

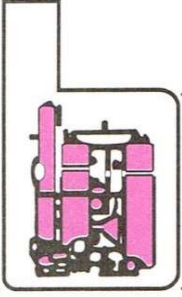


CIN: L24132MH1988PLCO49387

AMINES LIMITED

REGD. OFF. : 'BALAJI TOWERS'
No. 9/1A /1, HOTGI ROAD,
AASARA CHOWK,
SOLAPUR - 413 224. (INDIA)

TEL : 0091- 217 - 2310824
: 0091- 217 - 2451500
FAX : 0091- 217 - 2451521
E-MAIL : mktg@balajiamines.com
WEBSITE : <http://www.balajiamines.com>



13th July, 2020

To

The General Manager-Department of
Corporate Services,
BSE Limited,
Phiroze Jeejeebhoy Towers,
Dalal Street, Mumbai - 400 001.

Scrip Code : 530999

The Manager-Listing Department,
National Stock Exchange of India Limited,
"Exchange Plaza", 5th Floor,
Plot No.C/1, G Block,
Bandra-Kurla Complex,
Bandra (East), Mumbai - 400 051.

Scrip Code : BALAMINES

Dear Sir,

Sub : Compliance under Regulation 34(1) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 - Annual Report for the F.Y. 2019-20

Pursuant to the Regulation 34(1) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 we are enclosing herewith the Annual Report of our Company along with the Notice of the Annual General Meeting for the Financial Year 2019-20.

Please take the same on record.

Thanking you,

Yours Faithfully,

For Balaji Amines Limited

Jimisha Parth Dawda

Company Secretary & Compliance Officer

Encl :a/a

Unit-I : Gat No. 197, Vill. Tamalwadi, Tal-Tuljapur, Dist-Osmanabad

Unit-III : Plot No. E-7&8, Chincholi MIDC, Tal-Mohol, Dist. Solapur

Unit - IV : Plot No. F-104, Chincholi M.I.D.C., Tal. Mohol, Dist. Solapur - 413 255

Balaji

AMINES LIMITED



32nd
ANNUAL
REPORT
2019-20

AWARDS



Mr. A. Prathap Reddy, Executive Chairman, Balaji Amines Limited, received an award for the Distinguished Contribution in the Indian Chemicals Industry in recognition of outstanding leadership and tireless efforts over the years at FICCI Chemicals & Petrochemicals Awards 2019



Balaji Amines Limited honoured with an award for "Excellent CSR in Water Conservation" at 2nd National CSR Leadership Summit & Awards 2019.

Board of Directors

Mr. A. Prathap Reddy	Executive Chairman
Mr. D. Ram Reddy	Managing Director
Mr. N. Rajeshwar Reddy	Joint Managing Director
Mr. G. Hemanth Reddy	Whole-time Director & CFO
Mr. A. Srinivas Reddy	Whole-time Director
Mr. T. Naveena Chandra	Independent Director
Mr. M. Amarender Reddy	Independent Director
Mr. C.S.N. Murthy	Independent Director
Mr. Kashinath R. Dhole	Independent Director
Mrs. Vimala B. Madon	Independent Director

Mrs. Jimisha Parth Dawda
Company Secretary & Compliance Officer

Audit Committee

Mr. T. Naveena Chandra	Chairman
Mr. M. Amarender Reddy	Member
Mr. C.S.N. Murthy	Member

Stakeholders' Relationship Committee

Mr. M. Amarender Reddy	Chairman
Mr. A. Prathap Reddy	Member
Mr. G. Hemanth Reddy	Member

Research & Development Committee

Mr. A. Prathap Reddy	Chairman
Mr. N. Rajeshwar Reddy	Member
Mr. A. Srinivas Reddy	Member

Nomination and Remuneration Committee

Mr. M. Amarender Reddy	Chairman
Mr. T. Naveena Chandra	Member
Mrs. Vimala B. Madon	Member

Corporate Social Responsibility Committee

Mr. Kashinath R. Dhole	Chairman
Mr. N. Rajeshwar Reddy	Member
Mr. D. Ram Reddy	Member

Registered Office

Balaji Towers, No. 9/1A/1,
Hotgi Road, Aasara Chowk,
Solapur-413 224, Maharashtra.

Administrative Office

3rd Floor, KPR House
Sardar Patel Road,
Secunderabad - 500 003, Telangana.

FACTORIES

Unit 1

Tamalwadi Village,
Taluka- Tuljapur,
Osmanabad - 413 623,
Maharashtra.

Unit 2

Plot No. 4 & 5, Beside Sub - Station 2,
IDA Bollaram,
Sangareddy - 502 325,
Telangana.

Unit 3

Plot No. E - 7 & 8, Chincholi MIDC, Taluka Mohol,
Solapur - 413 255,
Maharashtra.

Unit 4

Plot No. F - 104, Chincholi MIDC, Taluka Mohol,
Solapur - 413 255,
Maharashtra.

Unit 5

Nandi Kandi, Sadasivpet,
Sangareddy- 502 001
Telangana.

Hotel Division

Balaji Sarovar Premiere
Survey No. 9/1A/1,
Aasara Chowk, Hotgi Road,
Solapur-413 224,
Maharashtra.

Statutory Auditors

M/s. Ayyadevara & Co.
Chartered Accountants,
No. 1-2-386/A/1, Gagan Mahal Colony,
Hyderabad - 500 029, Telangana.

Secretarial Auditors

M/s. P. S. Rao & Associates
Company Secretaries,
Flat No. 10, 4th Floor,
6-3-347/22/2, Ishwarya Nilayam,
Dwarakapuri Colony, Panjagutta,
Hyderabad - 500 082, Telangana.

Cost Accountant

Mr. N.V.S. Kapardhi
Practising Cost Accountant,
SRT - 148, GHMC No: 7-1-621/468,
Sanjeev Reddy Nagar,
Hyderabad - 500 038, Telangana.

Internal Auditors

M/s. Aherkar & Co.,
Chartered Accountants,
Battin Complex, 35, Ganesh Peth,
Solapur - 413 005, Maharashtra.

Bankers

State Bank of India
HDFC Bank Limited
Bank of Baroda

Share Transfer Agents

Venture Capital and Corporate Investments Pvt. Limited
12-10-167 Bharatnagar
Hyderabad-500 018, Telangana.
Ph: 040-23818475/476; Fax: 040-23868024;
Email: info@vccilindia.com

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CHAIRMAN MESSAGE

(Rs. in Crs.)

Dear Shareholders,

I am pleased to share with you all, an update on the overall performance of your company during the year 2019-20.

The following are some of the highlights of Standalone Financial Performance in FY20:

- Total revenue from operations is at Rs.929.32 Crs. Net Profit was Rs.113.75 Crs, and cash profit for the year was Rs.142.18 Crs.
- EBITDA is Rs. 190.03 Crs. in FY20.
- Earnings per share is Rs. 35.11 in FY20
- Book value per equity share has increased from Rs. 177.46 per share to Rs. 206.06 per share
- Return on Equity in FY20 was at 17.04% and Return on Capital Employed stood at 18.81%.

In our endeavour to pursue future organic growth opportunities, FY20 has been a very rewarding year as your company received the environmental clearance for 90-acre Unit IV Greenfield project and also your company's subsidiary Balaji Specialty Chemicals Private Limited received consent to commence operations from Maharashtra Pollution Control Board (MPCB).

We have already spent more than Rs. 70 crores in the Greenfield project as on 31st March, 2020. Post the commencement of Phase 1 of the Greenfield Project, your company will have the largest installed capacity of Ethyl Amines in India at 22,500 metric tonnes per annum.

Your company has identified some of the new products seeing the potential growth from import substitutes and shall work towards developing these products in the upcoming phases of Greenfield project.

To date, your company has distributed an amount of Rs. 78.44 Crs. in dividends to all shareholders, and paid the requisite dividend taxes. Cumulatively, we have availed a total of Rs.205.85 Crs. of term loans at various stages; at this time, all the loans have been paid back. We are also happy to state that our cumulative contribution by way of direct and indirect taxes since 1988 is Rs. 1381.82 Crs.

Our ROE, Sales, Profit After Tax and Cash Profit are given in the table since the time of the IPO:

Year	ROE	Net Sales	PAT	Cash Profit
2020	17.04%	919.05	113.75	142.18
2019	20.53%	949.83	118.08	133.16
2018	24.23%	861.23	113.18	131.88
2017	22.68%	667.53	85.57	105.71
2016	20.46%	634.92	61.27	86.05
2015	15.29%	604.86	36.36	61.98
2014	16.58%	610.13	33.52	52.60
2013	18.08%	511.80	31.18	47.08
2012	24.39%	449.52	35.66	48.96
2011	23.44%	346.77	26.61	41.68
2010	23.15%	255.74	20.65	33.10
2009	21.76%	245.67	15.33	26.47
2008	23.43%	211.49	13.26	20.79
2007	23.21%	169.28	10.31	16.21
2006	27.93%	125.29	9.07	12.98
2005	18.49%	87.67	4.64	8.40
2004	31.83%	70.80	6.74	11.26
2003	26.75%	45.11	4.12	7.33
2002	31.31%	36.57	3.79	6.47
2001	9.59%	26.09	1.09	2.26
2000	12.07%	22.88	1.28	2.39
1999	7.73%	20.66	0.75	1.83
1998	5.05%	16.44	0.45	1.41
1997	2.04%	10.53	0.17	0.69
1996	8.80%	8.62	0.73	1.07

From a modest beginning, with 3 products in our mix, and no exports, we now have a product range of 30 products and exports to 45 countries. About 80% of our products were previously imported into the country. Thus, it is a measure of our global competitiveness that we are able to replace these imported products through our highly efficient manufacturing processes. We are proudly helping Make in India by being less dependent on imports from European and Asian countries. At the same time, we are moving up the value chain and are globally competitive – all of this is testimony to our ability to deliver high quality products at affordable prices through continuous improvements in process technologies.

Over the years we have developed expertise to set up chemical plants in a short period of time. A decade ago, it used to take us two years to set up a chemical plant with a capacity of 50 Metric Tons/day. Today, we can do the same in six months. The new plant we set up in Balaji Specialty Chemicals was commissioned in a record 12 months. We are extremely proud of the expertise we developed in this area, and as and when opportunities arise, we can scale faster today than a decade or two ago.

On a standalone basis as on date your company is a debt free company. We have done investments of Rs. 50.70 Crs. from internal accruals in current year which will bear fruit over the next 2 years. We have plans for a capital expenditure of Rs. 70.00 Crs. in the next financial year.

Aliphatic amines and its derivatives are extensively utilised as solvents and feed additives in pharmaceuticals, agrochemicals and specialty chemicals. Rising per capita incomes, increasing urbanization and consumer spending and modernizing

agricultural industries in developing countries are expected to have a strong growth on amines consumption.

Your company's strategy has been to gradually launch new products which are cost-effective and technology based with import substitutes that can enable us to capture market share in India. In line with the same we are planning to introduce Dimethyl Carbonate which is a complete import substitute into our product portfolio in the next financial year.

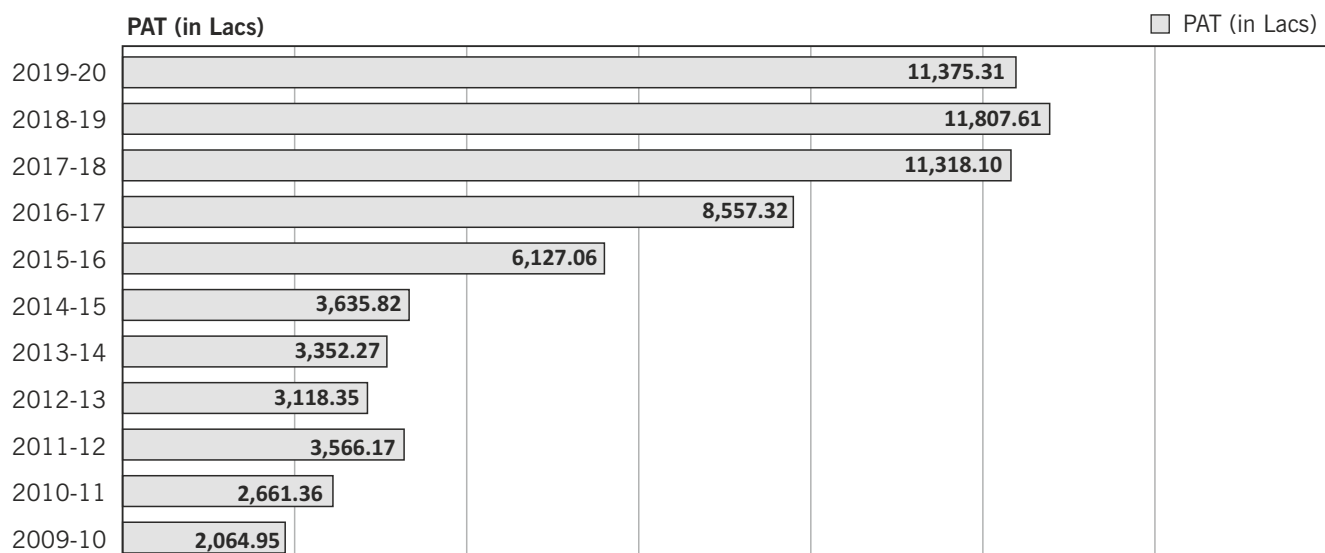
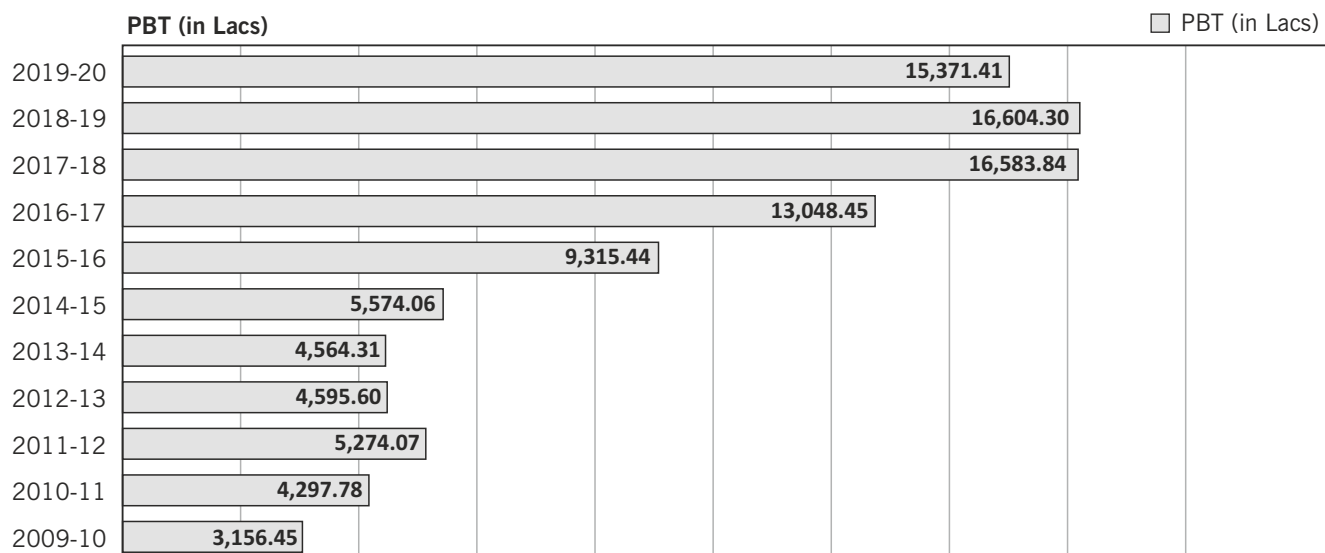
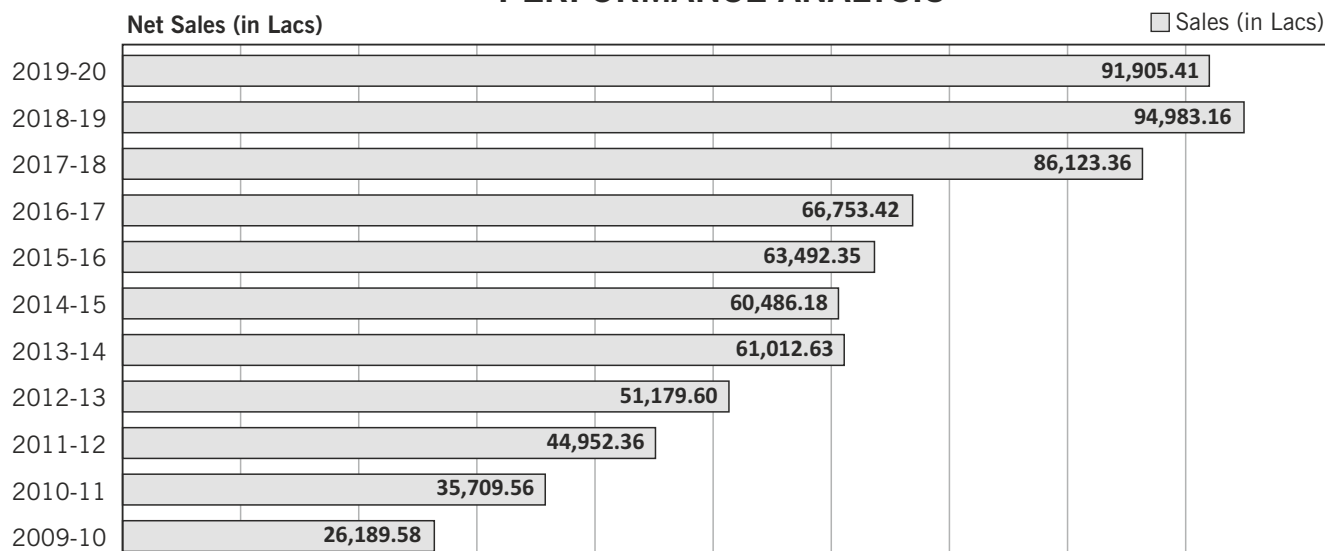
We have been continuously undertaking expansion to reinforce our production capacity for future growth. Our constant endeavour is also to broaden our product offerings and move up the value chain into more complex chemical compounds and products. Your company's objective is to drive up the operating margins and increase our business' return profile, and strengthen our customer reach and relationships. We will keep on exploring opportunities for innovation and downstream integration for better utilisation of capacities.

I would like to take this opportunity to reiterate that the customers continue to remain the top priority of your company. At the same time, I appreciate and acknowledge the valuable and consistent contribution of our employees by their efforts and hard work. I would also like to acknowledge the unstinted cooperation, trust and support extended by various government and regulatory authorities. I would also like to express sincere thanks to our suppliers, bankers, financial institutions and all our shareholders.

Regards,

A. Prathap Reddy
Executive Chairman

PERFORMANCE ANALYSIS



PERFORMANCE ANALYSIS

EBIDTA (in Lacs)

2019-20	19,002.78
2018-19	19,862.29
2017-18	19,356.73
2016-17	16,039.13
2015-16	13,113.65
2014-15	10,574.69
2013-14	9,361.84
2012-13	8,392.63
2011-12	8,350.03
2010-11	6,479.70
2009-10	4,774.24

ROCE (in %)

2019-20	18.81
2018-19	24.18
2017-18	30.95
2016-17	24.47
2015-16	27.98
2014-15	23.68
2013-14	22.98
2012-13	22.17
2011-12	27.12
2010-11	18.08
2009-10	19.13

ROE (in %)

2019-20	17.04
2018-19	20.53
2017-18	24.23
2016-17	22.68
2015-16	21.00
2014-15	15.30
2013-14	16.58
2012-13	18.08
2011-12	24.39
2010-11	19.09
2009-10	18.67

NOTICE

Notice is hereby given that the 32nd Annual General Meeting of Balaji Amines Limited will be held on Saturday, 8th August, 2020 at 11:30 a.m. IST through Video Conference ("VC")/ Other Audio Visual Means ("OAVM") facility to transact the following business:

ORDINARY BUSINESS:

1. To receive, consider and adopt the Audited Financial Statements, including Audited Consolidated Financial Statements of the Company for the Financial Year ended 31st March, 2020 and the Reports of the Board of Directors and Auditors thereon.
2. To confirm the payment of Interim Dividend on Equity Shares and declaration of Final Dividend on Equity Shares for the financial year 2019-20.
3. To appoint a Director in place of Mr. G Hemanth Reddy (DIN: 00003868), who retires by rotation and, being eligible, offers himself for re-appointment.

SPECIAL BUSINESS:

4. Ratification of Remuneration to Cost Auditors

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

RESOLVED THAT pursuant to the provisions of Section 148 and other applicable provisions, if any, of the Companies Act, 2013 and the Companies (Audit and Auditors) Rules, 2014 [including any statutory modification(s) or amendment(s) thereto or re-enactment(s) thereof, for the time being in force] and pursuant to the recommendation of Audit Committee, the remuneration payable to Mr. N.V.S. Kapardhi, Cost Accountants having Firm Registration Number 100231, appointed by the Board of Directors of the Company as Cost Auditors to conduct the audit of the cost records of the Company for the Financial year ended 31st March, 2021, amounting to Rs. 70,000/- (Rupees Seventy Thousand only) (plus GST and reimbursement of out of pocket expenses) be and is hereby ratified.

FURTHER RESOLVED THAT the Board of Directors of the Company be and are hereby authorised to do all such acts, deeds, matters and things and to take all such steps as may be required in this connection including seeking all necessary approvals to give effect to this Resolution and to settle any questions, difficulties or doubts that may arise in this regard."

**By Order of the Board
For Balaji Amines Limited**

Sd/-
Jimisha Parth Dawda
Company Secretary & Compliance Officer

Date : 22.06.2020
Place : Solapur

Registered Office :
Balaji Towers, No. 9/1A/1,
Hotgi Road, Aasara Chowk,
Solapur - 413224, Maharashtra
CIN : L24132MH1988PLC049387
Telephone : 0217-2310824/0217-2451500
Fax : 0217-2451521
Website : www.balajiamines.com
E-mail : cs@balajiamines.com

NOTES FOR MEMBERS

1. In view of the continuing Covid-19 pandemic, the Ministry of Corporate Affairs has permitted the holding of the Annual General Meeting through video conferencing (VC) or other audio visual means (OAVM), without the physical presence of the Members at a common venue. In compliance with the provisions of the Companies Act, 2013, SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and MCA Circulars dated May 5, 2020 read with circulars dated April 8, 2020 and April 13, 2020, the AGM of the Company is being held through VC/OAVM.
2. The Explanatory Statement as required under section 102 of the Companies Act, 2013 is annexed hereto. Further, additional information with respect to Item No. 3 is also annexed hereto.
3. Pursuant to the provisions of the Act, a Member entitled to attend and vote at the AGM is entitled to appoint a proxy to attend and vote on his/her behalf and the proxy need not be a Member of the Company. Since this AGM is being held pursuant to the MCA Circulars through VC/OAVM, physical attendance of Members has been dispensed with. Accordingly, the facility for appointment of proxies by the Members will not be available for the AGM and hence the Proxy Form & Attendance Slip are not annexed to this Notice.
4. Institutional/Corporate Shareholders (i.e. other than individuals / HUF, NRI, etc.) are required to send a scanned copy of its Board or governing body Resolution/ Authorization etc., authorizing its representative to attend the AGM through VC/OAVM on its behalf and to vote through remote e-voting. The said Resolution/Authorization shall be sent to the Scrutinizer by email through its registered email address to suryacorporatelawyer@gmail.com or cs@balajiamines.com with a copy marked to evoting@nsdl.co.in
5. The Register of Members and Transfer Books of the Company will be closed from Saturday, 1st August, 2020 to Saturday, 8th August, 2020 (both days inclusive).
6. The final dividend, if approved at the Annual General Meeting, would be paid after 8th August, 2020 to those persons or their mandates:
 - a) Whose names appear as Beneficial Owners as at the end of the business hours on Friday, 31st July, 2020 in the list of Beneficial Owners to be furnished by National Securities Depository Limited and Central Depository Services (India) Limited in respect of the shares held in electronic form; and
 - b) Whose names appear as Members in the Register of Members of the Company after giving effect to valid share transfers in physical form lodged with the Company/its Registrar and Transfer Agents on or before Friday, 31st July, 2020.
7. Pursuant to the provisions of Section 124 of the Companies Act, 2013 read with IEPF Rules, all shares on which dividend has not been paid or claimed for seven consecutive years or more shall be transferred to IEPF Authority as notified by the Ministry of Corporate Affairs.

In accordance with the aforesaid IEPF Rules, the Company has sent notice to all the Shareholders whose shares are due for transfer to the IEPF Authority and has also published notice in newspapers. The shareholders whose dividend/shares is/will be transferred to the IEPF Authority can claim the same from the IEPF Authority by following the procedure as detailed on the website of IEPF Authority www.iepf.gov.in
8. Members can avail the facility of nomination in respect of shares held by them in physical form pursuant to the provisions of Section 72 of the Companies Act, 2013. Members desiring to avail this facility may send their nomination in the prescribed Form No. SH-13 duly filled in to RTA of the Company. Members holding shares in electronic form may contact their respective Depository Participants for availing this facility.
9. The Securities and Exchange Board of India (SEBI) has made it mandatory for all companies to use the bank account details furnished by the Depositories and the bank account details maintained by the Registrar and Transfer Agents for payment of dividend to Members electronically. The Company has extended the facility of electronic credit of dividend directly to the respective bank accounts of the Member(s) through the Electronic Clearing Service (ECS)/National Electronic Clearing Service (NECS)/Real Time Gross Settlement (RTGS)/Direct Credit, etc. As directed by SEBI, the Members holding shares in physical form are requested to submit particulars of their bank account along with the original cancelled cheque bearing the name of the Member to RTA/Company to update their Bank Account details. Members holding shares in demat form are requested to update their Bank Account details with their respective Depository Participant.
10. SEBI has decided that securities of listed companies can be transferred only in dematerialised form. In view of the above and to avail various benefits of dematerialisation, Members are advised to dematerialise the shares held by them in physical form.
11. Pursuant to Sections 101 and 136 of the Companies Act, 2013 read with the Rules framed thereunder, the Notice calling the Annual General Meeting along with the Annual Report 2019-20 would be sent by electronic mode to those Members whose e-mail addresses are registered with the Depository or the Company/RTA, unless the Members have requested for a physical copy of the same. Members are requested to support this Green Initiative by registering/updating their e-mail addresses with the Depository Participant (in case of Shares held in dematerialised form) or with RTA (in case of Shares held in physical form). For any communication, the Members may also send requests to the Company's email id: cs@balajiamines.com
12. In Compliance with the MCA circulars and SEBI Circular dated 12th May, 2020 Notice of the AGM along with the Annual Report 2019-20 is being sent only through electronic mode to those Members whose email addresses

are registered with the Company, Members may note that the Notice and Annual Report 2019-20 will also be available on the Company's website www.balajiamines.com, websites of the stock exchanges i.e. www.bseindia.com and www.nseindia.com and on the website of NSDL www.evoting.nsdl.com

13. Members desirous of getting any information about the accounts and / or operations of the company are requested to write to the company at least seven days before the date of the Meeting to enable the company to keep the information ready at the Meeting.
14. Members attending the AGM through VC/OAVM shall be counted for the purpose of reckoning the quorum under Section 103 of the Act.
15. At the 29th AGM held on 31st July, 2017 the Members approved appointment of M/s. Ayyadevara & Co. as Statutory Auditors of the Company to hold office for a period of five years from the conclusion of that AGM till the conclusion of the 34th AGM, subject to ratification of their appointment by Members at every AGM, if so required under the Act. The requirement to place the matter relating to appointment of auditors for ratification by Members at every AGM has been done away by the Companies (Amendment) Act, 2017 with effect from 7th May, 2018. Accordingly, no resolution is being proposed for ratification of appointment of statutory auditors at this AGM.
16. Since the AGM will be held through VC/OAVM, the Route Map is not annexed in this Notice.
17. Members are requested to:-
 - a) intimate to RTA, changes, if any, in their registered addresses at an early date, in case of shares held in physical form;
 - b) intimate to the respective Depository Participant, changes, if any, in their registered addresses at an early date, in case of shares held in dematerialised form;
 - c) quote their folio numbers/Client ID/DP ID in all correspondence;
 - d) Consolidate their holdings into one folio in case they hold Shares under multiple folios in the identical order of names; and
 - e) register their Permanent Account Number (PAN) with their Depository Participants, in case of Shares held in dematerialised form and RTA/ Company, in case of Shares held in physical form, as directed by SEBI.
18. Pursuant to Finance Act 2020, dividend income will be taxable in the hands of shareholders w.e.f. April 1, 2020 and the Company is required to deduct tax at source from dividend paid to shareholders at the prescribed rates. For the prescribed rates for various categories, the shareholders are requested to refer to the Finance Act, 2020 and amendments thereof. The shareholders are requested to update their PAN with the Company/ RTA (in case of shares held in physical mode) and depositories (in case of shares held in demat mode).

A Resident individual shareholder with PAN and who is not liable to pay income tax can submit a yearly declaration in Form No. 15G/15H, to avail the benefit of non-deduction of tax at source by email to cs@balajiamines.com on 8th August, 2020. Shareholders are requested to note that in case their PAN is not registered, the tax will be deducted at a higher rate of 20%.

Non-resident shareholders can avail beneficial rates under tax treaty between India and their country of residence, subject to providing necessary documents i.e. No Permanent Establishment and Beneficial Ownership Declaration, Tax Residency Certificate, Form 10F, any other document which may be required to avail the tax treaty benefits by sending an email to cs@balajiamines.com. The aforesaid declarations and documents need to be submitted by the shareholders on or before 8th August, 2020.

19. Instructions for e-voting and joining the AGM are as follows:

A. VOTING THROUGH ELECTRONIC MEANS

- i) 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 Regulation 44(1) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Company is pleased to provide members facility to exercise their right to vote on Resolutions proposed to be considered at the 32nd 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 32nd Annual General Meeting (AGM) ("remote e-voting") will be provided by National Securities Depository Limited (NSDL).
- ii) The remote e-voting period commences on Wednesday, 5th August, 2020 (9:00 a.m. IST) and ends on Friday, 7th August, 2020 (5:00 p.m. IST). During this period, Members holding shares either in physical form or in dematerialized form, as on Friday, 31st July, 2020 i.e. cut-off date, may cast their vote electronically. The e-voting module shall be disabled by NSDL for voting thereafter. Those Members, who will be present in the AGM through VC / OAVM facility and have not cast their vote on the Resolutions through remote e-voting and are otherwise not barred from doing so, shall be eligible to vote through e-voting system during the AGM.
- iii) Mr. Y. Suryanarayana, Corporate Lawyer, High Court of Telangana has been appointed as the Scrutiniser by the Board of Directors to scrutinise the e-voting process in a fair and transparent manner.
- iv) The members who have cast their vote by remote e-voting prior to the 32nd Annual General Meeting (AGM) may also attend the 32nd Annual General Meeting (AGM) though VC/OAVM but shall not be entitled to cast their vote again.

- v) The voting rights of shareholders shall be in proportion to their shares on the paid up equity share capital of the Company as on the cut-off date for e-voting.
- vi) Any person, who acquires shares of the Company and become member of the Company after dispatch of the notice and holding shares as on the cut-off date i.e., Friday, 31st July, 2020, may obtain the login ID and password by sending a request at evoting@nsdl.co.in or info@vccilindia.com. However, if you are already registered with NSDL for remote e-voting then you can use your existing user ID and password for casting your vote. If you forgot your password, you can reset your password by using “Forgot User Details/Password” option available on www.evoting.nsdl.com or contact NSDL at the following toll free no.: 1800-222-990.
- vii) The details of the process and manner for remote e-voting are explained herein below:
 Step 1: Log-in to NSDL e-Voting system at <https://www.evoting.nsdl.com>
 Step 2: Cast your vote electronically on NSDL e-Voting system

Details on Step 1 is mentioned below:

How to Log-in to NSDL e-Voting website?

1. Visit the e-Voting website of NSDL. Open web browser by typing the following URL: <https://www.evoting.nsdl.com/> either on a Personal Computer or on a mobile.
2. Once the home page of e-Voting system is launched, click on the icon “Login” which is available under ‘Shareholders’ section.
3. A new screen will open. Enter your User ID, your Password & a Verification Code as shown on the screen. Alternatively, if you are registered for NSDL eservices i.e. IDEAS, you can log-in at <https://eservices.nsdl.com/> with your existing IDEAS login. Once you log-in to NSDL eservices after using your log-in credentials, click on e-Voting and you can proceed to Step 2 i.e. Cast your vote electronically.
4. Your User ID details are given below :

Manner of holding shares i.e. Demat (NSDL or CDSL) or Physical	Your User ID is:
a) For members who hold shares in demat account with NSDL.	8 Character DP ID followed by 8 digit client ID For example if your DP ID is IN300*** and Client ID is 12***** then your user ID is IN300***12*****.
b) For members who hold shares in demat account with CDSL.	16 Digit Beneficiary ID For example if your Beneficiary ID is 12***** then your user ID is 12*****.
c) For members holding shares in Physical Form.	EVEN number followed by Folio Number registered with the company For example if folio number is 001*** and EVEN is 113147 then user ID is 113147001***

5. Your password details are given below:
 - a) If you are already registered for e-Voting, then you can use your existing password to login and cast your vote.
 - b) If you are using NSDL e-Voting system for the first time, you will need to retrieve the ‘initial password’ which was communicated to you. Once you retrieve your ‘initial password’, you need to enter the ‘initial password’ and the system will force you to change your password.
 - c) How to retrieve your ‘initial password’?
 - i) If your email ID is registered in your demat account or with the company, your ‘initial password’ is communicated to you on your email ID. Trace the email sent to you from NSDL from your mailbox. Open the email and open the attachment i.e. a .pdf file. Open the .pdf file. The password to open the .pdf file is your 8 digit client ID for NSDL account, last 8 digits of client ID for CDSL account or folio number for shares held in physical form. The .pdf file contains your ‘User ID’ and your ‘initial password’.
 - ii) If your email ID is not registered, please follow steps mentioned below in this notice
6. If you are unable to retrieve or have not received the “Initial password” or have forgotten your password:
 - a) Click on “Forgot User Details/Password?” (If you are holding shares in your demat account with NSDL or CDSL) option available on www.evoting.nsdl.com.
 - b) Physical User Reset Password? (If you are holding shares in physical mode) option available on www.evoting.nsdl.com.
 - c) If you are still unable to get the password by aforesaid two options, you can send a request at evoting@nsdl.co.in mentioning your demat account number/folio number, your PAN, your name and your registered address.
 - d) Members can also use the OTP (One Time Password) based login for casting the votes on the e-Voting system of NSDL.
7. After entering your password, tick on Agree to “Terms and Conditions” by selecting on the check box.
8. Now, you will have to click on “Login” button.
9. After you click on the “Login” button, Home page of e-Voting will open.

Details on Step 2 is given below:

- How to cast your vote electronically on NSDL e-Voting system?
1. After successful login at Step 1, you will be able to see the Home page of e-Voting. Click on e-Voting. Then, click on Active Voting Cycles.
 2. After click on Active Voting Cycles, you will be able to see all the companies “EVEN” in which you are holding shares and whose voting cycle is in active status.
 3. Select “EVEN” of company for which you wish to cast your vote.

4. Now you are ready for e-Voting as the Voting page opens.
5. Cast your vote by selecting appropriate options i.e. assent or dissent, verify/modify the number of shares for which you wish to cast your vote and click on "Submit" and also "Confirm" when prompted.
6. Upon confirmation, the message "Vote cast successfully" will be displayed.
7. You can also take the printout of the votes cast by you by clicking on the print option on the confirmation page.
8. Once you confirm your vote on the resolution, you will not be allowed to modify your vote.

General Guidelines for shareholders

1. Institutional shareholders (i.e. other than individuals, HUF, NRI etc.) are required to send scanned copy (PDF/JPG Format) of the relevant Board Resolution/ Authority letter etc. with attested specimen signature of the duly authorized signatory(ies) who are authorized to vote, to the Scrutinizer by e-mail to suryacorporatelawyer@gmail.com with a copy marked to evoting@nsdl.co.in.
2. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential. Login to the e-voting website will be disabled upon five unsuccessful attempts to key in the correct password. In such an event, you will need to go through the "Forgot User Details/Password?" or "Physical User Reset Password?" option available on www.evoting.nsdl.com to reset the password.
3. In case of any queries, you may refer the Frequently Asked Questions (FAQs) for Shareholders and e-voting user manual for Shareholders available at the download section of www.evoting.nsdl.com or call on toll free no.: 1800-222-990 or send a request to evoting@nsdl.co.in

Process for those shareholders whose email ids are not registered with the depositories for procuring user id and password and registration of e mail ids for e-voting for the resolutions set out in this notice :

1. In case shares are held in physical mode please provide Folio No., Name of shareholder, scanned copy of the share certificate (front and back), PAN (self-attested scanned copy of PAN card), AADHAR (self-attested scanned copy of Aadhar Card) by email to RTA of the Company
2. Please contact your Depository Participant (DP) and register your email address & bank account details in your demat account, as per the process advised by your DP.

B. INSTRUCTIONS FOR MEMBERS FOR ATTENDING THE AGM THROUGH VC/OAVM ARE AS UNDER:

- i. Member will be provided with a facility to attend the AGM through VC/OAVM through the NSDL e-Voting system.

Members may access the same at <https://www.evoting.nsdl.com> under shareholders/members login by using the remote e-voting credentials. The link for VC/OAVM will be available in shareholder/members login where the EVEN of Company will be displayed. Members who do not have the User ID and Password for e-Voting or have forgotten the User ID and Password may retrieve the same by following the remote e-Voting instructions mentioned in the notice to avoid last minute rush. Further members can also use the OTP based login for logging into the e-Voting system of NSDL.

- ii. Facility of joining the AGM through VC shall open 30 minutes before the time scheduled for the AGM and will be available for Members on first come first served basis.
- iii. Members who need assistance before or during the AGM, can contact NSDL on evoting@nsdl.co.in or 1800-222-990
- iv. Members who would like to express their views or ask questions during the AGM may register themselves as a speaker by sending their request from their registered email address mentioning their name, DP ID and Client ID/folio number, PAN, mobile number at cs@balajiamines.com from 31st July, 2020 to 4th August, 2020. Those Members who have registered themselves as a speaker will only be allowed to express their views/ask questions during the AGM. The Company reserves the right to restrict the number of speakers depending on the availability of time for the AGM.

