Caprolactam Chemicals Limited

Plant & Regd. Office:
Plot No. B-31, M.I.D.C. - Mahad,
Taluka - Mahad, Dist Raigad - 402 302.
Maharashtra, India • Tel. : (02145) 233427
CIN No. : L24110MH1988PLC049683
Web. : www.caprolactam.co.in
Email : caprolactamcl@gmail.com

30th June, 2020

The Deputy Manager,
Department of Corporate Services,
BSE Limited,
P.J. Towers, Dalal Street, Fort,
Mumbai – 400001.

Scrip Code: 507486 (BSE)

Dear Sir,

Subject: Outcome of the Board Meeting held on Tuesday, 30th June, 2020

Pursuant to Regulations 30 and 33 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations") read with Schedule III to the Listing Regulations, this is to inform you that the Board of Directors of the Company, at its Meeting held today, i.e., on Tuesday, 30th June, 2020 inter alia, has approved the following:

(a) Approval of Audited Financial Results of the Company for the Quarter and Financial Year ended 31st March, 2020:

Upon recommendation of the Audit Committee, the Board of Directors has approved the Audited Financial Results as per Indian Accounting Standards (IND AS) for the Quarter and Financial Year ended 31st March, 2020.

Accordingly, please find enclose herewith:

(i) Audited Financial Results for the year ended 31st March, 2020; and
(ii) Statutory Auditors Report on the Audited Financial Results for the year ended 31st March, 2020

The Report of the Statutory Auditors is with an unmodified opinion with respect to the Audited Financial Results of the Company for the Quarter and Financial Year ended 31st March, 2020.

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Further, pursuant to the relaxation granted by the Securities and Exchange Board of India (SEBI) vide its Circular No SEBI vide Circular No. SEBI/HO/CFD/CMD1/CIR/P/2020/48 dated 26th March, 2020 and SEBI/HO/CFD/CMD1/CIR/P/2020/79 dated 12th May, 2020 regarding exemption from publication of advertisements in newspapers as required under Regulation 47 of the SEBI Listing Regulations for all events scheduled till 30th June, 2020, the Company shall not publish the Financial Results of the aforesaid Board Meeting in the newspapers.

Kindly take the same on your record and oblige.

This is for the information of members.

