As per the provisions of Sections 149, 150, 152 and Schedule IV of the Companies Act, 2013 every listed company shall have at least one-third of total directors as Independent Director. Section 149 of the Companies Act, 2013 provides that

an independent director in relation to a company, means a director other than a managing director or whole-time director or a nominee director and who in the opinion of the Board, is a person of integrity and possesses relevant expertise and experience and also fulfils other prescribed criteria for appointment as independent director. The provisions of the Act in respect of retirement of directors by rotation shall not be applicable to appointment of independent directors. The appointment of independent director(s) of the Company is required to be approved at the meeting of the shareholders.

In terms of Clause 49 of the listing agreement Mr. Vikram P. Adagale (DIN 02085562), Mr. Rajesh P. Mange (DIN 01389705) and Mr. Vasant L. Mange (DIN 02685522) are presently considered as Independent Directors of the Company.

Mr. Vikram P. Adagale, Mr. Rajesh P. Mange and Mr. Vasant L. Mange are not disqualified from being appointed as Directors in terms of section 164 of the Act and have given their consent to act as directors.

The company has also received declarations from Mr. Vikram P. Adagale, Mr. Rajesh P. Mange and Mr. Vasant L. Mange that they meet with the criteria of independence as prescribed both under sub section (6) of section 149 of the Act and under clause 49 of the Listing Agreement.

In the opinion of the Board, Mr. Vikram P. Adagale, Mr. Rajesh P. Mange and Mr. Vasant L. Mange fulfill the conditions for appointment as independent directors as specified in the Act and the Listing Agreement and proposed to appoint Mr. Vikram P. Adagale, Mr. Rajesh P. Mange and Mr. Vasant L. Mange as independent directors under section 149 of the Act and clause 49 of the Listing Agreement to hold office for 4 (Four) consecutive years for a term up to the conclusion of 30th Annual General Meeting of the company to be held in the calendar year 2019.

Brief resume of Mr. Vikram P. Adagale, Mr. Rajesh P. Mange and Mr. Vasant L. Mange, nature of their expertise in specific functional areas and names of Companies in which they hold directorships and memberships / chairmanships of Board committees, shareholding and relationships between directors inter-se as stipulated under clause 49 of the Listing Agreement with the stock exchanges, are provided are in the statement annexed to the Notice.

Copy of the draft letter for appointment of each candidate as an Independent Director setting out the terms and conditions of appointment is available for inspection by members at the registered office of the company.

The Board considers that their continued association would be of immense benefit to the Company and it is desirable to continue to avail of the expertise and knowledge of Mr. Vikram P. Adagale, Mr. Rajesh P. Mange and Mr. Vasant L. Mange as Independent Directors. Accordingly, the Board recommends the Resolutions at Item Nos. 5 to 7 of the Notice in relation to appointment of Independent Directors, for the approval by the shareholders of the Company.

Mr. Vikram P. Adagale, Mr. Rajesh P. Mange and Mr. Vasant L. Mange are interested in the Resolutions pertaining to their respective appointment at Item Nos. 5 to 7 of the Notice. Save as aforesaid, none of the Directors of the Company and Key Managerial Personnel of the Company and their relatives is concerned or interested, financially or otherwise, in any way, in the said resolutions.

Registered Office:

B/31, MIDC, Mahad,

Distt. – Raigad - 402302

CIN: L24110MH1988PLC049683

Date: 14th August, 2015

Place: Mahad

For and on behalf of the Board

Sd/-

Zaver S Bhanushali

Managing Director

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 **25th September, 2015 (9:00 am)** and ends on **27th September, 2015 (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 **21st September, 2015**, 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.
- iv. The shareholders should log on to the e-voting website www.evotingindia.com.
- v. Click on Shareholders tab.
- vi. 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.
- vii. Next enter the Image Verification as displayed and Click on Login.
- viii. 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.
- ix. 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 for "**Caprolactam Chemicals Limited**" 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 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. **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.
- xxi. 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.
- xxii. The Board of Directors has appointed Mr. Bhavin N. Gajra, 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.
- xxiii. 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.
- xxiv. 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.
- xxv. The Results declared alongwith the report of the Scrutinizer shall be placed on the website of the Company and on the website of CDSL 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.

DIRECTOR'S REPORT

To the Members of the Company,

Your Directors have pleasure in presenting the 26th Annual Report on the business and operations of your Company with Audited Accounts for the year ended 31st March 2015. The financial results of the Company are summarized below:

FINANCIAL HIGHLIGHTS AND OPERATIONS:

(in 'INR')

Particulars	31 st March, 2015	31 st March, 2014
Profit /Loss (before interest, depreciation and tax)	4,418,659.00	(981,812.00)
Less: Interest	591,632.00	7904.00
Depreciation	23,23,151.00	18,70,613.00
Profit /Loss before Tax	15,03,876.00	(28,60,329.00)
Less: Loss on obsolescence/damage to Plant/assets	20,57,218.00	Nil
Less: Provision for Taxation	Nil	Nil
Add: Deferred Tax Benefit	Nil	155,988.00
Profit /Loss After Tax	(553,342.00)	(27,04,341.00)

The financial performance of the Company was satisfactory and operation remained confined mainly to job work. The Company continues to focus on its initiatives to improve profitability through productivity improvement and cost optimization.

DIVIDEND:

Your Directors do not recommend payment of any dividend during financial the year.

MANAGEMENT DISCUSSION AND ANALYSIS AND CORPORATE GOVERNANCE;

As required under Clause 49 of the Listing Agreement, Reports on Management Discussion and Analysis and Corporate Governance together with the Certificate of Auditors on Corporate Governance are provided separately in the Annual Report and forms part of Directors' Report.

DIRECTORS:

Mrs. Zaver S Bhanushali (having DIN 00663374) has been re-appointed as Managing Director for a further period of 5 years w.e.f. 1st August, 2015 by the Board of Directors subject to approval of the shareholders. The Company has received the notices under section 160 of the Companies Act, 2013 along with deposit of requisite amount from the shareholders proposing the candidature of Mrs. Zaver S Bhanushali for the office of the Managing Director of the Company.

Mr. Siddharth S. Bhanushali (having DIN 01721586) Director of the Company has been appointed as a whole-time Director for a period of five years effective from 01st April, 2015 by the Board of Directors subject to approval of the shareholders. The Company has received the notices under section 160 of the Companies Act, 2013 along with deposit of requisite amount from the shareholders proposing the candidature of Mr. Siddharth S. Bhanushali for the office of the Managing Director of the Company.

In accordance with the provisions of Section 149 and other applicable provisions of the Companies Act, 2013 and clause 49 of the Listing Agreement, your Company is seeking appointment of Mr. Vikram P. Adagale, Mr. Rajesh P Mange and Mr. Vasant L Mange as Independent Directors to hold office for Four consecutive years i.e. for a term up to the conclusion of 30th Annual General Meeting of the Company to be held in the calendar year 2019. Details relating to their appointment are mentioned in the Statement annexed to the Notice under Section 102 of the Companies Act, 2013.

The Company has received declaration from all the Independent Directors of the Company confirming that they meet with the criteria of Independence as prescribed both under sub-section (6) of Section 149 of the Companies Act, 2013 and under Clause 49 of the Listing Agreement with the Stock Exchange.

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:

- (i) that in the preparation of the annual accounts for the financial year ended 31st March, 2015, the applicable accounting standards have been followed along with proper explanation relating to material departures;
- (ii) 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;
- (iii) 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
- (iv) that the Directors have prepared the accounts for the financial year ended 31st March, 2015 on a 'going concern' basis.
- (v) 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.
- (i) 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.

FIXED 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 given any loans or guarantees covered under the provisions of section 186 of the Companies Act, 2013.

NUMBER OF MEETINGS OF THE BOARD:

The Board met 4 (Four) 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 given in the Corporate Governance Report.

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:

The Company has been addressing various risks impacting the Company and the policy of the Company on risk management is provided elsewhere in this Annual Report in Management Discussion and Analysis.

BOARD EVALUATION:

Pursuant to the provisions of the Companies Act, 2013 and Clause 49 of the Listing Agreement, the Board has carried out an evaluation of its own performance, the directors individually as well as the evaluation of the working of its Audit, Appointment & Remuneration Committees.

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. The Remuneration Policy is stated in the Corporate Governance Report.

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.

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.

INTERNAL CONTROL SYSTEMS AND THEIR ADEQUACY:

The Company has an Internal Control System, commensurate with the size, scale and complexity of its operations. The scope and authority of the Internal Audit function is defined in the Internal Audit Manual. To maintain its objectivity and independence, the Internal Audit function reports to the Chairman of the Audit Committee of the Board and to the Chairman & Managing Director.