Other Instructions

- i. The Scrutinizer shall, immediately after the conclusion of voting at the AGM, first count the votes cast during the AGM, thereafter unblock the votes cast through remote e-voting and make, not later than 48 hours of 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 authorised by him in writing, who shall countersign the same.
- ii. The Results declared along with the report of the Scrutinizer shall be placed on the website of the Company www.balajiamines.com and on the website of NSDL 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 and NSE Mumbai.

**By Order of the Board
For Balaji Amines Limited**

Sd/-
Jimisha Parth Dawda
**Company Secretary &
Compliance Officer**

Date: 22.06.2020
Place: Solapur

ADDITIONAL INFORMATION WITH RESPECT TO ITEM NO. 3

Details of Director seeking re-appointment at the Annual General Meeting

Mr. G. Hemanth Reddy (DIN: 00003868), Whole-time Director & CFO of the Company is liable to retire by rotation and being eligible, has offered himself for re-appointment.

At the 28th AGM held on 30th July, 2016, Members had approved appointment of Mr. G. Hemanth Reddy as Whole-time Director & CFO for the period of 5 years.

Mr. G. Hemanth Reddy has completed 54 years of Age. His date of birth is 19th July, 1966. Mr. G. Hemanth Reddy is a post graduate in management with Finance & Marketing as specialization having more than 30 years of experience spread across various businesses.

Mr. G. Hemanth Reddy is also on the Board of Balaji Speciality Chemicals Private Limited which is subsidiary of the Balaji Amines Limited.

Mr. G. Hemanth Reddy holds 718803 equity shares in the company.

Mr. G. Hemanth Reddy is Son-in-law of Mr. A. Prathap Reddy, Brother-in-law of Mr. N. Rajeshwar Reddy and Brother-in-Law of Mr. A. Srinivas Reddy who are also Directors and Promoters of the Company.

None of the Directors or KMP except Mr. G. Hemanth Reddy, Mr. A. Prathap Reddy Mr. N. Rajeshwar Reddy and Mr. A. Srinivas Reddy may be considered to be interested in the Resolution.

EXPLANATORY STATEMENT IN RESPECT OF THE SPECIAL BUSINESS PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013

ITEM NO. 4

The Board of Directors, at its Meeting held on 22nd June, 2020, upon the recommendation of the Audit Committee, approved the re-appointment of Mr. N.V.S. Kapardhi, Cost Accountants

having Firm Registration Number 100231, as Cost Auditors of the Company for conducting the audit of the cost records of the Company, for the Financial Year ending 31st March, 2021, at a remuneration of Rs. 70,000 (Rupees Seventy Thousand only) (plus Goods and Services Tax and reimbursement of out of pocket expenses).

Pursuant to Section 148 of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules, 2014, Members of a Company are required to ratify the remuneration to be paid to the cost auditors of the Company.

Accordingly, consent of the Members is sought for passing an Ordinary Resolution as set out at Item No. 4 of the Notice for ratification of the remuneration payable to the Cost Auditors for conducting the audit of the cost records of the Company for the Financial Year ending 31st March, 2021.

None of the Directors, Key Managerial Personnel of the Company and their relatives are, in any way, concerned or interested, financially or otherwise, in the Resolution set out at Item No. 4 of the Notice.

The Board commends the Ordinary Resolution set out at Item No. 4 of the Notice for approval of the Members.

By Order of the Board For Balaji Amines Limited

Sd/-

Jimisha Parth Dawda
Company Secretary &
Compliance Officer

Date: 22.06.2020
Place: Solapur

Registered Office :

Balaji Towers, No. 9/1A/1,
Hotgi Road, Aasara Chowk,
Solapur - 413224, Maharashtra
CIN : L24132MH1988PLC049387
Telephone : 0217-2310824/0217-2451500
Fax : 0217-2451521
Website : www.balajiamines.com
E-mail : cs@balajiamines.com

DIRECTORS REPORT

To the Members,
 The Directors present the 32nd Annual Report of Balaji Amines Limited along with the Audited Statement of Accounts of the Company for the year ended 31st March, 2020.

1. FINANCIAL RESULTS

(Rs. in Lakhs)

Particulars	2019-20	2018-19
Revenue from Operations	91905.41	94983.16
Other Income	1026.28	521.85
Total Revenue	92931.69	95505.01
Profit before Finance Charges, Tax Expenses, Exceptional items and Depreciation	19002.78	19862.28
Less : Depreciation	2418.14	1955.39
Profit before Finance Charges, Tax Expenses, Exceptional items	16584.64	17906.89
Less : Finance Charges	1213.23	1302.59
Profit before Tax Expenses	15371.41	16604.30
Provision for Tax	4424.25	5152.68
Adjustments of earlier year Tax Provision	-428.15	-355.99
Profit after Tax	11375.31	11807.61
Total Comprehensive Income	11375.31	11807.61
Less : Transfer to Reserves	1137.53	1181.00
Balance	10237.78	10626.63
Balance of profit of earlier years	49699.62	40086.94
Less : Dividend paid on Equity Shares	1749.65	842.43
Dividend Distribution Tax	361.65	171.52
Balance Carried Forward	57826.10	49699.62

2. PERFORMANCE HIGHLIGHTS

Your company has achieved a Gross Income of Rs.91,905.41 lakhs during the financial year 2019-20. The Profit After Tax for the year stood at Rs. 11,375.31 lakhs.

Further details of operations are given in the Management Discussion and Analysis Report which forms part of this report.

3. DIVIDEND

During the Financial Year, based on the Company's performance, the Directors have declared interim dividends of Rs. 2.60 (130%) per equity share. The Directors have also recommended a final dividend of Rs.0.60 per equity share, taking the total dividend to Rs. 3.20 (i.e. 160%) per equity share.

The Final dividend on equity shares, if approved by the Members would involve a cash outflow of Rs.1,94,40,600. The total dividend on equity shares including dividend tax for FY 2019-20 would aggregate Rs.12,10,02,400, resulting in a dividend payout of 10.64% of the unconsolidated profits of the Company.

4. TRANSFER TO RESERVES

Company proposes to transfer a sum of Rs. 1,137.53 lakhs to the General Reserves. An amount of Rs. 10,237.78 lakhs is proposed to be retained in the statement of profit and loss.

5. SUBSIDIARIES

Balaji Speciality Chemicals Private Limited (BSCPL) is the only Subsidiary of the Company, BSCPL is engaged in Manufacturing of Ethylenediamine (EDA), Piperazine (Anhydrous), Aminoethylpiperazine (AEP) and Diethylene triamine (DETA) and other Specialty Chemicals.

6. CONSOLIDATED FINANCIAL STATEMENTS

As required pursuant to the provisions of Section 129 of the Companies Act, 2013, and the Securities and Exchange Board of India (Listing Regulations and Disclosure Requirements) Regulations, 2015, the Consolidated Financial Statements of the Company are prepared in accordance with the Accounting Standards issued by the Institute of Chartered Accountants of India on the basis of the audited financial statements of the Company and its subsidiaries.

The Statement containing salient features of the financial statements of the subsidiaries in Form AOC-1 is attached as 'Annexure I' to this Annual Report.

7. CREDIT RATING

The Credit Rating of the company is affirmed during the year "IND AA-" (long term) "STABLE" by India Ratings and Research.

8. DETAILS OF COMPANIES WHICH HAVE BECOME OR CEASED TO BE ITS SUBSIDIARIES, JOINT VENTURES OR ASSOCIATE COMPANIES DURING THE YEAR

During the Financial Year 2019-20, no company ceased to be subsidiary of the company and your company does not have any associates or joint ventures.

9. DETAILS OF DIRECTORS OR KEY MANAGERIAL PERSONNEL WHO WERE APPOINTED OR HAVE RESIGNED DURING THE YEAR

The constitution of the Board is in Compliance with the provisions of Section 149 of the Companies Act, 2013, and the Listing Regulations.

During the reporting period Mr. G. Hemanth Reddy retires by rotation and, being eligible, offers himself for re-appointment at the 32nd Annual General Meeting (AGM) of the Company scheduled to be held on 8th August, 2020.

There has been no change in the Directors and KMPs during the year under review.

10. DECLARATION BY INDEPENDENT DIRECTORS

The Company has received declarations from all the Independent Directors of the Company confirming that they fulfill the criteria of independence as prescribed under sub-section (6) of Section 149 of the Companies Act, 2013, and the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements), Regulations, 2015.

11. MEETINGS

During the year, five meetings of the Board of Directors were held as more particularly disclosed in the attached Report on Corporate Governance. The intervening gap between any two meetings was within the prescribed period.

The number and dates of meetings held by the Board and its Committees, attendance of Directors and details of remuneration paid to them is given separately in Corporate Governance Report in terms of Section 134(3)(b) of the Companies Act, 2013.

12. BOARD EVALUATION

As mandated under the Companies Act, 2013, and the SEBI (Listing Obligations and Disclosure Requirements)

Regulations, 2015, the annual performance evaluation of the Directors individually vis-à-vis the Board and its committees have been carried out. The manner of such evaluation has been disclosed in the Corporate Governance Report.

13. DIRECTORS RESPONSIBILITY STATEMENT

Pursuant to Section 134 (5) of the Companies Act, 2013, your Directors confirm that to the best of their knowledge and belief and according to the information and explanation available to them,

- i. In the preparation of the annual accounts, the applicable accounting standards have been followed along with proper explanation relating to material departures;
- ii. Such accounting policies as mentioned in the notes to the financial statements have been selected and applied consistently and judgments and estimates that are reasonable and prudent made so as to give a true and fair view of the state of affairs of the Company at the end of the financial year 2019-20 and of the statement of profit of the Company for that period;
- iii. Proper and sufficient care has been taken 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;
- iv. The annual accounts for the year 2019-20 have been prepared on a going concern basis;
- v. That the proper internal financial controls were in place and that the financial controls were adequate and were operating effectively.

That system to ensure compliance with the provisions of all applicable laws were in place and were adequate and effectively mentioned under various heads of the departments which are in turn reporting to the Whole-time Directors.

14. RESEARCH & DEVELOPMENT

Your Company has been carrying out continuous Research and Development in the following areas:

- a) Identification of new products and development activities of latest process technologies are continuously worked on.
- b) Continuous improvement of processes and fine tuning of process parameters to optimize utilization of energy, utilities & raw materials consumption and alternate routes are being looked at.
- c) Backward & forward integration of products to improve value chain and better utilization of all the resources.

- d) Adoption of advanced technology in recovering waste water has resulted in minimizing the impact on environment and concentration of core principle of Reduce, Reuse and Recycle of all the resources.
- e) Several improvements in Acetonitrile plant have been initiated and resulting in lower consumption co-efficient.
- f) For sustainable usage of natural resources, the Company has initiated various models in reducing, reusing and recycling of various natural resources.
- g) The R&D demonstration projects for THF, DMC and many other products were undertaken during the year by your company.
- h) After successful development of the process(es), the pilot plant-cum-demonstration plants shall be taken up for implementation.

15. EXPANSION/DIVERSIFICATION

- a) Your company has been allotted 90 Acres of Land at MIDC, Chincholi and the Maharashtra state Government has accorded "Mega Project" Status for this new Project.
- b) The Environment clearances and consent for establishment have been obtained for several products. Your company has entered into agreement for detailed engineering initially for the first phase for manufacture of Ethylamines, DMC.

16. CHANGE IN NATURE OF BUSINESS

There is no change in the nature of business during the year.

17. MATERIAL CHANGES AND COMMITMENTS

No material changes and commitments affecting the financial position of your Company have occurred after the closure of the Financial Year 2019-20 till the date of this Report.

18. REMUNERATION POLICY

The Board has, on the recommendation of the Nomination and Remuneration Committee framed a policy for selection and appointment of Directors and Senior Management personnel and fix their remuneration. The Remuneration Policy is posted on the website of the Company at the link: www.balajiamines.com/investor-relations

19. PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS

Details of Loans, Guarantees and Investments covered under the provisions of Section 186 of the Companies Act, 2013, are given in the notes to the Financial Statements.

20. EXTRACT OF ANNUAL RETURN

Pursuant to the provisions of Section 92(3) of the Companies Act, 2013, read with Rule 12(1) of the Companies (Management and Administration) Rules, 2014, an Extract of Annual Return as on the financial year ended on 31st March, 2020, in Form No. MGT-9 is annexed herewith and marked as 'Annexure II' forming part of this report.

21. PARTICULARS OF EMPLOYEES

In terms of the provisions of Section 197(12) of the Companies Act, 2013 read with Rule 5(2) and 5(3) of the Companies (Appointment & Remuneration of Managerial Personnel) Rules, 2014 a statement showing the names and other particulars of the employees drawing remuneration in excess of the limits set out in the said rules are provided in 'Annexure III' to this report

22. DETAILS IN RESPECT OF ADEQUACY OF INTERNAL FINANCIAL CONTROLS WITH REFERENCE TO THE FINANCIAL STATEMENTS

The Company has in place proper and adequate internal control systems commensurate with the nature of its business, size and complexity of its operations. Internal control systems comprising of policies and procedures designed and implemented to ensure reliability of financial reporting, timely feedback on achievement of operational and strategic goals, compliance with policies, procedure, applicable laws and regulations, and that all assets and resources acquired are used optimally.

23. STATUTORY AUDITORS

M/s. Ayyadevara & Co., Chartered Accountants, were appointed as Statutory Auditors of the Company for a period of 5 Years from the Conclusion of 29th Annual General Meeting of the Company till the conclusion of 34th Annual General Meeting of the Company subject to ratification by members in every Annual General Meeting.

However, with the introduction of provisions of companies (Amendment) Act, 2017, ratification of appointment of Statutory Auditor has been omitted with effect from 7th May, 2018. Hence, the agenda for ratification of appointment of M/s. Ayyadevara & Co., Chartered Accountants, as Statutory Auditors has not been proposed in the Notice convening the Annual General Meeting.

The Independent Auditors report given by M/s. Ayyadevara & Co., Chartered Accountants, the Statutory Auditors of the Company on standalone and consolidated Financial Statements of the Company does not contain any qualification, reservation or adverse remark.

During the year under review, there was no instance of

fraud, which required the Statutory Auditors to report to the Audit Committee and /or Board under Section 143(12) of the Companies Act, 2013 and the rules made thereunder.

24. INTERNAL AUDITORS

The Board of Directors based on the recommendation of the Audit Committee have re-appointed M/s. Aherkar & Co, Chartered Accountants, Solapur, as the Internal Auditors of your Company. The Internal Auditors are submitting their reports on monthly basis.

25. COST AUDITORS

In accordance with Section 148(3) and other applicable provisions, if any, of the Companies Act, 2013, and the Companies (Audit and Auditors) Rules, 2014, the Audit Committee has recommended and the Board of Directors had appointed Mr. N.V.S. Kapardhi, Practicing Cost Accountants, Hyderabad, being eligible and having sought re-appointment, as Cost Auditors of the Company, to carry out the cost audit of the products manufactured by the Company during the financial year 2020-2021 on a remuneration of Rs. 70,000/- (Rupees Seventy Thousand only). The remuneration payable to the cost auditor is required to be placed before the Members in a general meeting for their approval. Accordingly, a Resolution seeking Members' approval for the remuneration payable to Mr. N.V.S. Kapardhi, Cost Accountants, is included at Item No. 4 of the Notice convening the Annual General Meeting.

26. SECRETARIAL AUDITORS & SECRETARIAL AUDIT REPORT

Pursuant to provisions of Section 204 of the Companies Act, 2013, read with Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 the Board has appointed M/s. P. S. Rao & Associates, Practicing Company Secretaries, to conduct Secretarial Audit for the financial year 2019-20. The Secretarial Audit Report, pursuant to Section 204(1) of the Companies Act, 2013, for the financial year ended 31st March, 2020 is given in 'Annexure IV' attached hereto and forms part of this Report. The Secretarial Audit Report does not contain any qualification, reservation or adverse remark.

27. VIGIL MECHANISM / WHISTLE BLOWER POLICY

The Company has formulated a Whistle Blower Policy in terms of Section 177 of the Companies Act, 2013, as per Regulation 22 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Securities and Exchange Board of India (Prohibition of Insider Trading) Regulation, 2015. For the employees to report their grievances / concerns about

instances of unethical behavior, actual or suspected fraud or violation of Company's Code of Conduct by means of Protected Disclosure to the Authorized Officer or the Chairman of the Audit Committee.

The vigil mechanism / whistle blower policy may be accessed on the Company's website at the link: www.balajiamines.com/investor-relations

28. ENERGY CONSERVATION, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGO

The information on conservation of energy, technology absorption and foreign exchange earnings and outgo stipulated under Section 134(3)(m) of the Companies Act, 2013, read with Rule 8 of the Companies (Accounts) Rules, 2014 is annexed herewith as '**Annexure V**'.

29. PARTICULARS OF CONTRACTS OR ARRANGEMENTS WITH RELATED PARTY

All related party transactions that were entered into during the financial year were at an arm's length basis and were in the ordinary course of business. There are no materially significant related party transactions made by the Company with Promoters, Directors, Key Managerial Personnel or other designated persons which may have a potential conflict with the interest of the Company at large.

During the year, all Related Party Transactions were placed before the Audit Committee and also to the Board for approval. Prior omnibus approval of the Audit Committee was obtained for the transactions which were of a foreseen and repetitive nature.

The Policy on Related Party Transactions as approved by the Board of Directors of the Company is uploaded on the website of the Company and the same can be accessed at the link: www.balajiamines.com/investor-relations

The particulars of contracts or arrangements with related parties referred to in sub-section (1) of Section 188 of the Companies Act, 2013, in Form AOC-2 and disclosures under Schedule V of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, is annexed as '**Annexure VI**' to this report.

30. DEVELOPMENT AND IMPLEMENTATION OF A RISK MANAGEMENT POLICY FOR THE COMPANY INCLUDING IDENTIFICATION THEREIN OF ELEMENTS OF RISK, IF ANY, WHICH IN THE OPINION OF THE BOARD MAY THREATEN THE EXISTENCE OF THE COMPANY

The company has risk management mechanism and policy in place which mitigates the risk at appropriate situations and there are no elements of risk, which in opinion of board of directors may threaten the existence of the company.

31. CORPORATE SOCIAL RESPONSIBILITY

The Board in compliance with the provisions of Section 135(1) of the Companies Act, 2013, and rules made thereunder has constituted CSR Committee with Mr. Kashinath R. Dhole, Independent Director, Mr. D. Ram Reddy, Managing Director and Mr. N. Rajeshwar Reddy, Joint Managing Director of the Company as its Members. The CSR policy has been placed on the Website of the Company and can be accessed through the link: www.balajiamines.com/investor-relations & a brief outline of the CSR Policy and the CSR initiatives undertaken by the Company during the year as per Annexure prescribed in the Companies (Corporate Social Responsibility Policy) Rules, 2014 have been appended as '**Annexure VII**' to this Report.

32. FIXED DEPOSITS

Your Company has not accepted any fixed deposits and as such no principal or interest was outstanding as on the date of the Balance Sheet.

33. DETAILS OF SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS OR COURTS OR TRIBUNALS IMPACTING THE GOING CONCERN STATUS AND THE COMPANY'S OPERATIONS IN FUTURE

There are no significant and material orders passed by the regulators or courts or tribunals that would impact the going concern status of the Company and its future operations.

34. MANAGEMENT DISCUSSION & ANALYSIS

The Management Discussion and Analysis as required under Schedule V of the Listing Regulations forms an integral part of this report.

35. BUSINESS RESPONSIBILITY REPORTING

Business Responsibility Reporting for the year under review, as stipulated under Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 is in separate section forming part of The Annual Report.

36. CORPORATE GOVERNANCE

Your Company practices a culture that is built on core values and ethical governance practices and is committed to transparency in all its dealings. A Report on Corporate Governance along with a Certificate from the Statutory Auditors of the Company regarding compliance with the conditions of Corporate Governance as stipulated in Regulations 17 to 27, clauses (b) to (i) of sub-regulation (2) of Regulation 46 and paragraphs C, D and E of Schedule V

of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 is annexed to this Report.

37. HUMAN RESOURCES

Your Company considers its Human Resource as the major strength to achieve its objectives. Keeping this in view, your Company takes all the care to attract, train and retain well qualified and deserving employees. The employees are sufficiently empowered and enabled to work in an environment that inspires them to achieve higher levels of performance. The unflinching commitment of the employees is the driving force behind fulfilling the Company's vision. Your Company appreciates the contribution of its dedicated employees.

38. DISCLOSURE UNDER THE SEXUAL HARASSMENT OF WOMAN AT WORKPLACE (PREVENTION, PROHIBITION AND REDRESSAL) ACT, 2013

The Company has in place an Anti-Sexual Harassment Policy in line with the requirements of the Sexual Harassment of Women at the Workplace (Prevention,

Prohibition & Redressal) Act, 2013. Internal Complaints Committee (ICC) has been set up to redress complaints received regarding sexual harassment. All employees (permanent, contractual, temporary, trainees) are covered under this policy.

The following is a summary of sexual harassment complaints received and disposed of during the year:

No. of Compliants received	:	Nil
No. of Compliants disposed of	:	Nil

39. ACKNOWLEDGMENTS

Your Directors express their sincere appreciation to the customers, members, dealers, employees, bankers, State and Central Government, Stock Exchanges and all stakeholders for their co-operation and confidence reposed in the Company.

For and on Behalf of the Board of Directors

Sd/-

A. Prathap Reddy
Executive Chairman
(DIN: 00003967)

Date: 22.06.2020
Place: Secunderabad

ANNEXTURES TO THE DIRECTORS' REPORT

ANNEXURE - I

FORM AOC -1
STATEMENT CONTAINING SALIENT FEATURES OF THE FINANCIAL STATEMENT OF SUBSIDIARIES / ASSOCIATE COMPANIES / JOINT VENTURES.

[Pursuant to first proviso to sub-section (3) of section 129 read with Rule 5 of Companies (Accounts) Rules, 2014]

PART A : SUBSIDIARIES

Sr. No.	Particulars	Details
1	Name of the subsidiary	Balaji Speciality Chemicals Private Limited
2	Reporting period for the subsidiary concerned, if different from the holding company's reporting period	31st March, 2020 (Same as Holding Company)
3	Reporting currency and Exchange rate as on the last date of the relevant Financial year in the case of foreign subsidiaries	Not Applicable
4	Share Capital	Rs. 40,00,00,000
5	Reserves & Surplus	Rs. 28,45,07,806
6	Total Assets	Rs. 3,04,52,14,920
7	Total Liabilities	Rs. 2,36,07,07,114
8	Investments	-
9	Turnover	Rs. 53,89,20,344
10	Profit / Loss before taxation	Rs. -21,88,03,058
11	Tax Expense Net of Deferred Tax Asset	Rs. -6,32,77,067
12	Profit / Loss after taxation	Rs,-15,55,25,991
13	Proposed Dividend	Nil
14	% of Shareholding	55%

PART B: ASSOCIATES AND JOINT VENTURES

Not Applicable

As per our report of even date

For M/s. Ayyadevara & Co.

Chartered Accountants,

FRN 000278S

Sd/-

Srinivas Ayyadevara

Proprietor

ICAI Membership No. 028803

FOR AND ON BEHALF OF THE BOARD OF DIRECTORS

Sd/-

A. Prathap Reddy
Executive Chairman
DIN: 00003967

Sd/-

G. Hemanth Reddy
Whole-time Director & CFO
DIN: 00003868

Sd/-

Jimisha Parth Dawda
Company Secretary &
Compliance Officer

Date : 22nd June, 2020

Place : Solapur/Secunderabad

ANNEXURE -II

FORM NO. MGT 9

EXTRACT OF ANNUAL RETURN

As on financial year ended on 31.03.2020

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

I. Registrations & Other Details:-

1.	CIN	L24132MH1988PLC049387
2.	Registration Date	27/10/1988
3.	Name of the Company	Balaji Amines Limited
4.	Category/Sub-Category of the Company	Manufacturing of Aliphatic Amines, their Derivatives and Speciality Chemicals
5.	Address of the Registered office and contact details	Balaji Towers, No. 9/1A/1, Aasara Chowk, Hotgi Road, Solapur-413224, Maharashtra. Phone: +91-217-2310824 Fax: +91-217-2451 521 Email Id: cs@balajiamines.com
6.	Whether listed company	Yes
7.	Name, Address & contact details of the Registrar & Transfer Agent, if any.	Venture Capital and Corporate Investments Private Limited 12-10-167 Bharatnagar, Hyderabad-500018 Ph : 040-23818475/476; Fax: 040-23868024; Email Id: info@vccilindia.com

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)

Sr. No.	Name and Description of main products / services	NIC Code of the Product / Service	% to total turnover of the company
1.	Manufacturing of Aliphatic Amines, their derivatives and speciality Chemicals	20119	97.80%
2.	Hotel Balaji Sarovar Premiere	55101	2.20%

III. Particulars of Holding, Subsidiary and Associate Companies

Sr. No.	Name and Address of the Company	CIN	Holding / Subsidiary / Associate	% of shares held	Applicable section
1.	Balaji Speciality Chemicals Private Limited Address: 2nd Floor, Balaji Towers, No.9/1A/1, Hotgi Road, Aasara Chowk, Solapur - 413 224	U24299PN2010PTC137162	Subsidiary	55%	2(87)

IV. Share Holding Pattern (Equity Share Capital breakup as Percentage of total equity)
A) Category-wise Share Holding:

Category of Shareholders	No. of shares held at the beginning of the year [As on 31-March-2019]				No. of shares held at the End of the year [As on 31-March-2020]				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
A. Promoters									
(1) Indian									
a) Individual/HUF	12521146	0	12521146	38.64	12614320	0	12614320	38.93	0.29
b) Central Govt	-	-	-	-	-	-	-	-	-
c) State Govt(s)	-	-	-	-	-	-	-	-	-
d) Bodies Corp.	4774720	0	4774720	14.74	4774720	0	4774720	14.74	0.00
e) Banks / FI	-	-	-	-	-	-	-	-	-
f) Any Other	-	-	-	-	-	-	-	-	-
Sub-total (A)(1):-	17295866	0	17295866	53.38	17389040	0	17389040	53.67	0.29
(2) Foreign									
a) NRI Individuals	-	-	-	-	-	-	-	-	-
b) Other Individuals	-	-	-	-	-	-	-	-	-
c) Bodies Corp.	-	-	-	-	-	-	-	-	-
d) Banks / FI	-	-	-	-	-	-	-	-	-
e) Any Other	-	-	-	-	-	-	-	-	-
Sub-total (A)(2):-	-	-	-	-	-	-	-	-	-
Total Shareholding of Promoter (A) = (A)(1)+(A)(2)	17295866	0	17295866	53.38	17389040	0	17389040	53.67	0.29
B. Public Shareholding									
1. Institutions									
a) Mutual Funds	307884	-	307884	0.95	-	-	-	-	(0.95)
b) Banks / FI	24970	-	24970	0.08	12252	-	12252	0.04	(0.04)
c) Central Govt	-	-	-	-	-	-	-	-	-
d) State Govt(s)	-	-	-	-	-	-	-	-	-
e) Venture Capital Funds	-	-	-	-	-	-	-	-	-
f) Insurance Companies	-	-	-	-	-	-	-	-	-
g) FIs	9688	-	9688	0.03	9688	-	9688	0.03	0.00
h) Foreign Venture Capital Funds	-	-	-	-	-	-	-	-	-
i) Others (Specify)	-	-	-	-	-	-	-	-	-
j) Alternate Investment Funds	5382	-	5382	0.02	69929	-	69929	0.22	0.20
Sub-total (B)(1):-	347924	-	347924	1.07	91869	-	91869	0.28	(0.79)
2. Non-Institutions									
a) Bodies Corp.	899712	7000	906712	2.80	758882	7000	765882	2.36	(0.44)
i. Indian	-	-	-	-	-	-	-	-	-
ii. Overseas	-	-	-	-	-	-	-	-	-
b) Individuals									
i. Individual shareholders holding nominal share capital upto ₹1 Lakh	5616956	409590	6026546	18.60	5951124	359590	6310714	19.48	0.88
ii. Individual shareholders holding nominal share capital is excess of ₹1 Lakh	6865103	-	6865013	21.19	6738047	-	6738047	20.80	(0.39)
c) Others (Specify)									
Foreign Portfolio Investors	459730	-	459730	1.42	555693	-	555693	1.72	0.30
Clearing Member	49705	-	49705	0.15	47207	-	47207	0.15	0.00
Trust	667	-	667	0.00	6090	-	6090	0.02	0.02
Non Resident Individuals	408662	-	408662	1.26	453883	-	453883	1.40	0.14
IEPF	40175	-	40175	0.12	42575	-	42575	0.13	0.01
Sub-total (B)(2):-	14340620	416590	1475210	45.55	14553501	366590	14920091	46.06	0.51
Total Shareholding of Public (B) = (B)(1)+(B)(2)	14688544	416590	15105134	46.62	14645370	366590	15011960	46.33	(0.29)
C. Shares held bu Custodian for GDRs & ADRs	-	-	-	-	-	-	-	-	-
Grand Total (A+B+C)	31984410	416590	32401000	100	32034410	366590	32401000	100	-

B) Shareholding of Promoters:

Sr. No.	Shareholder's Name	Shareholding at the beginning of the year			Shareholding at the end of the year			% change in shareholding during the year
		No. of shares	% of total shares of the company	% of Shares Pledged/encumbered to total shares	No. of shares	% of total shares of the company	% of Shares Pledged/encumbered to total shares	
1	APR Holdings Investments LLP	4774720	14.74	0.00	4774720	14.74	0.00	NIL
2	A. Srinivas Reddy	1650811	5.09	0.00	1684147	5.20	0.00	0.11
3	A. Annapurna Devi	314850	0.97	0.00	314850	0.97	0.00	NIL
4	A. Prathap Reddy	4954873	15.29	0.00	4969229	15.34	0.00	0.05
5	N. Rajeshwar Reddy	594895	1.84	0.00	594895	1.84	0.00	NIL
6	D. Ram Reddy	466905	1.44	0.00	474655	1.46	0.00	0.02
7	A. Meena Devi	144110	0.44	0.00	144110	0.44	0.00	NIL
8	N. Sarita	398000	1.23	0.00	398000	1.23	0.00	NIL
9	G. Hemanth Reddy	705020	2.18	0.00	718803	2.22	0.00	0.04
10	A. Shakuntala Devi	1959250	6.05	0.00	1963049	6.06	0.00	0.01
11	D. Vandana	228019	0.70	0.00	230269	0.71	0.00	0.01
12	G. Madhumathi	574150	1.77	0.00	574150	1.77	0.00	NIL
13	N. Eeshan Reddy	99500	0.31	0.00	117400	0.36	0.00	0.05
14	N. Deepti	304500	0.94	0.00	304500	0.94	0.00	NIL
15	G. Tanmai Reddy	106253	0.33	0.00	106253	0.33	0.00	NIL
16	Laasya Gaddam	10010	0.03	0.00	10010	0.03	0.00	NIL
17	Komali Gaddam	10000	0.03	0.00	10000	0.03	0.00	NIL
	Total	17295866	53.38	0.00	17389040	53.67	0.00	0.29

C) Change in Promoters' Shareholding:

Sr. No.	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
1.	At the beginning of the year	4954873	15.29	4954873	15.29
	Date wise Increase/Decrease in promoters shareholding during the year specifying the reasons for increase/decrease (e.g.allotment/transfer/bonus/sweat equity etc.)	4356 shares acquired through Market Purchase on 6.6.2019	0.01%	4959229	15.30
		10000 shares acquired through Market Purchase on 7.6.2019	0.04%	4969229	15.34
	At the end of the year			4969229	15.34

Sr. No.	Particulars	Shareholding at the beginning of the year		Cumulative shareholding during the year	
		Mr. D. Ram Reddy	No of Shares	% of Total shares of the Company	No of Shares
2.	At the beginning of the year	466905	1.44	466905	1.44
	Date wise Increase/Decrease in promoters shareholding during the year specifying the reasons for increase/decrease (e.g.allotment/transfer/bonus/sweat equity etc.)	3000 shares acquired through Market Purchase on 11.6.2019	0.01%	469905	1.45
		4750 shares acquired through Market Purchase on 12.6.2019	0.01%	474655	1.46
	At the end of the year			474655	1.46

Sr. No.	Particulars	Shareholding at the beginning of the year		Cumulative shareholding during the year	
		Mr. G. Hemanth Reddy	No of Shares	% of Total shares of the Company	No of Shares
3.	At the beginning of the year	705020	2.18	705020	2.18
	Date wise Increase/Decrease in promoters shareholding during the year specifying the reasons for increase/decrease (e.g.allotment/transfer/bonus/sweat equity etc.)	2500 shares acquired through Market Purchase on 20.6.2019	0.00%	707520	2.18
		2000 shares acquired through Market Purchase on 2.8.2019	0.01%	709520	2.19
		2212 shares acquired through Market Purchase on 5.8.2019	0.01%	711732	2.20
		2071 shares acquired through Market Purchase on 6.8.2019	0.00%	713803	2.20
		5000 shares acquired through Market Purchase on 7.8.2019	0.02%	718803	2.22
	At the end of the year			718803	2.22

Sr. No.	Particulars	Shareholding at the beginning of the year		Cumulative shareholding during the year	
		Mrs. D. Vandana Reddy	No of Shares	% of Total shares of the Company	No of Shares
4.	At the beginning of the year	228019	0.70	228019	0.70
	Date wise Increase/Decrease in promoters shareholding during the year specifying the reasons for increase/decrease (e.g.allotment/transfer/bonus/sweat equity etc.)	2250 shares acquired through Market Purchase on 30.7.2019	0.01%	230269	0.71
	At the end of the year			230269	0.71

Sr. No.	Particulars	Shareholding at the beginning of the year		Cumulative shareholding during the year	
		Mr. N. Eeshan Reddy	No of Shares	% of Total shares of the Company	No of Shares
5.	At the beginning of the year	99500	0.31	99500	0.31
	Date wise Increase/Decrease in promoters shareholding during the year specifying the reasons for increase/decrease (e.g.allotment/transfer/bonus/sweat equity etc.)	10000 shares acquired through Market Purchase on 29.7.2019	0.03	109500	0.34
		2200 shares acquired through Market Purchase on 30.7.2019	0.00%	111700	0.34
		2000 shares acquired through Market Purchase on 19.8.2019	0.01%	113700	0.35
		3700 shares acquired through Market Purchase on 21.8.2019	0.01%	117400	0.36
	At the end of the year			117400	0.36

Sr. No.	Particulars	Shareholding at the beginning of the year		Cumulative shareholding during the year	
		Mr. A. Srinivas Reddy	No of Shares	% of Total shares of the Company	No of Shares
6.	At the beginning of the year	1650811	5.09	1650811	5.09
	Date wise Increase/Decrease in promoters shareholding during the year specifying the reasons for increase/decrease (e.g.allotment/transfer/bonus/sweat equity etc.)	1800 shares acquired through Market Purchase on 13.8.2019	0.01	1652611	5.10
		3438 shares acquired through Market Purchase on 28.8.2019	0.01	1656049	5.11
		400 shares acquired through Market Purchase on 29.8.2019	0.00	1656499	5.11
		1125 shares acquired through Market Purchase on 9.9.2019	0.01	1657574	5.12
		1070 shares acquired through Market Purchase on 11.9.2019	0.00	1658644	5.12
		1015 shares acquired through Market Purchase on 12.9.2019	0.00	1659659	5.12

	965 shares acquired through Market Purchase on 13.9.2019	0.00	1660624	5.12
	663 shares acquired through Market Purchase on 16.9.2019	0.01	1661287	5.13
	7100 shares acquired through Market Purchase on 23.9.2019	0.01	1668387	5.14
	1200 shares acquired through Market Purchase on 26.11.2019	0.01	1669587	5.15
	1420 shares acquired through Market Purchase on 27.11.2019	0.01	1671007	5.16
	1350 shares acquired through Market Purchase on 28.11.2019	0.00	1672357	5.16
	1375 shares acquired through Market Purchase on 29.11.2019	0.01	1673732	5.17
	1425 shares acquired through Market Purchase on 02.12.2019	0.00	1675157	5.17
	1260 shares acquired through Market Purchase on 3.2.2020	0.00	1676417	5.17
	1220 shares acquired through Market Purchase on 4.2.2020	0.01	1677637	5.18
	710 shares acquired through Market Purchase on 5.2.2020	0.00	1678347	5.18
	5800 shares acquired through Market Purchase on 25.2.2020	0.01	1684147	5.19
	At the end of the year		1684147	5.19

Sr. No.	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
7.	At the beginning of the year	1959250	6.05	1959250	6.05
	Date wise Increase/Decrease in promoters shareholding during the year specifying the reasons for increase/decrease (e.g.allotment/transfer/bonus/sweat equity etc.)	3060 shares acquired through Market Purchase on 11.12.2019	0.01%	1962310	6.06
		739 shares acquired through Market Purchase on 12.12.2019	0.00%	1963049	6.06
	At the end of the year			1963049	6.06

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

Sr. No.	Name	No. of Shares at the beginning of the year (01/04/2019)	% of total shares of the company	Date	Increase/Decrease in shareholding	Reason	Cumulative Shareholding	% of total shares of the company
1.	Kishan Reddy Nalla	1078500	3.33	No Change			1078500	3.33
				31.12.2019	2000	Sale	1076500	3.32
				28.02.2020	18000	Sale	1058500	3.27
	At the end of the year (31.03.2020)						1058500	3.27
2.	Vineel Reddy Nalla	1050145	3.24	No Change			1050145	3.24
3.	Vinitha Nalla	958440	2.96				958440	2.96
				29.11.2019	2000	Sale	956440	2.95
	At the end of the year (31.03.2020)						956440	2.95
4.	Vijaya Nalla	798500	2.46				798500	2.46
				29.11.2019	2000	Sale	796500	2.46
	At the end of the year (31.03.2020)						796500	2.46
5.	Veera Reddy Yannam Srinivas Reddy Yannam Vijayalaxmi Yannam	472673	1.46					1.46
				14.06.2019	4	Purchase	472677	1.46
				21.06.2019	596	Purchase	473273	1.46
				26.07.2019	600	Purchase	473873	1.46
				27.12.2019	200	Sale	473673	1.46
				31.12.2019	200	Purchase	473873	1.46
				17.01.2020	105	Sale	476768	1.46
				24.01.2020	5	Purchase	473773	1.46
				14.02.2020	100	Sale	473673	1.46
				27.03.2020	2500	Purchase	476173	1.47
				31.03.2020	2568	Purchase	478741	1.48
	At the end of the year (31.03.2020)						478741	1.48

Sr. No.	Name	No. of Shares at the beginning of the year (01/04/2019)	% of total shares of the company	Date	Increase/ Decrease in shareholding	Reason	Cumulative Shareholding	% of total shares of the company
6.	Gaddam Raja Reddy	403775	1.25		No Change		403775	1.25
7.	Vijayalaxmi Yannam Veera Reddy Yannam Srinivas Reddy Yannam	403625	1.25		No Change		403625	1.25
8.	Yelamanchali Bebi Sarojini	283049	0.87		No Change		283049	0.87
9.	Srinivas Reddy Yannam Veera Reddy Yannam Vijayalaxmi Yannam	200000	0.62		No Change		200000	0.62
10.	Chanchal Devi Lodha	63000	0.19				63000	0.19
				15.11.2019	37000	Purchase	100000	0.31
				27.12.2019	11500	Purchase	111500	0.34
				31.12.2019	11500	Purchase	123000	0.38
				03.01.2020	27000	Purchase	150000	0.46
				24.01.2020	31426	Purchase	181426	0.56
				31.01.2020	1426	Sale	180000	0.56
				07.02.2020	22000	Purchase	202000	0.62
				13.03.2020	22000	Purchase	224000	0.69
	At the end of the year (31.03.2020)						224000	0.69

E) Shareholding of Directors and Key Managerial Personnel:

Sr. No.	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.	Mr. A. Prathap Reddy	4954873	15.29	4969229	15.34
2.	Mr. N. Rajeshwar Reddy	594895	1.84	594895	1.84
3.	Mr. D. Ram Reddy	466905	1.44	474655	1.46
4.	Mr. G. Hemanth Reddy	705020	2.18	718803	2.22
5.	Mr. A. Srinivas Reddy	1650811	5.09	1684147	5.20
6.	Mr. T. Naveena Chandra	-	-	951	-
7.	Mr. M. Amarender Reddy	-	-	-	-
8.	Mr. C.S.N. Murthy	-	-	-	-
9.	Mr. Kashinath R Dhole	321	-	651	-
10.	Mrs. Vimala B Madon	-	-	-	-
11.	Mrs. Jimisha Parth Dawda (Company Secretary & Compliance Officer)	-	-	-	-

V. Indebtedness:-

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

(Amount in Rs.)