Thanking you,

Yours Faithfully,

For Caprolactam Chemical Limited

Zaver S. Bhanushali
Managing Director
DIN: 00663374

Caprolactam Chemicals Limited

CIN No. L24110MH1988PLC049683

AUDITED FINANCIAL RESULTS FOR THE QUARTER & YEAR ENDED 31ST MARCH ,2020

PART I		(Rs. In Lacs)				
	PARTICULARS	Quarter Ended			Year Ended	
		(Audited)	(Unaudited)	Audited	(Audited)	
		31-03-2020	31-12-2019	31-03-2019	31-03-2020	31-03-2019
1	**Revenue From Operetion**					
	Revenue from Operations	98.727	197.777	210.157	651.309	518.841
	Other Income	5.109	0.089	6.870	5.657	.7.208
	Total Income	**103.836**	**197.866**	**217.026**	**656.966**	**526.049**
2	**Expenses**					
(a)	Cost of materials consumed	1.597	7.139	0.227	1.824	26.324
(b)	Purchase of stock-in Trade	0.000	0.000	0.000	0.000	0.000
(b)	Change in inventories of Finished goods, work-in-progress and stock-intrade	0.015	-0.015	0.000	0.000	12.083
(C)	Employee benefits expenses	6.146	6.563	7.058	22.926	22.703
(d)	Finance Costs	7.848	7.165	9.144	29.861	34.128
(e)	Depreciation, depletion and amortisation expenses	18.010	28.831	9.947	102.271	96.840
(f)	**Other expenses**					
	(1) Electricity	41.863	19.288	43.512	105.787	80.477
	(2) Labour Charges	23.766	31.267	32.313	102.724	68.800
	(3) Repair	22.195	4.172	8.593	53.293	29.256
	(4) Utility	3.235	3.192	4.055	18.777	15.385
	(5) Spar Tools	11.654	3.523	4.763	30.036	20.050
	(6) Other expenses	3.985	26.822	15.630	63.670	55.584
	Total other expenses	**106.698**	**88.264**	**108.866**	**374.287**	**269.552**
	Total expenses	**140.314**	**137.947**	**135.242**	**531.169**	**461.630**
3	**Profit / (Loss) before exceptional items and tax**	**-36.478**	**59.919**	**81.784**	**125.797**	**64.419**
4	Exceptional items	0.000	0.000	0.000	0.000	0.000
5	**Profit before tax**	**-36.478**	**59.919**	**81.784**	**125.797**	**64.419**
7	**Tax expense**					
8	Current tax	31.670	0.000	12.500	31.670	12.500
9	Defered tax	-0.984	0.000	1.755	-0.984	1.755
10	**Total tax expenses**	**30.686**	**0.000**	**14.255**	**30.686**	**14.255**
11	Net movement in regulatory deferral account balances related to profit or loss and the related deferred tax movement	0.000	0.000	0.000	0.000	0.000
14	**Net Profit Loss for the period from continunig operations**	**-67.164**	**59.919**	**67.529**	**95.111**	**50.164**
15	Profit (Loss) from discontinued operations before tax	0.000	0.000	0.000	0.000	0.000
16	Tax expense of discontinued operations	0.000	0.000	0.000	0.000	0.000
17	Profit (loss) from discontinued operations before tax	0.000	0.000	0.000	0.000	0.000
19	Share of profit (loss) of associates and joint ventures accounted for using equity method	0.000	0.000	0.000	0.000	0.000

CAPROLACTAM CHEMICALS LIMITED MAHAD

BIPIN KOTHARI M. No. 155037 Chartered Accountant

21	**Net Profit (loss) for the period**	**-67.164**	**59.919**	**67.529**	**95.111**	**50.164**
22	Other Comprehensive Income net of taxes	0.000	0.000	0.000	0.000	0.000
23	**Total Comprehensive Income for the period**	**-67.164**	**59.919**	**67.529**	**95.111**	**50.164**
24	**Total profit or loss, attributable to**					
	Profit or loss, attributable to owners of parent					
	Total profit or loss, attributable to non-controlling interests					
25	**Total Comprehensive Income for the period attributable to**					
	Comprehensive income for the period attributable to owners of parent	0.000	0.000	0.000	0.000	0.000
	Total Comprehensive Income for the period attributable to owners of parent non- controlling interests	0.000	0.000	0.000	0.000	0.000
26	**Details of equity share capital**					
	Paid-up Equity share Capital	460.000	460.000	460.000	460.000	460.000
	Face Value of equity share capital	10.000	10.000	10.000	10.000	10.000
27	**Details of debt securities**					
28	Reserve excluding Revatuation Reserves				-110.403	-205.515
29	**Eanring per share**					
i	**Earnings per equity share for continuing operations**					
	Basic earnings (loss) per share from continuing operations	-1.460	1.303	1.468	2.068	1.091
	Diluted earnings (loss) per share from continuing operations	-1.460	1.303	1.468	2.068	1.091
ii	**Earnings per equity share for discontinued operations**					
	Basic earnings (loss) per share from discontinued operations	0.000	0.000	0.000	0.000	0.000
	Diluted earnings (loss) per share from discontinued operations	0.000	0.000	0.000	0.000	0.000
iii	**Earnings per equity Share**					
	Basic earning (loss) per share from contining and discontinued operations	-1.460	1.303	1.468	2.068	1.091
	Dilluted earnings (loss) per share from continuing and discontinued operations	-1.460	1.303	1.468	2.068	1.091
30	Debt equity ratio	0.000	0.000	0.000	0.000	0.000
31	Debt service coverage ratio	0.000	0.000	0.000	0.000	0.000
32	Interest service coverage ratio	0.000	0.000	0.000	0.000	0.000
33	**Disclosure of notes on finance results**					
	1. The results of the quarter ended 31st March, 2020 & year ended 31st March, 2020 were reviewed by the Audit Committee and approved by the Board of Directors at their respective meetings held on 30 June, 2020					