The Internal Audit Department monitors and evaluates the efficacy and adequacy of internal control system in the Company, its compliance with operating systems, accounting procedures and policies at all locations of the Company. Based on the report of internal audit function, process owners undertake corrective action in their respective areas and thereby strengthen the controls. Significant audit observations and recommendations along with corrective actions thereon are presented to the Audit Committee of the Board.

RELATED PARTY TRANSACTIONS:

All related party transactions that were entered into during the financial year were on 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 Promoters, Key Managerial Personnel or other designated persons which may have potential conflict with interest of the company at large.

SUBSIDIARY COMPANIES:

The Company does not have any subsidiary / 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 the Company has obtained a secretarial audit report. Certain observations made in the report with regard to non filing of some forms were mainly due to ambiguity and uncertainty of the applicability of the same for the relevant period. However, the company would ensure in future that all the provisions are complied to the fullest extent. Further the Company is in process of appointing suitable candidate for the key position of Whole time Company Secretary in terms of Section 203 of the Companies Act, 2013 and rules made thereunder.

AUDITORS:

In accordance with provisions of Section 139 and other applicable provisions of the Companies Act, 2013 and the Companies (Audit and Auditors) Rules, 2014, it is proposed to appoint M/s. L J Kothari & Co., Chartered Accountants, Mumbai (FRN 105313W) as Statutory Auditors of the Company for a period of 5 continuous years i.e., till the conclusion of 31st Annual General Meeting of the Company.

M/s. L J Kothari & Co., has informed the Company that their appointment if made would be within the limits prescribed under section 141 of the Companies Act, 2013. M/s. L J Kothari & Co. has also confirmed that they have subjected themselves to the peer review process of Institute of Chartered Accountants of India (ICAI) and hold valid certificate issued by the Peer Review Board of the ICAI.

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".

SECRETARIAL AUDIT:

Pursuant to provisions of section 204 of the Companies Act, 2013 and The Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 the company has appointed M/s. Nitesh Jain & Co., Company Secretaries to undertake the Secretarial Audit of the Company. The Secretarial Audit report is annexed herewith as "Annexure B"

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).

INFORMATION PURSUANT TO RULE 5 (2) OF COMPANIES (APPOINTMENT & REMUNERATION OF MANAGERIAL PERSONNEL) RULES, 2014

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

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

For and behalf of the Board of Directors

Dated: 30.04.2015

Sd/-
Zaver Bhanushali
Managing Director

Sd/-
Siddharth Bhanushali
Whole-time Director

MANAGEMENT ANALYSIS & DISCUSSION 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.

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

Your Company is engaged in undertaking the job works and the price fluctuations in global and local market affect profitability of the Company in getting volume of job works.

5) Internal control systems and adequacy

The Company is endeavoring 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.

Profit before tax of the Company has increased to 15,03,876/- as compare to previous year losses of Rs. (28,60,329/-). The Company, however, continues to evaluate ways and means for sales growth and remains competitive in the challenging environment.

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.

REPORT ON CORPORATE GOVERNANCE**(Pursuant to Clause 49 of the Listing Agreement entered into with the stock exchanges)**

The Company's philosophy on Corporate Governance is to conduct its business in a transparent manner, comply with all the statutory and regulatory requirements relating to Corporate Governance and it is a continuous process and strives to improve the Corporate Governance practices to meet shareholder's expectations.

1. BOARD OF DIRECTORS:**a) Composition of the Board and Board Meetings of Directors:**

The current strength of the Board of Directors of the Company is Five, of which, Three Non-Executive and independent Directors. The Chairman of the Board is Executive Director. The composition of Board is in conformity with Clause 49 of the listing agreement.

During the financial year ended 31st March, 2015, 4 [Four] Board Meetings were held on 30th May, 2014, 30th July, 2014, 30th October 2014 and 31st January, 2015.

The last Annual General Meeting of the Company was held on 29th September, 2014. The Composition of the Board of Directors as on March 31, 2015 and details of attendance of Directors in Board Meetings and Annual General Meeting are as follows:

Name	Designation	Category	Attendance at		No. of Director-ships in other public companies	No. of Committee positions in other public Companies	
			Board Meeting	Last AG M		Chairman	Member
Mrs. Zaver S. Bhanushali	Chairman & Managing Director	Executive Director & Promoter	Yes	Yes	---	---	---
Mr. Siddharath S. Bhanushali	Whole-time Director	Executive Director & Promoter	Yes	Yes	---	---	---
Mr. Vikram P. Adagale	Non-Executive Director	Independent & Non-Executive Director	Yes	Yes	---	---	---
Mr. Vasant L. Mange	Non-Executive Director	Independent & Non Executive Director	Yes	Yes	---	---	---
Mr. Rajesh P. Mange	Non-Executive Director	Independent & Non Executive Director	Yes	Yes	---	---	---

The necessary disclosure regarding Committee positions have been made by all the Directors. None of the Directors on the Board is a Member of more than 10 Committees and Chairman of more than 5 Committees (as specified in Clause 49) across all companies in which they are Directors/members.

b) Appointment / Re-appointment of Directors:

The profiles of Directors who are seeking re-appointment/appointment at the Annual General Meeting are given in the Notice calling Annual General Meeting of the Company.

3. BOARD COMMITTEES: The Board has constituted the following committees of Directors:

- I) Audit Committee
- II) Remuneration Committee
- III) Shareholders's Grievance Committee

I. AUDIT COMMITTEE:

a. Composition:

The Audit Committee comprises of three Directors, namely

Names of Directors	Category
Mr. Vikram P. Adagale	Chairman
Mr. Vasant L. Mange	Member
Mr. Rajesh P. Mange	Member

b. Terms of reference:

Apart from all the matters provided in clause 49 of the listing agreement and section 177 of the Companies Act 2013, the Audit committee also

- (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.
- (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 2015 i.e. on 30th May, 2014, 30th July, 2014, 30th October 2014 and 31st January, 2015. 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
Mr. Vasant L. Mange	Member	4
Mr. Rajesh P. Mange	Member	4

II. NOMINATION AND REMUNERATION COMMITTEE:

a. Composition and attendance :

The Remuneration Committee comprised of three Non-Executive Directors, namely Mr. Mr. Rajesh P. Mange (Chairman of the Committee), Mr. Vikram P. Adagale and Mr. Vasant L. Mange as members of the Committee.

- During the financial year, 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 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 Remuneration Committee. The remuneration is decided by the 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, 2015 to the Executive / Non-Executive Directors are as follows:

Name	Designation	Remuneration
Mrs. Zaver S. Bhanushali	Chairman & Managing Director	INR 660,000.00
Mr. Siddharth S. Bhanushali	Whole-time Director	INR 588,000.00

The Company has paid sitting fees of Rs.2,000/- per meeting to Non-Executive Directors during the financial year 2014-15.

III. SHAREHOLDERS' / INVESTORS GRIEVANCE COMMITTEE:

a) Composition and attendance:

The present Shareholders Grievance Committee comprised of One Executive and One Non Executive Directors, namely Mrs. Zaver S. Bhanushali (Chairman of the Committee), Mr. Vikram P. Adagale, Mr. Rajesh P Mange and Mr. Siddharth S. Bhanushali as a members of the Committee.

The Committee has been empowered to look into all share holders grievances periodically and take necessary actions.

Information on Investor Grievances for the period from 1st April, 2014 to 31st March 2015:

During the year 2014-15 the Shareholders/Investors Grievance committee that also acts as Share Transfer Committee met 9 times. Further, there were no complaints pending for redressal during the year under review.

b) Terms of Reference:

The Company has a Shareholders/Investors Grievance 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.

d) Compliance Officer:

Mr. Siddharath S. Bhanushali, Whole-time Director is the compliance officer for complying with the requirements of SEBI (Prohibition of Insider Trading) Regulation, 1992 and the Listing Agreements with the BSE.

e) Meeting of Independent Directors

During the year, meeting of Independent Directors was held on 17th March, 2015 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.

4. GENERAL BODY MEETINGS:**A. Particulars of General Meetings held during last three years:****i) Annual General Meetings:**

Financial Year	Location	Date	Time
2011-12	B/31, MIDC, Mahad, Distt. – Raigad - 402302	28 th September, 2012	10.00A.M.
2012-13	B/31, MIDC, Mahad, Distt. – Raigad – 402302	27 th September, 2013	10.00A.M.
2013-14	B/31, MIDC, Mahad, Distt. – Raigad – 402302	29 th September, 2014	10.00A.M.

ii) Special Resolutions passed at the Last three AGM

Financial Year	Particulars of Special Resolutions passed
2011-12	----
2012-13	----
2013-14	-----

No Extraordinary General Meetings was held during the Financial Year ended 2014-15.

Postal Ballot:

There were no ordinary or special resolutions that need to be passed by the shareholders through a postal ballot for the financial year ended March 31, 2015.