Particulars	Secured Loans excluding	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year				
i) Principal Amount	94,59,89,456	-	-	94,59,89,456
ii) Interest due but not paid	18,51,370	-	-	18,51,370
iii) Interest accrued but not due	0	-	-	0
Total (i+ii+iii)	94,78,40,826	-	-	94,78,40,826
Change in Indebtedness during the financial year				
* Addition	97,68,57,705	-	-	97,68,57,705
*Reduction	90,10,83,871	-	-	90,10,83,871
Net Change	7,57,73,834	-	-	7,57,73,834
Indebtedness at the end of the financial year				
i) Principal Amount	102,36,14,660	-	-	102,36,14,660
ii) Interest due but not paid	0	-	-	0
iii) Interest accrued but not due	0	-	-	0
Total (i+ii+iii)	102,36,14,660	-	-	102,36,14,660

VI. Remuneration of Directors and Key Managerial Personnel:-
A) Remuneration to Managing Director, Whole-time Directors and/or Manager:

(Amount in Rs.)

Sr. No.	Particulars of Remuneration	Name of MD/WTD/Manager					Total Amount
		Mr. A. Prathap Reddy (Executive Chairman)	Mr. D. Ram Reddy (Managing Director)	Mr. N. Rajeshwar Reddy (Joint Managing Director)	*Mr. G. Hemanth Reddy (Whole-time Director&CFO)	Mr. A. Srinivas Reddy (Whole-time Director)	
1.	Gross Salary						
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	50,96,400	42,74,400	42,74,400	42,74,400	37,81,200	2,17,00,800
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	-	-	-	-	-	-
	(c) Profits in lieu of salary under-section 17(3) Income-tax Act, 1961	-	-	-	-	-	-
2.	Stock Option	-	-	-	-	-	-
3.	Sweat Equity	-	-	-	-	-	-
4.	Commission - as % of profit - Others, Specify	4,61,39,044 -	2,98,82,562 -	2,98,82,562 -	1,28,04,081 -	3,03,75,762 -	14,90,84,011 -
5.	Others	-	-	-	-	-	-
	Total	5,12,35,444	3,41,56,962	3,41,56,962	1,70,78,481	3,41,56,962	17,07,84,811
	Ceiling as per the Act	Maximum Upto Rs. 17,07,84,811/-					

* Mr. G. Hemanth Reddy, whole-time director of the company is also the CFO of the company and does not draw any salary in the capacity of CFO. The above details of remuneration is drawn in the capacity of whole-time director of the company.

VI. Remuneration of Directors and Key Managerial Personnel:-
B) Remuneration to other directors:-

(Amount in Rs.)

Sr. No.	Particulars of Remuneration	Name of Directors				
		Mr. T. Naveena Chandra	Mr. M. Amarender Reddy	Mr. C.S.N. Murthy	Mr. Kashinath R. Dhole	Mrs. Vimala B. Madon
1.	Independent Director					
	Fee for attending board committee meetings	87,000	95,000	85,000	66,000	79,000
	Commission	-	-	-	-	-
	Others, please specify	-	-	-	-	-
	Total(1)	87,000	95,000	85,000	66,000	79,000
2.	Other Non-Executive Directors	-	-	-	-	-
	Fee for attending board committee meetings	-	-	-	-	-
	Commission	-	-	-	-	-
	Others, please specify	-	-	-	-	-
	Total(2)	-	-	-	-	-
	Total=(1+2)	87,000	95,000	85,000	66,000	79,000
	Overall Ceiling as per the Act	Maximum of Rs. 1,00,000/- per meeting per Independent Director				

C) Remuneration to Key Managerial Personnel other than MD/Manager/WTD:

(Amount in Rs.)

Sr. No.	Particulars of Remuneration	Key Managerial Personnel		
		Mrs. Jimisha Parth Dawda CS	*Mr. G. Hemanth Reddy CFO	Total
1.	Gross Salary			
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	7,62,504	42,74,400	50,36,904
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	-	-	-
	(c) Profits in lieu of salary under section 17(3) Income- tax Act, 1961	-	-	-
2.	Stock Option	-	-	-
3.	Sweat Equity	-	-	-
4.	Commission	-	-	-
	- as % of profit	-	1,28,04,081	1,28,04,081
	- Others, Specify	-	-	-
5.	Others	-	-	-
	Total	7,62,504	1,70,78,481	1,78,40,985

* Mr. G. Hemanth Reddy, whole-time director of the company is also the CFO of the company and does not draw any salary in the capacity of CFO. The above details of remuneration is drawn in the capacity of whole-time director of the company.

VII. Penalties / Punishment / Compounding of offences : None

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

For and on Behalf of the Board of Directors

Sd/-

A. Prathap Reddy
Executive Chairman
DIN: 00003967

Date : 22. 06. 2020
Place : Secunderabad

ANNEXURE -III

REPORT ON MANAGERIAL REMUNERATION

[As per Section 197 of the Companies Act, 2013, Read with Rule 5 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]

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

- I. The percentage increase in remuneration of each Director, Chief Financial Officer and Company Secretary, ratio of the remuneration of each Director to the median remuneration of the employees of the company and the comparison of remuneration of each Key Managerial Personnel (KMP) against the performance of the Company are as under:

Name	Designation	Remuneration of Director KMP for the financial year 2019-20* (amount in Rs.)	Ratio of Remuneration of each Director to median remuneration of employees	% increase in Remuneration in the financial year 2019-20
Mr. A. Prathap Reddy	Executive Chairman	50,96,400	23.46	3.33
Mr. D. Ram Reddy	Managing Director	42,74,400	19.68	4.00
Mr. N. Rajeshwar Reddy	Joint Managing Director	42,74,400	19.68	4.00
Mr. G. Hemanth Reddy	Whole-time Director & CFO	42,74,000	19.68	4.00
Mr. A. Srinivas Reddy	Whole-time Director	37,81,200	17.41	4.54
Mrs. Jimisha Parth Dawda	Company Secretary & Compliance Officer	7,62,504	3.51	42.31

*Remuneration excludes Commission paid to the Directors as a % of Profits

- ii. The median remuneration of employees' of the Company during the financial year was Rs. 2,17,206/-
- iii. The percentage increase in the median remuneration of employees in the financial year ending 31st March, 2020 was Rs.20,808/- (18.3 %).
- iv. There were 802 permanent employees on the rolls of Company as on 31st March, 2020.
- v. Average percentile increase already made in the salaries of employees other than the managerial personnel in the last financial year and its comparison with the percentile increase in the managerial remuneration and justification thereof and point out if there are any exceptional circumstances for increase in the managerial remuneration:

The average annual increase across the organization was around 25%. However, the total increase was approximately 35% after accounting for promotions and corrections.

There were no exceptional circumstances for increase in the managerial remuneration The Company affirms that remuneration to the Directors and Key Managerial Personnel is as per the remuneration policy of the Company.

(B) Statement of Particulars of Employees Pursuant to Provisions of Rule5 (2) of Section197 (12) of the Companies Act 2013 Read with Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014

Sr. No.	Name and Designation	Nature of Employment	Qualifications Experience and age of the Employee	Date of Commencement of Employment	The Last Employment held before Joining the Company	Remuneration for the FY 2019-20	Whether employee is relative of any director or Manager of the Company
1.	Mr. A. Prathap Reddy Executive Chairman	Contractual	He is a Civil Engineer by Qualification; He has over 45 Years of experience across varied industries. (Age - 69 Years.)	27th October, 1988	Nil	5,12,35,444	1. Father of Mr. A. Srinivas Reddy 2. Father-in-Law of Mr. G. Hemanth Reddy 3. Uncle of Mr. D. Ram Reddy
2.	Mr. D. Ram Reddy Managing Director	Contractual	He has over 35 years of experience in varied industries. (Age - 59 Years)	15th January, 1989	Nil	3,41,56,962	1. Nephew of Mr. A. Prathap Reddy 2. Cousin of Mr. A. Srinivas Reddy
3.	Mr. N. Rajeshwar Reddy Joint Managing Director	Contractual	He holds a Bachelor's degree in Commerce and has over 40 years of experience across varied industries. (Age - 65Years)	27th October, 1988	Nil	3,41,56,962	1. Brother-in-Law of Mr. G. Hemanth Reddy
4.	Mr. G. Hemanth Reddy Whole-time Director & CFO	Contractual	He is a post graduate in management with Finance & Marketing as specialization having more than 30 years of experience spread across various businesses. (Age - 54 Years)	28th July, 2008	Bhagyanagar Woodplast Limited	1,70,78,481	1. Son-in-Law of Mr. A. Prathap Reddy 2. Brother-in-Law of Mr. N. Rajeshwar Reddy 3. Brother-in-Law of Mr. A. Srinivas Reddy
5.	Mr. A. Srinivas Reddy Whole-time Director	Contractual	He is a Post Graduate in Computer science & an MBA. He has worked as project manager on multiple projects at large for the tune 100 US companies including Sprint, Goodyear, Agilent techno. Cummins Inc, etc. (Age - 44 Years)	11th May, 2013	Nil	3,41,56,962	1. Son of Mr. A. Prathap Reddy 2. Brother-in-Law of Mr. G. Hemanth Reddy 3. Cousin of Mr. D. Ram Reddy
6.	Mr. Prakash Baliram Chaudhari (VP-Production)	Contractual	He holds a Bachelor's Degree B.Sc. -Tech.(Petrochemical) and he has over 41 years' experience in Chemicals Production.(Age- 67 Years)	1st April, 1998	Atul Limited, Ankleshwar	28,00,000	No
7	Mr. Govind Raybhanrao Menchekare (DGM-Production)	On Roll	He holds a Bachelor's Degree (B.Sc.) and has over 25years experience in Chemical Production (Age- 45 Years)	24th January, 1996	NA	20,00,000	No
8.	Mr. Rajeshwar Reddy Kishta Reddy Baddam (DGM - Qc & QA)	On Roll	He is a Post Graduate in Science (M. Sc.) and he has over 27 years' experience in Quality Control & Quality Assurance. (Age - 60 Years)	15th May, 1990	NA	19,70,000	No

- i. Rs.19.50 Lakhs p.a. is given to 3 employees, the details of those employees shall be provided on a specific request.
- ii. There were no other employees drawing remuneration of Rs.8.50 Lakhs p.m or above / Rs.1.02 Lakhs p.a or above whether employed throughout or part of the financial year No employees are covered under rule 5(2)(iii) of Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014
- iii. throughout or part of the financial year No employees are covered under rule 5(2)(iii) of Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014
- iv. The Remuneration of top 5 employees includes commission on profits.

For and on Behalf of the Board of Directors

Sd/-

A. Prathap Reddy
Executive Chairman
(DIN: 00003967)

Date : 22.6.2020
Place : Secunderabad

ANNEXURE-IV

FORM NO MR-3

SECRETARIAL AUDIT REPORT

[Pursuant to Section 204(1) of the Companies Act, 2013 and the Rule 9 of the companies (Appointment and remuneration of managerial personnel) Rule, 2014]

To,
The Members,
Balaji Amines Limited
Solapur

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by M/s Balaji Amines Limited, (hereinafter called the company). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing our opinion thereon.

Based on our 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, We hereby report that in our opinion, the company has, during the audit period covering the financial year ended on 31st March, 2020 has 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 :

1. We have examined the books, papers, minute books, forms and returns filed and other records maintained by the company for the financial year ended on 31st March, 2020 according to the provisions of:

- (i) The Companies Act, 2013 (the Act) and the rules made thereunder;
- (ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
- (iv) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;
- (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, 2015;

2. Provisions of the following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act') were not applicable to the Company under the financial year under report:-

- (a) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018;
- (b) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008;
- (c) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;
- (d) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; and
- (e) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018;
- (f) Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014;

3. The industry specific major laws that applicable to the company are :

- a) Hazardous and Other Wastes (Management and Transboundary Movement) Rules, 2016 under the Environment (Protection) Act, 1986;
- b) Food Safety And Standards Act, 2006
- c) Petroleum Act 1934
- d) Poisons Act 1919
- e) The Indian Copyright Act, 1957
- f) The Patents Act, 1970
- g) The Trade Marks Act, 1999
- h) The Indian Boilers Act, 1923
- i) The Explosives Act 1983
- j) Manufacture Storage and Import of Hazardous Chemical Rules, 1989
- k) Public Liability Insurance Act, 1991

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

- (a) SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

(b) Secretarial Standards issued by the Institute of Company Secretaries of India and notified under the Act.

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

We 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. There were no changes in the composition of the Board of Directors during the period under review.

Adequate notice is given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

Majority decision is carried through while the dissenting members' views are captured and recorded as part of the minutes.

We further report that there are adequate systems and processes in the company commensurate with the size and operations of the company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

Company has not undertaken any event / action having a major bearing on the Company's affairs in pursuance of the above referred laws, rules, regulations, guidelines, standards, etc.

For P.S. Rao & Associates
Company Secretaries

Sd/-
P. S. Rao
Partner
M. No. F10322
C P No: 3829
Date: 18.06.2020
Place: Hyderabad
UDIN: F010322B000353907

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

ANNEXURE A

To,
The Members,
Balaji Amines Limited
Solapur

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. In view of the limitations imposed during the lockdown of the country due to the pandemic spread of the COVID-19 disease, the audit was conducted based on the information and documents provided by the management of the company.
7. 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 P.S. Rao & Associates
Company Secretaries

Sd/-
P S Rao
Partner
M. No. F10322
C P No: 3829
Date: 18.06.2020
Place: Hyderabad
UDIN: F010322B000353907

ANNEXURE-V

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

[Pursuant to section 134 (3) (m) of The Companies Act, 2013, read with Rule 8 (3) of The Companies (Accounts) Rules, 2014]

(A) Conservation of Energy

a. The steps taken or impact on conservation of energy:

The Company has an excellent team of professionals and Industry specialists on retainers who are responsible for improving energy conservation. The team implements the latest trends, developments & technologies available in conserving energy across all the units.

The areas of conservation of energy are:

1. Low cost of power and Steam generation & optimum recovery of energy by synchronization.
2. Water conservation and waste water utilization by various methods.
3. Recovery of energy from the process.
4. Use of Dry Air Cooled Condensers and Chillers.
5. Deploying various power generation equipment in the plants resulting in lower overall cost of power.
6. Use of additional effluent concentration systems to reduce MEE loads
7. Deploying of additional innovative solutions at cooling towers to reduce consumption of water.

(b) Steps taken by the Company for utilizing alternate sources of energy

The company has completed off grid solar power generation system setup at Solapur Administrative office that has been responsible for partially fulfilling power requirements of the office. The company has also kicked off a similar initiative for deployed 415KW Solar Power Plant at Unit 3, Chincholi.

The Company continues to explore additional opportunities for alternative sources of energy in other areas that have both environmental as well as financial improvements.

(c) The Capital investment on energy conservation equipment

The company has implemented various energy conservative measures, which has resulted in reducing energy costs and improving efficiency of various plants.

- a) Optimizing the usage of energy efficient pumping systems.
 1. Waste Water recovery system through High Pressure processing system.
 2. Deployment of latest Effluent Treatment System in

addition to existing ETP unit at Unit 1, Tamalwadi. The same will allow for lower cost of effluent processing cost.

3. Various kinds of power generation systems deployed at plants reducing overall cost of power.

Impact of the above measures are:

1. Free power to part of the offices as well as Chincholi Manufacturing site office through solar unit.
2. Sustainable usage of water resources.
3. Reduced power cost at process plants due to power generation equipment deployment.
4. The overall reduction of energy costs and also efficiency of various plants has been Improved.
5. Reduced cost of effluent treatment at Tamalwadi Site.
6. Lower wastage of water via RO reject (and subsequent processing in Multiple effect evaporator).
7. Reduced cooling costs due to deployment of more efficient condensers and chillers.

(B) Technology Absorption

- i. Efforts made towards technology absorption: Through the R&D initiatives new products/processes developed, involves usage of latest technology, process and methods. The R & D team has been continuously working on improving existing manufacturing processes and changes proposed have been implemented in production.
- ii. The Benefits derived like product improvement, cost reduction.
 - a) Impact on Environment is minimized
 - b) Process Time and cost reduced substantially.
- iii. In case of imported technology (imported during the last three years reckoned from the beginning of the financial year) - Not Applicable
- iv. **Particulars with Respect to Research and Development**
 - 1) Specific Areas in which the Company Carries out R&D
 - a) Improved process of Aliphatic Amines manufacturing.
 - b) Better Handling of effluents from various plants.
 - c) Improve product quality of existing product portfolio as per customer requirements through R&D pilot trials.
 - d) Improvement of processes in existing plants.
 - e) Test out various new catalysts for existing products for identifying replacement catalysts with better performance on all metrics.

2. Benefits Derived

- a) Impact on Environment is minimized
- b) Process Time and cost reduced substantially.
- c) Overall performance of the company has been satisfactory and operating at a high scale of operations and optimum utilization of resources.

3. Future Course of Action

- a) Continuous improvement of processes and fine tuning process parameters to optimize utilization of energy, utilities and consumption of raw materials.
- b) Greater importance for both Backward & Forward integration of product lines for better realization and value addition.
- c) Continued emphasis on identifying new products / processes through in house R&D center.

4. Expenditure on R&D

- a) Capital in nature : 181.92 Lakhs
- b) Revenue : 53.78 Lakhs

5. Technology Absorption, Adoption and Innovation Efforts Made

Through the R&D initiatives new products/processes developed, involves usage of latest technology, process and methods.

(C) Foreign Exchange Earnings and Outgo (Rs in Lakhs)

Particulars	2019-20	2018-19
Foreign Exchange Earned	₹ 1,81,95.48	₹ 2,09,50.34
Foreign Exchange Outgo	₹ 1,34,70.23	₹ 2,70,36.54

For and on Behalf of the Board of Directors

Sd/-

A. Prathap Reddy
Executive Chairman
(DIN: 00003967)

Date: 22.06.2020
Place: Secunderabad

ANNEXURE-VI

FORM NO AOC -2

(Pursuant to clause (h) of sub-section (3) of section 134 of the Act and Rule 8(2) of the Companies (Accounts) Rules, 2014)

Form for disclosure of particulars of contracts/arrangements entered into by the Company with related parties referred to in sub-section (1) of section 188 of the Companies Act, 2013 including certain arm's length transactions under third proviso thereto

1. Details of contracts or arrangements or transactions not at arm's length basis -

There were no contracts or arrangements or transactions entered into during the year ended 31st March, 2020, which were not at arm's length basis.

2. Details of contracts or arrangements or transactions at arm's length basis-

The details of contracts or arrangements or transactions at arm's length basis for the year ended 31st March, 2020, are as follows:

Name of the related party	Relationship	Nature of Transaction	Transaction Value Rupees	Balance outstanding Receivable/(-) Payable as on date of Balance Sheet Rupees	Amount written off / back
Balaji Speciality Chemicals Private Limited	Company in which the Enterprise is substantially interested, by holding 55% of shares in the total paid up share capital.	Investment through subscription to equity capital	Rs.66,00,00,000/-	Rs.66,00,00,000/-	Nil
Balaji Speciality Chemicals Private Limited	Company in which the Enterprise is substantially interested, by holding 55% of shares in the total paid up share capital.	Unsecured Loan given Interest Receipt thereon	Rs. 46,34,76,847/- Rs. 5,39,07,719/-	Rs. 46,34,76,847/- Nil	Nil
Balaji Speciality Chemicals Private Limited	Company in which the Enterprise is substantially interested, by holding 55% of shares in the total paid up share capital.	a. Sales b. Purchase	Rs. 33,54,58,655/- Rs. 3,62,84,344/-	Rs.16,97,24,084/-	Nil
Balaji Speciality Chemicals Private Limited	Company in which the Enterprise is substantially interested, by holding 55% of shares in the total paid up share capital.	Rent Receipt	Rs.60,000/-	Nil	Nil
KPR House / Family Trust	A Co-ownership in which Directors and their relatives are interested.	Rent Payment	Rs. 7,44,000/-	Rs. 62,000/-	Nil
Balaji Sourcings Pvt. Ltd.	A Company in which Directors are interested	Purchase	Rs. 3,18,78,957/-	Ceased to be related party w.e.f. 25.10.2019	Nil
Thirumala Precicasts Pvt. Ltd.	A Company in which Directors are interested	Rent Receipt	Rs.3,52,089/-	Rs.1,71,198/-	Nil
MVL Medisynth Pvt. Ltd.	A Company in which Directors are interested	a. Sales b. Purchase	Rs. 39,56,100/- Rs. 80,43,497/-	Nil	Nil
Mr. A. Prathap Reddy	Executive Chairman	Remuneration & Allowance Commissions on Profits	Rs. 50,96,400/- Rs. 4,61,39,044/-	Rs. 2,50,300/- Rs. 4,61,39,044/-	Nil Nil
Mr. N. Rajeshwar Reddy	Joint Managing Director	Remuneration & Allowances Commission on Profits	Rs. 42,74,400/- Rs. 2,98,82,562/-	Rs.2,13,427/- Rs. 2,98,82,562/-	Nil Nil
Mr. D. Ram Reddy	Managing Director	Remuneration & Allowances Commission on Profits	Rs. 42,74,400/- Rs. 2,98,82,562/-	Rs.2,12,479/- Rs. 2,98,82,562/-	Nil Nil
Mr. G. Hemanth Reddy	Whole-time Director & CFO	Remuneration & Allowances Commission on Profits	Rs. 42,74,400/- Rs. 1,28,04,081/-	Rs. 2,13,800/- Rs. 1,28,04,081/-	Nil Nil
Mr. A. Srinivas Reddy	Whole-time Director	Remuneration & Allowances Commission on Profit	Rs. 37,81,200/- Rs. 3,03,75,762/-	Rs. 1,91,900/- Rs. 3,03,75,762/-	Nil Nil
P D Enterprises	P D Enterprises is owned by Mr.Parth Dawda who is acting as an Distributor /Agent of Coffee Day Global Limited and is husband of Mrs.Jimisha Dawda, Company Secretary of the Company	Supply of Café Coffee Day Products to Balaji Sarovar Premiere	Rs. 82,332/-	Rs. 3,186/-	Nil

Note : As per provisions of SEBI (Listing Obligations and Disclosures Requirement) Regulations, 2015 none of the above mentioned transactions are material in nature.

For and on Behalf of the Board of Directors

Sd/-
A. Prathap Reddy
 Executive Chairman
 DIN: 00003967

Date : 22.06.2020
 Place: Secunderabad

Particulars of loans/advances, etc. pursuant to Para A of Schedule V of the SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015

Sr. No.	In the Accounts of	Disclosure of amounts at the year end and the Maximum amount of loans/Advances/Investments outstanding during the year
1	Balaji Amines Limited	Loans and Advances in the Nature of loans to subsidiary company Balaji Speciality Chemicals Private Limited: Rs. 46,34,76,847/-

For and on Behalf of the Board of Directors

Sd/-
A. Prathap Reddy
Executive Chairman
DIN: 00003967

Date : 22.06.2020
Place: Secunderabad

ANNEXURE-VII

ANNUAL REPORT ON CORPORATE SOCIAL RESPONSIBILITY (CSR) ACTIVITIES

1. A brief outline of the Company's CSR policy, including overview of projects or programs completed and proposed to be undertaken and a reference to the web-link to the CSR policy and projects or programs:

The CSR Policy including a brief overview of the projects or programs undertaken can be accessed at the Company's website through the Web-link: <http://www.balajiamines.com/corporate-social-responsibility>

2. Composition of the CSR Committee:

Mr. Kashinath R. Dhole (Chairman)
Mr. N. Rajeshwar Reddy (Member)
Mr. D. Ram Reddy (Member)

3. Average net profit of the Company for last three financial years:

Average net profit : Rs. 1,55,87,90,725/-

4. Prescribed CSR Expenditure (two percent of the amount on item 3 above):

The Company is required to spend towards CSR activities : Rs. 3,11,75,815/-

5. Details of CSR spent for the financial year 2019-20

i. Total amount spent for the financial year: Rs. 2,68,50,906/- (Previous year: Rs. 2,63,02,460/-)

ii. Amount unspent, if any: Rs. 43,24,909/-

iii. Manner in which the amount spent during the Financial Year:

Sr. No	Project Area / Sector	Locations	Amount outlay (budget) project or programs wise	Amount spent on the projects or Programs	*Cumulative expenditure up to the reporting period	Amount spent: Direct or through implementing agency
1.	Health Care:- Improving health conditions & medical facilities in various villages of Maharashtra by constructing toilets, water collection system, Providing Drinking water RCC Tanks, RO Plants, dustbins, Providing medical aid, contributing towards PM care fund and other contributions towards COVID-19 pandemic etc.	Mohol Taluka, Solapur District and Osmanabad District of Maharashtra and Nizampet Mandal of Medchal District, Telangana	NA	1,58,88,123	3,88,38,906	Direct
2.	Promoting Education:- Enhancing the state of educational institutions by constructing necessary infrastructure for schools and providing Computers/Laptops, inverters, printers, benches, books (including competitive exams and Library books), stationery, Lab Equipments & Other relevant materials. Educational Aid and encouragement to needy students for studies or any other activities of their interest.		NA	48,69,431	2,44,42,075	Direct

3.	Social Welfare : Promoting Road safety, Cleanliness under Swach Bharat Abhiyan	NA	57,620	18,63,578	Direct
4.	Rural Development: Installation of LED Street Lights, Deepening and Widening Nalla under Jalyukt Shivar Abhiyan Construction of Storage Units, Drying platform, Multipurpose hall, Installation of Solar street Lights, Road Maintenance activity.	NA	27,24,803	2,96,38,034	Direct
5.	Promoting Sports: Providing necessary Infrastructure for sports activities, providing sports equipment	NA	23,59,257	32,70,370	Direct
6.	CSR Administrative Expenses	NA	9,51,672	22,86,270	Direct
	Total		2,68,50,906	10,33,39,233	

*The cumulative expenditure up to the reporting period is the amount spent by the company towards CSR activities since FY 2014-15.

REASON FOR SHORTFALL OF CSR SPEND

As against the sum of Rs. 3,11,75,815/- required to be spent, we have actually spent a sum of Rs. 2,68,50,906/- . The Company could not spend entire two percent of average net profits of the last three financial years as on 31st March, 2020 the reason being out of the sanctioned amounts, some of the works were ongoing and once the works completed the committed amounts were released. However as on the date of signing this Board Report entire amount was spent as required.

The CSR Committee hereby declares that the implementation and monitoring of CSR Policy, is in Compliance with CSR objectives and Policy of the Company.

Sd/-
Kashinath R. Dhole
Chairman - CSR Committee
DIN: 01076675

Sd/-
A. Prathap Reddy
Executive Chairman
DIN: 00003967

Date : 22.06.2020
Place: Secunderabad/Solapur

MANAGEMENT DISCUSSION AND ANALYSIS REPORT

Global Economy

The Global Economy has been impacted with pandemic Covid-19 in an unpredictable way. According to the International Monetary Fund (IMF), the COVID-19 'Great Lockdown' led recession is expected to shrink the global economy by over 3% in 2020, far worse than the 2008 global financial crisis, experiencing the steepest slowdown since the Great Depression of the 1930s. Most of the Developed economies have been hit harder, and together they are expected to witness de-growth of 6% in FY 2020, as per IMF. While, emerging markets and developing economies are expected to witness their growth contract by 1%. Estimates of the expected recovery in 2021 are equally uncertain, with outcomes depending largely on the duration of the outbreak and the effectiveness of the policy responses and developments of Vaccine/Validated treatment.

Indian Economy

Indian Economy did fairly well till the Covid-19. However, RBI's assessment of post-COVID-19 macroeconomic situation showed that for the first time in nearly 41 years, Indian Economy is expected to contract in FY21 on account of the combined impact of demand compression and supply disruption in the first half of the fiscal year. In its recent World Economic Outlook, the IMF slashed growth forecast for the Indian economy, projecting a GDP growth of 1.9% in FY21. However, the IMF does project a rebound in the growth of the Indian economy in FY22, at a rate of 7.4%. Nonetheless, downside risks to this assessment are significant and contingent upon the containment of the pandemic and quick phasing out of the lockdowns with proper SOP's. The World Bank has cut its FY21 India growth forecast to anywhere between 1.5% and 2.8%, lowest in around three decades. Rating agency ICRA has revised its growth forecast for India to anywhere between -1% to 1% in FY21. Confederation of Indian Industry (CII) expect India's GDP to witness growth of 1.5% in FY21 in best-case scenario, alongside the worst-case at a -0.9%.

Indian Specialty Chemical Industry

Specialty chemical market in India was valued at Rs. 2,357 billion in FY18 and is expected to reach a value of Rs. 4,527 billion by FY24, expanding at a CAGR of about 11.9% during the FY19-FY24 period (source: Netscribes). The primary demand drivers of industry are rising demand from end-user industries and competitive advantage that Indian companies enjoy over their global counterparts.

Specialty chemicals are used in different industries, in the form of process chemicals, inhibitors, additives, to add value to finished products. The growth of Indian Specialty Chemical Industry can be attributed to the rising demand from different end-user industries like Pharma, agrochemicals, paints and coatings, Power Plants, Housing & Construction, real estate, food processing, textile, home care and personal care.

In recent years, the sales volume of specialty chemical manufacturers in India has increased due to stringent Policies in regulatory norms, slow economic growth and rising cost of labour across globe. As a result of declining chemical production in China as well as other Countries, Indian companies took the opportunity to increase their share in global chemical market with exports.

Setting up a specialty chemical company requires considerable amount of investments for manufacturing facilities, research and development and also involves high fixed cost of plant maintenance. Companies also require huge capital investments in terms of patent protection. There are high entry barriers for starting of new Facilities/Companies in specialty chemical industry as existing plants are contributing at no additional costs. Also, achieving high economies of scale is a difficult task for new entrants with limited resources.

Amines Industry Outlook

Global Aliphatic Amines Market was valued at USD 4.90 billion in 2018, and is anticipated to reach USD 8.70 billion by 2026, registering a CAGR of 8.9% (Source: Maximize Market Research Report)

Aliphatic amines are organic compounds derived from ammonia with one, two, or all three of the hydrogen atoms replaced by alkyl groups of five carbons or less. Amines are further classified as primary, secondary, or tertiary depending on whether one, two, or three of the hydrogen atoms of ammonia have been replaced by organic groups. Methylamines is your company's largest aliphatic amines product category by volume, where the alcohol used is methanol.

Amines are used as a chelating agent, intermediate, formulator, neutralizing agent, activator, and corrosion inhibitors in various end use applications such as pharmaceuticals, agrochemicals, cleaning products, gas treatment, personal care products, petroleum, cement, paint & coatings, textiles and wood treatment. Growth in end-user industries such as pharmaceuticals, agrochemicals, paint and coatings, personal care and home care is the driving the demand for amines over the past few years and this trend is expected to continue over the forthcoming years.

Aliphatic amines are hazardous in nature when not handled with proper safety during transportation and hence the hazardous nature reduces the threat of imports. Specialised vehicles are required for movement of these chemicals which restricts the distances over which they can be transported. As a result, consumers prefer to source locally.

Globally, the amines industry is well structured with a small number of participants, typically not more than 3-4 players per region and relatively balanced in terms of demand and supply. The industry is driven by regional supply and demand dynamics,

due in part to the high cost and logistical challenges of transporting amines. As a result, roughly 80% of amines production in India is sold and consumed within the country. Only 5% of the Indian demand for methylamines is catered by imports.

Secondly, freight is a big element of cost, which makes imports uncompetitive. High shipping cost and hazardous nature of the chemical, which prevents high inventory levels, also force customers to source locally rather than import it. So, the industry will remain an oligopoly and threat from new competitors would be limited.

Globally, ~61% of aliphatic amines and amine-based chemicals get consumed in the pharmaceutical sector, 16% gets consumed in the chemicals industry (i.e. agrochemicals, foundry chemicals, specialty chemicals, fine chemicals and rubber chemicals) and ~23% finds application in other industries like water treatment, dyes, etc. In terms of the usage, aliphatic amines and their derivatives primarily find application as solvents (44%) which are essentially used to dissolve a solute, followed by pesticides (15%) and animal/poultry feed additives (8%).

There are multiple entry barriers into this Aliphatic Amines industry due to which the industry is very concentrated, such as:

- high capital-intensive projects
- process of producing aliphatic amines is a complex one and the know-how of the process is closely guarded
- significant investments required in research and development (R&D) to develop set of products to be offered
- absolute size of the industry is very small making it unattractive for any new player to enter the market
- hazardous nature of the product

Indian aliphatic amines market is substantially consolidated with two companies (including your company) accounting for 95% of total market share. The outlook for Indian amines market remains robust considering the scope for increasing import substitution and huge potential for growth of end user industries. Given the growing thrust of demand from pharmaceuticals and agrochemicals industry, Indian amines market is likely to record double-digit growth over next 3 to 5 years. The growth in margin-accretive amine derivatives is likely to surpass the growth in basic amines.

Raw materials used by the amines manufacturing are methanol, ammonia, ethanol, denatured ethyl alcohol, butanediol, butyl alcohol, acetic acid, acetone, ethylene oxide, diethylene glycol and refined petroleum products. Most of these raw materials are petroleum-based derivatives and are susceptible to the fluctuations in commodity prices.

Ammonia and methanol are used to manufacture methylamines (such as MMA, DMA or TMA), ethylamines (such as MEA, DEA

or TEA) are derived by displacing the hydrogen (H) atom in ammonia with ethyl (that is derived from denatured ethyl alcohol). Methanol is primarily imported from countries in the Middle East such as Saudi Arabia, Oman, Qatar etc, especially post the US sanctions on Iran, which is one of the major manufacturers of methanol in the world. Given ammonia is difficult to transport, it is largely sourced indigenously. Denatured ethyl alcohol is mainly sourced from sugar factories and distilleries besides being imported from the US and Latin American countries. Of the three raw materials, while prices of ethyl alcohol are relatively more stable, both ammonia and methanol have historically been volatile. However, raw-material cost pass-through to end customers is standard practice in the industry.

Profile of Balaji Amines Limited

Headquartered in Solapur, Maharashtra, your company is India's leading manufacturer of Methylamines, Ethylamines, Derivatives of Amines and Specialty Chemicals. Your company's products are used as solvents and key starting materials and solvents to enable and/or enhance the performance of products used in pharmaceuticals, agrochemicals, dyes, textiles, water treatment, personal and home care, and animal nutrition. In about 60% of our products, we are the only manufacturer in India for products like NMP, NEP, GBL, 2P, Morpholine, DEAE, DMAE, DMU, DMF, PVPK-30.

Your company's strategy is to gradually launch new products as substitutes for imports that shall enable us to capture market share in India from multinational companies leading to robust growth opportunities over medium to long-term.

Over the years, your company has systematically made investments in more specialized products and capitalizing on technological innovation along with its existing product lines to drive organic growth. Much of the growth has come from our focus on specialty chemicals and derivatives of existing products. Your company's strength is to identify and develop the technology indigenously and identify the raw material of the particular product and undertake the R&D to develop the same in India. Our selection policy for end product is to either be the first or second manufacturer in India - to substitute products that are being imported into the country.

Your company has a stable and diverse blue-chip customer base. Key customers include Sun Pharmaceuticals, Dr. Reddy's, Aurobindo Pharma, Jubilant Lifesciences, Teva API, Hetero Drugs, Kores India Limited, Venky's (VH Group), Wanbury, ZydusCadila, Indian Oil, Hindustan Petroleum etc.

Revenue from pharmaceutical sector constitutes about 55% of your company's revenue, followed by agrochemical sector at 20%. Other segments like dyes, textile, animal feed, water treatment chemicals and refinery contributed about 5% each.

Your company has REACH certification for four of its products - Triethylamine (TEA) Gamma butyrolactone (GBL), N-Ethyl-2-pyrrolidone, Morpholine, Diethylaminoethanol, N-Methyl-2-pyrrolidone. REACH certification enables your company to export its products to regulated markets in Europe. Exports are more product specific and company-specific and are largely being driven by certain amine derivatives and valued-added products (such as specialty chemicals).

With most of the methylamines and derivatives capacity at near optimal utilisation levels, your company is now expanding its key derivative products alongside entering into newer specialty chemicals to gain from both vertical integration and operating efficiencies. Your company's endeavour is to produce high-quality products which can substitute imports.