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	2) The Company has adopted the Indian Accounting Standards (Ind AS) from 1st April 2017 and these financial results have been prepared in accordance with the Companies (Indian Accounting Standards) Rule, 2015 ("Ins AS") prescribed under Section 133 of the Companies Act, 2013 and other accounting principles generally accepted in India.
	3) The format of unaudited quarterly results as prescribed by SEBI's Circuler CIR/CFD/CMD/15/2015 dated 30th November2015 has been modified to comply wih the requirements of SEBI Circuler dated 5th July 2016, Ind AS and Schedule III to the Companies Act,2013.
	4) As the Company's business activity falls within a single significant business segment, viz. " Manufacturing" no separate segment information is enclosed.
	5) There is no investors complain pending with the company.
	6) Previous Year Figures have been regrouped wherever necessary.
	Place: Mahad FOR AND BEHALF OF THE BOARD OF DIRECTORS Date: 30/06/2020 Mrs. Zaver S Bhanushali Managing Director

CAPROLACTAM CHEMICALS LIMITED MAHAD

BIPIN KOTHARI M. No. 155037 Chartered Accountant

CAPROLACTAM CHEMICALS LIMITED

(Amount in Rs. in lacs)

	Standalone Statement of Assets and Liabilities Particulars	Period ended As at 31/03/2020 Audited	Period ended As at 31/03/2019 Audited
	ASSETS		
1	**Non-current assets**		
	Property, plant and equiment	607.069	636.782
	Capital work-in-progress		
	Investment property		
	Goodwill		
	Other intangible assets		
	Intangible assets under development		
	Biological assets other than bearer plants		
	Investments accounted for using equity method		
	Non-current financial assets		
	Non-current investments		
	Tradereceivable, non-current		
	Loans, non-current		
	Other non-current financial assets	13.455	
	Total non-current financial assets		
	Deferred tax assets(net)	-23.323	-24.307
	Other non-current assets		
	Total non-current assets	597.201	612.475
2	**Current assets**		
	Inventories	**8.227**	**9.211**
	Current financial assets		
	Current investments		
	Trade receivables	30.001	3.983
	Cash and cash equivalents	15.393	15.989
	Bank balance other than cash and cash equivalents	18.408	15.920
	loans, current		
	Other current financial assets	1.900	58.777
	Total Current financial assets	65.702	94.669
	Current tax assets (net)		
	Other current assets	**16.566**	
	Total current assets	**90.495**	**103.880**
3	**Non-current assets classified as held for sale** **Regulatory deferral account debit balances and related deferred tax assets**		
	Total assets	**687.696**	**740.662**
	EQUITY AND LIABILITIES		
1	**Equity**		
	Equity attributable to owners of parent		
	Equity share capital	460.000	460.000
	Other equity	-110.403	-205.515
	Total equity attributable to owners of parent	349.597	254.485
	Non controlling interest		

CAPROLACTAM CHEMICALS LIMITED MAHAD

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	Total equity	349.597	254.485
2	**Liablities**		
	Non-current liabilities		
	Non-current financial liabilities		
	Borrowings, non-current		
	Trade paybles, non-current		
	Other non-current financial liablities		
	Total non-current financial liablities		
	Provisions, non-current		
	Deferred tax liablities (net)		
	Deferred government grants, Non -current		
	Total non-current liabilities		
	Current liabilities		
	Current financial liabilities		
	Borrowings, current	244.715	327.645
	Trade paybles, current	50.215	80.527
	Other current financial liablities	6.922	41.198
	Total current financial liablities	301.852	449.370
	Other current liablities	4.577	
	Provisions, current	0.000	0.000
	Current tax liablities (net)	31.670	12.500
	Deferred government grants, current		
	Total current liablities	338.099	461.870
3	Liablities directly associated with assets in disposal group classified as held for sale		
4	Regulatory deferral account credit balances and related deferred tax laiblity		
	TotaL liabilities	338.099	486.177
	Total equity and liablities	687.696	740.662

Disclosure of notes on assets and liablities

1. The results of the quarter ended 31st March, 2020 & year ended 31st March 2020 were reviewed by the Audit Committee and approved by the Board of Directors at their respective meetings held on 30th June, 2020.