5. OTHER DISCLOSURES:

- a. There have been no materially significant related party transactions, pecuniary transactions or relationship between your Company and the Directors, Management, subsidiaries or relatives except for those disclosed in the financial statement for the year ended 31st March, 2015.
- b. In terms of Clause 49 of the Listing Agreement(s), the Company has adopted a Code of Conduct for the board of Directors and Senior Management Personnel of the Company. The same has been posted on the Company's website. The Declaration by the Chairman of the Company forms part of this Report.
- c. The Company has adopted the Employees Share dealing code in terms of the SEBI (prohibition of Insider Trading) Regulations 1992. This code is applicable to all Directors and designated Employees. The Code ensures prevention of dealing in shares by persons having access to unpublished price sensitive information.
- d. There was no non-compliance during the financial year and no penalties were imposed on the Company by the Stock Exchange, SEBI or any other statutory authority. The Company obtained a certificate from the statutory auditor of the Company with respect to compliance with the conditions of corporate governance and annexed the certificate with the Directors' Report and sent the same to all the shareholders of the Company and to all the concerned Stock Exchanges alongwith the annual reports filed by the Company.

6. MEANS OF COMMUNICATION:

a. The Un-Audited quarterly/half yearly results are announced within forty five days of close of the quarter. The Audited annual results are announced within sixty days of close of the financial year as per the requirement of the Listing Agreement with the Stock Exchange.

b. The approved financial results are forthwith sent to the Stock Exchange and are published in leading newspapers such as Free Press Journal and Navshakti and also displayed on the Company's website – www.caprolactam.in. Presently the same are not sent to the shareholders separately.

c. The Management Discussion and Analysis Report forms part of the Annual Report, which is sent to the shareholders of the Company.

7. GENERAL SHAREHOLDER INFORMATION:

(i). Annual General Meeting

Day, Date and Time: Monday, 28th day of September, 2015 at 10.00 a.m.

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

(ii). Financial Calendar 2015 - 16 (Tentative)

Results for the quarter ending 30th June 2015 : Second week of August, 2015

Results for the quarter ending 30th Sep. 2015 : Second week of November, 2015

Results for the quarter ending 31st Dec. 2015 : Second week of February, 2016

Results for the year ending 31st Mar. 2016 : Last week of May, 2016

(iii). Book Closure Date: 21.09.2015 to 28.09.2015 (Both the days inclusive)

(iv). Registered Office & Plant location: B/31, MIDC, Mahad, Distt. – Raigad - 402302

(v). Equity shares listed on Stock Exchanges at: Bombay Stock Exchange Ltd. (BSE)

(vi). Stock Code (BSE): **507486**

ISIN Number: INE470N01010

Corporate Identity Number (CIN) - L24110MH1988PLC049683

Annual Listing fee for Financial Year 2015-16 has been paid to BSE.

(vii) Stock Market Data (in Rs. / per share)

Stock Exchanges	Bombay Stock Exchange Limited	
	High (Rs.)	Low (Rs.)
Apr. 2014	14.35	13.10
May 2014	12.50	7.10
Jun. 2014	8.40	7.10
Jul. 2014	8.00	7.10
Sep. 2014	7.60	7.60
Oct. 2014	7.30	6.42
Nov. 2014	6.74	5.50
Dec. 2014	6.84	6.21
Jan. 2015	6.60	6.00
Mar. 2015	6.00	5.70

(viii) Registrars and Transfer Agents:

(Share transfer and communication regarding share certificates, Dividends and change of address)

Purva Shareregistry (I) Pvt. Ltd.

No-9, Shiv Shakti Ind. Estate, Gr. Floor,
J. R. Boricha Marg,
Lower Parel, Mumbai 400 011

(ix) Share Transfer System:

Presently, the share transfers in physical form are processed and the share certificates returned within a period of 15 days from the date of receipt of the document, subject to the documents being clear in all respects. The Board has delegated the authority for approving the transfers to the RTA subject to approval by Grievance Committee.

Shareholders Grievances and other miscellaneous correspondence on change of address, mandates etc., received from members are generally processed by RTA of the company within 15 days.

(x) DISTRIBUTION OF SHARE HOLDING AS ON 31ST MARCH 2015.

Range of Shareholding	No. of Shareholders	% of Total Shareholders	Nominal Value	% of Total
Up to 5000	7188	91.20	12428960	27.02
5001-10000	421	5.34	3598100	7.82
10001-20000	164	2.08	2430000	5.28
20001-30000	43	0.55	1056000	2.30
30001-40000	19	0.24	672000	1.46
40001-50000	13	0.16	616000	1.34
50001-100000	12	0.15	858000	1.87
100001 and above	22	0.28	24340940	52.91
Total	7882	100	46000000	100

(xi) Shareholding Pattern (Category Wise) as on 31st March 2015:

Category	No. of Shares	Percentage
Promoters	2046800	44.50
Venture Capital Funds/Mutual Funds / UTI & Banks	Nil	Nil
Private Corporate Bodies	182365	3.96
Resident Individuals	2291135	49.81
Resident HUF	13800	0.30
NRIs / FIIs	65900	1.43
Clearing Members	Nil	Nil
Total :	4600000	100

(xii) Dematerialization of Shares & Liquidity:

Approximately 2.72% of the Equity Shares have been dematerialized upto 31st March, 2015 and Shares of the Company are frequently traded.

(xiii) Outstanding GDRs/ADRs/Warrants or any Convertible Instruments:

As on March 31, 2015, the Company does not have any outstanding GDRs/ADRs/Warrants on any convertible instruments.

INVESTOR CORRESPONDENCE FOR TRANSFER / DEMATERILISATION OF SHARES AND ANY OTHER QUERY RELATING TO THE SHARES OF THE COMPANY:

For shares held in Physical form:

Purva Sharegistry (I) Pvt. Ltd.

No-9, Shiv Shakti Industrial Estate, Gr. Floor,

J. R. Boricha Marg,

Lower Parel, Mumbai - 400 011

Tel. : 022-2301 6761 / 2301 8261

Fax : 022-2301 2517

For Shares held in Demat Form:

To the Depository Participant

Any query on Annual Report:

Caprolactam Chemicals Limited

B/31, MIDC, Mahad, Distt. – Raigad – 402302,

Tel: 02145-233427

E-mail: caprolactam@gmail.com

REPORT ON CORPORATE GOVERNANCE

To
The Members
Caprolactam Chemicals Limited
Mumbai

I have examined the compliance of conditions of Corporate Governance by Caprolactam Chemicals Limited ('the Company'), for the year ended 31st March, 2015, as stipulated in Clause 49 of the Listing Agreement of the Company with Stock Exchange in India.

The compliance of conditions of Corporate Governance is the responsibility of the management. My examination was limited to procedures and implementation thereof adopted by the Company for ensuring the compliance of the conditions of the Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.

In my opinion and to the best of my information and according to the explanations given to me by the Directors and the management, I certify that the Company has complied with the conditions of Corporate Governance as stipulated in Clause 49 of the Listing Agreement subject to the following:

a) *The Company has not appointed a company secretary as required under section 203 of the Companies Act, 2013*

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

For Teena Dedhia & Associates
Company Secretaries

TeenaDedhia
(Proprietor)

Place: Mumbai
Date: 30/04/2015
C.P No. 9214
ACS: 22630

CEO CERTIFICATION

To,
The Board of Directors,
Caprolactam Chemicals Limited

I hereby certify that:

- (a) I have reviewed the financial statements and the cash flow statement for the year ended 31st March, 2015 and that to the best of my knowledge and belief:
- i) These statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
 - ii) These statements together present a true and fair view of the Company's affairs and are in compliance with the existing accounting standards, applicable laws and regulations.
- (b) These are, to the best of our knowledge and belief, no transactions is entered into by the company during the year which is fraudulent illegal or volatile of the Company's code of conduct.
- (c) I accept responsibility for establishing and maintaining internal controls for financial reporting and that I have evaluated the effectiveness of the internal control systems of the Company pertaining to financial reporting and I have disclosed to the Auditors and the Audit Committee, deficiencies in the design or operation of such internal controls, if any, of which I am aware and the steps I have taken or propose to take to rectify these deficiencies.
- (d) I have indicated to the Auditors and the Audit Committee:
- i) Significant changes in internal control over financial reporting during the year.
 - ii) Significant changes in accounting policies during the year and that the same have been disclosed in the notes to the financial statements; and
 - iii) Instances of significant fraud of which we have become aware and the involvement therein, if any, of the management or an employee having a significant role in the Company's internal control system over financial reporting.

For Caprolactam Chemicals Limited

Date: 30th April, 2015

Place: Mahad

Sd/-
Zaver S Bhanushali
Managing Director

Sd/-
Siddharth S Bhanushali
Whole-time Director &
CFO

DECLARATION

In accordance with the Clause 49 sub-clause of the listing Agreement with the Stock Exchanges, I further confirm that all the directors and senior management personnel of the Company have affirmed compliance to their respect Code of conduct, as applicable to them for the financial year ended March 31, 2015.