Performance of your company for FY20 (Standalone)

- Your company reported revenue of Rs. 919.05 crore in FY20.
- Your company reported EBITDA of Rs. 190.03 crore in FY20.
- Profit Before tax (PBT) came in at Rs. 153.71 crore during the year.
- Your company reported Profit After Tax of Rs. 113.75 crore in FY20.

Performance of your company for FY20 (Consolidated)

- Your company reported revenue of Rs. 935.77 crore in FY20.
- Your company reported EBITDA of Rs. 185.76 crore in FY20.
- Profit Before tax (PBT) came in at Rs. 131.10 crore during the year.
- Your company reported Profit After Tax of Rs. 97.47 crore in FY20.

Financial Ratios

Sl.No.	Particulars	2018-19	2019-20
1	Debtors Turnover	5.62	5.19
2	Inventory Turnover	8.24	7.86
3	Interest Coverage Ratio	13.75	13.67
4	Current Ratio	1.54	1.77
5	Operating Profit Margin	20.80%	20.45%
6	Net Profit Margin	12.36%	12.26%
7	Return on Net Worth	20.53%	17.04%

- Total Capex spend during FY20 is Rs. 70 crore
- The capex has been towards construction of Unit IV plants (Greenfield project) as well as construction of Morpholine and Acetonitrile plants

- We are pleased to have maintained EBITDA margins at 20.45% in FY20, in spite of recording sharp erosion in operating margins of 16% in the first quarter of FY20 on account of volatility in prices of raw materials, higher priced inventory which were brought in previous quarters as well as slow down witnessed in client industries such as pharmaceuticals and agrochemicals
- For FY20, the Board of Directors have recommended a final Dividend of Rs. 0.60/- per equity share on Face Value of Rs. 2 per equity share subject to approval of shareholders at the Annual General Meeting
- In FY20, the end user industries witnessed a weakening in growth resulting in slowdown in domestic demand resulting in flattish growth for the company, especially in the first quarter of FY20 which had a bearing on full year's performance
- However, over the following quarters, there was a moderate revival in growth, with the last quarter witnessing a marked increase in volume offtake with improved price realizations largely across all products

Business Outlook

Balaji Speciality Chemicals Private Limited (BSCPL)

- Balaji Specialty Chemicals Private Limited, a subsidiary of the company has received consent to operate by Maharashtra Pollution Control Board (MPCB) in June 2019
- Post the consent from MPCB, the subsidiary has commenced production of niche products like Ethylenediamine (EDA), Piperazine (PIP) and Diethylenetriamine (DETA). With these products, your company is substituting the products that have historically been procured by Indian consumers via imports from multinational companies
- The subsidiary's plant has capacity of 37,350 TPA (Metric Tons per Annum) for EDA; 4,050 TPA of PIP and 3,150 TPA for DETA. Thus, your company is the only manufacturer of EDA, PIP and DETA in India
- India is currently importing about 29,000 tons of EDA; 8,000 tons of PIP and 3,000 tons of DETA. EDA basically goes in to end user industry of agrochemicals for manufacturing mancozeb. PIP and DETA is consumed for applications in pharmaceuticals, polymer, coatings, etc. All three products have good demand
- The volume offtake from the subsidiary plant has gradually increased and witnessed the best performance in Q4FY20, despite the initiation of lockdown in later half of March 2020
- Your company has signed contracts from leading agrochemical companies in India for their product requirements for Q1FY21 and subsequently envisage to sign long-term contracts with them. These agrochemical companies are expected to gradually increase their share of procurement from us, as it is financially prudent for them, as compared to importing the same

- Subsidiary is expected to witness a volume offtake of about 15,000 tons in FY21

Greenfield project - Phase I (Unit IV)

- In November 2019, your company received the environmental clearance for 90-acre Unit IV at MIDC, Chincholi Greenfield project and the construction of the plant has begun since then
- In Phase I, your company has planned to install 15000 tons per annum of Ethylamines and 9,900 tons per annum of other products
- Phase I of Greenfield project involves capex of Rs. 150-170 crore (which is funded from internal accruals) out of which Rs. 70 crore capex (including Rs. 20 crore for 90-acre land) has already undertaken in FY20. (The peak asset turnover achievable is 2x)
- Owing to outbreak of coronavirus and resultant lockdown, the completion timelines of the project is likely to be delayed as various suppliers have delayed the supply of machineries and equipments
- Post the commencement of plant at the Greenfield Project, your company will have the largest installed capacity of Ethyl Amines in India at 22,500 tonnes per annum. The new plant of Ethylamines at Unit IV will lead to lower cost of production due to new technology. Demand for Ethylamines is growing at 10-15% p.a. in India
- The Unit IV plant is strategically located, at equidistance to the markets in western India and southern India
- In the second phase, your company plans to manufacture many other value-added products involving both forward and Backward integration of existing products in our portfolio

Acetonitrile

- Your company commenced manufacturing Acetonitrile from November 2019 onwards. We have installed capacity of 9,000 tons p.a
- We commenced production by manufacturing about 8 tons per day, gradually improving to about 12 tons per day in March 2020, which we steadily plan to increase to about 25 tons per day in coming year
- As the higher price Acetonitrile may not be sustainable on long-term basis, your company has also developed another fungible product Tetrahydrofuran (THF), which can be manufactured on the same plant of Acetonitrile. If there is any volatility in price of Acetonitrile going ahead, your company plans to switch between manufacture of both Acetonitrile and THF
- Currently, no company in India manufactures THF and its demand of 15,000 tonnes per annum is currently met fully by imports

Morpholine and Di-Methyl Formamide (DMF)

- Your company's production capacity for Di-Methyl Formamide (DMF) is 30,000 tons per annum whereas the total demand in India is for 45,000 tons p.a. However, your company has historically been able to achieve capacity utilization of only about 30% due to dumping by China and other Manufacturers. We have made an application to the Government of India for levying antidumping duties on DMF. Nevertheless, in recent months we have witnessed better pricing of DMF, which has made the manufacturing of DMF viable. If the price realization remains steady, we anticipate gradual improvement in capacity utilization to 60% from around 30% in FY20, which was about 20% in FY19

Hotel Business

Your company had started a 5-star hotel in Solapur (only 5-star hotel in Solapur till date) in Oct'13 with an investment of Rs. 110 crore. It is a 129-room facility. Your company has tie up with Sarovar group for the management of the Hotel on management fee plus nominal revenue sharing basis. Solapur is located on major road and rail routes between Mumbai and Hyderabad and is an important hub for Pandharpur, Tuljapur, Siddheshwar temple, Ganagapur, Bijapur and Akkalkot. All these destinations attract millions of pilgrims and tourist every year to Solapur.

In addition, various corporates are coming up like NTPC, HPCL (HP Gas) which we are hopeful will drive corporate and tourist traffic. There are other corporates also present like Precision Camshafts, Smruthi Organics, Thermax etc. Solapur is a city with multi-linguistic and multi-cultural features and is gaining popularity as a destination for weddings and other conferences, as a result of which BAL's hotel's banquets are doing very well. In FY20, the occupancy rate of the Hotel was 58%. In FY20, Average Room Rate (ARR) and Revenue per Available Room (RevPAR) was Rs.3,452/- and Rs.1,994/- respectively. Hotel division did sales of Rs.20,40,05,292/- crore in FY20 with Cash Profit of Rs. 4.51 crore.

As mandated by the Government, the hotel has been shut down and is non-operational from the lockdown period considering the safety of employees, customers and tourists. We have initiated cost reduction measure programs to reduce the fixed cost of the hotel.

Likely Impact of COVID-19

The CoVID-19 pandemic has led to nation-wide lockdown from March 25, 2020. Your company, being engaged in essential goods, has been operating at around capacity utilization of 70%, even during lockdown complying with the advisories issued by

the Government of India and local State Governments from time to time for the safety of everyone. Since majority of our products are used in pharmaceuticals we decided to produce and supply as much as we can in this difficult time to indirectly serve the county and to the world for medicines. However, the capacity utilization was affected owing to varied factors like non-availability of labour, disrupted supplies of packing material, delays in port clearances, limited availability of trucks and tankers for movement of raw material and finished goods. As lockdown eased, your company ramped up capacity utilization levels and has sustained to original levels.

Your company manufactures products which act as solvents and key starting materials for various end-user industries like pharmaceuticals, agrochemicals, textiles, animal feed, water treatment chemicals, dyes, paints, coatings, polymers, refinery etc, whose demand is likely to be affected from the squeeze of lower demand from the aforementioned applications. However, the risk is offset to a large extent as 75% of your company's revenue flows from product portfolio that offers exposure to the non-cyclical and more defensive end-user markets like pharmaceuticals, agrochemicals, water treatment applications, animal nutrition, home care and personal care market which largely have inelastic demand. Thus, your company is ringfenced from any dramatic slowdown in demand for our products portfolio. Therefore, we do not expect any major impact on revenue and profitability. Overall, the demand contraction from domestic market and fall in exports for products consumed in other end-user applications like dyes, paints, coatings, textiles, polymers and refinery are likely to persist for at least first two quarters of FY21. However, at the same time, the eagerness of global companies to reduce their exposure to China over medium to long term is likely to be the silver lining for your company to expand its opportunities in the export market as well as service end user industries who benefit from additional demand from Global companies.

There could also be a Scenario where the demand for some products may just get deferred and the same might get reflected in the financials with a lag of one or two quarters. Also, with our plants operating at lower capacity of around 70% during the lockdown, logistical challenges and consumption spill-over to next quarters are likely to affect the profitability. In the ongoing coronavirus led pandemic, fall in crude oil prices can be seen as the saviour, as prices of our basic raw materials are correlated to that of crude oil prices. However the benefit due to lower crude prices have not percolated down to us, as the prices of our key raw materials like methanol have not witnessed much decline due to the fallout of USA sanctions on Iran, which is one of the dominant manufacturers of methanol in the world. At the same time, your company has no dependence on China for its raw material requirements.

The hotel business did well for first two months of Q4FY20. However, with low occupancy in the third month of March' 2020, the hotel business posted marginal loss in the last quarter of FY20. The hotel business, is likely to be severely impacted by the lockdown and expected sharp dip in travel and tourism in FY21, following the ongoing COVID-19 pandemic. However, as the hotel business contributes only about 2% of total revenue, the overall impact on the company's financial performance will be negligible. At the same time, we have initiated cost cutting measures to reduce the fixed costs of the hotel business.

For and on Behalf of the Board of Directors

Sd/-

A. Prathap Reddy
Executive Chairman
DIN: 00003967

Date: 22.06.2020
Place: Secunderabad

BUSINESS RESPONSIBILITY REPORT

Section A: General Information about the Company

1	Corporate Identity Number (CIN)	L24132MH1988PLC049387
2	Name of the Company	Balaji Amines Limited
3	Registered address	Balaji Towers, No. 9/1A/1, Aasara Chowk, Hotgi Road, Solapur-413224, Maharashtra.
4	Website	www.balajiamines.com
5	Email id	cs@balajiamines.com
6	Financial year reported	2019-20 (for the year ended 31st March, 2020)
7	Sector(s) that the Company is engaged in (industrial activity code-wise)	20119 - Manufacturing of Aliphatic Amines, their derivatives and Speciality Chemicals 55101 - Hotel Balaji Sarovar Premiere
8	List three key products / services that the Company manufactures provides (as in balance sheet)	Methylamines Ethylamines Di-methyl Amine Hydrochloride (DMA HCL) Dimethylformamide (DMF) Morpholine
9	Total number of locations where business activity is undertaken by the Company	
	i) International locations	NA
	ii) National locations	Unit 1 : Tamalwadi Village, Taluka- Tuljapur, Osmanabad District - 413 623, Maharashtra. Unit 2 : Plot No. 4 & 5, Beside Sub - Station 2 IDA Bollaram, Sangareddy District - 502 325, Telangana. Unit 3 : Plot No. E - 7 & 8, Chincholi MIDC, Taluka Mohol, Solapur - 413 255, Maharashtra. Unit 4 : Plot No. F - 104, Chincholi MIDC, Taluka Mohol, Solapur - 413 255, Maharashtra. Unit 5 (CFL Division) : Nandi Kandi, Sadasivpet, Sangareddy - 502001, Telangana. Hotel Division: Balaji Sarovar Premiere, Survey No. 9/1A/1, Aasara Chowk, Hotgi Road, Solapur-413 224
10	Markets served by the Company - Local / State / National / International	National and International

Section B: Financial Details of the Company

(Rs. in Lacs)

1	Paid up Capital of the Company (As on 31st March, 2020)	Rs. 648.02 (32401000 Equity shares of Rs. 2 each)
2	Total turnover (For the financial year 2019-20)	Rs. 91905.41
3	Total profit after tax (For the financial year 2019-20)	Rs. 11375.31
4	Total spending on Corporate Social Responsibility (CSR) as percentage of profit after tax (%):	Rs. 268.50 2.36%
5	List of activities in which expenditure in four above was incurred:	Please refer Annual Report on CSR Activities annexed to the Directors' Report

Section C: Other Details

1	Does the Company have any Subsidiary Company / Companies?	Yes, the Company has one subsidiary Company named Balaji Speciality Chemicals Private Limited as on 31st March, 2020
2	Does the subsidiary Company / Companies participate in the BR initiatives of the parent Company? If yes, then indicate the number of such subsidiary company(s).	Business Responsibility initiatives of the Company are applicable to the subsidiary company to the extent that is material in relation to the business activities of the subsidiary
3	Does any other entity / entities (e.g. suppliers, distributors etc.), that the Company does business with, participate in the BR initiatives of the Company? If yes, then indicate the percentage of such entity/ entities? [Less than 30%, 30-60%, More than 60%]	No entity participates in the BR initiatives of the Company. However the Company encourages its suppliers, distributors, contractors etc to adopt BR initiatives and follow good business practices.

Section D: BR Information

1	Details of Director / Directors responsible for BR	
	a)	Details of the Director / Directors responsible for the implementation of the BR policy / policies
		DIN 00003864 Name D. Ram Reddy Designation Managing Director
	b)	Details of the BR head
		DIN 00003864 Name D. Ram Reddy Designation Managing Director Telephone No. 0217-2451500 E-mail ID ram@balajiamines.com

2. Principle-wise (as per NVGs) BR Policy / policies (Reply in Y / N)

The National Voluntary Guidelines (NVGs) on Social, Environmental and Economic Responsibilities of Business released by the Ministry of Corporate Affairs adopted nine areas of Business Responsibility, viz.:

Principle 1	P1	Businesses should conduct and govern themselves with Ethics, Transparency and Accountability
Principle 2	P2	Businesses should provide goods and services that are safe and contribute to sustainability throughout their life cycle
Principle 3	P3	Businesses should promote the well-being of all employees
Principle 4	P4	Businesses should respect the interests of and be responsive towards all stakeholders, especially those who are disadvantaged, vulnerable and marginalized
Principle 5	P5	Businesses should respect and promote human rights
Principle 6	P6	Businesses should respect, protect and make efforts to restore the environment
Principle 7	P7	Businesses, when engaged in influencing public and regulatory policy, should do so in a responsible manner
Principle 8	P8	Businesses should support inclusive growth and equitable development
Principle 9	P9	Businesses should engage with and provide value to their customers and consumers in a responsible manner

(a) Details of Compliance:

Particulars		P1	P2	P3	P4	P5	P6	P7	P8	P9
1	Do you have a policy/ policies for..	Y	Y	Y	Y	Y	Y	Y	Y	Y
2	Has the policy been formulated in consultation with the relevant stakeholders? ^[1]	Y	Y	Y	Y	Y	Y	Y	Y	Y
3	Does the policy conform to national / international standards? If yes, specify? (50 words)	Company believes in benchmarking practices and global standards - to the best possible extent.								
4	Has the policy been approved by the Board? If yes, has it been signed by the MD/ Owner / CEO appropriate Board Director? ^[2]	Y	Y	Y	Y	Y	Y	Y	Y	Y
5	Does the Company have a specified committee of the Board/ Director/Official to oversee the implementation of the policy? ^[3]	Y	Y	Y	Y	Y	Y	Y	Y	Y
6	Indicate the link to view the policy online. ^[4]	Please refer Note 4 given below								
7	Has the policy been formally communicated to all relevant internal and external stakeholders?	Y	Y	Y	Y	Y	Y	Y	Y	Y
8	Does the Company have in-house structure to implement its policy / policies?	Y	Y	Y	Y	Y	Y	Y	Y	Y
9	Does the Company have a grievance redressal mechanism related to the policy / policies to address stakeholders' grievances related to the policy/ policies? ^[5]	Y	Y	Y	Y	Y	Y	Y	Y	Y
10	Has the Company carried out independent audit/evaluation of the working of this policy by an internal or external agency? ^[6]	Y	Y	Y	Y	Y	Y	Y	Y	Y

Notes

- All the policies are formulated with detailed analysis and benchmarking across industry. The policies are in compliance with all applicable laws.
- As per the Company's practice, all the mandatory policies under the Indian laws and regulations have been approved by the Board. Other policies are approved by the concerned Functional Head or Managing Director / Joint Managing Director of the Company depending upon the nature of policy.
- All the policies have a policy owner and the respective policy owners are responsible for implementation of the policy.
- Except Code of Conduct and Corporate Social Responsibility Policy, all other policy documents being in-house and internal documents of the Company are accessible to all the employees of the Company and thus are not available on the website of the Company. The Code of Conduct and Corporate Social Responsibility Policy can be accessed on the below link:
<http://www.balajiamines.com>
- Any grievance relating to any of the policy can be escalated to the policy owner/Managing Director & /or Joint Managing Director.
- Implementation of policies is evaluated as a part of internal governance by policy owners.

(b) If answer to question at Sr. No. 1 against any principle, is 'No', please explain why?

		P1	P2	P3	P4	P5	P6	P7	P8	P9
1	The Company has not understood the Principles	Not Applicable								
2	The Company is not at a stage where it finds itself in a position to formulate and implement the policies on specified Principles									
3	The Company does not have financial or manpower resources available for the task									
4	It is planned to be done within next six months									
5	It is planned to be done within next one year									
6	Any other reason (please specify)									

3. Governance related to BR

1	Indicate the frequency with which the Board of Directors, Committee of the Board or the CEO assess the BR performance of the Company. Within 3 months, 3-6 months, annually, more than 1 year	The Management assesses the BR performance of the Company on quarterly basis.
2	Does the Company publish a BR or a Sustainability Report? What is the hyperlink for viewing the report? How frequently it is published?	The Business Responsibility Report will be published annually by the Company as a part of its Annual Report. The link for Business Responsibility Report is: www.balajiamines.com

Principle 1: Ethics, Transparency and Accountability

Businesses should conduct and govern themselves with Ethics, Transparency and Accountability

1	Does the policy relating to ethics, bribery and corruption cover only the Company? Yes / No. Does it extend to the Group / Joint Ventures / Suppliers / Contractors /NGOs / Others?	<p>Your Company has been following fair, transparent and ethical governance practices and believes it to be essential for enhancing long-term shareholder value and retaining investor trust. The Company believes that the policies and practices should be ethical and sustainable while being competitive.</p> <p>The Board has adopted two detailed sets of code of conduct, one for Board of Directors and other for Senior Management and Employees. The Code of Conduct for Senior Management and Employees forms an integral part of the induction of new employees. The policy does not extend to the Group/Joint Venture/Suppliers, etc. However, the Company encourages parties associated with its value chain like vendors, suppliers, contractors, etc. to follow the principles envisaged in the policy.</p> <p>An effective vigil mechanism/whistle blower policy is in place to report to the management, instances on unethical behavior and any violation of the Company's Code of Conduct. No complaint was received during the financial year 2019-20.</p>
2	How many stakeholder complaints were received in the past financial year and what percentage was satisfactorily resolved by the management? If so, provide details thereof in about 50 words or so.	During the financial year 2019-20, no substantiated consumer complaint were received.

Principle 2: Product Lifecycle Sustainability

Businesses should provide goods and services that are safe and contribute to sustainability throughout their life cycle

1	List three of your products or services whose design has incorporated social or environmental concerns, risks and / or opportunities	Morpholine Acetonitrile Di-Methyl Amine Hydrochloride (DMA HCL)
2	For each such product, provide the following details in respect of resource use (energy, water, raw material and so on) per unit of product (optional)	The biggest step towards sustainability which company has taken is, all the plants are zero liquid discharge. Over the years we have constantly improved our recoveries and reduced hazardous waste generation, improved on water conservation and energy consumption. Company has installed various heat recovery systems and energy saving devices. Company uses Vacuum systems with more efficient systems that reduces utilities consumptions as well as reduce effluent generation and recovers water for reuse. Various kinds of power generation systems deployed at plants reducing overall cost of power.
3	Does the Company have procedures in place for sustainable sourcing (including transportation)? If yes, what percentage of your inputs was sourced sustainably? Also provide details thereof, in about 50 words or so	The Company is the only company to develop an Indigenous technology for manufacturing amines. During the product development process, the Company ensures that the manufacturing processes and technologies required to produce it are resource efficient and sustainable.
4	Has the Company taken any steps to procure goods and services from local and small producers, including communities surrounding their place of work? If yes, what initiatives were taken to improve their capacity and capability of local and small vendors?	Since the Company has a presence and operates across locations in rural India, it is important to build strong partnerships with the local suppliers. Most of Company's supplies are met through local vendors and service providers. The Company employ workmen from nearby communities. This workforce is educated and provided training for occupational health and safety.
5	Does the Company have a mechanism to recycle products and waste? If yes, what is the percentage of recycling them (separately as <5%, 5-10%, >10%)? Also provide details thereof, in about 50 words or so	Yes, has a mechanism to recycle its products for further usage.

Principle 3: Employee Wellbeing

Businesses should promote the wellbeing of all employees

1	Total number of employees as on March 31, 2020.	The Company believes that employees play a pivotal role and are the key to the success of the organization. As on 31st March, 2020 the Company has a total of 802 permanent employees consisting of 23 women employees. The Company during the year under review has hired 219 employees on temporary/contractual/ basis.
2	Total number of employees hired on temporary / contractual / casual basis as on March 31, 2020.	
3	Total number of permanent women employees.	
4	Total number of permanent employees with disabilities.	

5	Do you have an employee association that is recognized by the Management?	Yes, we have 2 Employee Associations recognised by the Management, which has approximately 70% of the permanent employees as its member.
6	What percentage of your permanent employees are members of this recognised employee association?	
7	Please indicate the number of complaints relating to the last financial year and pending, as on the end of the financial year.	The Company has not received any complaints relating to child labour, forced labour, involuntary labour, sexual harassment during the financial year 2019-20 and hence pendency of same does not arise.
8	What percentage of employees (permanent, permanent women, casual, temporary/ contractual and employees with disabilities) were given safety and skill up-gradation training in the last year?	The Company conducts from time to time training programs at all its factory units, registered office and Administrative office.

Principle 4: Stakeholders Engagement

Businesses should respect the interests of, and be responsive towards all stakeholders, especially those who are disadvantaged, vulnerable and marginalised

1	Has the Company mapped its internal and external stakeholders? Yes / No	Yes, the Company has mapped its stakeholders as a part of its stakeholder engagement process. Key categories are: 1) Customers; 2) Shareholders/Investors; 3) Suppliers/Vendors; 4) Employees; 5) Government Agencies 6) Local Villages etc
2	Out of the above, has the Company identified the disadvantaged, vulnerable and marginalized stakeholders?	Yes, the Company has been identifying the disadvantaged, vulnerable and marginalised stakeholders.
3	Are there any special initiatives undertaken by the Company to engage with the disadvantaged, vulnerable and marginalized stakeholders?	The Company endeavours to understand their concerns, defines purpose and scope of engagement, commits to engaging with them and resolves differences with stakeholders in a just, fair and equitable manner.

Principle 5: Human Rights

Businesses should respect and promote human rights

1	Does the policy of the Company on human rights cover only the Company or extend to the Group / Joint Ventures / Suppliers/ Contractors/ NGOs/ Others?	The Company values and respects the human rights and always remains committed for its protection. The Company's Code of Business Conduct, policy on sexual harassment at workplace and the human resource practices cover most of these aspects. The Company encourages all its suppliers, Subsidiary, vendors and contractors to adopt good practices in this regard.
2	How many stakeholder complaints were received in the past financial year and what percent was satisfactorily resolved by the Management?	None with respect to Human Rights. Elements of Human Rights get covered in various policies and practices of the Company.

Principle 6: Environmental Management

Businesses should respect, protect and make efforts to restore the environment

1	Does the policies related to Principle 6 cover only the Company or extends to the Group / Joint Ventures / Suppliers / Contractors / NGOs / Others?	<p>The Company has high regards for Environmental Sustainability and it strives hard for preservation of the environment by continues efforts and balancing between economic growth and ecology, flora, fauna etc. The Company's plants have state-of-the-art facilities and is ISO 9001- 2015 certified.</p> <p>The Company is committed towards maintaining and improving Safety, Health and Environment of its Employees, other agencies associated with the Company and its operational surroundings. The Company has also introduced "Environment Health & Safety Policy" which ensure Safety & Health through line management responsibility and by involving all levels of employees through engaging them over consultation, open communication, training and by adopting latest hazard identification risk assessment & control methods.</p> <p>The Subsidiary and other third party/vendors are encouraged to adopt the similar practices that are followed by the Company.</p>
2	Does the Company have strategies / initiatives to address global environmental issues, such as climate change, global warming and others? If yes, please give hyperlink for webpage etc.	<p>The Company undertakes various initiatives for environmental protection, safety and health of both. Company tries to address the global environmental issues by installing various systems and processes such as RO, heat exchanges, air cooling condensers etc apart from renewable energy systems and other effluent treatment plants and ambient air monitoring system at its plants situated at various locations to be complied with global standards.</p>
3	Does the Company identify and assess potential environmental risks? Y/N	<p>Yes, the Company has a Risk Management mechanism in place to identify and assess existing and potential environmental risks across its operations.</p>
4	Project(s) related to Clean Development Mechanism	<p>Currently, the Company is not undertaking any project related to Clean Development Mechanism.</p>
5	Has the Company undertaken any other initiatives on clean technology, energy efficiency, renewable energy and so on? If yes, please give hyperlink to web page and others.	<p>Yes, the Company takes multiple initiatives towards energy efficiency and use of renewable energy at its plants & Offices.</p> <p>The Company has adopted a robust waste management system which ensures reduction of waste by minimizing waste at source and recycles & reuse waste materials. Other initiatives of the Company include installation of RO, renewable energy systems and other effluent treatment plants, replacement of old tube light with LED and plantation of trees at various plant locations.</p>
6	Are the emissions / waste generated by the Company within the permissible limits given by CPCB/SPCB for the financial year being reported?	<p>Emissions/wastes generated by the Company are within permissible limits. The Company regularly submits reports on emission levels to CPCB/SPCB.</p>
7	Number of show cause / legal notices received from CPCB / SPCB, which are pending (i.e. not resolved to satisfaction) as on the end of the financial year	<p>The Company has not received any show cause/legal notices from CPCB/SPCB in financial year 2019-20 and hence question of pendency does not arise.</p>

Principle 7: Policy Advocacy

Businesses, when engaged in influencing public and regulatory policy, should do so in a responsible manner

1	Does the Company represent in any trade and chambers/ association? If yes, name only those major ones that the Company deals with.	The Company is inter alia a member of the following business associations: 1. CHEMEXCIL 2. Federation of Indian Export Organisation (FIEO) 3. Indian Chemical Council (ICC) 4. Federation of Telangana Chambers of Commerce and Industry (FTCCI)
2	Has the Company advocated / lobbied through the above associations for the advancement or improvement of public good? If yes, specify the broad areas.	Annually, the company participates in events like of ICC, FTCCI, FICCI etc for the growth of industry in general with sustainable policy making efforts.

Principle 8: Inclusive Growth

Businesses should support inclusive growth and equitable development

1	Does the Company have specified programmes / initiatives / projects in pursuit of the policy related to Principle 8? If yes, provide details thereof.	Yes, the Company considers social development as an important aspect of its operations. It has aligned its thrust areas in line with the requirements of Schedule VII to the Companies Act, 2013. To oversee implementation of various initiatives, the Company has formed Corporate Social Responsibility Committee. The Company has adopted a policy on Corporate Social Responsibility to streamline its efforts towards Corporate Social Responsibility and support inclusive growth and equitable development of the regions it is located in specified area and society in general.
2	Are the programmes / projects undertaken through in-house team / own foundation / external NGO / government structures / any other organisation?	The projects are mostly undertaken through in-house teams and involving villagers, communities and other stakeholders like government agencies etc.
3	Has the Company done any impact assessment for its initiative?	Impact assessment is conducted on regular basis and is reviewed from time to time and collective action being taken to mitigate the perceived risk.
4	What is the Company's direct contribution to community development projects (Amount in INR and the details of the projects undertaken)?	The Company has spent an amount of Rs.268.50 Lacs in various CSR activities during the financial year 2019-20. The details of the amount incurred and areas covered are given in the report on Corporate Social Responsibility annexed to and forming part of the Directors' Report.
5	Has the Company taken steps to ensure that this community development initiative is successfully adopted by the community? Please explain in around 50 words.	All the Company's social development programmes are implemented based on the needs within the community, villages etc. The Company's social initiatives continuously focuses on benefiting both individual and the community at large where we have our foothold.

Principle 9: Value for Customers**Businesses should engage with and provide value to their customers and consumers in a responsible manner**

1	What percentage of customer complaints / consumer cases is pending, as on the end of the financial year?	<p>The Company believes in providing quality products to its customers after taking into consideration the needs of the customers and service them continuously.</p> <p>The Company has in place robust feedback system to deal with the customer feedback and complaints.</p> <p>All the customers concerns are taken up and resolved immediately to the satisfaction of the consumer. As on the end of financial year 2019-20, there were no complaints remaining unresolved.</p>
2	Does the Company display product information on the product label, over and above what is mandated as per local laws? Yes / No / N.A. / Remarks (additional information).	The Company displays all the information on the product label as mandated by the regulations to ensure compliance with relevant laws and other additional information.
3	Cases filed by any stakeholder against the Company regarding unfair trade practices, irresponsible advertising and / or anti-competitive behaviour during the last five years and pending as on the end of the financial year. If yes, provide details thereof, in about 50 words or so.	No such case has been registered against the Company.
4	Did the Company carry out any consumer survey / consumer satisfaction trends?	<p>Our Customers include end-user industries to whom, we supply our products. We regularly interact with the customers to understand their needs. Meetings are conducted on regular basis with key customers and regular feedbacks are encouraged by other customers through emails and personal meetings to focus their future requirement and growth plans.</p> <p>The areas of focus identified during the engagement are quality and timely delivery of the product to their satisfaction.</p>

For and on behalf of the Board of Directors

Sd/-

A. Prathap Reddy**Executive Chairman****DIN: 00003967****Date:** 22.06.2020**Place:** Secunderabad

REPORT ON CORPORATE GOVERNANCE

1. COMPANY'S PHILOSOPHY ON CORPORATE GOVERNANCE

Your Company appreciates the system of Corporate Governance and has been following fair, transparent and ethical governance practices and believes it to be essential for enhancing long-term shareholder value and retaining investor trust. Your Company believes that Corporate Governance is about best practices of business to be imbibed into the culture of the organization and complying with value systems, ethical business practices, laws and regulations to achieve the main objects of the Company through best practices.

The Company believes to grow and be successful by following policies and practices which are ethical and sustainable while being competitive.

Policies processes, practices and actions of the Company are carefully designed to further the objectives of Good Corporate Governance of the Company, thereby enhancing its performance and increasing stakeholder's value and fulfilling its obligations towards the Government, its shareholders, employees and other stakeholders.

2. BOARD OF DIRECTORS

The composition of the Board of your Company is in conformity with the provisions of the Companies Act, 2013 ("the Act") and the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations"), as amended from time to time.

The Company's board consists of 10 (Ten) Directors as on 31st March, 2020. Out of 10 Directors, 5 Directors are Independent Directors including one (1) woman Director. The Chairman of the Board is an Executive Director.

None of the Independent Directors of the Company had any material pecuniary relationship or transactions with the Company, its promoter, its management during the Year 2019-20, which may affect independence of the Independent Directors. All Directors mentioned above as Independent Directors, fall within the expression of "Independent Directors" as mentioned in SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015 and Companies Act, 2013.

3. NUMBER OF BOARD MEETINGS AND ATTENDANCE OF THE DIRECTORS AT MEETINGS OF THE BOARD AND AT THE LAST ANNUAL GENERAL MEETING

The Board of Directors met five times during the year under review on 15th May, 2019, 26th July, 2019, 30th October, 2019, 30th January, 2020, 9th March, 2020. The Requisite quorum was present for all the Meetings. The Board met at least once in a calendar quarter and the maximum time gap between any two Meetings was not more than one hundred and twenty days. These Meetings were well attended. The 31st Annual General Meeting was held on 26th July, 2019.

The names and categories of Directors, their attendance at the Board Meetings held during the year and at the last Annual General Meeting (AGM) held on 26th July, 2019, and also the number of Directorships and committee positions held by them in public limited companies are as follows:

Name of the Director	Category	No. of Board Meetings attended during 2019-20	Attendance at the last AGM	Directorships in other listed entities and category of Directorship and names of listed entities	Directorships in other Indian Public Companies	Memberships held in committees*	Chairmanships held in committees*	Relationship between directors interse
Mr. A. Prathap Reddy Executive Chairman DIN: 00003967	Executive Director (Promoter)	5	Yes	-	1	1	0	1. Father of Mr. A. Srinivas Reddy 2. Father-in-Law of Mr. G. Hemanth Reddy 3. Uncle of Mr. D. Ram Reddy
Mr. D. Ram Reddy Managing Director DIN : 00003864	Executive Director (Promoter)	5	Yes	-	1	0	0	1. Nephew of Mr. A. Prathap Reddy 2. Cousin of Mr. A. Srinivas Reddy
Mr. N. Rajeshwar Reddy Joint Managing Director DIN : 00003854	Executive Director (Promoter)	4	Yes	-	1	0	0	1. Brother-in-Law of Mr. G. Hemanth Reddy
Mr. G. Hemanth Reddy Whole-time Director & CFO DIN : 00003868	Executive Director (Promoter)	5	Yes	-	1	2	0	1. Son-in-Law of Mr. A. Prathap Reddy 2. Brother-in-Law of Mr. N. Rajeshwar Reddy 3. Brother-in-Law of Mr. A. Srinivas Reddy
Mr. A. Srinivas Reddy Whole-time Director DIN: 03169721	Executive Director (Promoter)	5	Yes	-	1	0	0	1. Son of Mr. A. Prathap Reddy 2. Brother-in-Law of Mr. G. Hemanth Reddy 3. Cousin of Mr. D. Ram Reddy

Name of the Director	Category	No. of Board Meetings attended during 2019-20	Attendance at the last AGM	Directorships in other listed entities and category of Directorship and names of listed entities	Directorships in other Indian Public Companies	Memberships held in committees*	Chairmanships held in committees*	Relationship between directors interse
Mr. T. Naveena Chandra Independent Director DIN: 00231636	Independent Non-Executive Director	5	Yes	Sri KPR Industries Ltd. (Independent Director) Saaketa Consultants Ltd. (Managing Director)	2	2	2	NA
Mr. M. Amarender Reddy Independent Director DIN : 05182741	Independent Non-Executive Director	5	Yes	-	0	2	1	NA
Mr. C.S.N. Murthy Independent Director DIN : 00142138	Independent Non-Executive Director	5	Yes	-	1	1	0	NA
Mr. Kashinath R. Dhole Independent Director DIN : 01076675	Independent Non-Executive Director	4	Yes	Smruthi Organics Ltd. (Independent Director)	2	2	1	NA
Mrs. Vimala B. Madon Independent Director DIN : 06925101	Independent Non-Executive Director	5	Yes	Godavari Drugs Ltd. (Independent Director)	1	0	0	NA

* Membership/Chairmanship of Audit Committees and Stakeholders' Relationship Committees

4. NUMBER OF SHARES HELD BY DIRECTORS

Name of the Director	Designation	No. of Shares held
Mr. A. Prathap Reddy	Executive Chairman	4969229
Mr. D. Ram Reddy	Managing Director	474655
Mr. N. Rajeshwar Reddy	Joint Managing Director	594895
Mr. G. Hemanth Reddy	Whole-time Director & CFO	718803
Mr. A. Srinivas Reddy	Whole-time Director	1684147
Mr. T. Naveena Chandra	Independent Director	951
Mr. M. Amarender Reddy	Independent Director	-
Mr. C.S.N. Murthy	Independent Director	-
Mr. Kashinath R. Dhole	Independent Director	651
Mrs. Vimala B. Madon	Independent Director	-

5. MEETINGS OF INDEPENDENT DIRECTORS

As stipulated by the Code of Independent Directors under the Act and the Listing Regulations, one Meeting of Independent Directors was held during the year. The Independent Directors reviewed the performance of Non-Independent Directors and the Board as a whole, reviewed the performance of the Chairman of the Company.

List of skills/competencies required in Names of Directors having such relation to business operations	Mr. A. Prathap Reddy	Mr. D. Ram Reddy	Mr. N. Rajeshwar Reddy	Mr. G. Hemanth Reddy	Mr. A. Srinivas Reddy	Mr. T. Naveena Chandra	Mr. M. Amarender Reddy	Mr. C.S.N. Murthy	Mr. Kashinath R. Dhole	Mrs. Vimala B. Madon
Finance, Law, Management, Administration	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
Industry / Sector Knowledge	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
Corporate Governance, Strategic Management	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
International Marketing and Sales	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes

6. SKILLS / EXPERTISE / COMPETENCIES OF THE BOARD OF DIRECTORS

The following is the list of core skills / expertise / competencies identified by the Board of Directors that are required in the context of the Company's business and that the said skills are available with the Board Members:

- Knowledge on Company's businesses policies and culture (including the Mission, Vision and Values) major risks / threats and potential opportunities and knowledge of the industry in which the Company operates.
- Behavioural skills - attributes and competencies to use their knowledge and skills to contribute effectively to the growth of the Company
- Business Strategy, Sales & Marketing, Corporate Governance, Forex Management, Administration, Decision Making
- Financial and Management skills, Risk assessment and mitigation
- Technical / Professional skills and specialized knowledge in relation to Company's business

7. PERFORMANCE EVALUATION

Pursuant to the provisions of the Companies Act, 2013 and regulations contained in the chapters of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Board has carried out the annual performance evaluation of its own performance by the Directors individually (including Independent Directors) as well as the evaluation of the working of its Audit, Nomination and Remuneration and other Committees.

A structured questionnaire was prepared after taking into consideration inputs received from the Directors, covering various aspects of the Board's functioning such as adequacy of the composition of the Board and its Committees, Board culture, execution and performance of specific duties, obligations and governance.