2. Previous Year Figures have been regrouped wherever necessary.

Place: Mahad

Date: 30/06/2020

FOR CAROLACTAM CHEMICALS LIMITED

MANAGING DIRECTOR

CAPROLACTAM CHEMICALS LIMITED MAHAD

BIPIN KOTHARI M. No. 155037 Chartered Acc Thane

Bipin Kothari & Associates
CHARTERED ACCOUNTANTS

Bipin Kothari
B.Com, LL.B(Gen), F.C.A.

Independent Auditor's Report

To the Members of Caprolactam Chemicals Limited

Report on the Financial Statements

We have audited the accompanying financial statements of **Caprolactam Chemicals Limited** ('the Company'), which comprise the Balance Sheet as at 31 March 2020, the Statement of Profit And Loss and the Cash Flow Statement for the year then ended, and a summary of significant accounting policies and other explanatory information.

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at 31 March 2020 and its profit and its cash flows for the year ended on that date.

Key Audit Matters

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

Sr. No.	Key Audit Matter	Auditor's Response
1	**Revenue** Revenue from sale of Goods and Job Work is recognized to the extent the Company has delivered goods or rendered services under an agreement, the amount of revenue can be measured reliably and it is probable that the economic benefits associated with the transaction will flow to the Company. Revenue is measured at the fair value of the consideration received; further, revenues are	Our audit included but was not limited to the following activities: • Mapped and evaluated selected systems and processes for revenue recognition and tested a sample of key controls. • Assessed whether the accounting principles comply with the Ind AS. • Tested a sample of sales transactions for compliance with the Company's accounting principles. • Performed data analytical procedures to

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	accounted net of net of taxes, sales returns and discounts. Refer Notes 27 to the Financial Statements	identify and evaluate a sample of manual and automatic journal entries. • Traced disclosure information to accounting records and other supporting documentation.
2	**Property, Plant & Equipment** Property, Plant & Equipment are stated at cost less accumulated depreciation. When parts of an item of plant have different useful lives they are accounted for as separate items of plant and equipment. Refer Notes 3 to the Financial Statements	Our audit included but was not limited to the following activities: • Reviewed the key assumptions and estimates used by management in the value in use calculation. • Reviewed the key assumptions in making additions in the value of assets and its date considered as put to use. • Reviewed management assessment on the reasonableness of the useful lives of fixed assets. • Assessed whether the accounting principles comply with the Ind AS. • Tested a sample of transactions for compliance with the Company's accounting principles. • Performed data analytical procedures to identify and evaluate a sample of manual and automatic journal entries. • Traced disclosure information to accounting records and other supporting documentation.

Management's Responsibility for the Financial Statements

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation and presentation of these financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company 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

BIPIN KOTHARI M. No. 155037 Chartered Accountant

operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

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

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

We conducted our audit in accordance with the Standards on Auditing specified under Section 143(10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation of the financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Company's Directors, as well as evaluating the overall presentation of the financial statements.