For Caprolactam Chemicals Limited

Date: 30th April, 2015

Place: Mahad

Sd/-
Zaver S Bhanushali
Managing Director

Annexure A – Extract of Annual Return as on the financial year ended on 31.03.2015**Form No. MGT-9****[Pursuant to Section 92(3) of the Companies Act, 2013 and Rule 12(1) of the Companies (Management and 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: caprolactam@gmail.com
6.	Whether listed company	Yes (Listed in BSE)
7.	Name, Address & contact details of the Registrar & Transfer Agent, if any.	Purva Sharegistry (I) Pvt. Ltd. No-9, Shiv Shakti Industrial Estate, Gr. Floor, J. R. Boricha Marg, Lower Parel, Mumbai - 400 011 Tel. : 022-2301 6761 / 2301 8261 Fax : 022-2301 2517

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

III. Particulars of holding, subsidiary and associate companies

Particulars	CIN /GLN	Holding / subsidiary / associate	% of holding as at March 31, 2015	Applicable Section
NOT APPLICABLE				

IV. SHARE HOLDING PATTERN (Equity Share Capital Breakup as % of Total Equity)

Category of Shareholders	No. of Shares held at the beginning of the year[As on 31-March-2014]				No. of Shares held at the end of the year[As on 31-March-2015]				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
A. Promoters									
(1) Indian									
a) Individual/HUF	0	2046800	2046800	44.5	0	2046800	2046800	44.50	0
b) Central Govt	0	0	0	0	0	0	0	0	0
c) State Govt(s)	0	0	0	0	0	0	0	0	0
d) Bodies Corp.	0	0	0	0	0	0	0	0	0
e) Banks / FI	0	0	0	0	0	0	0	0	0
f) Any other	0	0	0	0	0	0	0	0	0
Sub Total A (1)	0	2046800	2046800	44.5	0	2046800	2046800	44.50	0
(2) Foreign									
a) NRIs – Individuals	0	0	0	0	0	0	0	0	0
b) Other – Individuals	0	0	0	0	0	0	0	0	0
c) Bodies Corp.	0	0	0	0	0	0	0	0	0
d) Banks / FI	0	0	0	0	0	0	0	0	0
e) Any other	0	0	0	0	0	0	0	0	0
Sub Total A(2)	0	0	0	0	0	0	0	0	0
Total shareholding of Promoter	0	2046800	2046800	44.5	0	2046800	2046800	44.50	0
(A) = (A) (1)+(A)(2)									
B. Public Shareholding									
1. Institutions									
a) Mutual Funds	0	0	0	0	0	0	0	0	0
b) Banks / FI	0	0	0	0	0	0	0	0	0
c) Central Govt	0	0	0	0	0	0	0	0	0

d) State Govt(s)	0	0	0	0	0	0	0	0	0
e) Venture Capital Funds	0	0	0	0	0	0	0	0	0
f) Insurance Companies	0	0	0	0	0	0	0	0	0
g) FIs	0	0	0	0	0	0	0	0	0
h) Foreign Venture Capital Funds	0	0	0	0	0	0	0	0	0
i) Others (specify)	0	0	0	0	0	0	0	0	0
Sub-total (B) (1):-	0	0	0	0	0	0	0	0	0
2. Non-Institutions									
a) Bodies Corp.									
i) Indian	490	181000	181490	3.95	4665	177700	182365	3.96	0.02
ii) Overseas	0	0	0	0	0	0	0	0	0
b) Individuals									
i) Individual shareholders holding nominal share capital up to Rs. 1 lacs	78009	2002900	2080909	45.2	92641	1973500	2066141	44.92	(0.32)
ii) Individual shareholders holding nominal share capital in excess of Rs.1 lacs	0	213100	213100	4.63	11894	213100	224994	4.89	0.26
c) Others (specify)									
Non Resident Indians	0	63900	63900	1.39	2000	63900	65900	1.43	0.04
Overseas Corporate Bodies	0	0	0	0	0	0	0	0	0
Foreign Nationals	0	0	0	0	0	0	0	0	0
Clearing Members	1	0	1	0	0	0	0	0	0
Trusts / HUF	13800	0	13800	0.30	13800	0	13800	0.30	0

Foreign Bodies - DR	0	0	0	0	0	0	0	0	0
Sub-total (B)(2):-	92300	2460900	2553200	55.5	125000	2428200	2553200	55.50	0
Total Public Shareholding (B)=(B)(1)+ (B)(2)	92300	2460900	2553200	55.5	125000	2428200	2553200	55.50	0
C. Shares held by Custodian for GDRs & ADRs	0	0	0	0	0	0	0	0	0
Grand Total (A+B+C)	92300	4507700	4600000	100	125000	4475000	4600000	100	0

B) Shareholding of Promoter-

SN	Shareholder's Name	Shareholding at the beginning of the year			Shareholding at the end of the year			% change in shareholdi ng during the year
		No. of Shares	% of total Shares of the company	%of Shares Pledged / encumber ed to total shares	No. of Shares	% of total Shares of the company	%of Shares Pledged / encumbered to total shares	
1	Siddharth S. Bhaushali	702850	15.28	0	702850	15.28	0	0
2	Zaver S. Bhanushali	150010	3.26	0	150010	3.26	0	0
3	Shanker G. Bhanushali	382320	8.31	0	382320	8.31	0	0
4	Shital S Bhanushali	238130	5.18	0	238130	5.18	0	0
5	Ashmi S. Bhanushali	163290	3.55	0	163290	3.55	0	0
6	Shanker G. Bhanushali (HUF)	410200	8.92	0	410200	8.92	0	0
	Total	2046800	44.50	0	2046800	44.50	0	0

C) Change in Promoters' Shareholding –No change in Promoters shareholding during the year.

SN	Particulars	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company

	At the beginning of the year	N.A	N.A	N.A	N.A
	Date wise Increase / Decrease in Promoters Shareholding during the year specifying the reasons for increase / decrease (e.g. allotment /transfer / bonus/ sweat equity etc.):	N.A	N.A	N.A	N.A
	At the end of the year	N.A	N.A	N.A	N.A

D) Shareholding Pattern of top ten Shareholders: (Other than Directors, Promoters and Holders of GDRs and ADRs):

SN	For Each of the Top 10 Shareholders	Shareholding at the beginning of the year		Shareholding at the end of the Year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
1	Ornate Traders Limited	153400	3.33	153400	3.33
2	Ramesh K Parikh	67100	1.46	67100	1.46
3	Harendra Kantilal Gosalia	33500	0.73	33500	0.73
4	Dipika Gandhi	24500	0.53	24500	0.53
5	Mohan Jeram	17700	0.38	17700	0.38
6	Archana Jain	16300	0.35	16300	0.35
7	Anita Bansal	15300	0.33	15300	0.33
8	Mahendra K Parekh	13900	0.30	13900	0.30
9	Varsha R Parikh	13800	0.30	13800	0.30
10	R M Shah (HUF)	11400	0.25	11400	0.25

E) Shareholding of Directors and Key Managerial Personnel:

SN	Shareholding of each Directors and each Key Managerial Personnel	Shareholding at the beginning of the year		Cumulative Shareholding during the Year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
1.	Mrs. Zaver S. Bhanushali, Managing Director				
	At the beginning of the year	150010	3.26	150010	3.26
	Date wise Increase / Decrease in Promoters Shareholding during the year specifying the reasons for increase /decrease (e.g. allotment / transfer / bonus/ sweat equity etc.):	NIL	NIL	NIL	NIL
	At the end of the year	150010	3.26	150010	3.26
2.	Mr. Siddharth S. Bhaushali, Whole-time Director & CFO				
	At the beginning of the year	702850	15.28	702850	15.28
	Date wise Increase / Decrease in Promoters Shareholding during the year specifying the reasons for increase /decrease (e.g. allotment / transfer / bonus/ sweat equity etc.):	NIL	NIL	NIL	NIL
	At the end of the year	702850	15.28	702850	15.28

F) **INDEBTEDNESS** -Indebtedness of the Company including interest outstanding/accrued but not due for payment.