A separate exercise was carried out to evaluate the performance of individual Directors including the Chairman of the Board, who were evaluated on parameters such as level of engagement and contribution, independence of judgments, safe guarding the interest of the Company.

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

8. FAMILIARIZATION PROGRAMME

At the time of appointing a Director, a formal letter of appointment is given, which inter alia explains the role, function, duties and responsibilities expected from a Director of the Company. The Director is also explained in detail the Compliance required from him under Companies Act, 2013, the Listing Regulations and other various statutes and an affirmation is obtained. Further, on an ongoing basis as a part of Agenda of Board / Committee Meetings, briefings are regularly made to the Independent Directors on various matters inter-alia covering the Company's and its subsidiaries businesses and operations, industry and regulatory updates, strategy, finance, role, rights, responsibilities of the Independent Directors under various statutes and other relevant matters. The details of the familiarization programme for Directors are available on the Company's website at the link:

www.balajiamines.com/investor-relations

9. COMMITTEES OF THE BOARD

Your Company has five Board level Committees - Audit Committee, Nomination and Remuneration Committee, Stakeholders' Relationship Committee, Corporate Social Responsibility Committee and Research & Development Committee. All decisions pertaining to the constitution of

Committees, appointment of members and fixing of terms of service for Committee Members are taken by the Board of Directors. Details on the role and composition of these Committees, including the number of Meetings held during the financial year and the related attendance, are provided below:

I. Audit Committee

The Company has a qualified and independent Audit committee and consists of 3 Independent Directors, who shall provide assistance to the Board of Directors in fulfilling its responsibilities.

The composition of the Audit committee is in accordance with the requirements of the Regulation under Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and also Section 177 of the Companies Act, 2013 and Rule 6 and 7 of Companies (Meetings of Board and its Powers) Rules, 2014. Mrs. Jimisha Parth Dawda, Company Secretary acts as the Secretary to the Audit Committee.

The Audit Committee meets regularly as required and exercises its powers in accordance with the framework define by the Board. The terms of reference of the Audit Committee are as set out by the Board which is in accordance with the aforesaid provisions.

During the year under review, four meetings of the Committee were held on 15th May, 2019, 26th July, 2019, 30th October, 2019 and 30th January, 2020. The gap between two meetings did not exceed one hundred and twenty days. There were no changes in the constitution of the Audit Committee. The composition of the Audit Committee and the details of meetings attended by each of the members are given below:

Name	Designation	Category	No. of Meetings Attended
Mr. T. Naveena Chandra	Chairman	Independent, Non - Executive	4
Mr. M. Amarender Reddy	Member	Independent, Non - Executive	4
Mr. C.S.N. Murthy	Member	Independent, Non - Executive	4

The terms of reference of the Audit Committee are as under:

1. Overview of Company's financial reporting process and disclosure of its financial information to ensure that the financial statements are correct, sufficient and credible.
2. Recommending to the Board, the appointment, re-appointment and if required, the replacement or removal of auditors and fixation of audit fee.
3. Approval of payment to statutory auditors for any other services rendered by them.
4. Reviewing, with the management, the annual financial statements before submission to the Board for approval, with

particular reference to:

- (a) Matters required to be included in the Director's Responsibility Statement to be included in the Board's report in terms of clause (c) of sub-section 3 of Section 134 of the Companies Act, 2013
 - (b) changes, if any, in accounting policies and practices and reasons for the same.
 - (c) Major accounting entries involving estimates based on the exercise of judgment by management.
 - (d) Significant adjustments made in the financial statements arising out of audit finding.
 - (e) Compliance with listing and other legal requirements relating to financial statements.
 - (f) Disclosure of any related party transactions.
 - (g) Review of draft Auditors Report, in particular qualifications / remarks / observations made by the Auditors on the financial statements.
 - (h) Management Discussion and Analysis of financial conditions and results of operations.
5. Review of Statement of significant related party transactions submitted by the management.
 6. Review of management letters/letters of internal control weaknesses issued by the statutory auditors.
 7. Review of internal audit reports relating to internal control weaknesses.
 8. Review of appointment, removal and terms of remuneration of the Internal Auditor.
 9. Reviewing, with the management, the quarterly financial statements before submission to the Board for approval.
 10. Review of the financial statements of subsidiary Companies.
 11. Review and monitor the auditor's independence, performance, and effectiveness of audit process.
 12. Approval or any subsequent modification of transactions of the Company with related parties.
 13. Scrutiny of inter-corporate loans and investments.
 14. Valuation of undertakings or assets of the Company, wherever necessary.
 15. Evaluation of internal financial controls and risk management systems.
 16. To look into the reasons for substantial defaults in the payment to the shareholders (in case of non-payment of declared dividends) and creditors.
 17. Reviewing, with the management, the statement of uses / application of funds raised through an issue (public issue, rights issue, preferential issue, etc.), the statement of funds utilized for purposes other than those stated in the offer document/ prospectus/notice and the report submitted by the monitoring agency monitoring the utilization of proceeds of a public or rights issue and making appropriate recommendations to the Board to take up steps in this matter.
 18. Reviewing, with the management, performance of statutory and internal auditors, adequacy of the internal control systems.
 19. Reviewing the adequacy of internal audit function, if any, including the structure of the internal audit department,

- staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit.
20. Discussion with internal auditors of any significant findings and follow up there on.
21. Reviewing the risk management policies, practices and the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the Board.
22. Discussion with statutory auditors before the audit commences, about the nature and scope of audit as well as post audit discussion to ascertain any area of concerns.
23. To review the functioning of the Whistle Blower Mechanism
24. Approval of appointment / reappointment, remuneration of CFO (or any other person heading the finance function or discharging that function) after assessing the qualifications, experience & background, etc. of the candidate
25. Carrying out any other function as may be mentioned in the terms of reference of the Audit Committee. The Audit Committee discharges its functions and obligations on regular basis and on the occurrence of the events.
26. reviewing the utilization of loans and/ or advances from/investment by the holding company in the subsidiary exceeding rupees 100 crore or 10% of the asset size of the subsidiary, whichever is lower including existing loans / advances / investments existing as on the date of coming into force of this provision.

ii. Nomination and Remuneration Committee

The Nomination and Remuneration Committee of the Company has been constituted in accordance with the provisions of Section 178 of the Companies Act, 2013 as well as in terms of Regulation 19 of the Listing Regulations and comprises requisite number of Independent Directors.

Mr. M. Amarender Reddy, the Independent Non-executive Director is the Chairman of the Committee. Mrs. Jimisha Parth Dawda, Company Secretary acts as the Secretary to the Nomination and Remuneration Committee.

The Committee met one time during the year i.e. on 15th May, 2019. The composition of the Nomination and Remuneration Committee and the details of meetings attended by each of the members are given below:

Name	Designation	Category	No. of Meetings Attended
Mr. M. Amarender Reddy	Chairman	Independent, Non - Executive	1
Mr. T. Naveena Chandra	Member	Independent, Non - Executive	1
Mrs. Vimala B. Madon	Member	Independent, Non - Executive	1

The terms of reference of the Nomination and Remuneration Committee are as under:

1. Formulation of the criteria for determining qualifications, positive attributes and independence of a director and recommend to the Board a policy, relating to the remuneration of the directors, key managerial personnel and other employees.
2. Formulation of criteria for evaluation of Independent Directors and the Board. Devising a policy on Board diversity.
3. Identifying persons who are qualified to become directors and who may be appointed in senior management in accordance with the criteria laid down, and recommend to the Board the reappointment and removal.
4. To recommend/review remuneration of Key Managerial Personnel based on their performance and defined assessment criteria.
5. To decide on the elements of remuneration package of all the Key Managerial Personnel i.e. salary, benefits, bonus, stock options, pensions, etc.
6. Recommendation of fee / compensation if any, to be paid to Non-Executive Directors, including Independent Directors of the Board.
7. Payment / revision of remuneration payable to Managerial Personnel.
8. While approving the remuneration, the committee shall take into account financial position of the Company, trend in the industry, qualification, experience and past performance of the appointee.

9. The Committee shall be in a position to bring about objectivity in determining the remuneration package while striking the balance between the interest of the Company and shareholders.
10. Any other functions / powers / duties as may be entrusted by the Board from time to time.

The Company has adopted a Policy relating to the remuneration for Directors, Key Managerial Personnel and other employees of the Company which is disclosed on the website of the Company at the link: www.balajiamines.com/investor-relations

The committee under the guidance of Board has formulated the criteria and frame work for the performance evaluation of every Director of the Board including independent Directors and identified the ongoing training and education programs to ensure that the independent Directors are provided with adequate information regarding the business, the industry and their legal responsibilities and duties.

Remuneration of Directors

The remuneration paid to Executive Directors is recommended by the NRC Committee and fixed by the Board of Directors and approved by the shareholders in general meetings. The remuneration paid to Executive Directors in pursuant to Sections 196, 197, 203 read with Schedule V and other applicable provisions of the Companies Act, 2013.

Remuneration paid to Executive Directors for the Year 2019-20

(Amount in Rs.)

Particulars	Mr. A. Prathap Reddy	Mr. D. Ram Reddy	Mr. N. Rajeshwar Reddy	Mr. G. Hemanth Reddy	Mr. A. Srinivas Reddy	Total
Salary, Allowances & Perquisites	50,96,400	42,74,400	42,74,400	42,74,400	37,81,200	2,17,00,800
Benefits	-	-	-	-	-	-
Commission	4,61,39,044	2,98,82,562	2,98,82,562	1,28,04,081	3,03,75,762	14,90,84,011
Sitting Fees	-	-	-	-	-	-
Loans from the Company	-	-	-	-	-	-

Notes :

- i. All elements of remuneration package of individual directors summarized under major groups, such as salary, benefits, bonuses, stock options, pension etc.,
- ii. The Executive Chairman and Whole-time Directors are also entitled to Company's Contribution to Superannuation fund, to the extent not taxable and gratuity and encashment of leave at the end of tenure as per the rules of the Company and to the extent not taxable.
- iii. Details of fixed component and performance linked incentives, along with the performance criteria; NA.
- iv. Service contracts, notice period, severance fees: Company does not have any service contract with the Directors of the Company.
- v. Company has not granted any Stock options during the year.

Remuneration paid to Non-Executive Directors for the Year 2019-20

(Amount in Rs.)

Particulars	Mr. T. Naveena Chandra	Mr. M. Amarender Reddy	Mr. C.S.N. Murthy	Mr. Kashinath R. Dhole	Mrs. Vimala B. Madon	Total
Sitting Fees	87,000	95,000	85,000	66,000	79,000	4,12,000

Notes :

- i. There is no pecuniary relationship or transaction of the Company with any of the Non-Executive Directors.
- ii. The Company has paid sitting fees to Non-Executive Directors and no stock option is available to the Directors.
- iii. No remuneration or Commission is paid to the Non-Executive Directors apart from sitting fees for attending the meeting of Board of Directors.

iii. Stakeholders' Relationship Committee

The Stakeholders' Relationship Committee has been formed in compliance of Regulations under Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and pursuant to Section 178(5) of the Companies Act, 2013. The Committee comprises of two Whole-time Directors and one Independent Director. Mrs. Jimisha Parth Dawda, Company Secretary of the Company act as Compliance officer of the Company. Mr. M. Amarender Reddy, independent non- executive director heads the Committee.

The Committee met 4(four) times on 15th May, 2019, 26th July, 2019, 30th October, 2019 and 30th January, 2020 during the financial year 2019-20. The composition of the Stakeholders' Relationship Committee and the details of Meetings attended by each of the Members are given below:

Name	Designation	Category	No. of Meetings Attended
Mr. M. Amarender Reddy	Chairman	Independent Director, Non-Executive	4
Mr. A. Prathap Reddy	Member	Executive Chairman	4
Mr. G. Hemanth Reddy	Member	Whole-time Director & CFO	4

The terms of reference of the Stakeholders' Relationship Committee are as under:

1. Resolving the grievance of the security holders of the Company including complaints related to transfer/transmission of shares, non-receipt of annual report, non-receipt of declared dividends, issue of new/duplicate certificates, general meetings etc.
2. Review of measures taken for effective exercise of voting rights by shareholders.
3. Review of adherence to the service standards adopted by the Company in respect of various services being rendered by the Registrar & Share Transfer Agent.
4. Review of the various measures and initiatives taken by the Company for reducing the quantum of unclaimed dividends and ensuring timely receipt of dividend warrants/annual reports/statutory notices by the shareholders of the company.

Details of status of the references / complaints received and replied / resolved during the year are given in the following statements

Description	No.of Complaints Received	No.of Complaints Received	Pending Complaints
Non Receipt of Share Certificates after transfer etc.	NIL	NIL	NIL
Non Receipt of Dividend Warrant	NIL	NIL	NIL
Query regarding demat credit	NIL	NIL	NIL
Non receipt of Bonus	NA	NA	NA
Miscellaneous	NIL	NIL	NIL
Total	NIL	NIL	NIL

iv. Corporate Social Responsibility Committee

The Corporate Social Responsibility (CSR) Committee has been constituted by the Board of Directors to formulate and recommend to the Board the CSR Policy indicating the activities to be undertaken by the Company in compliance with the provisions of the Act and Rules made there under, allocate the amount of expenditure to be incurred on CSR activities as enumerated in Schedule VII to the Act and monitor the CSR Policy of the Company periodically. The CSR Policy of the Company is displayed on the website of the Company at the link: www.balajiamines.com/investor-relations

As on 31st March, 2020, the CSR Committee comprised of three members, viz. Mr. Kashinath R. Dhole, Independent Director, (Chairman of the Committee), Mr. D. Ram Reddy, Managing Director and Mr. N. Rajeshwar Reddy, Joint Managing Director of the Company. The Committee held four meetings during the year under review. The Committee met on 11th May, 2019, 23rd July, 2019, 23rd October, 2019 and 25th January, 2020. The composition of the CSR Committee and the details of meetings attended by each of the members are given below:

Name	Designation	Category	No. of Meetings Attended
Mr. Kashinath R. Dhole	Chairman	Independent Director, Non-Executive	4
Mr. D. Ram Reddy	Member	Managing Director	4
Mr. N. Rajeshwar Reddy	Member	Joint Managing Director	4

The terms of reference of the Corporate Social Responsibility Committee are as under:

The Committee shall take up CSR activities as per the policy. The Committee shall oversee and monitor the spending of the CSR amount and implementation of the CSR activities undertaken. The committee may report to the board, the status of each activity, utilization of the earmarked funds, next course of action and also prepare a display / photographs of the works undertaken duly reporting the press clippings to spread the awareness in the regional media to get maximum beneficiaries to be impacted.

v. Research and Development Committee

The Board has constituted Research and Development Committee, to carry out the Research and Development initiations and to monitor the implementation of new R&D plans for identifying the new products, improving the processes etc. to optimize the utilization of all the resources.

The composition of the Research and Development Committee is given below:

Name	Designation	Category
Mr. A. Prathap Reddy	Chairman	Executive Chairman
Mr. N. Rajeshwar Reddy	Member	Joint Managing Director
Mr. A. Srinivas Reddy	Member	Whole-time Director

10. GENERAL BODY MEETING

i. Venue and time of the preceding of last three Annual General Meetings held:

Year	AGM/EGM	Venue	Day, Date & Time	Time
2018-19	31st AGM	Balaji Sarovar Premiere, Balaji Towers, 9/1A/1, Aasara Chowk, Hotgi Road, Solapur - 413 224. Special Resolution were passed for: 1. Approval pursuant to Section 185 of the Companies Act, 2013, Loan to Subsidiary Company	Friday, 26th July, 2019	12:00 Noon
2017-18	30th AGM	Balaji Sarovar Premiere, Balaji Towers, 9/1A/1, Aasara Chowk, Hotgi Road, Solapur-413 224. Special Resolution were passed for: 1. Adoption of new set of Articles of Association as per the Companies Act, 2013 2. To grant loan to Balaji Speciality Chemicals Private Limited, Subsidiary Company	Thursday, 30th August, 2018	11:30 A.M.
2016-17	29th AGM	Balaji Sarovar Premiere, Balaji Towers, 9/1A/1, Aasara Chowk, Hotgi Road, Solapur-413 224.	Monday, 31st July, 2017	11:30 A.M.

ii. No Business was transacted vide Postal Ballot during the year

iii. No Special Resolution at present is proposed to be passed through Postal Ballot.

Sr. No.	GENERAL INFORMATION TO SHAREHOLDERS	
1	Annual General Meeting Date, Time and Venue	Saturday, 8th August, 2020 at 11.30 AM through Video Conference ("VC")/ Other Audio Visual Means ("OAVM")
2	Date of Book Closure	The share transfer books and the Register of Members will be closed from 1st August, 2020 to 8th August, 2020 (both days inclusive)
3	Financial year	1st April to 31st March
4	Dividend Payment Date	The proposed dividend, if approved at the ensuing Annual General Meeting (AGM) on Saturday, 8th August, 2020 will be distributed within 30 days of Annual General Meeting.
5	Name and address of stock exchanges	BSE Limited, Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai - 400 001. National Stock Exchange of India Limited, Exchange Plaza, 5th Floor, Plot No. C/1, G Block, Bandra-Kurla Complex, Bandra (East), Mumbai - 400 051.
6	Listing fees	The Company has paid the annual listing fees for the year 2020-2021 to both the above stock exchanges.

Sr. No.	GENERAL INFORMATION TO SHAREHOLDERS	
7	Security Code	BSE : 530999 NSE: BALAMINES
8	ISIN Code	INE050E01027
9	Registrar and Share Transfer Agents	Venture Capital and Corporate Investments Pvt. Ltd 12-10-167, Bharat Nagar, Hyderabad - 500018 Ph:040-23818475/476; Fax:040-23868024; email: info@vccilindia.com
10	Share Transfer System	As per SEBI circulars securities of listed companies can be transferred only in Dematerialised form and hence members are advised to Dematerialised the shares held by them for any transfer of shares.
11	Outstanding GDRs/ADRs/ Warrants	As on 31st March, 2020, the Company did not have any outstanding GDRs/ADRs/Warrants or any Convertible Instruments.
12	Plant Locations	<p>Unit 1 : Tamalwadi Village, Taluka- Tuljapur, Osmanabad District - 413 623, Maharashtra.</p> <p>Unit 2 : Plot No. 4 & 5, Beside Sub - Station 2 IDA Bollaram, Sangareddy District - 502 325, Telangana.</p> <p>Unit 3 : Plot No. E - 7 & 8, Chincholi MIDC, Taluka Mohol, Solapur - 413 255, Maharashtra.</p> <p>Unit 4 : Plot No. F - 104, Chincholi MIDC, Taluka Mohol, Solapur - 413 255, Maharashtra.</p> <p>Unit 5 : Nandi Kandi, Sadasivpet, Sangareddy - 502001, Telangana.</p> <p>Hotel Division: Balaji Sarovar Premiere, Survey No. 9/1A/1, Aasara Chowk, Hotgi Road, Solapur - 413 224.</p>
13	Address for the correspondence	Mrs. Jimisha Parth Dawda Company Secretary & Compliance Officer Balaji Amines Limited. Balaji Towers No. 9/1A/1, Hotgi Road, Aasara Chowk, Solapur - 413 224. Email: cs@balajiamines.com

11. FINANCIAL REPORTING CALENDAR (INDICATIVE)

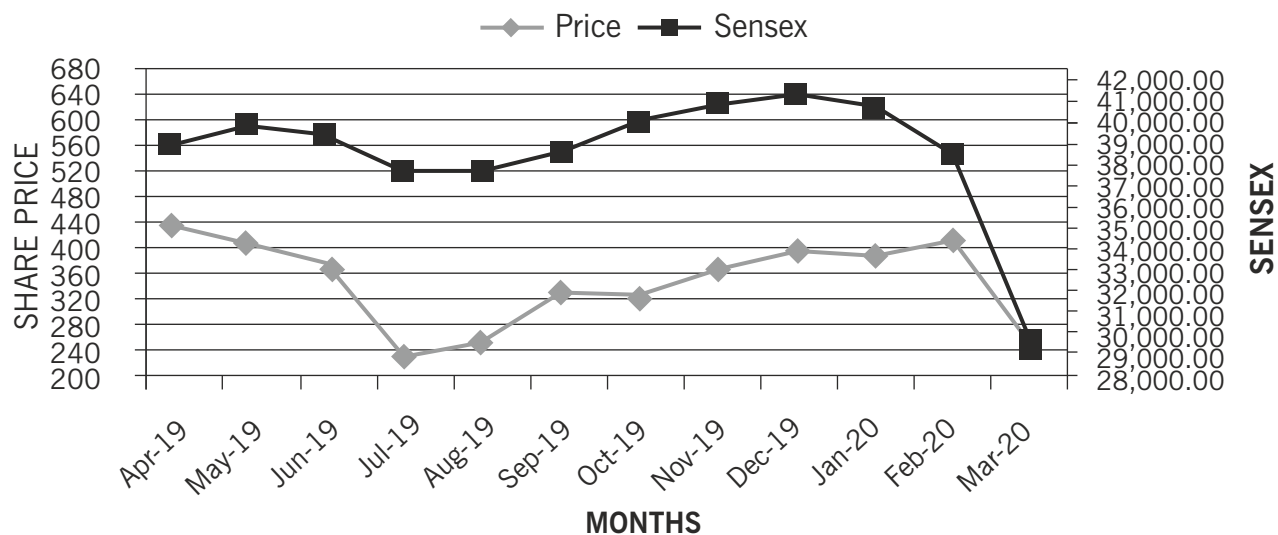
Quarter ending 30th June, 2020	First or Second Week of August, 2021
Half-year ending 30th September, 2020	Fourth Week of October, 2020
Quarter ending 31st December, 2020	Fourth Week of January, 2021
Year ending 31st March, 2020	First or Second Week of May, 2021

12. MONTH-WISE MARKET PRICE DATA DURING THE YEAR ENDED 31ST MARCH, 2020

MONTH	BSE		NSE	
	High Price	Low Price	High Price	Low Price
Apr-19	539.00	431.00	537.60	430.35
May-19	452.45	393.75	447.80	392.50
Jun-19	409.10	365.10	406.90	365.15
July-19	382.55	225.65	382.00	225.00
Aug-19	274.95	210.00	274.70	211.25
Sep-19	361.85	242.65	361.70	240.35
Oct-19	346.25	298.00	349.00	300.00
Nov-19	400.00	312.00	392.70	318.00
Dec-19	414.80	320.80	416.70	321.00
Jan-20	486.60	377.35	489.20	381.00
Feb-20	475.00	381.40	477.00	380.10
Mar-20	421.70	204.10	424.00	200.00

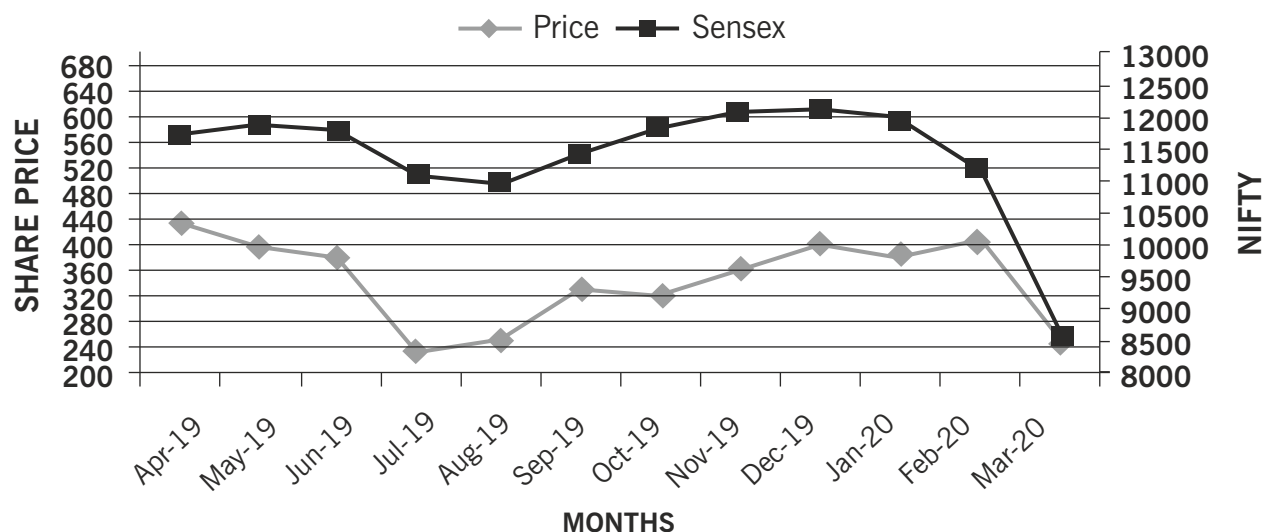
I. BAL's share performance versus BSE Sensex

COMPARISON OF MONTHLY CLOSING PRICE VS SENSEX



ii. BAL's Share Performance Versus Nifty

COMPARISON OF MONTHLY CLOSING PRICE VS NIFTY



13. DISTRIBUTION OF SHAREHOLDING AS AT 31ST MARCH, 2020

Distribution details on Face Value as at 31st March, 2020				
Nominal Value	Number	% of total	In Rs.	% of the total
Upto 5000	15812	96.59	6316002	9.75
5001 - 10000	283	1.73	2191044	3.38
10001-20000	128	0.78	1899666	2.93
20001-30000	42	0.26	1040056	1.60
30001-40000	20	0.12	681912	1.05
40001-50000	12	0.07	539856	0.83
50001-100000	31	0.19	2191372	3.38
100001 and above	43	0.26	49942092	77.07
Total	16371	100	64802000	100

14. DEMATERIALIZATION OF SHARES AND LIQUIDITY

As on 31st March, 2020, 3,20,34,410 number of Equity Shares of 2/- each representing 98.87% of the total no. of shares are in dematerialized form. There were no pending transfers as on 31st March, 2020.

and guidelines of SEBI. Consequently, there were no strictures or penalties imposed by either SEBI or Stock Exchanges or any statutory authority for non-compliance of any matter related to the capital markets during the last three Financial years.

15. OTHER DISCLOSURES:

i. Compliance with Governance Framework

The Company has complied with the requirements of the Listing Regulations.

ii. Details on non-compliance by the Company, penalties and strictures imposed on the Company by stock Exchange or SEBI or any statutory authority, on any matter related to capital markets, during the last three years

The Company has complied with all requirements specified under the Listing Regulations as well as other regulations

iii. Related Party Transactions

During the Financial Year 2019-20, there were no materially significant transactions or arrangements entered into between the Company and its Promoters, Directors or their Relatives or the Management, Subsidiaries, etc., that may have potential conflict with the interests of the Company at large. Further details of related party transactions are presented in Notes to Accounts in the Financial Statements section in the Annual Report. The Related Party policy is hosted in the website of the Company at the link <https://www.balajiamines.com/investor-relations>

iv. Details of establishment of Vigil Mechanism / Whistle Blower Policy

The Company has adopted a Vigil Mechanism and Whistle Blower Policy and the same is uploaded on the website of the Company. The whistle blowers may lodge their complaints/concern with the Officers designated under the Policy or with the Chairman of the Audit Committee, whose contact details are provided in the Whistle Blower Policy of the Company. The details of the Policy are explained in the Corporate Governance Report and also posted on the website of the Company at the web link:
<http://www.balajiamines.com/investor-relations>

v. Policy on determining 'material' subsidiaries

The Company has formulated a policy pursuant to provisions of Chapter IV of SEBI Listing Regulations to determine material subsidiaries. The policy is posted on the website of the Company and the web link for the same is:
<http://www.balajiamines.com/investor-relations>

vi. Mandatory and Non-mandatory requirements

The Company has complied with the mandatory requirements and has adopted a few non-mandatory requirements as specified under Regulations of Listing Regulations, which are reviewed by the management from time to time.

vii. Means of Communications

- The Annual Report of the Company, the quarterly/half-yearly and the annual financial results are displayed on the Company's website at www.balajiamines.com/investor-relations
- The Company publishes its quarterly, half-yearly and annual results in Business Standard (in English) and any one of Lokmat Times, Divya Marathi, Dainik Pudhari, Sakal, Tarun Bharat, Sanchar (in regional language) dailies.
- The Company discloses to the Stock Exchanges, all information required to be disclosed under the Listing Regulations including all material information of the Company and other price sensitive information. The Company also files various compliances and other disclosures required to be filed electronically on the BSE Listing Centre of BSE Limited and NSE Electronic Application Processing System (NEAPS) of NSE.
- The Company's website www.balajiamines.com contains separate dedicated section 'Investor Relations' where in full Annual Report is also available in a user friendly and downloadable format.
- Any presentation made to the institutional investors or/and analysts are also posted on the Company's website.

viii. Code of Conduct for the Board & Senior Management Personnel

The Company has laid down a Code of Conduct which has been effectively adopted by the Board Members and Senior Management Personnel of the Company.

ix. Commodity price risk or foreign exchange risk and hedging activities

The Company imports its major raw material and hence there is a commodity price risk and also foreign exchange risk. The company imports in bulk quantities against annual contracts with the suppliers where the company gets the price advantage on the bulk / contract purchase. Since the company is also having exports the exchange risk is partly covered by natural hedge (by way of exports). The Company also carries hedging activities basing on the market conditions on case to case bases.

x. Details of Fees paid to Statutory Auditors

The details of total fees for all services paid by the company on a consolidated basis, to the statutory auditors are as follows

Type of service	FY 2020	FY 2019
Audit Fees	16,50,000	14,25,000

xi. Compliance Certificate from Auditors

Certificate from Auditors of the Company M/s. Ayyadevara & Co confirming compliance with the conditions of corporate Governance as stipulated Chapter IV of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 is annexed herewith.

xii. Insider Trading

As required under the SEBI (Prohibition of Insider Trading) Regulations, 2015, your Company has framed Code of Conduct for Prevention of Insider Trading and Code of Corporate Disclosure Practices and Policy for Procedure of Inquiry In Case of Leak of Unpublished Price Sensitive Information ("UPS") for Details Please refer to the Company's website <http://www.balajiamines.com/investor-relations>

xiii. CEO/CFO Certification

Mr. D. Ram Reddy, Managing Director and Mr. G. Hemanth Reddy, Whole-time Director & CFO has issued certificate under Regulation 17(8) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, which is annexed and forms part of this report.

xiv. Certificate of Non-Disqualification of Directors

Certificate from Company Secretary in Practice Stipulated under clause C of Schedule V of the Securities and Exchange

Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 read with regulation 34(3) of the said Listing Regulations is annexed herewith.

xv. Secretarial Standards

The Company has complied with Secretarial Standards issued by the Institute of Company Secretaries of India.

xvi. Investor Education and Protection Fund (IEPF)

In terms of Section 123, 124 and 125 of the Companies Act, 2013, the unclaimed dividends for the year 2011-12 and shares wherein the dividends were unclaimed for a period of seven consecutive years has been transferred to the IEPF Fund/Suspense account respectively.

The details of shares transferred are available in the website of the Company. Further, as per the provisions of Section 125, the share(s) wherein the dividend is unclaimed for a period of consecutive seven (7) years will be transferred to the suspense account as prescribed by the IEPF Rules, therefore the shareholders whose dividends are unclaimed for seven consecutive years are requested to claim their unclaimed dividend at the earliest. Shareholders are

requested to write to the Company or RTA for claiming their unclaimed dividends. (list of the shareholders along with the unclaimed dividend details are available on the website of the Company www.balajiamines.com)

xvii. Disclosure Under The Sexual Harassment Of Women At Workplace (Prevention, Prohibition, And Redressal) Act, 2013

Details provided under point no.38 of the Directors report on page no.18.

xviii. The Company has complied with all the requirements specified in Regulation 17 to 27 and clauses (b) to (i) of sub-regulation (2) of regulation 46

For and on behalf of the Board of Directors

Sd/-
A. Prathap Reddy
Executive Chairman
DIN: 00003967

Date: 22.06.2020
Place: Secunderabad

CEO /CFO CERTIFICATION TO THE BOARD

[Pursuant to Regulation 17 (8) under Chapter IV of Securities Exchange board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015]

We, D. Ram Reddy, Managing Director and G. Hemanth Reddy, Whole-time Director and Chief Financial Officer of the Company responsible for the finance function hereby certify that:

- (a) We have reviewed the financial statements and the cash flow statement for the year 2019-20 and that to the best of our 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 existing accounting standards, applicable laws and regulation.
- (b) There are, to the best of our knowledge and belief, no transactions entered into by the company during the year 2019-20, which are fraudulent, illegal or violative of the company's code of conduct.
- (c) We accept responsibility for establishing and maintaining internal controls for financial reporting and that we have evaluated the effectiveness of internal control systems of the company pertaining to financial reporting and have disclosed to the auditors and the Audit Committee, deficiencies in the design or operation of such internal controls, if any, of which we are aware and the steps we have taken or propose to take to rectify these deficiencies.
- (d) We have indicated to the auditors and the Audit committee :
- (i) significant changes in internal control over financial reporting during the year 2019-20
 - (ii) significant changes in accounting policies during the year 2019-20 and that the same have been disclosed in the notes to the financial statements;
 - (iii) There were no 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.

Sd./-
D. Ram Reddy
Managing Director
DIN : 00003864

Sd./-
G. Hemanth Reddy
Whole-time Director & CFO
DIN: 00003868

Date : 22.06.2020
Place : Solapur

DECLARATION ON CODE OF CONDUCT

This is to confirm that the Board has laid down a Code of Conduct for all Board Members and Senior Management Personnel of the Company. The Code of Conduct has also been posted on the website of the company. It is further confirmed that all directors and senior management personnel of the company have affirmed compliance with the code of conduct of the company for the financial year ended on 31st March, 2020 as envisaged in the Chapter IV of the Securities Exchange board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

Sd./-
D. Ram Reddy
Managing Director
DIN : 00003864

Date : 22.06.2020
Place : Solapur

INDEPENDENT AUDITORS' CERTIFICATE ON CORPORATE GOVERNANCE

To the Members of Balaji Amines Limited,

We have examined the compliance of conditions of Corporate Governance by Balaji Amines Limited ('the Company'), for the Financial Year ended 31st March, 2020 as stipulated under the relevant provisions of Securities and Exchange Board of India (Listing Obligation and Disclosure Requirements) Regulations, 2015 ('Listing Regulation').

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

In our opinion, and to the best of the information and according to the explanations given to us, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in the above mentioned Listing Regulations, as applicable.

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

Sd./-
For Ayyadevara & Co.,
Chartered Accountants
FRN No. 000278S

Ayyadevara Srinivas
Proprietor
ICAI Membership No. 028803

Date: 22.06.2020
Place: Solapur

CERTIFICATE OF NON-DISQUALIFICATION OF DIRECTORS

(pursuant to Regulation 34(3) and Schedule V Para C clause (10)(i) of the SEBI
(Listing Obligations and Disclosure Requirements) Regulations, 2015)

To
The Members of
Balaji Amines Limited
Solapur

We have examined the relevant registers, records, forms, returns and disclosures received from the Directors of BALAJI AMINES LIMITED having CIN: L7499L24132MH1988PLC049387 and having registered office at BALAJI TOWERS', No. 9/1A/1, Hotgi Road, Asara Chowk, Solapur, Maharashtra 413224 (hereinafter referred to as 'the Company'), produced before us by the Company for the purpose of issuing this Certificate, in accordance with Regulation 34(3) read with Schedule V Para-C Sub clause 10(i) of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

In our opinion and to the best of our information and according to the verifications (including Directors Identification Number (DIN) status at the portal www.mca.gov.in) as considered necessary and explanations furnished to us by the Company & its officers, We hereby certify that none of the Directors on the Board of the Company as stated below for the Financial Year ending on 31st March, 2020 have been debarred or disqualified from being appointed or continuing as Directors of companies by the Securities and Exchange Board of India or Ministry of Corporate Affairs or any other Statutory Authority

Sr. No.	Name of Director	DIN	Date of appointment
1	ANDE PRATAP REDDY	00003967	01.04.2013
2	ANDE SRINIVAS REDDY	03169721	30.09.2013
3	RAJESHWAR REDDY NOMULA	00003854	16.11.1988
4	RAM REDDY DUNDURAPU	00003864	15.01.1989
5	HEMANTH REDDY GADDAM	00003868	01.04.2010
6	SATYANARAYANA MURTHY CHAVALI	00142138	30.01.2012
7	NAVEENA THAMMISHETTY CHANDRA	00231636	24.06.1996
8	KASHINATH REVAPPA DHOLE	01076675	11.05.2013
9	AMARENDER REDDY MINUPURI	05182741	31.01.2012
10	VIMALA BEHRAM MADON	06925101	28.07.2014

Ensuring the eligibility of for the appointment / continuity of every Director on the Board is the responsibility of the management of the Company. Our responsibility is to express an opinion on these based on our verification. This certificate is neither an assurance as to the future viability of the Company nor of the efficiency or effectiveness with which the management has conducted the affairs of the Company.

For P.S. Rao & Associates
Company Secretaries

P S Rao
Partner
M. No. F10322
C P No: 3829

Place: Hyderabad
Date: 18.06.2020
UDIN: F010322B000353918

**Secretarial compliance report
of
BALAJI AMINES LIMITED
for the Financial Year ended 31.03.2020**

To
Board of Directors
Balaji Amines Limited
Balaji Tower,
No. 9/1A/1, Hotgi Road,
AsaraChowk, Solapur,
Maharashtra, INDIA.