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

Report on Other Legal and Regulatory Requirements

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

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

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

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

BIPIN KOTHARI M. No. 155037 Chartered Accountant

(c) the balance sheet, the statement of profit and loss and the cash flow statement dealt with by this Report are in agreement with the books of account;

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

(e) on the basis of the written representations received from the directors as on 31 March 2020 taken on record by the Board of Directors, none of the directors is disqualified as on 31 March 2020 from being appointed as a director in terms of Section 164 (2) of the Act;

(f) with respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate report in "Annexure B"; and

(g) 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, on long-term contracts including derivative contracts;

iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

As per my report of even date attached
For Bipin Kothari & Associates
Chartered Accountant
FRN: 137687W

BIPIN KOTHARI M. No. 155037 Chartered Accountant

CA. Bipin Kothari
[Proprietor]
Membership No 155037
Date :- 30/06/2020
Place :- Mahad

Bipin Kothari & Associates
CHARTERED ACCOUNTANTS

Bipin Kothari
B.Com, LL.B(Gen), F.C.A.

Annexure - A to the Auditors' Report

The Annexure referred to in Independent Auditors' Report to the members of the Company on the financial statements for the year ended 31 March 2020, we report that:

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

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

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

(ii) (a) Inventories have been physically verified by management at reasonable intervals during the year. In my opinion, the frequency of such verification is reasonable.

(b) In my opinion and according to the information and explanations given to us, the procedures of physical verification of inventories followed by the management are reasonable and adequate in relation to the size of the Company and the nature of its business.

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

(iv) In our opinion and according to the information and explanations given to us, the Company has not made any loan, guarantee or security in favour of its directors or to any other person in whom the director is interested neither made any loans and investment.Therefore Sec185 and 186 of the Act, is not applicable.

(v) The Company has not accepted any deposits from the public and hence the directives issued by the Reserve Bank of India and the provisions of Sections 73 to 76 or any other relevant provisions of the Act and the Companies (Acceptance of Deposit) Rules, 2015 with regard to the deposits accepted from the public are not applicable.

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

(vii) (a) According to the information and explanation given to us and the records of the company examined by us, In my opinion, the company is generally regular in

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depositing undisputed statutory dues including Provident fund, Employee State Insurance, Income Tax, Sales Tax, Wealth Tax, Service Tax, Custom Duty Excise Duty, Goods and Services Tax (GST), Cess & other statutory dues as applicable with appropriate authorities. According to the information & explanation given to us, no undisputed amounts payable in respect of the aforesaid dues were outstanding as at 31st March 2020 for a period of more than six months from the date they becoming payable.

(b) According to the information & explanation given to me there are no disputed amount of statutory dues towards Income Tax, Sales Tax, Wealth Tax, Service Tax, Custom Duty, Goods and Services Tax (GST), Cess that have not been paid to concerned authorities.

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

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

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

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

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

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

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

(xv) According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not entered into

BIPIN KOTHARI M. No. 155037 Chartered Accountant

non-cash transactions with directors or persons connected with him. Accordingly, paragraph 3(xv) of the Order is not applicable.

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

As per my report of even date attached
For Bipin Kothari & Associates
Chartered Accountant
FRN: 137687W

CA. Bipin Kothari
[Proprietor]
Membership No 155037
Date :- 30/06/2020

Bipin Kothari & Associates
CHARTERED ACCOUNTANTS

Bipin Kothari
B.Com, LL.B(Gen), F.C.A.

Annexure - B to the Auditors' Report

Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of theCompanies Act, 2013 ("the Act")

We have audited the internal financial controls over financial reporting of **Caprolactam Chemicals Limited**("the Company") as of 31 March 2020 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India ('ICAI'). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditors' Responsibility

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

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www.cabipinkothari.com
602, Pure Gold Premises, Opp. Saroj Sweets, Narayan Gajanan Marg, Nr. Chembur Rly Stn, Chembur East, Mumbai - 400 071.