	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year				
i) Principal Amount	NIL	866,965	NIL	866,965
ii) Interest due but not paid	NIL	NIL	NIL	NIL
iii) Interest accrued but not due	NIL	NIL	NIL	NIL
Total (i+ii+iii)	NIL	866,965	NIL	866,965
Change in Indebtedness during the financial year				
* Addition	NIL	14,453,135	NIL	NIL
* Reduction	NIL	7,090,100	NIL	NIL
Net Change	NIL	7,363,035	NIL	NIL
Indebtedness at the end of the financial year				
i) Principal Amount	NIL	82,30,000	NIL	82,30,000
ii) Interest due but not paid	NIL	NIL	NIL	NIL
iii) Interest accrued but not due	NIL	NIL	NIL	NIL
Total (i+ii+iii)	NIL	82,30,000	NIL	82,30,000

XI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL- (In Rs.)**A.** Remuneration to Managing Director, Whole-time Directors and/or Manager:

Particulars of Remuneration	Name of MD/WTD/ Manager		Total Amount
	Mrs. Zaver S. Bhanushali	Mr. Siddharth S. Bhanushali	
1. Gross Salary			
i). Salary as per provisions contained in Section 17(1) of the Income-tax Act, 1961	660,000.00	588,000.00	1,248,000.00
ii). Value of perquisites u/s 17(2) Income-tax Act, 1961	Nil	Nil	Nil
iii). Profits in lieu of salary under Section 17(3) Income-tax Act, 1961	Nil	Nil	Nil
2. Stock Option	Nil	Nil	Nil
3. Sweat Equity	Nil	Nil	Nil
4. Commission - as % of profit - others, specify...	Nil	Nil	Nil
5. Others, please specify	Nil	Nil	Nil

B. Remuneration to other directors

SN.	Particulars of Remuneration	Name of Directors			Total Amount
1	Independent Directors	Mr. Vikram P. Adagale	Mr. Rajesh P Mange	Mr. Vasant L Mange	
	Fee for attending board committee meetings	8000.00	8000.00	8000.00	24000.00
	Commission	Nil	Nil	Nil	Nil

	Others, please specify	Nil	Nil	Nil	Nil
	Total (1)	8000.00	8000.00	8000.00	24000.00
2	Other Non-Executive Directors				
	Fee for attending board committee meetings	Not Applicable			
	Commission				
	Others, please specify				
	Total (2)	24,000.00			
	Total (B)=(1+2)	24,000.00			
Total Managerial Remuneration (A+B)		1,272,000.00			

C. Remuneration to Key Managerial Personnel other than MD / Manager / WTD – N.A.

XII. PENALTIES / PUNISHMENT/ COMPOUNDING OF OFFENCES: There were no penalties / punishment / compounding of offences for the year ending March 31, 2015.

Annexure – B
SECRETARIAL AUDIT REPORT
FOR THE FINANCIAL YEAR ENDED 31ST MARCH, 2015

(Pursuant to Section 204(1) of Companies Act 2013 and the Rules made thereunder)

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, 2015, 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, 2015 according to the provision 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. [Not applicable to the Company during the Audit Period]
- v. The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):
 - a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
 - b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992;
 - 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.

I have relied upon the representation made by the Company and its Officers for compliances under the laws and regulations as applicable to the Company and of the opinion that there are no sectoral laws applicable specifically to the Company.

I have also examined compliance with the applicable clauses of the Listing Agreements entered into by the Company with the Stock Exchanges in India.

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

- *The Company is yet to appoint whole time Company Secretary and Chief Financial Officer in terms of Section 203 of the Companies Act, 2013 and rules made thereunder.*
- *The Annual General Meeting for the financial year ended 31st March 2014 was held on 29th September, 2014 after giving notice to the members of the Company and the resolutions passed thereat were recorded in the Minutes Book maintained for the purpose, however, the Company has not filed MGT-15 in Form GNL-2 with the Registrar of Company.*
- *The Company has not filed the resolution in Form MGT-14 with the Registrar of Company in respect of appointment of internal auditors, as required under the provisions of the Section 179(3) of the Companies Act, 2013.*

- *The Company has not filed the Limited Review Report as required under the clause 41 of the Listing Agreement entered into by the Company with the Stock Exchanges in India*

I further report that, there were no actions / events in pursuance of:

- a) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008;
- b) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009;
- c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009;
- d) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998,
- e) The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999;

requiring compliance thereof by the Company during the financial year and the Secretarial Standards issued by The Institute of Company Secretaries of India were not applicable during the year.

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.

I further report that 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.

I further report that, based on the information provided by the Company, its officers and authorized representatives during the conduct of the audit and mechanism formed by the Company, in my opinion, adequate systems and processes in the Company commensurate with the size and operations of the Company to monitor and ensure compliance with other applicable laws, regulations and guidelines.

I report further that during the audit period, there were no specific events / actions having a major bearing on the Company's affairs in pursuance of the above referred laws, rules, regulations, guidelines, standards.

**For Nitesh Jain & Co.
Company Secretaries**

Sd/-

Nitesh Jain

M. No. - FCS 6069

CP No. - 8582

Place: Mumbai

Date: 30th April, 2015

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.

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.

For Nitesh Jain & Co.
Company Secretaries

Sd/-
Nitesh Jain
M. No. - FCS 6069
CP No. – 8582

Place: Mumbai
Date: 30th April, 2015

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 equipments - 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

I have audited the accompanying Financial Statements of Caprolactam Chemicals Limited ("the Company") which comprise the Balance Sheet as at 31st March, 2015, the Statement of Profit and Loss and Cash Flow Statement for the year ended on that date and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the companies Act, 2013 ("the Act") with respect to the preparation of these standalone 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

My responsibility is to express an opinion on these financial statements based on my audit. I have conducted my audit in accordance with the Standards on Auditing issued by the Institute of Chartered Accountants of India and as per the section 143(10) of the Act. Those Standards require that I comply with the 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 the internal control relevant to the Company's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by the Management, as well as evaluating the overall presentation of the financial statements.

I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my audit opinion on the Standalone Financial Statements.

Opinion

In my opinion and to the best of my information and according to the explanations given to me, the 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:

- (a) in the case of the Balance Sheet, of the state of affairs of the Company as at 31st March, 2015.
- (b) in the case of the Statement of Profit and Loss, of the profit of the Company for the year ended on that date, and
- (c) in the case of the Cash Flow Statement, of the cash flows of the Company for the year ended on that date.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies [Auditors report] Order 2015 (“the Order”) issued by the Centeal Government of India in terms of sub section (11) of section 143 of the Act, I give in the Annexure a statement on the matters specified in the paragraph 3 and 4 of the said Order to the extent applicable.

2. As required by Section 143(3) of the Act, I report that:

a] I have obtained all the information and explanations which to the best of my knowledge and belief were necessary for the purpose of my audit ;

b] In my opinion , proper books of account as required by law have been kept by the Company, so far as it appears from my examination of those books.

c] The Balance Sheet, Statement of Profit and Loss and Cash Flow Statement dealt with by this report are in agreement with the books of account.

d] In my opinion, the Balance Sheet, Statement of Profit & Loss and Cash Flow Statement comply with the Accounting Standards referred to in Section 133 of the Act read with Rule 7 of the Companies(Accounts)Rules, 2014.

e] On the basis of written representations received from the directors as on 31st March, 2015 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2015 from being appointed as a director in terms of section 164(2) of the Act and

f] 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:

(i) The Company has disclosed the impact of pending litigations on its financial position in its financial statements.

(ii) The Company has made provision, as required under the applicable law or accounting standards, for material foreseeable losses, if any, and as required on long-term contracts including derivative contracts.

(iii) There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.

Place: Mahad

Date: 30th April, 2015

JATIN SHAH

CHARTERED ACCOUNTANT

MEMBERSHIP NO. 103858

ANNEXURE TO THE AUDITORS' REPORT

The Annexure referred to in our Independent Auditors' Report to the members of the Company on the financial statements for the year ended 31st March' 2015, I report that :

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

(b) As explained to me, these fixed assets have been physically verified by the management on a sample basis during the year. In my opinion the frequency of verification is reasonable, certain fixed asset were verified & No material discrepancies were noticed on such physical verification.

(ii) (a) As explained to me, inventories has 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 me, 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.

(c) The Company has maintained proper records of inventory and material discrepancies if any noticed on physical verification as compared to the book records have been properly dealt with in the books of accounts.

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

(iv) There is an adequate internal control procedure commensurate with the size of the Company and the nature of its business, for the purchase of the inventory and fixed assets and for the sale of goods & services. During the course of my audit, I have not observed any continuing failure to correct major weaknesses in the internal control system.

(v) According to the information and explanations given to me, the Company has not accepted any deposits from the public.

(vi) I have broadly reviewed the books of account relating to material, labour and other items of cost maintained by the company prescribed by the Central Government for the maintenance of cost records under section 148(1) of the Act and are the opinion of prima facie, the prescribed accounts & records have been made and maintained. However we have not made any detailed examination of the records.