We P S. Rao & Associates Company Secretaries have examined:

- (a) all the documents and records made available to us and explanation provided by M/s Balaji Amines Limited, having its registered office at Balaji Tower, No. 9/1A/1, Hotgi Road, AsaraChowk, Solapur, Maharashtra, INDIA, hereinafter referred to as "the listed entity"
- (b) the filings/ submissions made by the listed entity to the stock exchanges,
- (c) website of the listed entity,
- (d) any other document/ filing, as may be relevant, which has been relied upon to make this certification,

for the year ended 31.03.2020 ("01.04.2019 to 31.03.2020") in respect of compliance with the provisions of:

- (a) the Securities and Exchange Board of India Act, 1992 ("SEBI Act") and the Regulations, circulars, guidelines issued thereunder; and
- (b) the Securities Contracts (Regulation) Act, 1956 ("SCRA"), rules made thereunder and the Regulations, circulars, guidelines issued thereunder by the Securities and Exchange Board of India ("SEBI");

The specific Regulations, whose provisions and the circulars/ guidelines issued thereunder, have been examined, include: -

- (a) Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015;
- (b) Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018; - Not Applicable during the reporting period
- (c) Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
- (d) Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018; - Not Applicable during the reporting period
- (e) Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014;- NotApplicable during the reporting period
- (f) Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008;- Not Applicable during the reporting period
- (g) Securities and Exchange Board of India(Issue and Listing of Non-Convertible and Redeemable Preference Shares) Regulations,2013; - Not Applicable during the reporting period
- (h) Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;

- (i) The Depositories Act, 1996
- (j) 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 and circulars/ guidelines issued thereunder; and based on the above examination, I/We hereby report that, during the Review Period.
 - (a) The listed entity has complied with the provisions of the above Regulations and circulars/ guidelines issued thereunder,
 - (b) The listed entity has maintained proper records under the provisions of the above Regulations and circulars/ guidelines issued thereunder insofar as it appears from my/our examination of those records.
 - (c) There were no instances of actions taken against the listed entity/ its promoters/ directors/ material subsidiaries either by SEBI or by Stock Exchanges (including under the Standard Operating Procedures issued by SEBI through various circulars) under the aforesaid Acts/ Regulations and circulars/ guidelines issued thereunder during the Reporting period
 - (d) There were no observations made in previous reports issued to the Company.
 - (e) Since the auditor has already been appointed, the terms of appointment of the auditor have been suitably modified to give effect to 6(A) and 6(B) of SEBI Circular No. CIR/CFD/CMD1/114/2019 dated October 18, 2019.

For P.S. Rao & Associates
Company Secretaries

P S Rao
Partner
M. No. F10322
C P No: 3829

Place: Hyderabad
Date: 18.06.2020
UDIN: F010322B000353918

INDEPENDENT AUDITOR'S REPORT

To
the Members of
Balaji Amines Limited

Report on the Audit of the Standalone Financial Statements

Opinion

We have audited the standalone financial statements of Balaji Amines Limited ("the Company"), which comprise the balance sheet as at March 31, 2020, and the statement of profit and loss, and statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Companies Act, 2013 in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2020, and its profit/loss, and its cash flows for the year ended on that date.

Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Companies Act, 2013. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Companies Act, 2013 and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

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.

SI.No.	Key Audit Matter	Auditor's Response
1	<p>Land allotted by MIDC to the company at Chicholi, Maharashtra.</p> <p>The company has made a payment of Rs.16.56 Crores towards upfront lease premium to MIDC, against a 95 years' lease. The company has started incurring capital expenditure on the land. However, the lease agreement is yet to be entered and registered with the concerned registering authority. The land has been handed over to the company through a possession letter.</p>	<p>We have ascertained the land allotment procedure of MIDC and also perused the land allotment and possession documents.</p> <p>We have obtained an opinion that the allotment of the land and subsequent issue of the 'possession letter' is confirming the lease for the specified period.</p>
2	<p>Disputed Tax Demands</p> <p>The company is in dispute in respect of Income Tax Assessments for four years and the aggregate of the tax demand in respect of these four years is Rs. 287.24 lakhs. The matter is in appeal before the first appellate authority, i.e., Commissioner of Income Tax (Appeals). The company has made a payment of part of the amount pending outcome of the appeal and the same is accounted for as an advance (Current Assets). This position involves uncertainty about the possible outcome of these disputes and consequent recovery of the part payments so made.</p>	<p>We have obtained and considered an expert opinion on the matters involved in these appeals and also the judicial precedents. We have evaluated the same to assess whether there should be a change in the management's position on the sustainability and recoverability of the amounts paid against the disputed demands</p>

Information Other than the Financial Statements and Auditor's Report Thereon"

The Company's Board of Directors is responsible for the preparation of the other information. The other information comprises the information included in the Management Discussion and Analysis, Board's Report including Annexures to Board's Report, Business Responsibility Report, Corporate

Governance and Shareholder's Information, but does not include the standalone financial statements and our auditor's report thereon.

Our opinion on the standalone financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the standalone financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the standalone financial statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of Management and Those Charged with Governance for the Standalone 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. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safe guarding of 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.

In preparing the financial statements, the Board of Directors is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Board of Directors either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Those Board of Directors are also responsible for overseeing the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee

that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Companies Act, 2013, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation. We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit. We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safe guards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

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 Companies Act, 2013, we give in the "Annexure A", a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.

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.
- (c) The Balance Sheet, the Statement of Profit and Loss, and the Cash Flow Statement dealt with by this Report are in agreement with the books of account.
- (d) In our opinion, the aforesaid standalone financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
- (e) On the basis of the written representations received from the directors as on March 31, 2020 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 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".
- (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 – Refer Note XX to the financial statements;
- ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
- iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company

**For Ayyadevara & Co.,
Chartered Accountants
Firm's Registration No.000278S**

**Ayyadevara Srinivas
Proprietor
Membership No.28803
Hyderabad. June 22, 2020.
UDIN : 20028803AAAAAK3845**

REG: BALAJI AMINES LIMITED
Year ended March 31, 2020.

ANNEXURE A TO THE INDEPENDENT AUDITOR'S REPORT OF EVEN DATE ON THE FINANCIAL STATEMENTS
[Referred to in para 1 under the heading 'Report on Other Legal and Regulatory Requirements']

1.	a.	The company is maintaining proper records showing full particulars, including quantitative details and details about the situation of fixed assets.
	b.	These fixed assets have been verified by the Management at reasonable intervals. According to information and explanations given to us no material discrepancies have been noticed on such verification.
	c.	In respect of immovable properties acquired by the company through amalgamation of Balaji Greentech Products Limited and Bhagyanagar Chemicals Limited in the financial year 2017-18, the company has made an application to the concerned authorities which is pending disposal. Except the immovable properties relating to the said two companies, the title deeds of immovable properties belonging to the company are held in the name of the company.
2.		The Management has conducted physical verification of inventory at reasonable intervals during the year and we are informed that no material discrepancies were noticed during such verification.
3.		The company has not granted any loans, secured or unsecured, to companies, firms, Limited Liability Partnerships or other parties covered in the register maintained under section 189 of the Companies Act, 2013.
4.		In respect of investment made by the company in a subsidiary, loan given to the subsidiary and guarantee provided for amounts borrowed by the subsidiary from the financial institutions / banks the company has complied with the provisions of section 186 of companies Act, 2013.
5.		The company has not accepted any Deposits.
6.		In respect of the records maintained by the company under Rules made by the Central Government for maintenance of Cost Records under section 148(1) of the Companies Act, 2013, we have broadly reviewed the same and we are of the opinion, that the prescribed accounts and records have been kept and maintained. However, we have not carried out a detailed audit of such records.
7.	a.	There are no undisputed statutory dues that are outstanding for more than six months from the date they became payable.
	b.	<p>The company did not incur any dues on account of any dispute in respect of Sales Tax or Customs, Excise Duty, Service Tax or GST. The particulars of disputed demands relating to Income Tax are as under;</p> <p>i. Rs.17.60 Lakhs (relating to Assessment Year 2013-14)</p> <p>ii. Rs.231.08 Lakhs (relating to Assessment Year 2014-15)</p> <p>iii. Rs.9.25 Lakhs (relating to Assessment Year 2016-17)</p> <p>iv. Rs.29.31 Lakhs (relating to Assessment Year 2017-18)</p> <p>The disputes are in respect of additions made in assessment under section 143(3) of the Income Tax Act, 1961 and the same are in appellate proceedings before the first appellate authority viz., Commissioner of Income Tax (Appeals), Pune.</p> <p>The company has deposited an amount of Rs.87.38 Lakhs in aggregate against the demands for the said four years and obtained stay of collection of the balance disputed demand till disposal of the appeal.</p>
8.		The company has not defaulted in repayment of borrowings from Financial Institutions / Banks. The company does not have any borrowings from Government or Debenture holders.
9.		The company has not raised any monies by way of any Public Offer or Term Loans during the year under review.
10.		To the best of our information and according to explanations given to us no fraud by the company or on the company by its officers or employees has been noticed or reported during the year under review.

11.	The managerial remuneration paid / provided by the company is in accordance with the requisite approvals mandated by the provisions of section 197 read with Schedule V to the Companies Act.
12.	The company is not a <i>Nidhi Company</i> .
13.	The transactions with related parties are in compliance with the provisions of section 177 and 188 of the Companies Act, 2013 and the details have been disclosed in the Financial Statements as required by the applicable Accounting Standards.
14.	The company has not made any preferential allotment or private placement of shares or debentures during the year under review.
15.	The company has not entered into any non-cash transactions with its Directors or persons connected with them.
16.	The company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934.

**For Ayyadevara & Co.,
Chartered Accountants
FRN: 000278S**

**Ayyadevara Srinivas
Proprietor
ICAI Membership No. 028803
Hyderabad. June 22, 2020**

ANNEXURE “B” TO THE INDEPENDENT AUDITOR'S REPORT (Referred to in paragraph 2 (f) under 'Report on Other Legal and Regulatory Requirements' section of our report to the Members of Balaji Amines Limited of even date)**Report on the Internal Financial Controls Over Financial Reporting under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 (“the Act”)**

We have audited the internal financial controls over financial reporting of Balaji Amines Limited (the “Company”) as of March 31, 2020 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The Board of Directors of the Company is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India (the “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 respective company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditor's Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting of the Company 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”) issued by the ICAI and the Standards on Auditing prescribed under Section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, 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, to the best of our information and according to the explanations given to us, 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 March 31, 2020, based on the internal financial 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 ICAI.

**For Ayyadevara & Co.,
Chartered Accountants
Firm's Registration No.000278S**

**Ayyadevara Srinivas
Proprietor
Membership No.28803
Hyderabad. June 22, 2020.**

STANDALONE BALANCE SHEET AS AT MARCH 31, 2020

Rupees

Particulars	Note No.	As at March 31, 2020	As at March 31, 2019
Assets			
1. Non-current assets			
a. Property, plant and equipment	2	363,39,67,511	318,35,41,070
b. Capital work - in -progress	3	44,63,12,966	63,24,38,733
c. Investment Property		-	-
d. Goodwill		-	-
e. Other Intangible assets		-	-
f. Intangible assets under development		-	-
g. Biological Assets other than bearer plants		-	-
h. Financial Assets			
(i) Investments	4	66,00,00,000	66,00,00,000
(ii) Trade Receivables		-	-
(iii) Loans	5	46,34,76,847	32,65,76,847
(iv) Others	6	162,10,71,373	119,38,58,619
i. Deferred tax assets (net)		-	-
j. Other non-current assets	7	27,33,70,598	1,61,26,703
2. Current assets			
(a) Inventories	8	93,81,82,289	142,61,56,966
(b) Financial Assets			
(i) Investments	9	47,50,10,000	5,000
(ii) Trade Receivables	10	190,84,83,392	167,21,83,771
(iii) Cash and cash equivalents	11	2,83,34,053	14,44,51,554
(iv) Bank balances other than (iii) above	12	4,42,93,408	5,91,54,398
(v) Loans		-	-
(vi) Others		-	-
(c) Current Tax Assets (Net)		40,05,09,268	53,26,71,892
(d) Other current assets	13	14,94,22,958	12,54,53,782
Total Assets		1104,24,34,663	997,26,19,335
Equity And Liabilities			
EQUITY			
(a) Equity Share capital	14	6,48,02,000	6,48,02,000
(b) Other Equity			
(i) Reserves and surplus	15	661,16,02,378	568,52,01,730
LIABILITIES			
1. Non - current liabilities			
(a) Financial Liabilities			
(i) Borrowings		-	-
(ii) Trade payables	16	3,15,71,049	3,04,37,023
(iii) Other financial liabilities (other than those specified in item (b))	17	160,78,88,059	116,89,82,899
(b) Provisions		-	-
(c) Deferred tax liabilities (Net)	18	49,99,25,961	45,75,00,903
(d) Other non-current liabilities		-	-
2. Current liabilities			
(a) Financial Liabilities			
(i) Borrowings	19	102,36,14,660	94,82,57,878
(ii) Trade payables	20	56,18,94,664	83,41,39,310
(iii) Other financial liabilities (other than those specified in item (c))		-	-
(b) Other current liabilities	21	3,47,26,259	36,13,000
(c) Provisions	22	20,64,09,633	21,96,84,592
(d) Current Tax Liabilities (Net)	23	40,00,00,000	56,00,00,000
Total Equity and Liabilities		1104,24,34,663	997,26,19,335
Significant Accounting Policies and other information	1		

Notes 1 to 30 form part of Financial Statements

As per our report of even date

For Ayyadevara & Co.,
Chartered Accountants
FRN: 000278S

Ayyadevara Srinivas
Proprietor
ICAI Membership No. 028803
Hyderabad. June 22, 2020

For and on behalf of Board of Directors

A Prathap Reddy
Executive Chairman
DIN 00003967

G Hemant Reddy
Whole Time Director & CFO
DIN 00003868

Jimisha Parth Dawda
Company Secretary & Compliance Officer

STANDALONE STATEMENT OF PROFIT AND LOSS FOR THE PERIOD ENDED MARCH 31, 2020

Rupees

Sr. No.	Particulars	Note No.	For the Period ended March 31, 2020	For the Period ended March 31, 2019
I	Revenue from operations	24	919,05,41,044	949,83,16,197
II	Other income	25	10,26,28,441	5,21,84,977
III	Total Revenue (I+II)		9,29,31,69,485	955,05,01,174
IV	EXPENSES			
	Cost of Material Consumed	26	482,17,01,811	547,85,22,796
	Changes in inventories of finished goods and work-in-progress	27	28,99,76,360	-25,65,56,462
	Employee benefits expense	28	32,70,79,844	29,46,92,972
	Finance costs	29	12,13,22,979	13,02,58,766
	Depreciation and amortization expense	2	24,18,13,950	19,55,38,589
	Other expenses	30	195,41,33,493	204,76,12,937
	Total Expenses (IV)		775,60,28,437	789,00,69,598
V	Profit/(loss) before exceptional items and tax (III-IV)		153,71,41,048	166,04,31,576
VI	Exceptional items		-	-
VII	Profit/(loss) before tax (V + VI)		153,71,41,048	166,04,31,576
VIII	Tax Expenses:			
	1. Current Tax		40,00,00,000	56,00,00,000
	2. Deferred Tax		4,24,25,058	-4,47,31,923
	3. Adjustments of earlier year tax provisions		-4,28,14,639	-3,55,99,295
IX	Profit (Loss) for the period from continuing operations (VII-VIII)		113,75,30,629	118,07,62,794
X	Profit/loss from discontinued operations		-	-
XI	Tax expense of discontinued operations		-	-
XII	Profit/(loss) from discontinued operations (after tax) (X- XI)		-	-
XIII	Profit/(loss) for the period (IX + XII)		113,75,30,629	118,07,62,794
XIV	Other Comprehensive Income			
	A (i) items that will not be reclassified to profit or loss		-	-
	(ii) Income tax relating to items that will not be reclassified to profit or loss		-	-
	B (i) Items that will be reclassified to profit or loss		-	-
	(ii) Income tax relating to items that will be reclassified to profit or loss		-	-
XV	Total Comprehensive Income for the period (XIII + XIV) (Comprising profit/loss and other Comprehensive Income for the period)		113,75,30,629	118,07,62,794
XVI	Earning per equity share (for continuing operation):			
	(1) Basic		35.11	36.44
	(2) Diluted		35.11	36.44
XVII	Earning per equity share (for discontinued operation):			
	(1) Basic		-	-
	(2) Diluted		-	-
XVIII	Earning per equity share (for discontinued & continuing operations)			
	(1) Basic		35.11	36.44
	(2) Diluted		35.11	36.44
	Significant Accounting Policies and other information	1		

Notes 1 to 30 form part of Financial Statements
As per our report of even date

For Ayyadevara & Co.,
Chartered Accountants
FRN: 000278S

Ayyadevara Srinivas
Proprietor
ICAI Membership No. 028803
Hyderabad. June 22, 2020

For and on behalf of Board of Directors

A Prathap Reddy
Executive Chairman
DIN 00003967

G Hemanth Reddy
Whole Time Director & CFO
DIN 00003868

Jimisha Parth Dawda
Company Secretary & Compliance Officer

**STANDALONE CASH FLOW STATEMENT
FOR THE YEAR ENDED MARCH 31, 2020**

Rupees

Sr. No.	Particulars	Current year 31.03.2020	Previous year 31.03.2019
A	Cash Flow From Operating Activities		
	Profit before interest and tax	165,84,64,027	179,06,90,342
	Other income considered	-10,26,28,441	-5,21,84,977
	Depreciation	24,18,13,950	19,55,38,589
	Increase (+)/ (Decrease) (-) in Current Liabilities	-17,90,49,564	-2,49,17,779
	(Increase)(-)/ Decrease (+) in Inventories	48,79,74,677	-53,51,86,084
	(Increase)(-)/ Decrease (+) in Debtors	-23,62,99,621	5,45,94,563
	(Increase)(-)/ Decrease (+) in Other Current Assets	-2,39,69,176	-4,99,29,198
	(Increase)(-)/ Decrease (+) in Current Tax Assets	13,21,62,624	87,46,505
	Income Tax Paid	-51,71,85,361	-49,69,00,705
	Cash flow from Operating Activities	A 146,12,83,115	89,04,51,256
B	Cash Flow From Investing Activities		
	Purchase of Fixed Assets	-50,69,82,075	-18,82,48,406
	Increase on Investments	-	-
	Sale of Fixed Assets	8,67,451	22,17,879
	(Increase)(-)/ Decrease (+) in Loans	-13,69,00,000	-32,65,76,847
	(Increase)(-)/ Decrease (+) in Other Financial Assets	-88,45,142	-80,234
	(Increase)(-)/ Decrease (+) in Non Current Assets	-25,72,43,895	-63,68,596
	(Increase)(-)/ Decrease (+) in Current Investments	-47,50,05,000	50,000
	Other Income	10,26,28,441	5,21,84,977
	Cash flow from Investing activities	B -128,14,80,220	-46,68,21,227
C	Cash Flow From Financing Activities		
	Increase (+) / (Decrease) (-) in Secured Loans	-	-6,09,64,236
	Increase (+) / (Decrease) (-) in Other Long Term Financial Obligations	2,05,37,548	-17,44,843
	Increase (+) / (Decrease) (-) in Trade Payables	11,34,026	32,14,766
	Interest paid	-12,13,22,979	-13,02,58,766
	Dividend paid	-21,11,29,981	-10,13,94,400
	Cash Flow from Financing Activities	C -31,07,81,386	-29,11,47,479
D	Net increase/(decrease) in cash and cash equivalents (A+B+C)	-13,09,78,491	13,24,82,550
E	Cash and cash equivalents (beginning of the year)	20,36,05,952	7,11,23,402
F	Cash and cash equivalents (end of the year)	7,26,27,461	20,36,05,952
G	Increase/(decrease) in cash and cash equivalents (closing minus opening balances)	-13,09,78,491	13,24,82,550

Notes 1 to 30 form part of Financial Statements

As per our report of even date

For Ayyadevara & Co.,
Chartered Accountants
FRN: 000278S

Ayyadevara Srinivas
Proprietor
ICAI Membership No. 028803
Hyderabad. June 22, 2020

For and on behalf of Board of Directors

A Prathap Reddy
Executive Chairman
DIN 00003967

G Hemanth Reddy
Whole Time Director & CFO
DIN 00003868

Jimisha Parth Dawda
Company Secretary & Compliance Officer

YEAR ENDED MARCH 31, 2020
NOTES FORMING PART OF STANDALONE FINANCIAL STATEMENTS

Note 1: Significant Accounting Policies and Other Information

I. Company Overview

Balaji Amines Limited (BAL) is a public limited company incorporated and domiciled in India. The Registered office of BAL is situated in Solapur, Maharashtra, India. The equity shares of BAL are listed on the National Stock Exchange (NSE) and Bombay Stock Exchange (BSE), in India. BAL is engaged in the business of manufacture and sale of Speciality Chemicals, Aliphatic Amines and derivatives. BAL has its two manufacturing facilities / plants at Tuljapur and Chincholi in Maharashtra and one at Medak, Telangana. BAL owns a Five Star Hotel in Solapur, Maharashtra. BAL has CFL lamps facility at Medak, Telangana which was acquired vide amalgamation of Balaji Greentech Products Limited with BAL in the FY 2017-18. BAL mainly operates in three segments i.e., Speciality Chemicals and Amines, Hotel and CFL Lamps. A new facility for manufacture of Speciality Chemicals is under construction at Chicholi, Maharashtra.

II. Compliance with Indian Accounting Standards

The financial statements are prepared in accordance with Indian Accounting Standards (Ind AS) as notified under section 133 of the Companies Act, 2013 (the Act), read with Companies (Indian Accounting Standard) Rules 2015. The company has uniformly applied all the applicable accounting policies during the periods presented.

III. Reporting Currency

The Financial statements are presented in Indian Rupees which is also the functional and presentation currency of the company and all amounts are rounded off to nearest rupee.

IV. Overall Considerations

The financial statements have been prepared using significant accounting policies that are in effect as at March 31, 2020 as presented in detail hereunder.

V. COVID-19 Impact

The company has evaluated the impact of Coronavirus (COVID-19) impact on the operations and future economic activity of the company and based on its review and current indicators and future economic prospects there is no significant impact on the business of the company or its operations.

VI. Accounting Policies and Other Information

1. System of Accounting:

- i. The company follows mercantile system of accounting and recognizes income and expenditure on accrual basis.
- ii. The financial statements have been prepared in all material respects with Indian Accounting Standards as relevant and notified by the Central Government.
- iii. The financial statements are prepared as a going concern and on historical cost basis except for certain financial assets and liabilities that are measured at fair value where mandated or required by the relevant Indian Accounting Standard.

2. Revenue recognition:

- i. Revenues are generally recognized in all material aspects in accordance with Ind AS 115.
- ii. Sale of goods is recognized at the point of dispatch of goods to customers, i.e. when the substantial rights of ownership and risks are passed on to the customers. Gross sale is exclusive of GST.
- iii. Income from guest accommodation in respect of hotel division is recognized on day to day basis after the guests checks-in. Discounts if any in this regard are accounted upon final conclusion of the bill with the guests. Advance, if any, received against room bookings are treated as a liability pending finalization of bill / provision of services.
- iv. Income from sale of Food & Beverages is recognized at the point of serving of these items to the guests. The income stated is exclusive of Taxes.
- v. Dividends from investment are recognized as income of the year in which the same are declared by the investee company.
- vi. Interest income is recognized on accrual basis taking into account the amount outstanding and rate applicable.

3. Property, plant and equipment:

Property, plant and equipment acquired by the company are reported at acquisition value. The acquisition cost for this purpose includes the purchase price (net of duties and taxes which are recoverable in future) and expenses directly attributable to the asset to bring it to the site and in the working condition for its intended use. Interest during construction period up to the date of commencement of operations, indirect project expenditure and trial run expenditure (net of trial run income, if any) incurred in respect of projects under implementation are capitalized to the asset constructed / created. Spares and tools that are not in the nature of 'Property, Plant & Equipment' are treated as part of inventories. The costs incurred for the repairs and maintenance of these assets are charged to revenue.

The cost of assets under construction as on the Balance Sheet date, are classified under the head "capital work in progress" and will be capitalized as and when put to use.

Land allotted by MIDC on long lease basis is treated as "Lease Hold Land" on the basis of possession letter from MIDC (the Lessor), pending execution of lease agreement. The one-time lump sum premium paid at the time of allotment is amortized over the period of the 95-year lease. The lease amortization relating to the period prior to the commencement of commercial operations on the land so allotted will be capitalized as part of 'indirect project expenditure'. In respect of the land allotted in an earlier year the company has amortized the lease premium for the earlier years in the current year. The amount pertaining to the earlier year debited to the current year statement of profit and loss is Rs.27.82 lakhs.

4. Depreciation

Depreciation / amortization on fixed assets is provided on straight line method in accordance with Schedule II of the Companies Act, 2013 in respect of the remaining useful life. The management estimates the useful lives of the assets based on the indicative life span prescribed in Schedule II of the Companies Act, 2013. The useful life of the assets and their respective residual values are reviewed at the end of each financial year and adjusted accordingly.

5. Investments: Investments are stated at cost of acquisition.

6. Inventories:

- a) Finished goods are valued at lower of cost or Net Realizable Value. Cost for this purpose is arrived at on Absorption Costing basis.
- b) Stock in process/plant is valued at cost.
- c) Stock of raw materials, Stores and Spares and packing materials are valued at cost. Cost for this purpose, does not include duties/taxes that are recoverable in future.
- d) Food & Beverages:
 1. Groceries: Groceries are valued at cost arrived at on weighted average basis.
 2. Beverages: Valued at cost.

7. Trade Receivables

Trade receivables are stated at the recoverable values. Assessment is made on a periodical basis to assess the credit risk in respect of the credit extended to the customers and adjustments are carried out where necessary and found expedient. Provision, if any, made for the doubtful debts is charged to revenue.

8. Staff Benefits:

- a. Provident Fund Contributions are accounted on accrual

basis.

- b. To cover the benefits payable to the employees on retirement, the company has subscribed to a policy of Group Gratuity Scheme of Life Insurance Corporation of India. All contributions made towards the policy premiums are charged to revenue.

9. Research and Development:

Revenue expenditure on research and development is charged to Statement of profit and loss in the year in which it is incurred. Capital expenditure on research and development is treated at par with other comparable tangible assets and depreciated accordingly.

10. Tax expense:

Accounting treatment in respect of deferred taxation and current tax is in accordance with Indian Accounting Standard 12 (Ind AS 12) - "Income Taxes"

11. Borrowing Costs:

Interest and other costs in respect of borrowings for expansion / additional fixed investments including R & D projects are capitalized to such investments. Borrowing costs relating to period after the commencement of operations of these projects are charged to revenue.

12. Foreign Currency Transactions:

Foreign Exchange Transactions are recorded at pre-determined standard exchange rates which are reviewed periodically. Gains or losses arising out of such periodic revisions of such standard rates and also on realization/settlement are accounted for accordingly. No effect is determined in respect of the repayment and balances in respect of Foreign Currency Loans as the same are paid out of the Foreign Exchange earnings through the Exchange Earners Foreign Currency Accounts in respective currencies.

13. Impairment of Assets:

The carrying amounts of assets are reviewed at each Balance Sheet date, if there is any indication of impairment based on internal / external factors. An impairment loss will be recognized wherever the carrying amount of an asset exceeds its estimated recoverable amount. The recoverable amount is greater of the asset's net selling price and value in use. In assessing the value in use, the estimated future cash flows are discounted to the present value using the weighted average cost of capital. In carrying out such exercise, due effect is given to the requirements of Schedule II of the Companies Act, 2013.

14. Earnings Per Share (EPS):

This is calculated by dividing the net profit after tax (PAT) for the period attributable to equity shareholders, by number of shares outstanding at the end of the year. In case there are any changes in the equity during the year, EPS would be calculated on the weighted average number of shares outstanding during the period including adjustments of bonus issue, if any.

15. Corporate Social Responsibility

The company computes the amount required to be spent on Corporate Social Responsibility in accordance with the provisions of Section 135 of the Companies Act, 2013. The amounts are spent on the eligible projects prescribed under Schedule VII of the Act. Provision is made in the books for the amounts unspent, if any and if material, and the same is carried forward to be spent in the subsequent year. During the year ended March 31, 2020 the company has spent the amount of Rs. 268.51 lakhs. Hence there are unspent amounts of Rs. 43.25 lakhs on this account.

16. Contingent Liabilities:

Disputed demands: Under the Income Tax Act, 1961: Rs.17.60 Lakhs (relating to Assessment Year 2013-14) Rs.231.08 Lakhs (relating to Assessment Year 2014-15) and Rs.9.25 Lakhs (relating to Assessment Year 2016-17) and Rs.29.31 Lakhs (relating to Assessment Year 2017-18) in respect of additions made in assessment under section 143(3) of the Income Tax Act, 1961 and disputed in appellate proceedings. The appeals are pending before the First Appellate Authority, Pune. The company has deposited an amount of Rs.87.38 lakhs against the aforementioned demands and obtained stay of collection of the balance disputed demand till disposal of the first appeals. The above referred tax payments are grouped under the head "Other Current Assets"

17. Dividends

Dividends are accounted for as an outflow from the accumulated profits in the year in which the same are declared and paid out.

18. Amounts recoverable from employees

The company has an arrangement with the supplier of coal for supply of coal in specified consignments on a periodic basis. Few consignments aggregating to the value of Rs.31.71 lakhs have been misappropriated, while in transit, by 2 employees of the company during the year ended March 31, 2015. The services of the said employees have been terminated in that year itself and legal action against initiated

on these employees including action for the recovery of the above-mentioned amounts. Pending recovery, the amounts are shown under short term advances.

19. Expenditure on Corporate Social Responsibility (CSR):

The company has incurred an expenditure of Rs.268.51 Lakhs (Previous Year Rs.263.02 Lakhs) on Corporate Social Responsibility initiatives in accordance with the provisions of Section 135 of the Companies Act, 2013. The details of the projects on which the amounts are expended by the company on Corporate Social Responsibility are given in Note.30 Other expenses, item (f).

20. Segment Reporting:

The company operates in three segments viz., (a) Amines & Speciality Chemicals, (b) Hotel segment and (c) CFL Lamps. There is no geographical segment as the company operates only in India.

The segment results are as under:

Sl. No.	Particulars	Amount Rupees in Lakhs
1	Segment Revenue	
	Amines & Speciality Chemicals	89,882.93
	Hotel	2,037.05
	CFL Lamps	0.23
	Sub Total:	91,920.21
	Less: Inter-segment revenue	14.80
	Net revenue from operations	91,905.41
2	Segment Results before Tax & Interest	
	Amines & Speciality Chemicals	16,777.16
	Hotel	-33.44
	CFL Lamps	-159.08
	Total:	16,584.64
	Less: Interest	
	Amines & Speciality Chemicals	1,197.54
	Hotel	15.69
	CFL Lamps	-
	Total:	1,213.23
	Segment Profit/Loss (-) before tax	
	Amines & Speciality Chemicals	15,579.62
	Hotel	-49.13
	CFL Lamps	-159.08
	Total:	15,371.41
3	Capital Employed (Segment Assets - Segment Liabilities)	
	Amines & Speciality Chemicals	57,439.14
	Hotel	6,375.92
	CFL Lamps	2,948.99
	Total	66,764.05

21. Related Party Transactions

Name of the related party	Relationship	Nature of Transaction	Transaction Value Rupees	Balance outstanding - Receivable / (-) Payable as on date of Balance Sheet Rupees	Amount written off/back
Balaji Speciality Chemicals Private Limited	Company in which the Enterprise is substantially interested, by holding 55% of shares in the total paid up share capital.	Investment through subscription to equity capital	Rs.66,00,00,000	Rs.66,00,00,000	Nil
Balaji Speciality Chemicals Private Limited	Company in which the Enterprise is substantially interested, by holding 55% of shares in the total paid up share capital.	Unsecured Loan given Interest Receipt thereon	Rs. 46,34,76,847 Rs. 5,39,07,719	Rs. 46,34,76,847 Nil	Nil
Balaji Speciality Chemicals Private Limited	Company in which the Enterprise is substantially interested, by holding 55% of shares in the total paid up share capital.	a. Sales b. Purchase	Rs. 33,54,58,655/- Rs. 3,62,84,344/-	Rs.16,97,24,084	Nil
Balaji Speciality Chemicals Private Limited	Company in which the Enterprise is substantially interested, by holding 55% of shares in the total paid up share capital.	Rent Receipt	Rs.60,000/-	Nil	Nil
KPR House / Family Trust	A Co-ownership in which Directors and their relatives are interested.	Rent Payment	Rs. 7,44,000	Rs. 62,000	Nil
Balaji Sourcings Pvt. Ltd.	A Company in which Directors are interested	a. Purchase	Rs. 3,18,78,957	(Ceased to be related party w.e.f.25.10.2019)	Nil
Thirumala Precicasts Pvt. Ltd.	A Company in which Directors are interested	Rent Receipt	Rs.3,52,089	Rs.1,71,198	Nil
MVL Medisynth Pvt. Ltd.	A Company in which Directors are interested	a. Sales b. Purchase	Rs. 39,56,100/- Rs. 80,43,497/-	Nil	Nil
Sri A. Prathap Reddy	Executive Chairman	Remuneration & Allowances Commission on Profits	Rs. 50,96,400 Rs. 4,61,39,044	Rs. 2,50,300 Rs. 4,61,39,044	Nil
Sri N. Rajeshwar Reddy	Joint Managing Director	Remuneration & Allowances Commission on Profits	Rs. 42,74,400 Rs. 2,98,82,562	Rs.2,13,427 Rs. 2,98,82,562	Nil
Sri D. Ram Reddy	Managing Director	Remuneration & Allowances Commission on Profits	Rs. 42,74,400 Rs. 2,98,82,562	Rs.2,12,479 Rs. 2,98,82,562	Nil
Sri G. Hemanth Reddy	Whole Time Director & CFO	Remuneration & Allowances Commission on Profits	Rs. 42,74,400 Rs. 1,28,04,081	Rs. 2,13,800 Rs. 1,28,04,081	Nil
Sri A. Srinivas Reddy	Whole Time Director	Remuneration & Allowances Commission on Profits	Rs. 37,81,200 Rs. 3,03,75,762	Rs. 1,91,900 Rs. 3,03,75,762	Nil
P D Enterprises	P D Enterprises is owned by Mr. Parth Dawda who is acting as an Distributor /Agent of Coffee Day Global Limited and is husband of Mrs. Jimisha Dawda, Company Secretary of the Company	Supply of Café Coffee Day Products to Balaji Sarovar Premiere	Rs. 82,332	Rs. 3,186/-	Nil

22. Additional Information pertaining to Statement of Profit and Loss

Sl.No.	Nature of Income / Expenses	Current Year		Current Year	
		Amount In Foreign Currency	Amount In INR	Amount In Foreign Currency	Amount In INR
1	Export Earning	\$ 1,87,51,774.00	130,77,61,040.00	\$ 2,06,70,398.50	141,93,94,754.46
		€ 65,79,187.00	51,17,87,688.00	€ 83,90,446.80	67,56,39,706.00
2	Sales Commission	\$ 47,725.23	33,24,357.30	\$ 64,169.60	44,37,458.00
3	Registration & Renewals	\$ 315.00	21,641.00	\$ 325.00	21,257.00
		€ 2,711.00	2,16,988.00	€ 333.33	27,778.00
4	Travelling Expenses	€ 1000.00	79,016.00	\$ 3,000.00	2,13,045.00
		¥ 39500.00	4,25,530.00	€ 1,343.00	1,05,194.00
				RM 770.00	13,629.00
				¥ 26,100.00	2,82,860.00
5	Exhibition Charges	€ 68,567.37	52,89,996.00	€ 72,547.02	59,82,079.00
6	Capital Goods & Spares	\$ 13,95,788.75	9,81,06,948.00	\$ 1,57,353.00	1,10,45,808.00
7	Raw Material	\$ 1,71,38,296.98	119,68,42,408.72	\$ 3,79,82,949.34	263,82,80,228.00
		€ 2,03,750.00	1,62,41,056.00	€ 1,80,800.00	1,44,56,998.00
8	Professional / Consultancy Fees	\$ 2,500.00	1,74,619.00	-	-
9	Finance Charges	\$ 14,229.87	9,93,662.79	\$ 27,938.98	19,43,396.00
		€ 3,241.99	2,46,329.90	€ 7,318.27	5,83,321.00
10	Transportation Charges	\$ 1,691.24	1,20,715.39	\$ 9,020.00	6,10,156.00
11	Technical Know How Fees	\$ 4,64,000.00	3,24,23,752.00	-	-

VII. Previous year's figures are regrouped and reclassified wherever considered necessary to conform with the current year grouping / classifications.