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

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

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

Meaning of Internal Financial Controls over Financial Reporting

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

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

Inherent Limitations of Internal Financial Controls Over Financial Reporting

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

Opinion

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31 March 2020, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

As per my report of even date attached
For Bipin Kothari & Associates
Chartered Accountant
FRN: 137687W

CA. Bipin Kothari
[Proprietor]
Membership No 155037
Date :- 30/06/2020
Place :- Mahad

CAPROLACTAM CHEMICALS LIMITED

Cash Flow Statement for the period ended 31.03.2020

Particulars	March 31, 2020	March 31, 2019
CASH FLOW FROM OPERATING ACTIVITIES:		
Net Profit before tax as per Statement of Profit and Loss	125.798	64.419
Adjustment for:		
Depreciation/ Amortisation	102.271	96.840
Profit on sale of Motor Car	-----	-----
Interest Expenses	29.861	34.230
Interest Income	-----	-----
Operating Profit before Working Capital Changes	257.930	195.488
Adjusted for :		
(Increase)/Decrease in Other Current Assets (Excluding Advance Tax)	30.697	(8.662)
(Increase)/Decrease in Inventories	0.984	21.056
(Increase)/Decrease in Trade Receivables	(26.018)	73.036
(Increase)/Decrease in Other Current Financial Assets	9.615	(1.041)
(Increase)/Decrease in Other Non Current Assets	(12.666)	35.561
Increase/(Decrease) in Trade Payables	(30.312)	(4.225)
Increase/(Decrease) in Other Financial Liabilities	(2.565)	5.487
Increase/(Decrease) in Other Current Liabilities	2.867	(8.688)
Cash Generated from Operations	230.531	308.014
Taxes refund / (paid) - (net)	12.500	12.500
Net Cash from/(used in) Operating Activities (A)	218.031	295.514
CASH FLOW FROM INVESTING ACTIVITIES:		
Purchase of Fixed Assets	(72.559)	(377.730)
Sale of Fixed Assets	-----	-----
Loans & Advances	-----	-----
Other Non Current Financial Assets	(0.789)	-----
Non Current Investments	-----	-----
Current Investments	-----	-----
Interest Received	-----	-----
Net Cash from Investing Activities (B)	(73.348)	(377.730)
CASH FLOW FROM FINANCING ACTIVITIES:		
Long term borrowings	-----	
Short Term Borrowings	(82.930)	138.263
Inter Corporate Deposit	(30.000)	(70.000)
Increase in capital	-----	0.970
Interest Paid	(29.861)	(34.230)
Net Cash from Financing Activities (C)	(142.791)	35.003
Net cash and cash equivalents (A + B + C)	**1.892**	**(47.213)**
Cash and cash equivalents at beginning of the period	31.909	79.122
Cash and cash equivalents at end of the period	33.801	31.909

Notes:-

1. Cash flow statement has been prepared under Indirect method as set out in Ind AS 7 as per the Companies (Indian Accounting Standards) Rule 2015 as ammended by the Companies (Indian Accounting Standards) (Amendment) Rule, 2016.
2. Previous years figures have been restated and regrouped wherever necessary.
3. Figures in bracket indicates cash outflow.
4. Components of cash and cash equivalents at the year end comprise of:

	March 31, 2020	March 31, 2019
Balances with bank	18.104	15.920
Fixed deposits	15.393	14.486
Cash on hand	0.305	1.504
	33.801	31.909

As per our attached report of even date
For Bipin Kothari and Associates
Chartered Accountants

Bipin Kothari
Membership No:155037

Date:- 30.06.2020
Place:- Mahad

BIPIN KOTHARI M. No. 155037 Chartered A/c

For and on behalf of the Board of Directors
of Caprolactam Chemicals Limited

Mrs. Z. S. Bhatushali
Managing Director

Mr. S. S. Bhatushali
Director

Company Secretay
Dolly Dinesh Shah
M.No:- A38116

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As per our attached report of even date
For Bipin Kothari and Associates
Chartered Accountants

Bipin Kothari
Membership No:155037

Date:- 30.06.2020
Place:- Mahad

BIPIN KOTHARI M. No. 155037 Chartered A/c

For and on behalf of the Board of Directors
of Caprolactam Chemicals Limited

Mrs. Z. S. Bhandushali — Managing Director
Mr. S. S. Bhandushali — Director

Company Secretay
Dolly Dinesh Shah
M.No:- A38116