(vii) (a) According to the information & explanation given to me and the records of the company examined by me, 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, Cess & other statutory dues as applicable with appropriate authorities. According to the information & explanation given to me, no undisputed amounts payable in respect of the aforesaid dues were outstanding as at 31st March 2015 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, Cess that have not been paid to concerned authorities *however following excise duty dues have not been deposited by company on account of disputes :*

<i>Name of the Statute</i>	<i>Nature of dues</i>	<i>Amount (in Rs.)</i>	<i>Period to which amount relates</i>	<i>Forum where dispute is pending</i>
<i>Central Excise Act, 1944</i>	<i>Excise Duty and penalty</i>	<i>25080</i>	<i>2004-05</i>	<i>CESTAT Mumbai</i>

(c) According to the information & explanations given to me, there are no amounts required to be transferred to the investor education & protection fund in accordance with the relevant provision of the Companies Act, 2013 and rules there under.

(viii) According to information & explanation given to me, the Company does not have any accumulated losses at the end of the financial year and ***has incurred cash losses in the financial year and immediately preceding financial year.***

(ix) The company did not have any outstanding dues to financial institutions, banks or debentures holders during the year.

(x) According to information & explanation given to me, the Company has not given any guarantees for loan taken by others from banks or financial institutions.

(xi) The Company did not have any term loans outstanding during the year.

(xii) During the course of my examination of the books of the accounts and records of the company and according to the information & explanation given to me, no material fraud on or by the Company, has been noticed or reported during the year.

Place : Mahad

Date : 30th April, 2015

JATIN SHAH
CHARTERED ACCOUNTANT
MEMBERSHIP NO. 103858

CAPROLACTAM CHEMICALS LIMITED
BALANCE SHEET AS AT 31ST MARCH 2015

	Note No.	As at 31/03/2015	As at 31/03/2014
EQUITY AND LIABILITIES			
Shareholder's Funds			
Share Capital	3	4,59,03,000	4,59,03,000
Reserves and surplus	4	<u>(3,13,36,714)</u>	<u>(3,07,83,373)</u>
		1,45,66,286	1,51,19,627
Share Application Money Pending Allotment		-	-
Non- current liabilities			
Long-term borrowings	5	-	-
Deferred Tax Liabilities (Net)	6	<u>24,37,257</u>	<u>24,37,257</u>
		24,37,257	24,37,257
Current liabilities			
Short-term borrowings	7	82,30,000	8,66,965
Trade Payables	8	32,35,969	10,45,120
Other current liabilities	9	<u>57,82,838</u>	<u>17,37,233</u>
		1,72,48,807	36,49,318
TOTAL		<u><u>3,42,52,349</u></u>	<u><u>2,12,06,202</u></u>
ASSETS			
Non - Current Assets			
Fixed Assets			
Tangible assets	10	2,91,87,192	1,19,19,212
Intangible assets		-	-
Long term loans and advances	11	<u>15,58,246</u>	<u>18,79,988</u>
		3,07,45,438	1,37,99,200
Current Assets			
Inventories	12	18,98,930	24,13,802
Trade receivables	13	1,13,410	27,30,304
Cash and cash equivalents	14	11,40,412	16,30,136
Short-term loans and advances	15	<u>3,54,159</u>	<u>6,32,760</u>
		35,06,911	74,07,002
TOTAL		<u><u>3,42,52,349</u></u>	<u><u>2,12,06,202</u></u>

Summary of Significant Accounting Policies
Notes on Financial Statements

As per my Report of even Date

Jatin Shah
Chartered Accountant

Date :- 30/04/2015
Place :- Mahad

For and On behalf of the Board

Mrs. Z. S. Bhanushali
Managing Director

Mr. S. S. Bhanushali
Director

CAPROLACTAM CHEMICALS LIMITED
STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31ST MARCH 2015

Particulars	Note No.	For the year ended 31/03/2015	For the year ended 31/03/2014
Income			
Revenue from operations	16	2,84,97,846	3,92,42,671
Other Income	17	5,82,894	1,19,767
Total Revenue		<u>2,90,80,740</u>	<u>3,93,62,438</u>
Expenditure			
Cost of materials consumed	18	3,03,258	83,47,384
Purchases of Stock-in-Trade		-	19,782
Changes in inventories of finished goods, work-in-progress and Stock-in-Trade		2,11,615	(41,941)
Employee benefit expenses	19	60,30,949	74,05,696
Financial costs	20	5,91,632	7,904
Depreciation and amortization expenses		23,23,151	18,70,613
Manufacturing Expenses	21	1,49,55,154	2,10,57,114
Administration Expenses	22	31,61,106	35,56,216
Total Expenses		<u>2,75,76,864</u>	<u>4,22,22,768</u>
Profit		15,03,876	(28,60,329)
Exceptional Item			
Less : Loss on obsolescence/damage to Plant/assets		20,57,218	-
Profit before Tax		(5,53,342)	(28,60,329)
Tax expenses			
Less : Current Tax		-	-
Add : Deferred Tax Benefit		-	1,55,988
Profit for the year		(5,53,342)	(27,04,341)
XVI. Earnings per equity share [nominal value of share of Rs.10/- (as at 31.03.14- Rs. 10/-)]			
Basic and Diluted (in Rs.)		(0.12)	(0.59)

Summary of Significant Accounting Policies
Notes on Financial Statements

As per my Report of even Date
Jatin Shah
Chartered Accountant

For and On behalf of the Board
Mrs. Z. S. Bhanushali
Managing Director

Mr. S. S. Bhanushali
Director

Date :- 30/04/2015

Place :- Mahad

CAPROLACTAM CHEMICALS LIMITED
CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH 2015

	For the Year Ended 31/03/2015	For the Year Ended 31/03/2014
A. Cash Flow from Operating Activities		
Profit before Tax	(5,53,342)	(28,60,329)
Adjustments for :-		
Depreciation/Amortisation	23,23,151	18,70,613
Finance charges	5,91,632	7,904
Loss on obsolescence/damage to assets	20,57,218	-
Operating Profit Before Working Capital Changes	44,18,659	(9,81,813)
Capital		
(Increase)/Decrease in Sundry Debtors	26,16,894	2,76,722
(Increase)/Decrease in Inventories	5,14,872	(10,16,190)
(Increase)/Decrease in Loans and Liabilities	6,00,342	(1,30,111)
	62,36,454	13,79,265
Cash Generated from Operations	1,43,87,221	(4,72,127)
Taxes paid (Including TDS)	-	(8,28,107)
Net Cash from Operating Activities - A	1,43,87,221	(13,00,234)
B. Cash Flow from Investing activities		
Purchase of Fixed Assets (Net)	(2,16,48,349)	-
Net Cash used in Investing activities - B	(2,16,48,349)	-
C. Cash Flow From Financing Activities		
Finance Charges	(5,91,632)	(7,904)
Increase in Short Term / Long Term Borrowings	73,63,035	7,14,299
Net Cash from Financing Activities - C	67,71,403	7,06,395
Net Increase/ Decrease (+/-) in Cash & Cash Equivalents	(4,89,724)	(5,93,838)
Cash and Cash Equivalents at the commencement of the year	16,30,136	22,23,974
Cash and Cash Equivalents at the end of the year	11,40,412	16,30,136

Summary of Significant Accounting Policies

Notes on Financial Statements 1 to 37

As per my Report of even Date

Jatin Shah

Chartered Accountant

Date :- 30/04/2015

Place :- Mahad

For and On behalf

Mrs. Z. S.

Managing Director

Mr. S. S. Bhanushali

Director

CAPROLACTAM CHEMICALS LIMITED
NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2015

Note 3

	As at 31/03/2015	As at 31/03/2014
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 : Calls in arrears - by others	97,000	97,000
TOTAL	4,59,03,000	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	
		31/03/2015	31/03/2014
		No. of Shares	
At the beginning of the period	46,00,000	4,60,00,000	4,60,00,000
Outstanding at the end of the period	46,00,000	4,60,00,000	4,60,00,000

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

Name of the Shareholder	As at		As at	
	31/03/2015		31/03/2014	
	No. of Shares	% of holding	No. of Shares	% of holding
Siddharth S. Bhanushali	7,02,850	15.28%	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**

Surplus/ (deficit) in the statement of profit and loss

As per Last Balance sheet	(3,07,83,373)	(2,80,79,033)	
Add: Profit for the year	(5,53,342)	(27,04,341)	
Net Surplus/(deficit) in the statement of profit and loss	(3,13,36,714)	(3,07,83,373)	
Total Reserves and Surplus	(3,13,36,714)	(3,07,83,373)	

Note 5:**Long Term Borrowings****Secured Loans**

Car Loan

-	-
-	-
<u>-</u>	<u>-</u>

A. Car Loan is secured by way of hypothecation of Car

Note 6:**Deferred Tax Liability**

related to Depreciation/amortisation

24,37,256	24,37,256
<u>24,37,256</u>	<u>24,37,256</u>

Note 7:**Short Term Borrowings****Unsecured Loans**

Loan from Directors

82,30,000	8,66,965
<u>82,30,000</u>	<u>8,66,965</u>

Note 8:**Trade Payables**

Micro Small and Medium Enterprises

Others

-	-
32,35,969	10,45,120
<u>32,35,969</u>	<u>10,45,120</u>

Note 9:**Other Current Liabilities**

Interest Accrued But Not Due On

Borrowings

Creditors for expenses

Security Deposit

Provident Fund Contribution

Taxes payable

-	1,097
19,57,896	17,33,830
38,00,000	-
2,306	2,306
22,636	-
<u>57,82,838</u>	<u>17,37,233</u>