Notes forming part of Standalone Financial Statements
Note 2 : Property, plant and equipment

(Rupees)

ASSETS	GROSS BLOCK			DEPRECIATION			NET BLOCK			
	As at 31.03.2019	Addition	Deletion	As at 31.03.2020	As at 31.03.2019	For the Period	Adjustments Deletion	As at 31.03.2020	As at 31.03.2019	As at 31.03.2020
A) Amines Division										
Land	30,97,63,076	3,55,040	0	31,01,18,116	30,91,499	3,12,887	0	34,04,386	30,66,71,577	30,67,13,730
Unit-I - Tamalwadi Tq, Tuljapur, Dist. Osmanabad, Maharashtra	7,88,62,080	0	0	7,88,62,080	0	0	0	0	7,88,62,080	7,88,62,080
Unit-II - Bollaram, Dist. Sanga Reddy, Telangana	66,33,583	0	0	66,33,583	0	0	0	0	66,33,583	66,33,583
Lease Hold Land - Plot No. E 7 & 8, Chincholi, Dist. Solapur, Maharashtra	2,93,69,239	3,55,040	0	2,97,24,279	30,91,499	3,12,887	0	34,04,386	2,62,77,740	2,63,19,893
Lease Hold Land- Plot No. F-104, Chincholi, Dist. Solapur, Maharashtra	16,68,98,085	0	0	16,68,98,085	0	0	0	0	16,68,98,085	16,68,98,085
Unit-V Nandi Kandli, Sadashivpet, Sangareddy Dist. Telangana.	1,63,30,557	0	0	1,63,30,557	0	0	0	0	1,63,30,557	1,63,30,557
Nagaj, Dist. Sangli, Maharashtra	17,00,000	0	0	17,00,000	0	0	0	0	17,00,000	17,00,000
Kas, Dist. Satara, Maharashtra	20,00,000	0	0	20,00,000	0	0	0	0	20,00,000	20,00,000
Office - Hotgi Road, Dist. Solapur, Maharashtra	79,69,532	0	0	79,69,532	0	0	0	0	79,69,532	79,69,532
Factory Buildings	48,43,77,064	7,94,37,903	0	56,38,14,967	14,55,66,103	1,72,63,175	0	16,28,29,278	33,88,10,961	40,09,85,689
Unit-I	13,96,92,555	0	0	13,96,92,555	5,62,04,156	41,96,433	0	6,04,00,589	8,34,88,399	7,92,91,966
Unit-II	3,64,37,212	3,34,840	0	3,67,72,052	1,29,98,062	12,09,092	0	1,42,07,154	2,34,39,150	2,25,64,898
Unit-III	25,04,99,719	7,91,03,063	0	32,96,02,782	5,81,17,133	99,74,555	0	6,80,91,688	19,23,82,586	26,15,11,094
Unit-V	5,77,47,578	0	0	5,77,47,578	1,82,46,752	18,83,095	0	2,01,29,847	3,95,00,826	3,76,17,731
Office Buildings	7,38,40,688	0	0	7,38,40,688	48,42,301	11,66,439	0	60,08,740	6,89,98,387	6,78,31,948
Hotgi Road, Solapur, Maharashtra	5,73,25,461	0	0	5,73,25,461	38,58,804	9,04,948	0	47,63,752	5,34,66,657	5,25,61,709
Mumbai Flat	1,65,15,227	0	0	1,65,15,227	9,83,497	2,61,491	0	12,44,988	1,55,31,730	1,52,70,239
Wind Electric Generator	17,16,03,446	0	0	17,16,03,446	8,02,17,459	68,82,203	0	8,70,99,662	9,13,85,987	8,45,03,784
Nagaj, Dist. Sangli, Maharashtra	8,65,70,934	0	0	8,65,70,934	4,69,16,230	33,64,835	0	5,02,81,065	3,96,54,704	3,62,89,869
Kas, Dist. Satara, Maharashtra	8,50,32,512	0	0	8,50,32,512	3,33,01,229	35,17,368	0	3,68,18,597	5,17,31,283	4,82,13,915
Plant & Machinery	235,58,12,053	33,19,44,375	22,75,683	268,54,80,745	104,12,73,687	13,08,07,035	14,08,232	117,06,72,490	131,45,38,366	151,48,08,255
Unit-I	86,56,06,291	0	0	86,56,06,291	52,26,79,713	2,57,00,195	0	54,83,79,908	34,29,26,578	31,72,26,383
Unit-II	5,18,84,780	0	0	5,18,84,780	3,93,55,394	27,39,516	0	4,20,94,910	1,25,29,386	97,89,870
Unit-III	125,44,77,763	33,19,44,375	0	158,64,22,138	37,77,33,877	8,96,22,310	0	46,73,56,187	87,67,43,886	111,90,65,951
Unit-V	18,38,43,219	0	22,75,683	18,15,67,536	10,15,04,703	1,27,45,014	14,08,232	11,28,41,485	8,23,38,516	6,87,26,051

(Rupees)

ASSETS	GROSS BLOCK			DEPRECIATION			NET BLOCK		
	As at 31.03.2019	Addition	Deletion	As at 31.03.2020	As at 31.03.2019	For the Period	Adjustments Deletion	As at 31.03.2020	As at 31.03.2020
Plant & Machinery R & D	30,87,13,359	25,12,45,559	0	55,99,58,918	15,31,96,618	2,07,22,277	0	17,39,18,895	38,60,40,023
Unit-I	15,90,47,978	0	0	15,90,47,978	8,58,54,018	63,80,243	0	9,22,34,261	6,68,13,717
Unit-II	73,41,910	0	0	73,41,910	51,53,165	3,87,653	0	55,40,818	18,01,092
Unit-III	14,23,23,471	25,12,45,559	0	39,35,69,030	6,21,89,435	1,39,54,381	0	7,61,43,816	31,74,25,214
Furniture & Fixtures	2,62,24,436	0	0	2,62,24,436	1,51,55,062	22,53,778	0	1,74,08,840	88,15,596
Unit-I	2,27,93,777	0	0	2,27,93,777	1,26,42,216	19,15,352	0	1,45,57,568	82,36,209
Unit-II	1,29,452	0	0	1,29,452	99,453	8,194	0	1,07,647	21,805
Unit-III	25,88,108	0	0	25,88,108	19,77,234	2,85,093	0	22,62,327	3,25,781
Unit-V	7,13,099	0	0	7,13,099	4,36,159	45,139	0	4,81,298	2,31,801
Office Equipment	1,52,45,846	75,000	0	1,53,20,846	1,17,60,240	5,93,003	0	1,23,53,243	29,67,603
Unit-I	84,94,335	0	0	84,94,335	74,85,860	2,00,691	0	76,86,551	8,07,784
Unit-II	28,83,379	0	0	28,83,379	15,63,502	1,82,518	0	17,46,020	11,37,359
Unit-III	23,77,504	75,000	0	24,52,504	17,22,091	1,15,438	0	18,37,529	6,14,975
Unit-V	14,90,628	0	0	14,90,628	9,88,787	94,356	0	10,83,143	4,07,485
Vehicles	5,46,33,612	6,88,207	10,79,584	5,42,42,235	2,69,76,976	54,39,673	10,79,584	3,13,37,065	2,29,05,170
Unit-I	1,65,59,375	0	5,80,000	1,59,79,375	1,00,40,392	16,66,285	5,80,000	1,11,26,677	48,52,698
Unit-II	1,46,79,416	0	0	1,46,79,416	31,88,412	16,34,430	0	48,22,842	98,56,574
Unit-III	2,33,94,821	6,88,207	4,99,584	2,35,83,444	1,37,48,172	21,38,958	4,99,584	1,53,87,546	81,95,898
Others	13,16,39,803	2,51,92,254	0	15,68,32,057	2,98,46,790	63,11,740	0	3,61,58,530	12,06,73,527
Unit-I	7,75,68,232	47,56,161	0	8,23,24,393	1,73,32,030	32,40,033	0	2,05,72,063	6,17,52,330
Unit-II	14,83,621	0	0	14,83,621	1,73,681	61,060	0	2,34,741	12,48,880
Unit-III	5,25,87,950	2,04,36,093	0	7,30,24,043	1,23,41,079	30,10,647	0	1,53,51,726	5,76,72,317
Total : A	393,18,53,383	68,89,38,338	33,55,267	461,74,36,454	151,19,26,735	19,17,52,210	24,87,816	170,11,91,129	291,62,45,325
B) Hotel Division - Hotgi Road									
Land	1,96,76,241	0	0	1,96,76,241	0	0	0	0	1,96,76,241
Buildings	56,73,00,546	23,82,368	0	56,96,82,914	8,38,50,235	86,81,480	0	9,25,31,715	47,71,51,199
Plant & Machinery	24,92,46,629	8,00,000	0	25,00,46,629	8,88,00,929	1,71,38,154	0	10,59,39,083	14,41,07,546
Furniture & Fixtures	20,60,85,373	0	0	20,60,85,373	11,81,34,422	2,20,34,736	0	14,01,69,158	6,59,16,215
Office Equipment	32,32,241	0	0	32,32,241	32,32,241	0	0	32,32,241	0
Vehicle	32,92,974	9,87,136	11,64,014	31,16,096	15,20,255	3,96,010	11,64,014	7,52,251	23,63,845
Others	2,42,28,218	0	0	2,42,28,218	1,39,09,718	18,11,360	0	1,57,21,078	85,07,140
Total : B	107,30,62,222	41,69,504	11,64,014	107,60,67,712	30,94,47,800	5,00,61,740	11,64,014	35,83,45,526	71,77,22,186
Total : A + B	500,49,15,605	69,31,07,842	45,19,281	569,35,04,166	182,13,74,535	24,18,13,950	36,51,830	205,95,36,655	363,39,67,511

Notes forming part of Standalone Financial Statements

Rupees

Particulars	As at March 31, 2020	As at March 31, 2019
Note 3 : Capital work in progress		
Amines Division		
Expansion Project - at the beginning of the year	36,31,99,266	48,15,06,784
Expenditure incurred during the year	45,26,96,666	5,38,10,884
At the end of the year	81,58,95,932	53,53,17,668
Less: Capitalised / Put to use during the year	36,95,82,966	64,93,027
Less : Transferred to Lease hold Land	-	16,56,25,375
Balance A	44,63,12,966	36,31,99,266
R & D Project - At the beginning of the year	26,92,39,466	18,34,04,067
Expenditure incurred during the year	1,81,92,149	8,58,35,400
At the end of the year	28,74,31,615	26,92,39,467
Less: Capitalised / Put to use during the year	28,74,31,615	-
Balance B	-	26,92,39,467
Total (A+B)	44,63,12,966	63,24,38,733
Note 4 : Investments		
(All unquoted unless otherwise specified)		
In subsidiary		
A. Balaji Speciality Chemicals Private Limited		
2,20,00,000 Equity Shares of Rs. 10/- each, at premium of Rs.20/- aggregating to Rs.30/- per share.	66,00,00,000	66,00,00,000
Total non-current investments	66,00,00,000	66,00,00,000
Note 5 : Loans		
(Unsecured, considered good)		
Loan to Subsidiary - Balaji Speciality Chemicals Private Limited	46,34,76,847	32,65,76,847
Total	46,34,76,847	32,65,76,847
Note 6 : Others		
A) Amines division		
Deposit with Government Departments	3,04,33,580	2,19,17,118
Others-Security Deposits	31,02,619	27,48,939
Corporate guarantee - Subsidiary	158,35,70,511	116,52,02,899
The company has extended corporate guarantee to institutional lenders to an extent of Rs. 225.00 Crores to secure the borrowings of its subsidiary. The company has accounted for this financial obligation as a Financial Liability and corresponding amount is shown as a non-current asset and as due from the subsidiary in accordance with Ind AS 109. The quantification is based on the balance due to the lenders by the subsidiary as on the last day of the financial year. The said borrowings of the subsidiary are also secured by personal guarantees of the Directors Sri A. Prathap Reddy, Sri N Rajeshwar Reddy, Sri D Ram Reddy, Sri G Hemanth Reddy and Sri. A Srinivas Reddy		
Total A	161,71,06,710	118,98,68,956
B) Hotel division		
Deposit with Government Departments	38,05,910	38,46,663
Others-Security Deposits	1,58,753	1,43,000
Total (B)	39,64,663	39,89,663
Total (A+B)	162,10,71,373	119,38,58,619
Note 7: Other non-current assets		
A) Amines division		
Advances towards Capital Goods	26,94,22,081	1,44,24,015
Balance with Scheduled Banks		
In Margin money deposits (towards guarantees issued by banks.)	39,48,517	17,02,688
Total	27,33,70,598	1,61,26,703
Note 8 : Inventories		
A) Amines division		
[As verified, valued and certified by the Management]		
Raw Material	19,02,44,903	54,02,70,811
Work-in-Process	19,09,65,696	29,74,98,710
Finished Goods	22,38,83,897	40,73,27,243
Goods-in-transit / at Bonded Warehouse	15,85,73,047	1,86,70,857
Stores, Spares	5,84,78,998	4,74,22,846
Packing Materials	1,84,14,696	2,26,68,475
Fuel & Others etc.	8,97,47,815	8,45,94,317
Total (A)	93,03,09,052	141,84,53,259

Notes forming part of Standalone Financial Statements

Rupees

Particulars	As at March 31, 2020	As at March 31, 2019
B) Hotel division		
Housekeeping, Kitchen, Stewarding	48,46,877	34,30,526
Food & Beverages	30,26,360	42,73,181
Total (B)	78,73,237	77,03,707
Total (A+B)	93,81,82,289	142,61,56,966
Note 9 : Investments		
Others		
National Saving Certificate	10,000	5,000
Canara Robeco Mutual Fund	1,50,00,000	-
ICICI Prudential Mutual Fund	1,50,00,000	-
Sundaram Money Fund	44,50,00,000	-
Total	47,50,10,000	5,000
Note 10 : Trade Receivables (Unsecured, considered good)		
A) Amines division		
Related Parties	16,97,24,084	-
Others	173,66,55,702	166,82,19,130
B) Hotel division	21,03,606	39,64,641
Total	190,84,83,392	167,21,83,771
Note 11 : Cash and cash equivalents		
A) Amines division		
Cash in hand	60,225	32,510
Balance with Scheduled Banks		
In current accounts	2,12,36,287	13,87,18,130
Total (A)	2,12,96,512	13,87,50,640
B) Hotel division		
Cash in hand	44,882	3,11,671
Balance with Scheduled Banks		
In Current Accounts	69,92,659	53,89,243
Total (B)	70,37,541	57,00,914
Total (A+B)	2,83,34,053	14,44,51,554
Note 12 : Bank balance		
A) Amines division		
Balance with Scheduled Banks		
In Margin money deposits	4,42,93,408	5,91,54,398
Total	4,42,93,408	5,91,54,398
Note 13 : Other current Assets		
A) Amines division		
Balance with Revenue Authorities	1,55,42,997	2,00,19,005
Advances to Suppliers	3,10,72,575	2,47,57,176
Employees' advances	15,56,139	15,43,037
Income Tax Refund Receivable	6,42,90,617	4,81,07,237
Tax Paid against disputed demand (A.Y. 2013-14)	17,59,120	17,59,120
Tax Paid against disputed demand (A.Y. 2014-15)	62,08,040	62,08,040
Tax Paid against disputed demand (A.Y. 2016-17)	1,85,262	1,85,262
Tax Paid against disputed demand (A.Y. 2017-18)	5,86,323	-
Others - Unsecured, considered good	2,71,85,079	1,89,77,314
Total (A)	14,83,86,152	12,15,56,191
B) Hotel division		
Balance with Revenue Authorities	3,39,829	49,514
Advances to Suppliers	-	15,46,964
Employees' advances	-	4,261
Others - Unsecured, considered good	6,96,977	22,96,852
Total (B)	10,36,806	38,97,591
Total (A+B)	14,94,22,958	12,54,53,782

Notes forming part of Standalone Financial Statements

Rupees

Particulars		As at March 31, 2020	As at March 31, 2019		
Note 14 : Equity share capital					
a. Authorised					
At the beginning of the year		45,50,00,000	45,50,00,000		
22,75,00,000 Equity Shares of Rs. 2/- each.					
At the end of the year		45,50,00,000	45,50,00,000		
b. Movements in paid up capital					
At the beginning of the year		6,48,02,000	6,48,02,000		
Changes during the year		-	-		
At the end of the year		6,48,02,000	6,48,02,000		
c. Par value of shares		2/-	2/-		
d. Number of shares outstanding at beginning of the year					
At the beginning of the year		3,24,01,000	3,24,01,000		
Changes during the year		-	-		
Number of shares outstanding at end of the year		3,24,01,000	3,24,01,000		
e. Restriction on disbursement of Dividend					
As part of the general terms & conditions in respect of borrowings from Banks, prior permission should be taken from the lending Banks before distribution of dividend. Similarly, the term lenders have imposed a condition that, no dividend shall be declared in the event of default in the scheduled repayment of instalment or interest.					
f. During the five years immediately preceding the current financial year, the company has not issued any shares without payment being received in cash, nor issued any bonus shares. Neither did the company buy back any shares during the said period.					
g. The company has only one class of shares i.e. Equity Shares.					
h. Terms and rights attached to equity shares					
The company has only one class of equity shares having par value of INR 2 per share. The Company declares and pays dividends in Indian Rupees. 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 in proportion to the number of equity shares held by the shareholders.					
i. Details of shareholders holding more than 5% share of the company					
Sl. No.	Name of the Shareholder	No. of Shares		Percentage	
		Current Year	Previous Year	Current Year	Previous Year
1.	Ande Prathap Reddy	49,69,229	49,54,873	15.34	15.29
2.	APR Holdings & Investments LLP	47,74,720	47,74,720	14.74	14.74
3.	Smt. A. Shakunthala Devi	19,63,049	19,59,250	6.06	6.05
4.	Ande Srinivas Reddy	16,84,147	16,50,811	5.20	5.09
Note 15: Other Equity - Reserves and Surplus					
a) Capital Reserves		6,20,505		6,20,505	
b) Share Premium Account		5,69,61,000		5,69,61,000	
c) State Subsidy		2,97,90,000		2,97,90,000	
Total A		8,73,71,505		8,73,71,505	
d) General Reserve					
At the beginning of the year		62,78,68,000		50,97,68,000	
Add : Transfer from statement of Profit and Loss		11,37,53,000		11,81,00,000	
Total B		74,16,21,000		62,78,68,000	
e) Balance in Statement of Profit and Loss brought forward from previous year		496,99,62,225		400,86,93,831	
Add : Profit for the year		113,75,30,629		118,07,62,794	
Less : (i) Transfer to General Reserve		11,37,53,000		11,81,00,000	
(ii) Dividend paid during the year (2018-19)		9,07,22,800		8,42,42,600	
(iii) Dividend distribution tax (2018-19)		1,88,45,381		1,71,51,800	
(iv) Interim Dividend paid for the year (2019-20)		8,42,42,600		-	
(v) Dividend distribution tax - 2019-20		1,73,19,200		-	
Balance in Statement of Profit and Loss at the end of year Total C		578,26,09,873		496,99,62,225	
Total Other Equity (A+B+C)		661,16,02,378		568,52,01,730	

Notes forming part of Standalone Financial Statements

Rupees

Particulars	As at March 31, 2020	As at March 31, 2019
Note 16: Trade payables		
Amines Division-Creditors for Capital Goods	2,84,21,049	2,72,87,023
Rental Deposit	31,50,000	31,50,000
Total	3,15,71,049	3,04,37,023
Note 17: Other financial liabilities		
A) Amines Division		
Deposits from Customers	41,60,000	37,80,000
Advance from Customers	2,01,57,098	-
Corporate guarantee - Subsidiary [Refer: Disclosure below Note 6 Non Current Assets - Others]	158,35,70,511	116,52,02,899
Total (A)	160,78,87,609	116,89,82,899
B) Hotel Division		
Advance from Customers	450	-
Total (B)	450	-
Total (A+B)	160,78,88,059	116,89,82,899
NOTE 18: Deferred Tax Liabilities / Assets		
Beginning of the year relating to the fixed assets	45,75,00,903	50,22,32,826
Total	45,75,00,903	50,22,32,826
Add / (Less): Timing difference arising during the year on account of depreciation	4,24,25,058	-4,47,31,923
Deferred Tax Liability (Net)	49,99,25,961	45,75,00,903
Deferred tax liabilities provided relates to Property Plant & Equipment and other tangible assets. The company does not have any asset accounted at fair value or any other asset that requires adjustments.		
Note 19: Borrowings		
a. Secured		
Towards working capital - Repayable on demand		
(i) State Bank of India *	35,54,28,028	30,00,86,080
(ii) HDFC Bank *	29,42,47,981	38,83,91,662
(iii) Bank of Baroda *	37,39,38,651	25,97,80,136
* Includes sub limit of demand Loan		
Total	102,36,14,660	94,82,57,878
The borrowings for working capital limits sanctioned by banks, including Working Capital Demand Loans, are secured by <i>pari-pasu</i> first charge by way of hypothecation of stocks & book debts, and second charge on all fixed assets of the company, both present and future.		
Note 20: Trade payables		
A) Amines Division		
Creditors for raw materials & others	50,24,52,451	73,00,86,953
Creditors for MSME	5,33,31,636	9,90,55,653
Total (A)	55,57,84,087	82,91,42,606
B) Hotel Division		
Creditors for supplies	61,10,577	49,96,704
Total (B)	61,10,577	49,96,704
Total (A+B)	56,18,94,664	83,41,39,310
Note 21: Other Current liabilities		
Statutory Dues		
A) Amines division		
Goods & Service Tax	3,35,93,508	20,07,247
Tax Deducted at Source	9,22,242	14,15,701
Total (A)	3,45,15,750	34,22,948

Notes forming part of Standalone Financial Statements

Rupees

Particulars	As at March 31, 2020	As at March 31, 2019
B) Hotel Division		
Value Added Tax	1,33,548	1,77,538
Tax Deducted at Source	76,961	12,514
Total (B)	2,10,509	1,90,052
Total (A+B)	3,47,26,259	36,13,000
Note 22: Provisions		
A) Amines division		
Salaries	1,65,87,072	1,36,50,332
Provident Fund	28,88,618	27,05,564
Employees State Insurance	2,00,883	3,24,056
Remuneration to Directors	14,90,84,011	16,37,61,361
Electricity Charges	1,76,21,882	1,89,77,363
Others - expenses	63,51,571	58,94,509
Total (A)	19,27,34,037	20,53,13,185
B) Hotel Division		
Salaries	24,34,582	24,62,630
Provident Fund	4,81,716	4,37,316
Employees State Insurance	66,005	1,04,005
Electricity Charges	3,16,200	27,18,153
Other expenses	1,03,77,093	86,49,303
Total (B)	1,36,75,596	1,43,71,407
Total (A+B)	20,64,09,633	21,96,84,592
Note 23: Current Tax Liabilities		
Provision for Current Tax	40,00,00,000	56,00,00,000
Total	40,00,00,000	56,00,00,000

Notes forming part of Standalone Financial Statements

Rupees

Particulars	For the period ended March 31, 2020	For the period ended March 31, 2019
Note 24 : Revenue From Operations		
A) Amines division		
Sale of Aliphatic Amines, Speciality Chemicals, Derivatives of Amines and CFL Lamps.(including Export Benefits)	898,83,15,541	928,88,55,765
Total (A)	898,83,15,541	928,88,55,765
B) Hotel division		
Rooms, restaurants, banquets and other services	20,22,25,503	20,94,60,432
Total (B)	20,22,25,503	20,94,60,432
Total Revenue from operations (Net)(A+B)	919,05,41,044	949,83,16,197
Note 25 : Other Income		
A) Amines division		
Income from Wind Electric Generator	3,27,99,472	3,06,25,188
Interest on Margin Money Deposit	58,09,344	14,50,529
Interest on Security Deposit	19,64,795	19,03,391
Interest on loan to Subsidiary	5,39,07,719	99,16,601
Sales Tax Refund and interest thereon	25,44,531	7,03,550
Profit on Sale of Fixed Assets	2,48,011	-
Rent Receipt	42,30,797	44,21,609
Miscellaneous Income	2,16,184	25,01,548
Total (A)	10,17,20,853	5,15,22,416
B) Hotel division		
Rent from Lobby Shops	3,00,000	3,00,000
Profit on Sales of Fixed Assets	2,30,000	-
Interest on Security Deposit	3,77,588	3,62,561
Total (B)	9,07,588	6,62,561
Total (A + B)	10,26,28,441	5,21,84,977
Note 26 : Cost of material consumed		
A) Amines division		
Opening Stock	54,02,70,811	29,17,21,198
Add: Purchases		
Raw Material - Domestic	305,47,12,675	265,83,56,651
Raw Material - Imports CIF Value	139,30,99,493	304,38,31,754
Sub- Total	498,80,82,979	599,39,09,603
Less : Closing Stock	19,02,44,903	54,02,70,811
Total (A)	479,78,38,076	545,36,38,792
B) Hotel division		
Food & Beverages		
Opening Stock	77,03,706	65,69,264
Add: Purchases	2,40,33,266	2,60,18,447
Sub-Total	3,17,36,972	3,25,87,711
Less : Closing Stock	78,73,237	77,03,707
Total (B)	2,38,63,735	2,48,84,004
Net Total (A + B)	482,17,01,811	547,85,22,796
Note 27 : Changes in Inventories of Finished Goods & Work in Process		
(a) Opening Stock		
Finished Goods	40,73,27,243	21,17,49,565
Work-in -process	29,74,98,710	23,65,19,926
Sub- Total (a)	70,48,25,953	44,82,69,491
(b) Closing Stock		
Finished Goods	22,38,83,897	40,73,27,243
Work-in -process	19,09,65,696	29,74,98,710
Sub- Total (b)	41,48,49,593	70,48,25,953
Difference of (a) and (b) Increase (-) / Decrease(+)	28,99,76,360	-25,65,56,462

Notes forming part of Standalone Financial Statements

Rupees

Particulars	For the period ended March 31, 2020	For the period ended March 31, 2019
Note 28 : Employee benefits		
A) Amines division		
Salaries,Wages and other allowances	24,02,57,120	21,62,49,313
Bonus	1,16,21,093	1,06,41,398
Premium towards Gratuity Scheme of LIC	79,42,329	71,70,403
Contribution to Provident Fund	1,57,11,876	1,47,34,762
Contribution to Employees State Insurance	22,04,189	26,33,530
Contribution to Labour Welfare Fund	56,861	53,172
Staff Welfare Expenses	26,77,137	26,64,054
Group Insurance Premium	19,69,923	19,09,824
Total (A)	28,24,40,528	25,60,56,456
B) Hotel division		
Salaries,Wages and other allowances	3,64,17,520	3,40,68,475
Bonus	15,52,240	12,53,971
Contribution to Provident Fund	22,62,396	23,06,320
Contribution to Employees State Insurance	7,44,392	9,09,129
Contribution to Labour Welfare Fund	12,240	12,204
Staff Welfare Expenses	2,12,703	5,196
Group Insurance Premium	98,204	-
Premium towards Gratuity Scheme of LIC	33,39,621	81,221
Total (B)	4,46,39,316	3,86,36,516
Total (A+B)	32,70,79,844	29,46,92,972
Note 29 : Finance Cost		
A) Amines division		
Interest on Working Capital Borrowings	10,00,29,971	10,12,49,500
Interest on Term loan	-	13,02,650
Processing Charges	71,06,165	53,33,333
Bank Charges	1,26,18,105	1,40,46,445
Total (A)	11,97,54,241	12,19,31,928
B) Hotel division		
Interest on Term loan	-	67,01,230
Bank Charges	15,68,738	16,25,608
Total (B)	15,68,738	83,26,838
Total (A+B)	12,13,22,979	13,02,58,766
Note 30: Other Expenses		
A) Amines division		
a) Manufacturing Expenses		
i) Power and Fuel	83,20,13,865	80,75,68,341
ii) Stores, Spares Consumed	6,62,73,346	10,57,99,207
iii) Repairs & Maintenance - Plant & Machinery	6,31,94,141	5,77,59,962
iv) Repairs & Maintenance - Building & Other	35,73,865	68,05,315
b) Selling & Distribution Expenses		
i) Advertisement, Publicity & Sales Promotion	3,60,51,061	2,92,30,517
ii) Discount on Sales	1,20,79,989	2,93,44,107
iii) Outward Freight	28,93,84,881	27,62,37,342
iv) Packing & Forwarding	27,20,87,803	27,78,90,826
v) Other Selling & Distribution	4,93,61,261	8,05,94,624

Notes forming part of Standalone Financial Statements

Rupees

Particulars	For the period ended March 31, 2020	For the period ended March 31, 2019
c) Administrative & General Expenses		
i) Rent	12,42,892	10,41,181
ii) Rates & Taxes	95,54,331	76,83,550
iii) Repairs & Maintenance - Office Equipments	4,27,947	9,52,179
iv) Repairs & Maintenance - Furniture	61,993	1,54,369
v) Remuneration to Directors	16,91,64,011	18,31,19,361
vi) Foreign Exchange Fluctuations Loss / (Gain)	-3,91,23,721	-1,85,34,302
vii) Auditors Remuneration		
- As Auditors	15,00,000	12,75,000
viii) Premium in Respect of "Employer - Employee Policy	-	49,87,365
ix) Other Expenses	5,04,89,078	5,62,14,430
d) Insurance		
i) Plant & Machinery & Building	57,36,873	25,43,574
ii) Wind Electric Generator	1,75,043	5,45,336
iii) Raw Material & Finished Goods	40,34,660	33,22,094
iv) Cash In Transit	7,167	7,167
v) Loss of Profit	34,95,940	22,54,657
vi) Motor Vehicle	9,14,032	8,93,032
vii) Public Liability Act	8,11,238	8,11,238
e) Research & Development Expenses	53,78,303	49,18,592
f) Expenditure on Corporate Social Responsibility		
i) Promoting Education	48,69,431	73,21,868
ii) Arrangement of Drinking Water	2,81,090	2,72,110
iii) Promotion of Road Safety	57,620	1,24,970
iv) Armed Forces	-	50,00,000
v) Health Care	71,07,033	92,00,307
vi) PM's Citizens Assistance and Relief in Emergency Situations Fund	25,00,000	-
vii) Chief Minister Relief Fund	60,00,000	-
viii) Rural Development Projects	27,24,803	26,74,138
ix) Remuneration to Staff	8,07,933	2,54,999
x) Administrative Expenses	1,43,739	95,255
xi) Roads in Tamalwadi	-	1,35,000
xii) Promoting Sports	23,59,257	9,11,113
xiii) Swachh Bharat Abhiyan	-	3,12,700
Total (A)	186,47,40,905	194,97,21,524
B) Hotel division		
i) Power and Fuel	3,80,77,752	3,94,34,980
ii) Stores, Spares and Packing Material	-	10,17,098
iii) Repairs & Maintenance - Plant & Machinery	14,16,204	43,95,153
iv) Repairs & Maintenance - Building	47,67,331	56,90,803
v) Repairs & Maintenance - Kitchen Equipments	2,67,444	11,13,832
vi) Repairs & Maintenance - Others	27,30,923	31,80,227
vii) Repairs & Maintenance - Furniture	8,84,441	8,66,039
viii) Repairs & Maintenance - Office Equipment	3,70,855	69,339

Notes forming part of Standalone Financial Statements

Rupees

Particulars	For the period ended March 31, 2020	For the period ended March 31, 2019
ix) Repairs & Maintenance - Computer	7,79,273	8,51,107
x) Repairs & Maintenance - Electrical Equipments	5,15,155	9,81,993
xi) Repairs & Maintenance - Sanitary Fitting	-	12,000
xii) Repairs & Maintenance - AC Equipments	1,52,651	3,01,265
xiii) Insurance - Plant & Machinery	6,81,464	7,64,079
xiv) Insurance	84,698	1,05,536
xv) Banquet Expenses	14,44,775	16,06,887
xvi) Spa Operating Expenses	36,54,615	27,18,955
xvii) Laundry expenses	12,57,236	13,35,503
xviii) Advertisement, Publicity & Sales Promotion Expenses	53,88,455	56,99,611
xix) Freight & Forwarding	3,99,819	4,98,517
xx) Rent, Rates & Taxes	38,78,048	40,41,452
xxi) Operator's Management & Incentives Fees	1,04,99,059	1,15,80,835
xxii) Audit Fees	1,50,000	1,50,000
xxiii) Others	1,19,92,390	1,14,76,202
Total (B)	8,93,92,588	9,78,91,413
Total (A+B)	195,41,33,493	204,76,12,937

Notes 1 to 30 form part of Financial Statements
As per our report of even date

For and on behalf of Board of Directors

For Ayyadevara & Co.,
Chartered Accountants
FRN: 000278S

A Prathap Reddy
Executive Chairman
DIN 00003967

G Hemanth Reddy
Whole Time Director & CFO
DIN 00003868

Ayyadevara Srinivas
Proprietor
ICAI Membership No. 028803
Hyderabad. June 22, 2020

Jimisha Parth Dawda
Company Secretary & Compliance Officer

INDEPENDENT AUDITOR'S REPORT

To
the Members of
Balaji Amines Limited

as at March 31, 2020, of consolidated profit, and its consolidated cash flows for the year then ended.

Report on the Audit of the Consolidated Financial Statements

Opinion

We have audited the accompanying consolidated financial statements of Balaji Amines Limited (hereinafter referred to as the 'Holding Company') and its subsidiary Balaji Speciality Chemicals Private Limited (Holding Company and its subsidiary together referred to as "the Group"), which comprise the consolidated Balance Sheet as at March 31, 2020, and the consolidated statement of Profit and Loss, and the consolidated cash flows Statement for the year then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies and other explanatory information (hereinafter referred to as "the consolidated financial statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid consolidated financial statements give the information required by the Companies Act, 2013 in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the consolidated state of affairs of the Group,

Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Companies Act, 2013. Our responsibilities under those Standards are further described in the *Auditor's Responsibilities for the Audit of the Consolidated Financial Statements* section of our report. We are independent of the Group, its associates and jointly controlled entities in accordance with the ethical requirements that are relevant to our audit of the consolidated financial statements in India in terms of the Code of Ethics issued by ICAI and the relevant provisions of the Companies Act, 2013, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

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 consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Sl.No.	Key Audit Matter	Auditor's Response
1	<p>Land allotted by MIDC to the holding company at Chicholi, Maharashtra.</p> <p>The company has made a payment of Rs.16.25 Crores towards upfront lease premium to MIDC, against a 95 years' lease. The company has started incurring capital expenditure on the land. However, the lease agreement is yet to be entered and registered with the concerned registering authority. The land has been handed over to the company through a possession letter.</p>	<p>We have ascertained the land allotment procedure of MIDC and also perused the land allotment and possession documents.</p> <p>We have obtained an opinion that the allotment of the land and subsequent issue of the 'possession letter' is confirming the lease for the specified period.</p>
2	<p>Disputed Tax Demands in case of holding company</p> <p>The company is in dispute in respect of Income Tax Assessments for four years and the aggregate of the tax demand in respect of these four years is Rs. 287.24 lakhs. The matter is in appeal before the first appellate authority, i.e., Commissioner of Income Tax (Appeals). The company has made a payment of part of the amount pending outcome of the appeal and the same is accounted for as an advance (Current Assets). This position involves uncertainty about the possible outcome of these disputes and consequent recovery of the part payments so made.</p>	<p>We have obtained and considered an expert opinion on the matters involved in these appeals and also the judicial precedents. We have evaluated the same to assess whether there should be a change in the management's position on the sustainability and recoverability of the amounts paid against the disputed demands</p>

Information Other than the Consolidated Financial Statements and Auditor's Report Thereon

The Company's Board of Directors is responsible for the preparation of the other information. The other information comprises the information included in the Management Discussion and Analysis, Board's Report including Annexures to

Board's Report, Business Responsibility Report, Corporate Governance and Shareholder's Information, but does not include the consolidated financial statements and our auditor's report thereon.

Our opinion on the consolidated financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the consolidated financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of Management and Those Charged with Governance for the Consolidated Financial Statements

The Holding Company's Board of Directors is responsible for the preparation and presentation of these consolidated financial statements in term of the requirements of the Companies Act, 2013 (the Act) that give a true and fair view of the consolidated financial position, consolidated financial performance and consolidated cash flows of the Group including its associates and jointly controlled entities in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under section 133 of the Act. The respective Board of Directors of the companies included in the Group and of its associates and jointly controlled entities are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Group 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 the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring 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, which have been used for the purpose of preparation of the consolidated financial statements by the Directors of the Holding Company, as aforesaid.

In preparing the consolidated financial statements, the respective Board of Directors of the companies included in the Group and of its associates and jointly controlled entities are responsible for assessing the ability of the Group and of its associates and jointly controlled entities to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Board of Directors either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

The respective Board of Directors of the companies included in the Group and of its associates and jointly controlled entities are responsible for overseeing the financial reporting process of the Group and of its associates and jointly controlled entities.

Auditor's Responsibilities for the Audit of the Consolidated Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

- a. Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- b. Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Companies Act, 2013, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls system in place and the operating effectiveness of such controls.
- c. Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- d. Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the ability of the Group and its associates and jointly controlled entities to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group and its associates and jointly controlled entities to cease to continue as a going concern.
- e. Evaluate the overall presentation, structure and content of the consolidated financial statements, including the

disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

- f. Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group and its associates and jointly controlled entities to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the audit of the financial statements of such entities included in the consolidated financial statements of which we are the independent auditors. For the other entities included in the consolidated financial statements, which have been audited by other auditors, such other auditors remain responsible for the direction, supervision and performance of the audits carried out by them. We remain solely responsible for our audit opinion.

We communicate with those charged with governance of the Holding Company and such other entities included in the consolidated financial statements of which we are the independent auditors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the consolidated financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication

Other Matters

We did not audit the financial statements / financial information of Balaji Speciality Chemicals Private Limited, whose financial statements / financial information reflect total assets of Rs.304.52 Crores as at 31st March, 2020, total revenues of Rs.54.07 Crores and net Inflows amounting to Rs.1.51 Crores for the year ended on that date, as considered in the consolidated financial statements. These financial statements / financial information have been audited by other auditors whose reports have been furnished to us by the Management and our opinion on the consolidated financial statements, in so far as it

relates to the amounts and disclosures included in respect of these subsidiaries, jointly controlled entities and associates, and our report in terms of sub-section (3) of Section 143 of the Act, in so far as it relates to the aforesaid subsidiaries, jointly controlled entities and associates, is based solely on the reports of the other auditors.

Our opinion on the consolidated financial statements, and our report on Other Legal and Regulatory Requirements below, is not modified in respect of the above matters with respect to our reliance on the work done and the reports of the other auditors and the financial statements / financial information certified by the Management

Report on Other Legal and Regulatory Requirements

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

- We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit of the aforesaid consolidated financial statements.
- In our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidated financial statements have been kept so far as it appears from our examination of those books and the reports of the other auditors.
- The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss, and the Consolidated Cash Flow Statement dealt with by this Report are in agreement with the relevant books of account maintained for the purpose of preparation of the consolidated financial statements.
- In our opinion, the aforesaid consolidated financial statements comply with the Accounting Standards specified under Section 133 of the Act read with Rule 7 of the Companies (Accounts) Rules, 2014.
- On the basis of the written representations received from the directors of the Holding Company as on 31st March, 2020 taken on record by the Board of Directors of the Holding Company and the reports of the statutory auditors of its subsidiary companies, associate companies and jointly controlled companies incorporated in India, none of the directors of the Group companies, its associate companies and jointly controlled companies incorporated in India is disqualified as on 31st March, 2020 from being appointed as a director in terms of Section 164(2) of the Act.
- With respect to the adequacy of internal financial controls over financial reporting of the Group and the operating effectiveness of such controls, refer to our separate report in Annexure.
- With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditor's) Rules, 2014, in our opinion

and to the best of our information and according to the explanations given to us:

- (i) The consolidated financial statements disclose the impact of pending litigations on the consolidated financial position of the Group, its associates and jointly controlled entities - Refer Note 1 - VII - 16 to the consolidated financial statements.
- (ii) The Group, did not have any material foreseeable losses 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 Holding Company, and its subsidiary companies, associate companies and jointly controlled companies incorporated in India.

For Ayyadevara & Co
Chartered Accountants
FRN: 000278S

Ayyadevara Srinivas
Proprietor
Membership No.028803
Hyderabad. June 22, 2020.

ANNEXURE TO THE INDEPENDENT AUDITOR'S REPORT (Referred to in paragraph (f) under 'Report on Other Legal and Regulatory Requirements' section of our report to the Members of Balaji Amines Limited, of even date, on the Consolidated Financial Statements)

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

We have audited the internal financial controls over financial reporting of BALAJI AMINES LIMITED ("the Company") as of March 31, 2020 in conjunction with our audit of the consolidated financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The Board of Directors of the Company is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India. 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 respective company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditor's Responsibility

Our responsibility is to express an opinion on the internal financial controls over financial reporting of the Company 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") issued by the Institute of Chartered Accountants of India and the Standards on Auditing prescribed under Section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

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

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.

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, to the best of our information and according to the explanations given to us, 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 March 31, 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.