Note 11:**Long Term Loans and Advances**

Deposits

Advance Income Tax (Net of provisions)

Other Loans and Advances

8,00,353	7,92,853
6,32,979	8,69,680
1,24,914	2,17,455
<u>15,58,246</u>	<u>18,79,988</u>

Note 12:**Inventories**

For Inventory Valuation referer note 2
(As Certified by the Management)

Raw material

Finished goods

Stores and spares

Other

- Packing materials

- Utility

- Fuel

Total

-	30,278
41,934	2,53,549
3,15,718	16,57,241
82,693	93,613
45,174	55,671
14,13,411	3,23,450
<u>18,98,930</u>	<u>24,13,802</u>

Note - 10										
FIXED ASSETS										
	GROSS BLOCK			DEPRECIATION				NET BLOCK		
	As on 31/03/14	Additions	Deductions	As on 31/03/15	As on 31/03/14	For the year	Depreciation Deduction	As on 31/03/15	As on 31/03/15	As on 31/03/14
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	-		71,62,007	63,63,608	60,525	-	64,24,133	7,37,874	7,98,399
2. Administration Bldg.	5,58,415	-		5,58,415	4,72,920	6,481	-	4,79,401	79,014	85,495
C. PLANT & MACHINERY										
1. Glycol Ether Plant	2,02,51,978	98,36,949	73,52,304	2,27,36,623	1,73,72,404	5,50,130	(70,95,682)	1,08,26,852	1,19,09,771	28,79,574
2. Vinyl Sulphone Plant	2,07,97,813	1,17,85,473	1,25,12,226	2,00,71,060	1,88,55,698	4,03,738	(1,20,10,651)	72,48,785	1,28,22,275	19,42,115
3. Ethyl Acetate Plant	3,63,41,631	-	1,68,96,839	1,94,44,792	3,14,67,112	8,01,633	(1,58,30,968)	1,64,37,777	30,07,015	48,74,519
4. E.O. Storage Plant	14,13,362	-	14,13,362	-	13,25,077	-	(13,25,077)	(0)	0	88,285
5. E.T.P.	59,54,720	-		59,54,720	55,13,521	3,42,544	-	58,56,065	98,655	4,41,199
6. Steel Tank	1,61,400	-		1,61,400	1,37,272	5,331	-	1,42,603	18,798	24,128
D. OFFICE EQUIPMENTS										
1. Electronic Calculator	6,040	-	6,040	-	5,820	-	(5,820)	0	(0)	220
3. Fax Machine	47,795	-	47,795	-	44,449	-	(44,449)	(0)	0	3,346
4. EPABX	1,02,900	-	1,02,900	-	96,824	-	(96,824)	(0)	0	6,076
5. Air Conditioners	2,37,638	-	2,14,100	23,538	2,09,653	12,485	(1,99,257)	22,881	657	27,985
6. Pagers & Mobile Phone	62,233	-	62,233	-	58,498	-	(58,498)	(0)	0	3,735
7. Xerox Machine	58,831	-	58,831	-	54,925	-	(54,925)	0	(0)	3,906
8. Software Program	50,000	-	50,000	-	41,712	-	(41,712)	0	(0)	8,288
E. FURNITURE & FITTINGS										
1. Furniture & Fixtures	7,46,374	-	7,46,374	-	7,08,881	13,156	(7,22,037)	(0)	0	37,493
2. Electrical Installation	15,98,111	-	15,98,111	-	15,56,312	-	(15,56,312)	(0)	0	41,799
F. VEHICLES										
1. Motor & Motor Cycle	20,33,925	-	14,13,703	6,20,222	17,87,403	1,27,128	(14,08,350)	5,06,181	1,14,041	2,46,522
2. Cycle	800	-	800	-	800	-	(800)	-	-	-
3. Truck	10,85,585	-	10,85,585	-	10,82,630	-	(10,82,630)	(0)	0	2,955
1. Computers	6,80,811	-	6,80,811	-	6,76,729	-	(6,76,729)	0	(0)	4,082
TOTAL (Rs.)	9,97,51,458	2,16,22,422	1,68,96,839	7,71,31,866	8,78,32,246	23,23,151	(4,22,10,721)	4,79,44,676	2,91,87,189	1,19,19,210
PREVIOUS YEAR (Rs.)	9,97,51,458	-	-	9,97,51,458	8,59,61,633	18,70,613	-	8,78,32,246	1,19,19,212	1,37,89,824

Note 13:**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	-	-
	1,13,410	27,30,304
	<u>1,13,410</u>	<u>27,30,304</u>

Note 14:**Cash and Cash Equivalents**

Balances with Bank		
-In Current Accounts	2,21,252	5,71,555
-In Deposit Accounts	9,12,688	8,55,541
Cash on Hand	6,472	2,03,040
	<u>11,40,412</u>	<u>16,30,136</u>

Note 15:**Short Term Loans and Advances**

Balance with Tax Authorities	3,06,839	5,52,035
Prepaid Expenses	47,320	80,725
	<u>3,54,159</u>	<u>6,32,760</u>

Note 16:**Revenue from operations**

Sale of products	1,18,584	1,24,69,894	
Job Work Charges	2,83,82,438	2,69,79,462	
Traded Goods	-	23,100	3,94,72,456
	2,85,01,022		
Less: Excise duty	(3,176)		(2,29,785)
Total	<u>2,84,97,846</u>		<u>3,92,42,671</u>

Note 17:**Other Income**

Interest Income	1,54,805	88,767
Discount	14,029	-
Misc. Income	4,14,060	31,000
Total	<u>5,82,894</u>	<u>1,19,767</u>

Note 18:**Cost of materials consumed**

A) Raw Material Consumed			
Opening Stock	20,66,641	10,62,272	
Add: Purchases	-	93,21,633	
	20,66,641	1,03,83,905	
Less: Closing Stock	(17,74,303)	(20,66,641)	
	2,92,338		83,17,264

B) Packing Materials			
Opening Stock	93,613	1,23,733	
Add: Purchases	-	-	
	93,613	1,23,733	
Less: Closing Stock	(82,693)	(93,613)	
(B)		10,920	30,120
Total (A+B)		<u>3,03,258</u>	<u>83,47,384</u>

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

Opening Stock			
I. Finished Goods	2,53,549		2,11,608
Less: Closing Stock			
II. Finished Goods	41,934		2,53,549
TOTAL (I)-(II)		<u>2,11,615</u>	<u>(41,941)</u>

Note 19:

Employee Cost			
Salary and other perquisites	54,84,000		53,92,000
Contribution to Provident Fund and Other Funds	14,712		14,712
Staff Welfare Expenses	5,32,237		3,99,771
	-		15,99,213
Total	<u>60,30,949</u>		<u>74,05,696</u>

Note 20:

Financial costs

Interest on Loan	5,91,632		7,904
Total	<u>5,91,632</u>		<u>7,904</u>

Note 21:

Manufacturing Expenses:

Power and Fuel	1,17,70,408		1,16,94,765
Stores, Spares and other consumables	8,16,806		59,54,703
Utility Expenses	6,39,096		2,97,365
Water Cess	319		522
Labour Charges	3,63,878		12,63,858
Water Charges	4,94,937		3,92,558
Weighing Charges	19,720		18,490
Repairs & Maintenance - Machinery	3,52,621		11,62,049
Lab Expenses	2,69,181		1,77,625
Testing Charges	-		5,320
Freight	2,28,189		89,860
Total	<u>1,49,55,154</u>		<u>2,10,57,114</u>

Note 22:**Administration Expenses:**

Audit Fees	28,090	28,090
Courier Charges	32,465	27,451
Desiel & Petrol Charges	3,10,050	82,416
Factory Insurance	1,10,000	1,04,255
Gardening & Mainteance	-	7,582
General Expenses	2,95,919	4,20,319
Bank Charges	7,385	6,705
Conveyance	69,492	75,752
Gram Panchayat Tax	43,633	43,633
Inspection Charges	3,900	-
Insurance	24,175	27,240
Insurance Workman Composition	1,30,956	1,11,800
Professional fees	2,17,588	98,663
Motor Car Expenses	1,10,630	98,551
Professional Tax (company)	2,500	2,500
Telephone Charges	88,655	71,165
License Renewal Fees	28,915	1,53,990
License Fees	7,490	41,199
Listing Fees	1,19,101	23,033
Loading & Unloading	78,054	1,09,135
Meeting Fees	26,964	22,000
Packing & Forwarding	16,782	6,298
Postage & Telegram	34,266	34,123
Printing & Stationary	63,342	43,043
Repairs & Mainteance- Others	4,34,498	12,69,700
ROC Fees	7,362	2,556
Service Tax	787	54,977
Security Charges	3,65,348	1,65,928
Subscription Charges	-	5,000
Rent	4,80,000	3,60,000
Advertising Expenses	22,759	59,112
Total	<u>31,61,105</u>	<u>35,56,215</u>

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2015**1. Corporate Information**

Caprolactam Chemicals Limited is a public limited company domiciled in India and incorporated under the provisions of Companies Act, 1956. The company is engaged in manufacturing and does Job Work in Chemicals.

2. Summary of significant accounting policies**A. Basis of Preparation:**

The Financial Statement is prepared to comply with the generally accepted accounting principles in India (Indian GAAP), including accounting standards notified under relevant provisions of Companies Act, 2013/Companies Act 1956, as applicable.

The financial statements of the company are prepared under historical cost convention on an accrual basis.

B. USE OF ESTIMATES:

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 recognised in the period in which the results are known/ materialised.

C. 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.

D. 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.

E. Inventories:

- I. Stock in trade comprise of raw materials valued at cost or market value which ever is less.
- II. Finished stock is valued at cost.

F. REVENUE RECOGNITION:

- i) Revenue from sale of goods and job work is recognised on dispatch, which coincides with transfer of significant risk and rewards to customer. Further, sales revenues are net of VAT, excise duties, sales returns and discounts.
- ii) Income on term deposits is accounted on accrual basis.

G. EMPLOYEE BENEFIT:

(a) Short term employee benefits are recognised 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 post employment 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.

H. TAXATION:

Provision for taxation comprises of Current Tax and Deferred Tax. Current Tax Provision has been made on the basis of relief and deductions available under the Income Tax Act, 1961.

The deferred tax for timing difference between the book profit and tax profits is accounted for using the tax rates and laws that have been enacted or substantively enacted as of the Balance Sheet date.

I. PROVISIONS, CONTINGENT LIABILITIES AND CONTINGENT ASSETS:

Provisions are recognised for when the company has at present legal or contractual obligation as a result of past events and there is probability of outflow of resources and the amount is capable of being estimated reliably. Contingent liability is disclosed by way of note when the said conditions are not met. Contingent assets are not recognised /disclosed.

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.

23. In the opinion of Board of Directors, the current assets, loans and advances have realisable 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 Service Tax)	(Amount in Rs.)	
	<u>2014-15</u>	<u>2013-14</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	<u>2014-15</u>	<u>2013-14</u>
On Account of Depreciation	24,37,257	24,37,257

27. EARNINGS PER SHARE

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

Particulars	2014-15	2013-14
Net Profit/(Loss) after tax and Prior period items	(553345)	(2704341)
Weighted Average Number of Equity Shares		
Basic	46,00,000	46,00,000
Add: Effect of Dilutive Shares	0	0
Diluted	46,00,000	46,00,000
Earnings Per Share (in Rs.)		
Basic	(0.12)	(0.59)
Diluted earning per share	(0.12)	(0.59)

28. Related party disclosures as required by AS 18 :-

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 P.Ltd.

Vamotech Organics Ltd

Transactions with Related Parties:

(Amount in Rs.)

Expenditure

Remuneration	2014-15	2013-14
Zaver S. Bhanushali	6,60,000	6,04,000
Siddharth S. Bhanushali	5,88,000	5,52,000
Interest on Loan	5,91,483	-
Zaver S. Bhanushali		
Unsecured Loans Taken		
Zaver S. Bhanushali	1,44,53,135	70,40,000
Unsecured Loans repaid		
Zaver S. Bhanushali	70,90,100	61,73,035
Unsecured Loans Balance		
Zaver S. Bhanushali	82,30,000	8,66,965

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 31-03-2015		Year ended 31-03-2014	
	Amount	%	Amount	%
Raw Materials and Stores				
Imported	0	0	0	0
Indigenous	3,03,258	100	83,47,384	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.

37. Calls unpaid on account of share capital Rs. 97,000 are Subject to Reconciliation.

As per my report of even date

For and on behalf of the Board

JATIN SHAH
CHARTERED ACCOUNTANT

MRS. Z. S. BHANUSHALI
Managing Director

S. S. BHANUSHALI
Director

Date : 30/04/2015

Place : Mahad

The information relating to the Balance Sheet abstracted and the Company's general business profit as per Part IV to Schedule VI TO THE companies Act, 1956 is as under:

I Registration Details

Registration No. CIN NO. U24110MH1988PLC049683 State Code: 11

Balance Sheet Date: 31-03-2015.

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

Total Liabilities	3,42,52,346	Total Assets	3,42,52,346
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Sources of Founds

Paid-up Capital	4,59,03,000	Reserves and Surplus	-3,13,36,717
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Secured Loans	Nil	Unsecured Loans	82,30,000
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Deferred Tax	24,37,257		
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Application of Founds

Net Fixed Assets	2,91,87,189	Investment	Nil
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Net Current Assets	-1,21,83,650	Misc. Expenditure (P&L a/c)	Nil
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IV Performance of Company

Turnover	3,92,42,671	Total Expenditure	4,22,22,767
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Profit / Loss before tax	-28,60,329	Profit / Loss after tax	-27,04,341
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Earning Per Share Rs.	-0.12	Dividend Rate %	Nil
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V 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

For and on behalf of the Board

JATIN SHAH
CHARTERED ACCOUNTANT

MRS. Z. S. BHANUSHALI	S. S. BHANUSHALI
Managing Director	Director

Place : Mahad

Date : 30/04/2015

CAPROLACTAM CHEMICALS LIMITED

(CIN: L24110MH1988PLC049683)

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

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

Telfax: 02145-233427

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

Name of the Member(s)

Registered Address

DPID:CLID:Reg. Folio No. :

No. of Shares:.....

I / We, being the member(s) ofshares of the above named Company, hereby appoint:

1. Name :.....of.....having an E-mail ID:....., failing him/her;
 2. Name :.....of.....having an E-mail ID:....., failing him/her;
 3. Name :of.....having an E-mail ID:....., failing him/her;
- as my / our proxy to attend and vote (on a poll) for me / us and on my / our behalf at the 26th Annual General Meeting of the Company, to be held on Monday, September 28, 2015, at 10.00 a.m. at B/31, MIDC, Mahad, Distt. – Raigad - 402302 and at any adjournment thereof in respect of such resolution as are indicated below:

Sr. No.	Resolution(s)	Vote	
		For	Against
1	Adoption of Audited Financial Statements, Auditors Report & Directors Report along with their annexures for the year ended 31st March, 2015.		
2	Appointment of M/s. L J Kothari & Co., Chartered Accountants, Mumbai as statutory auditors of the Company to hold office till the conclusion of 31 st Annual General Meeting.		
3	Re-appointment of Mrs. Zaver S Bhanushali as Managing Director of the Company.		
4	Appointment of Mr. Siddharth S. Bhanushali as Whole Time Director of the Company.		
5	Appointment of Mr. Vikram P. Adagale, as an Independent Director of the Company.		
6	Appointment of Mr. Rajesh P. Mange as an Independent Director of the Company.		
7	Appointment of Mr. Vasant L. Mange as an Independent Director of the Company.		

Signed thisday of2015

Signature of shareholder

Signature of first proxy

Notes :

- This form 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 of meeting.
- This is only optional. Please put a 'X' in the appropriate column against the resolutions indicated in the Box. If you leave the 'For' or 'Against' column blank against any all the resolutions, your Proxy will be entitled to vote in the manner as he/she thinks appropriate.

CAPROLACTAM CHEMICALS LIMITED**(CIN: L24110MH1988PLC049683)****Regd. Office: B/31, MIDC, Mahad, Distt. – Raigad - 402302****E-mail: caprolactam@gmail.com, website: www.caprolactam.in****Telfax: 02145-233427****ATTENDANCE SLIP****26th Annual General Meeting – Monday, September 28, 2015 at 10.00 a.m.**

PLEASE COMPLETE THIS ATTENDANCE SLIP AND HAND IT OVER AT THE ENTRANCE OF THE MEETING HALL
Joint Shareholders may obtain additional Slips on request.

I hereby record my presence at the **26th ANNUAL GENERAL MEETING** of the Company held at B/31, MIDC, Mahad, Distt. – Raigad - 402302 on Monday, September 28, 2015 at 10.00 a.m.

Full Name of the Member (in BLOCK LETTERS) _____

Regd. Folio No. _____ No. of Shares held _____

DP ID No. _____ Client ID No. _____

Full name of the Proxy (in BLOCK LETTERS) _____

Member's / Proxy's Signature _____