**For Ayyadevara & Co.,
Chartered Accountants
FRN: 000278S**

**Ayyadevara Srinivas
Proprietor
ICAI Membership No. 028803
Hyderabad. June 22, 2020.**

CONSOLIDATED BALANCE SHEET AS AT MARCH 31, 2020

Rupees

Particulars	Note No.	As at March 31, 2020	As at March 31, 2019
Assets			
1. Non-current assets			
a. Property, plant and equipment	2	573,00,09,775	319,74,62,399
b. Capital work - in -progress	3	44,63,12,966	269,46,00,140
c. Investment Property		-	-
d. Goodwill		-	-
e. Other Intangible assets		-	-
f. Intangible assets under development		-	-
g. Biological Assets other than bearer plants		-	-
h. Financial Assets		-	-
(i) Investments		-	-
(ii) Trade Receivables		-	-
(iii) Loans		-	-
(iv) Others	4	4,89,93,637	4,01,48,495
i. Deferred tax assets (net)		-	-
j. Other non-current assets	5	28,32,59,549	3,26,29,364
2. Current assets			
(a) Inventories	6	110,44,14,720	163,15,21,728
(b) Financial Assets			
(i) Investments	7	47,50,10,000	5,000
(ii) Trade Receivables	8	207,43,86,362	167,21,83,771
(iii) Cash and cash equivalents	9	4,30,77,783	14,48,33,555
(iv) Bank balances other than (iii) above	10	4,50,33,134	5,91,54,398
(v) Loans		-	-
(vi) Others		-	-
(c) Current Tax Assets (Net)		40,06,52,346	53,30,35,391
(d) Other current assets	11	47,98,82,265	45,33,12,919
Total Assets		1113,10,32,537	1045,88,87,160
Equity And Liabilities			
EQUITY			
(a) Equity Share capital	12	6,48,02,000	6,48,02,000
(b) Other Equity			
(i) Reserves and surplus	13	651,66,11,476	567,97,69,091
Non controlling interest of Subsidiary		10,22,80,171	17,55,55,115
LIABILITIES			
1. Non - current liabilities			
(a) Financial Liabilities			
(i) Borrowings	14	119,90,84,476	83,33,20,085
(ii) Trade payables	15	11,75,41,531	13,17,51,224
(iii) Other financial liabilities (other than those specified in item (b))	16	5,00,24,821	3,19,35,600
(b) Provisions			
(c) Deferred tax liabilities (Net)	17	43,72,98,894	45,75,00,903
(d) Other non-current liabilities			
2. Current liabilities			
(a) Financial Liabilities			
(i) Borrowings	18	121,47,62,054	107,40,57,311
(ii) Trade payables	19	59,36,21,824	85,05,02,616
(iii) Other financial liabilities (other than those specified in item ©)	20	18,92,19,186	37,16,11,959
(b) Other current liabilities	21	3,52,35,295	39,11,007
(c) Provisions	22	21,05,50,809	22,41,70,249
(d) Current Tax Liabilities (Net)	23	40,00,00,000	56,00,00,000
Total Equity and Liabilities		1113,10,32,537	1045,88,87,160
Significant Accounting Policies and other information	1		

Notes 1 to 30 form part of Financial Statements
As per our report of even date

For Ayyadevara & Co.,
Chartered Accountants
FRN: 000278S

Ayyadevara Srinivas
Proprietor
ICAI Membership No. 028803
Hyderabad. June 22, 2020

For and on behalf of Board of Directors

A Prathap Reddy
Executive Chairman
DIN 00003967

G Hemanth Reddy
Whole Time Director & CFO
DIN 00003868

Jimisha Parth Dawda
Company Secretary & Compliance Officer

CONSOLIDATED STATEMENT OF PROFIT AND LOSS FOR THE PERIOD ENDED MARCH 31, 2020

Rupees

Sr. No.	Particulars	Note No.	For the Period ended March 31, 2020	For the Period ended March 31, 2019
I	Revenue from operations	24	935,77,18,389	943,05,12,717
II	Other income	25	5,01,37,386	4,22,68,376
III	Total Revenue (I+II)		940,78,55,775	947,27,81,093
IV	EXPENSES			
	Cost of Material Consumed	26	497,97,11,999	541,01,22,727
	Changes in inventories of finished goods and work-in-progress	27	15,85,93,915	-25,65,56,462
	Employee benefits expense	28	34,07,07,057	29,46,92,972
	Finance costs	29	23,03,46,305	13,02,58,766
	Depreciation and amortization expense	2	31,62,29,837	19,55,38,589
	Other expenses	30	207,12,30,608	204,81,70,446
	Total Expenses (IV)		809,68,19,721	782,22,27,038
V	Profit/(loss) before exceptional items and tax (III-IV)		131,10,36,054	165,05,54,055
VI	Exceptional items			
VII	Profit/(loss) before tax (V + VI)		131,10,36,054	165,05,54,055
VIII	Tax Expenses:			
	1. Current Tax		40,00,00,000	56,00,00,000
	2. Deferred Tax		-2,02,02,009	-4,47,31,923
	3. Adjustments of earlier year tax provisions		-4,34,64,639	-3,55,99,295
IX	Profit (Loss) for the period from continuing operations (VII-VIII)		97,47,02,702	117,08,85,273
X	Profit/loss from discontinued operations		-	-
XI	Tax expense of discontinued operations		-	-
XII	Profit/(loss) from discontinued operations (after tax) (X- XI)		-	-
XIII	Profit /(loss) for the period (IX + XII)		97,47,02,702	117,08,85,273
XIV	Other Comprehensive Income			
	A (i) items that will not be reclassified to profit or loss		-	-
	(ii) Income tax relating to items that will not be reclassified to profit or loss		-	-
	B (i) Items that will be reclassified to profit or loss		-	-
	(ii) Income tax relating to items that will be reclassified to profit or loss		-	-
XV	Total Comprehensive Income for the period (XIII + XIV) (Comprising profit/loss and other Comprehensive Income for the period)		97,47,02,702	117,08,85,273
	Attributable to:			
	(a) Shareholders of the Company		104,79,75,269	117,53,30,157
	(b) Non-controlling interests		-7,32,72,567	-44,44,884
XVI	Earning per equity share (for continuing operation):			
	(1) Basic		32.34	36.27
	(2) Diluted		32.34	36.27
XVII	Earning per equity share (for discontinued operation):			
	(1) Basic		-	-
	(2) Diluted		-	-
XVIII	Earning per equity share (for discontinued & continuing operations)			
	(1) Basic		32.34	36.27
	(2) Diluted		32.34	36.27
	Significant Accounting Policies and other information	1		

Notes 1 to 30 form part of Financial Statements
As per our report of even date

For Ayyadevara & Co.,
Chartered Accountants
FRN: 000278S

Ayyadevara Srinivas
Proprietor
ICAI Membership No. 028803
Hyderabad. June 22, 2020

For and on behalf of Board of Directors

A Prathap Reddy
Executive Chairman
DIN 00003967

G Hemanth Reddy
Whole Time Director & CFO
DIN 00003868

Jimisha Parth Dawda
Company Secretary & Compliance Officer

CONSOLIDATED CASH FLOW STATEMENT FOR THE YEAR ENDED MARCH 31, 2020

Rupees

Sr. No.	Particulars	Current year 31.03.2020	Previous year 31.03.2019
A	Cash Flow From Operating Activities		
	Profit before interest and tax	154,13,82,359	178,08,12,821
	Other income considered	-5,01,37,386	-4,22,68,376
	Depreciation	31,62,29,837	19,55,38,589
	Increase (+)/ (Decrease) (-) in Current Liabilities	-11,11,39,890	48,96,76,770
	(Increase)(-)/ Decrease (+) in Inventories	52,71,07,008	-74,05,50,846
	(Increase)(-)/ Decrease (+) in Debtors	-57,19,26,674	5,45,94,563
	(Increase)(-)/ Decrease (+) in Other Current Assets	-2,65,69,346	-30,70,15,153
	(Increase)(-)/ Decrease (+) in Current Tax Assets	13,23,83,045	84,62,200
	Income Tax Paid	-51,65,35,361	-49,71,20,705
	Cash flow from Operating Activities	124,07,93,592	94,21,29,863
B	Cash Flow From Investing Activities		
	Purchase of Fixed Assets	-60,13,57,491	-169,79,45,236
	Investments	-	-
	Sale of Fixed Assets	8,67,451	22,17,879
	(Increase)(-)/ Decrease (+) in Other Financial Assets	-88,45,142	-18,84,489
	(Increase)(-)/ Decrease (+) in Non Current Assets	-25,06,30,185	46,84,36,781
	(Increase)(-)/ Decrease (+) in Current Investments	-47,50,05,000	45,000
	Other Income	5,01,37,386	4,22,68,376
	Cash flow from Investing activities	-128,48,32,981	-118,68,61,689
C	Cash Flow From Financing Activities		
	Increase (+) / (Decrease) (-) in Secured Loans	36,57,64,391	40,84,35,773
	Increase (+) / (Decrease) (-) in Other Long Term Financial Obligations	1,80,83,941	2,64,10,757
	Increase (+) / (Decrease) (-) in Trade Payables	-1,42,09,693	38,83,803
	Interest paid	-23,03,46,305	-13,02,58,766
	Dividend paid	-21,11,29,981	-10,13,94,400
	Cash Flow from Financing Activities	-7,18,37,647	20,70,77,167
D	Net increase/(decrease) in cash and cash equivalents (A+B+C)	-11,58,77,036	-3,76,54,659
E	Cash and cash equivalents (beginning of the year)	20,39,87,953	24,16,42,612
F	Cash and cash equivalents (end of the year)	8,81,10,917	20,39,87,953
G	Increase/(decrease) in cash and cash equivalents (closing minus opening balances)	-11,58,77,036	-3,76,54,659

As per our report of even date

For Ayyadevara & Co.,
Chartered Accountants
FRN: 000278S

Ayyadevara Srinivas
Proprietor
ICAI Membership No. 028803
Hyderabad. June 22, 2020

For and on behalf of Board of Directors

A Prathap Reddy
Executive Chairman
DIN 00003967

G Hemanth Reddy
Whole Time Director & CFO
DIN 00003868

Jimisha Parth Dawda
Company Secretary & Compliance Officer

YEAR ENDED MARCH 31, 2020**NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS****I. CONSOLIDATION**

The consolidated financial statements pertain to the consolidation of financial statements of Balaji Amines Limited (the Holding Company) with those of its subsidiary Balaji Speciality Chemicals Private Limited in which the shareholding of the holding company is 55% of the paid-up capital. The subsidiary commenced its commercial operations during the financial year 2019-20 and this being the first year of operations of the subsidiary, previous year's figures in Statement of Profit and loss do not include any operational results of the subsidiary.

II. Company Overview

Balaji Amines Limited (BAL) is a public limited company incorporated and domiciled in India. The Registered office of BAL is situated in Solapur, Maharashtra, India. The equity shares of BAL are listed on the National Stock Exchange (NSE) and Bombay Stock Exchange (BSE), in India. BAL is engaged in the business of manufacture and sale of Speciality Chemicals, Aliphatic Amines and derivatives. BAL has its two manufacturing facilities / plants at Tuljapur and Chincholi in Maharashtra and one at Medak, Telangana. BAL owns a Five Star Hotel in Solapur, Maharashtra. BAL has CFL lamps facility at Medak, Telangana which was acquired vide amalgamation of Balaji Greentech Products Limited with BAL in the FY 2017-18. BAL mainly operates in three segments i.e., Specialty Chemicals and Amines, Hotel and CFL Lamps. A new facility for manufacture of Specialty Chemicals is under construction at Chicholi, Maharashtra. The subsidiary has its manufacturing facility in Chincholi, Maharashtra.

III. Compliance with Indian Accounting Standards

The financial statements are prepared in accordance with Indian Accounting Standards (Ind AS) as notified under section 133 of the Companies Act 2013 (the Act), read with Companies (Indian Accounting Standard) Rules 2015. The company has uniformly applied all the applicable accounting policies during the periods presented.

IV. Reporting Currency

The Financial statements are presented in Indian Rupees which is also the functional and presentation currency of the company and all amounts are rounded off to nearest rupee.

V. Overall Considerations

The financial statements have been prepared using significant accounting policies that are in effect as at March 31, 2020 as presented in detail hereunder.

VI. COVID-19 Impact

The company has evaluated the impact of Coronavirus (COVID-19) impact on the operations and future economic activity of the company and based on its review and current indicators and future economic prospects there is no significant impact on the business of the company or its operations.

VII. Accounting Policies and Other Information**1. System of Accounting:**

- i. The company follows mercantile system of accounting and recognizes income and expenditure on accrual basis.
- ii. The financial statements have been prepared in all material respects with Indian Accounting Standards as relevant and notified by the Central Government.
- iii. The financial statements are prepared as a going concern and on historical cost basis except for certain financial assets and liabilities that are measured at fair value where mandated or required by the relevant Indian Accounting Standard.

2. Revenue recognition:

- i. Revenues are generally recognized in all material aspects in accordance with Ind AS 115.
- ii. Sale of goods is recognized at the point of dispatch of goods to customers, i.e. when the substantial rights of ownership and risks are passed on to the customers. Gross sale is exclusive of GST.
- iii. Income from guest accommodation in respect of hotel division is recognized on day to day basis after the guests checks-in. Discounts if any in this regard are accounted upon final conclusion of the bill with the guests. Advance, if any, received against room bookings are treated as a liability pending finalization of bill / provision of services.
- iv. Income from sale of Food & Beverages is recognized at the point of serving of these items to the guests. The income stated is exclusive of Taxes.
- v. Dividends from investment are recognized as income of the year in which the same are declared by in the investee company.
- vi. Interest income is recognized on accrual basis taking into account the amount outstanding and rate applicable.

3. Property, plant and equipment:

Property, plant and equipment acquired by the company are reported at acquisition value. The acquisition cost for this purpose includes the purchase price (net of duties and taxes which are recoverable in future) and expenses directly attributable to the asset to bring it to the site and in the working condition for its intended use. Interest during construction period

up to the date of commencement of operations, indirect project expenditure and trial run expenditure (net of trial run income, if any) incurred in respect of projects under implementation are capitalized to the asset constructed / created. Spares and tools that are not in the nature of 'Property, Plant & Equipment' are treated as part of inventories. The costs incurred for the repairs and maintenance of these assets are charged to revenue.

The cost of assets under construction as on the Balance Sheet date, are classified under the head "capital work in progress" and will be capitalized as and when put to use.

Land allotted by MIDC on long lease basis is treated as "Lease Hold Land" on the basis of possession letter from MIDC (the Lessor), pending execution of lease agreement. The one-time lump sum premium paid at the time of allotment is amortized over the period of the 95-year lease. The lease amortization relating to the period prior to the commencement of commercial operations on the land so allotted will be capitalized as part of 'indirect project expenditure'. In respect of the land allotted in an earlier year the company has amortized the lease premium for the earlier years in the current year. The amount pertaining to the earlier year debited to the current year statement of profit and loss is Rs.27.82 lakhs.

4. Depreciation

Depreciation / amortization on fixed assets is provided on straight line method in accordance with Schedule II of the Companies Act, 2013 in respect of the remaining useful life. The management estimates the useful lives of the assets based on the indicative life span prescribed in Schedule II of the Companies Act, 2013. The useful life of the assets and their respective residual values are reviewed at the end of each financial year and adjusted accordingly.

5. Investments: Investments are stated at cost of acquisition.

6. Inventories:

- a) Finished goods are valued at lower of cost or Net Realizable Value. Cost for this purpose is arrived at on Absorption Costing basis.
- b) Stock in process/plant is valued at cost.
- c) Stock of raw materials, Stores and Spares and packing materials are valued at cost. Cost for this purpose, does not include duties/taxes that are recoverable in future.
- d) Food & Beverages:
 1. Groceries: Groceries are valued at cost arrived at on weighted average basis.
 2. Beverages: Valued at cost.

7. Trade Receivables

Trade receivables are stated at the recoverable values. Assessment is made on a periodical basis to assess the credit risk in respect of the credit extended to the customers and adjustments are carried out where necessary and found

expedient. Provision, if any, made for the doubtful debts is charged to revenue.

8. Staff Benefits:

- a. Provident Fund Contributions are accounted on accrual basis.
- b. To cover the benefits payable to the employees on retirement, the company has subscribed to a policy of Group Gratuity Scheme of Life Insurance Corporation of India. All contributions made towards the policy premiums are charged to revenue.

9. Research and Development:

Revenue expenditure on research and development is charged to Statement of profit and loss in the year in which it is incurred. Capital expenditure on research and development is treated at par with other comparable tangible assets and depreciated accordingly.

10. Tax expense:

Accounting treatment in respect of deferred taxation and current tax is in accordance with Indian Accounting Standard 12 (Ind AS 12) - "Income Taxes".

11. Borrowing Costs:

Interest and other costs in respect of borrowings for expansion / additional fixed investments including R & D projects are capitalized to such investments. Borrowing costs relating to period after the commencement of operations of these projects are charged to revenue.

12. Foreign Currency Transactions:

Foreign Exchange Transactions are recorded at pre-determined standard exchange rates which are reviewed periodically. Gains or losses arising out of such periodic revisions of such standard rates and also on realization/settlement are accounted for accordingly. No effect is determined in respect of the repayment and balances in respect of Foreign Currency Loans as the same are paid out of the Foreign Exchange earnings through the Exchange Earners Foreign Currency Accounts in respective currencies.

13. Impairment of Assets:

The carrying amounts of assets are reviewed at each Balance Sheet date, if there is any indication of impairment based on internal / external factors. An impairment loss will be recognized wherever the carrying amount of an asset exceeds its estimated recoverable amount. The recoverable amount is greater of the asset's net selling price and value in use. In assessing the value in use, the estimated future cash flows are discounted to the present value using the weighted average cost of capital. In

carrying out such exercise, due effect is given to the requirements of Schedule II of the Companies Act, 2013.

14. Earnings Per Share (EPS):

This is calculated by dividing the net profit after tax (PAT) for the period attributable to equity shareholders, by number of shares outstanding at the end of the year. In case there are any changes in the equity during the year, EPS would be calculated on the weighted average number of shares outstanding during the period including adjustments of bonus issue, if any.

15. Corporate Social Responsibility

The company computes the amount required to be spent on Corporate Social Responsibility in accordance with the provisions of Section 135 of the Companies Act, 2013. The amounts are spent on the eligible projects prescribed under Schedule VII of the Act. Provision is made in the books for the amounts unspent, if any and if material, and the same is carried forward to be spent in the subsequent year. During the year ended March 31, 2020 the company has spent the amount of Rs.268.51 Lakhs. Hence there are unspent amounts of Rs.43.25 Lakhs on this account.

16. Contingent Liabilities:

Disputed demands: Under the Income Tax Act, 1961: Rs.17.60 Lakhs (relating to Assessment Year 2013-14) Rs.231.08 Lakhs (relating to Assessment Year 2014-15), Rs.9.25 Lakhs (relating to Assessment Year 2016-17) and Rs.29.31 Lakhs (relating to Assessment Year 2017-18) in respect of additions made in assessment under section 143(3) of the Income Tax Act, 1961 and disputed in appellate proceedings. The appeals are pending before the First Appellate Authority, Pune. The company has deposited an amount of Rs.87.38 Lakhs against the aforementioned demands and obtained stay of collection of the balance disputed demand till disposal of the first appeals. The above referred tax payments are grouped under the head "Other Current Assets".

17. Dividends

Dividends are accounted for as an outflow from the accumulated profits in the year in which the same are declared and paid out.

18. Amounts recoverable from employees

The company has an arrangement with the supplier of coal for supply of coal in specified consignments on a periodic basis. Few consignments aggregating to the value of Rs.31.71 Lakhs have been misappropriated, while in transit, by 2 employees of the company during the year ended March 31, 2015. The services of the said employees have been terminated in that year itself and legal action against initiated on these employees including action for the recovery of the above-mentioned

amounts. Pending recovery, the amounts are shown under short term advances.

19. Expenditure on Corporate Social Responsibility (CSR):

The company has incurred an expenditure of Rs.268.51 Lakhs (Previous Year Rs.263.02 Lakhs) on Corporate Social Responsibility initiatives in accordance with the provisions of Section 135 of the Companies Act, 2013. The details of the projects on which the amounts are expended by the company on Corporate Social Responsibility are given in Note. 30 Other expenses, item (f).

20. Segment Reporting:

The group operates in three segments viz., (a) Amines & Specialty Chemicals, (b) Hotel segment and (c) CFL Lamps. There is no geographical segment as the company operates only in India.

The segment results are as under:

Sl. No.	Particulars	Amount Rupees in Lakhs
1.	Segment Revenue	
	Amines & Speciality Chemicals	95,272.13
	Hotel	2,037.05
	CFL Lamps	0.23
	Sub Total:	97,309.41
	Less: Inter-segment revenue	3,732.23
	Net revenue from operations	93,577.18
2.	Segment Results before Tax & Interest	
	Amines & Speciality Chemicals	15,606.34
	Hotel	-33.44
	CFL Lamps	-159.08
	Total:	15,413.82
	Less: Interest	
	Amines & Speciality Chemicals	2,287.77
	Hotel	15.69
	CFL Lamps	-
	Total:	2,303.46
	Segment Profit/Loss (-) before tax	
	Amines & Speciality Chemicals	13,318.57
	Hotel	-49.13
	CFL Lamps	-159.08
	Total:	13,110.36
3.	Capital Employed (Segment Assets - Segment Liabilities)	
	Amines & Speciality Chemicals	57,512.03
	Hotel	6,375.92
	CFL Lamps	2,948.99
	Total:	66,836.94

21. Related Party Transactions

Name of the related party	Relationship	Nature of Transaction	Transaction Value Rupees	Balance outstanding - Receivable / (-) Payable as on date of Balance Sheet Rupees	Amount written off/back
Balaji Speciality Chemicals Private Limited	Company in which the Enterprise is substantially interested, by holding 55% of shares in the total paid up share capital.	Investment through subscription to equity capital	Rs.66,00,00,000	Rs.66,00,00,000	Nil
Balaji Speciality Chemicals Private Limited	Company in which the Enterprise is substantially interested, by holding 55% of shares in the total paid up share capital.	Unsecured Loan given Interest Receipt thereon	Rs. 46,34,76,847 Rs. 5,39,07,719	Rs. 46,34,76,847 Nil	Nil
Balaji Speciality Chemicals Private Limited	Company in which the Enterprise is substantially interested, by holding 55% of shares in the total paid up share capital.	a. Sales b. Purchase	Rs. 33,54,58,655/- Rs. 3,62,84,344/-	Rs.16,97,24,084	Nil
Balaji Speciality Chemicals Private Limited	Company in which the Enterprise is substantially interested, by holding 55% of shares in the total paid up share capital.	Rent Receipt	Rs.60,000/-	Nil	Nil
KPR House / Family Trust	A Co-ownership in which Directors and their relatives are interested.	Rent Payment	Rs. 7,44,000	Rs. 62,000	Nil
Balaji Sourcings Pvt. Ltd.	A Company in which Directors are interested	a. Purchase	Rs. 3,18,78,957	(Ceased to be related party w.e.f.25.10.2019)	Nil
Thirumala Precicasts Pvt. Ltd.	A Company in which Directors are interested	Rent Receipt	Rs.3,52,089	Rs.1,71,198	Nil
MVL Medisynth Pvt. Ltd.	A Company in which Directors are interested	a. Sales b. Purchase	Rs. 39,56,100/- Rs. 80,43,497/-	Nil	Nil
Sri A. Prathap Reddy	Executive Chairman	Remuneration & Allowances Commission on Profits	Rs. 50,96,400 Rs. 4,61,39,044	Rs. 2,50,300 Rs. 4,61,39,044	Nil
Sri N. Rajeshwar Reddy	Joint Managing Director	Remuneration & Allowances Commission on Profits	Rs. 42,74,400 Rs. 2,98,82,562	Rs.2,13,427 Rs. 2,98,82,562	Nil
Sri D. Ram Reddy	Managing Director	Remuneration & Allowances Commission on Profits	Rs. 42,74,400 Rs. 2,98,82,562	Rs.2,12,479 Rs. 2,98,82,562	Nil
Sri G. Hemanth Reddy	Whole Time Director & CFO	Remuneration & Allowances Commission on Profits	Rs. 42,74,400 Rs. 1,28,04,081	Rs. 2,13,800 Rs. 1,28,04,081	Nil
Sri A. Srinivas Reddy	Whole Time Director	Remuneration & Allowances Commission on Profits	Rs. 37,81,200 Rs. 3,03,75,762	Rs. 1,91,900 Rs. 3,03,75,762	Nil
P D Enterprises	P D Enterprises is owned by Mr. Parth Dawda who is acting as an Distributor /Agent of Coffee Day Global Limited and is husband of Mrs. Jimisha Dawda, Company Secretary of the Company	Supply of Café Coffee Day Products to Balaji Sarovar Premiere	Rs. 82,332	Rs. 3,186/-	Nil

22. Additional Information pertaining to Statement of Profit and Loss

Sl.No.	Nature of Income / Expenses	Current Year		Current Year	
		Amount In Foreign Currency	Amount In INR	Amount In Foreign Currency	Amount In INR
1	Export Earning	\$ 1,88,25,824.00	131,29,40,838.00	\$ 2,06,70,398.50	141,93,94,754.46
		€ 66,61,261.00	51,81,25,983.00	€ 83,90,446.80	67,56,39,706.00
2	Sales Commission	\$ 47,725.23	33,24,357.30	\$ 64,169.60	44,37,458.00
3	Registration & Renewals	\$ 315.00	21,641.00	\$ 325.00	21,257.00
		€ 52,905.00	40,80,760.00	€ 333.33	27,778.00
4	Travelling Expenses	€ 1000.00	79,016.00	\$ 3,000.00	2,13,045.00
		¥ 39500.00	4,25,530.00	€ 1,343.00	1,05,194.00
				RM 770.00	13,629.00
				¥ 26,100.00	2,82,860.00
5	Exhibition Charges	€ 68,567.37	52,89,996.00	€ 72,547.02	59,82,079.00
6	Capital Goods & Spares	\$ 13,95,788.75	9,81,06,948.00	\$ 1,57,353.00	1,10,45,808.00
7	Raw Material	\$ 1,71,56,006.98	119,80,93,797.72	\$ 3,79,82,949.34	263,82,80,228.00
		€ 2,03,750.00	1,62,41,056.00	€ 1,80,800.00	1,44,56,998.00
8	Professional / Consultancy Fees	\$ 4,552.65	3,19,659.00	-	-
9	Finance Charges	\$ 14,229.87	9,93,662.79	\$ 27,938.98	19,43,396.00
		€ 3,316.99	2,52,162.90	€ 7,318.27	5,83,321.00
10	Transportation Charges	\$ 1,991.24	1,42,007.39	\$ 9,020.00	6,10,156.00
11	Technical Know How Fees	\$ 4,64,000.00	3,24,23,752.00	-	-

VIII. Previous year's figures are regrouped and reclassified wherever considered necessary to conform with the current year grouping / classifications.

Notes forming part of Consolidated Financial Statements
Note 2 : Property, plant and equipment

(Rupees)

ASSETS	GROSS BLOCK			DEPRECIATION			NET BLOCK		
	As at 31.03.2019	Addition	Deletion	As at 31.03.2020	As at 31.03.2019	For the Period	Adjustments Deletion	As at 31.03.2020	As at 31.03.2019
Land	34,33,60,645	3,57,040	0	34,37,17,685	30,91,499	6,83,191	0	37,74,690	34,02,69,146
Factory Buildings	105,16,77,610	36,96,69,902	0	142,13,47,512	22,94,16,338	3,31,84,628	0	26,26,00,966	82,22,61,272
Office Buildings	7,38,40,688			7,38,40,688	48,42,301	11,66,439	0	60,08,740	6,89,98,387
Wind Electric Generator	17,16,03,446	0	0	17,16,03,446	8,02,17,459	68,82,203	0	8,70,99,662	9,13,85,987
Plant & Machinery	260,50,58,682	217,48,08,850	22,75,683	477,75,91,849	113,00,74,616	21,32,27,354	14,08,232	134,18,93,738	147,49,84,066
Plant & Machinery R & D	30,87,13,359	25,12,45,559	0	55,99,58,918	15,31,96,618	2,07,22,277	0	17,39,18,895	15,55,16,741
Furniture & Fixtures	23,23,09,809	9,69,051	0	23,32,78,860	13,32,89,484	2,43,66,536	0	15,76,56,020	9,90,20,325
Office Equipment	1,84,78,087	6,33,753	0	1,91,11,840	1,49,92,481	7,13,005	0	1,57,05,486	34,85,606
Vehicles	5,79,26,586	16,75,343	22,43,598	5,73,58,331	2,84,97,231	58,35,683	22,43,598	3,20,89,316	2,94,29,355
Others	15,58,68,021	6,75,03,704	0	22,33,71,725	4,37,56,508	94,48,521	0	5,32,05,029	11,21,11,513
Total :	501,88,36,933	286,68,63,202	45,19,281	788,11,80,854	182,13,74,535	31,62,29,837	36,51,830	213,39,52,542	319,74,62,398
Less : Interest capitalised adjustment for FY 2018-19 & 2019-20 in the books of Subsidiary		1,72,18,537		1,72,18,537					
Total :	501,88,36,933	284,96,44,665	45,19,281	786,39,62,317	182,13,74,535	31,62,29,837	36,51,830	213,39,52,542	319,74,62,398
									573,00,09,775

Notes forming part of Consolidated Financial Statements

Rupees

Particulars	As at March 31, 2020	As at March 31, 2019
Note 3 : Capital work in progress		
Expansion Project - at the beginning of the year	242,53,60,674	104,78,92,690
Expenditure incurred during the year	53,85,26,134	154,95,86,385
At the end of the year	296,38,86,808	262,13,17,004
Less: Capitalised / Put to use during the year	251,75,73,842	1,64,09,628
Less : Transferred to Lease hold Land	-	17,95,46,703
Balance A	44,63,12,966	242,53,60,673
R & D Project - At the beginning of the year	26,92,39,466	18,34,04,067
Expenditure incurred during the year	1,81,92,149	8,58,35,400
At the end of the year	28,74,31,615	26,92,39,467
Less: Capitalised / Put to use during the year	28,74,31,615	-
Balance B	-	26,92,39,467
Total (A+B)	44,63,12,966	269,46,00,140
Note 4 : Others		
Deposit with Government Departments	4,38,34,990	3,53,59,281
Others-Security Deposits	51,58,647	47,89,214
Total	4,89,93,637	4,01,48,495
Note 5: Other non-current assets		
Advances towards Capital Goods	26,94,22,081	1,76,76,860
In Margin money deposits	94,86,090	95,80,482
Preliminary Expenses	43,51,378	53,72,022
Total	28,32,59,549	3,26,29,364
Note 6 : Inventories [As verified, valued and certified by the Management]		
Raw Material	20,16,53,635	72,11,34,406
Work-in-Process	21,35,50,691	29,74,98,710
Finished Goods	33,26,81,347	40,73,27,243
Goods-in-transit / at Bonded Warehouse	16,43,88,507	1,86,70,857
Housekeeping, Kitchen, Stewarding	48,46,877	34,30,526
Food & Beverages	30,26,360	42,73,181
Stores, Spares	6,50,34,019	4,74,22,846
Packing Materials	2,08,52,420	2,30,89,094
Fuel & Others etc.	9,83,80,864	10,86,74,865
Total	110,44,14,720	163,15,21,728
Note 7 : Investments		
Others		
National Saving Certificate	10,000	5,000
Canara Robeco Mutual Fund	1,50,00,000	-
ICICI Prudential Mutual Fund	1,50,00,000	-
Sundaram Money Fund	44,50,00,000	-
Total	47,50,10,000	5,000
Note 8 : Trade Receivables (Unsecured, considered good)		
Total	207,43,86,362	1,67,21,83,771
Note 9 : Cash and cash equivalents		
Cash in hand	1,09,165	3,86,916
Balance with Scheduled Banks		
In current accounts	4,29,68,618	14,44,46,639
Total	4,30,77,783	14,48,33,555
Note 10 : Bank balance		
Balance with Scheduled Banks		
In Margin money deposits	4,50,33,134	5,91,54,398
Total	4,50,33,134	5,91,54,398

Notes forming part of Consolidated Financial Statements

Rupees

Particulars	As at March 31, 2020	As at March 31, 2019
Note 11 : Other current Assets		
Balance with Revenue Authorities	34,49,29,213	35,00,55,994
Advances to Suppliers	3,11,35,046	2,63,34,544
Employees' advances	15,56,139	15,47,298
Income Tax Refund Receivable	6,42,90,617	4,81,07,237
Tax Paid against disputed demand (A.Y. 2013-14)	17,59,120	17,59,120
Tax Paid against disputed demand (A.Y. 2014-15)	62,08,040	62,08,040
Tax Paid against disputed demand (A.Y. 2016-17)	1,85,262	1,85,262
Tax Paid against disputed demand (A.Y. 2017-18)	5,86,323	-
Others - Unsecured, considered good	2,92,32,505	1,91,15,424
Total	47,98,82,265	45,33,12,919
Note 12 : Equity share capital		
a. Authorised		
At the beginning of the year	45,50,00,000	45,50,00,000
22,75,00,000 Equity Shares of Rs. 2/- each.		
At the end of the year	45,50,00,000	45,50,00,000
b. Movements in paid up capital		
At the beginning of the year	6,48,02,000	6,48,02,000
Changes during the year	-	-
At the end of the year	6,48,02,000	6,48,02,000
Note 13: Other Equity - Reserves and Surplus		
a) Capital Reserves	6,20,505	6,20,505
b) Share Premium Account	5,69,61,000	5,69,61,000
c) State Subsidy	2,97,90,000	2,97,90,000
d) General Reserve	74,16,21,000	62,78,68,000
e) Profit & Loss Account	568,76,18,971	496,45,29,586
Total other equity	6,51,66,11,476	5,67,97,69,091
Note 14: Borrowings		
1. Secured - Term Loans		
(i) HDFC Bank Ltd	81,06,06,061	41,66,66,670
(ii) Bank of Baroda	34,84,78,415	41,66,53,415
2. Unsecured - Term Loans		
From Related Parties		
A. Prathap Reddy	4,00,00,000	-
Total	119,90,84,476	83,33,20,085
Note 15: Trade payables		
Creditors for Capital Goods	11,43,91,531	12,86,01,224
Rental Deposit	31,50,000	31,50,000
Total	11,75,41,531	13,17,51,224
Note 16: Other financial liabilities		
Deposits from Customers	41,60,000	37,80,000
Advance from Customers	2,01,57,548	-
Deferred Revenue Export Benefits	2,57,07,273	2,81,55,600
Total	5,00,24,821	3,19,35,600
Note 17: Deferred Tax Liabilities / Assets		
Beginning of the year relating to the fixed assets	45,75,00,903	50,22,32,826
Total	45,75,00,903	50,22,32,826
Add / (Less): Timing difference arising during the year on account of depreciation	-2,02,02,009	-4,47,31,923
Deferred Tax Liability (Net)	43,72,98,894	45,75,00,903
Deferred tax liabilities provided for relate to Property Plant & Equipment and other tangible assets. The company does not have any asset accounted at fair value or any other asset that requires adjustments.		

Notes forming part of Consolidated Financial Statements

Rupees

Particulars	As at March 31, 2020	As at March 31, 2019
Note 18: Borrowings		
a. Secured		
Towards working capital - Repayable on demand		
(i) State Bank of India *	35,54,28,028	30,00,86,080
(ii) HDFC Bank *	48,53,95,375	51,41,91,095
(iii) Bank of Baroda *	37,39,38,651	25,97,80,136
* Includes sub limit of demand Loan		
Total	121,47,62,054	107,40,57,311
The borrowings for working capital limits sanctioned by banks, including Working Capital Demand Loans, are secured by <i>pari-pasu</i> first charge by way of hypothecation of stocks & book debts, and second charge on all fixed assets of the company, both present and future.		
Note 19: Trade payables		
Creditors for raw materials & others	53,58,68,678	75,14,46,963
Creditors for MSME	5,77,53,146	9,90,55,653
Total	59,36,21,824	85,05,02,616
Note 20: Other financial liabilities		
Current maturities of long term debt from banks payable within twelve months		
i) HDFC Bank Ltd. Rupee Term Loan	10,60,60,606	28,33,33,329
ii) Bank of Baroda Rupee Term Loan	7,57,50,000	8,33,25,000
iii) Interest accrued but not due on Term Loan	74,08,580	49,53,630
Total	18,92,19,186	37,16,11,959
Note 21 : Other current liabilities		
Statutory Dues		
Goods & Service Tax	3,35,93,508	20,07,247
Tax Deducted at Source	15,08,239	17,26,222
Value Added Tax	1,33,548	1,77,538
Total	3,52,35,295	39,11,007
Note 22: Provisions		
Salaries	2,02,58,133	1,69,92,791
Provident Fund	36,17,047	33,14,430
Employees State Insurance	3,14,051	4,78,743
Remuneration to Directors	14,90,84,011	16,37,61,361
Electricity Charges	2,02,79,702	2,27,85,636
Others - expenses	1,69,97,865	1,68,37,288
Total	21,05,50,809	22,41,70,249
Note 23: Current Tax Liabilities		
Provision for Current Tax	40,00,00,000	56,00,00,000
Total	40,00,00,000	56,00,00,000

Particulars	For the Period ended March 31, 2020	For the Period ended March 31, 2019
Note 24 : Revenue From Operations		
Sale of Aliphatic Amines, Speciality Chemicals, Derivatives of Amines and CFL Lamps.(including Export Benefits)	935,77,18,389	943,05,12,717
Total Revenue from operations (Net)	935,77,18,389	943,05,12,717
Note 25 : Other Income		
Income from Wind Electric Generator	3,27,99,472	3,06,25,188
Interest on Margin Money Deposit	62,07,127	14,50,529
Interest on Security Deposit	33,75,413	22,65,952
Sales Tax Refund and interest thereon	25,44,531	7,03,550
Profit on Sale of Fixed Assets	4,78,011	-
Rent Receipt	44,70,797	47,21,609
Miscellaneous Income	2,62,035	25,01,548
Total	5,01,37,386	4,22,68,376

Notes forming part of Consolidated Financial Statements

Rupees

Particulars	For the Period ended March 31, 2020	For the Period ended March 31, 2019
Note 26 : Cost of material consumed		
Opening Stock	72,88,38,112	29,82,90,462
Add: Purchases		
Raw Material - Domestic	306,59,53,895	269,87,50,947
Raw Material - Imports CIF Value	139,44,46,864	314,19,19,431
Sub- Total	518,92,38,871	613,89,60,840
Less : Closing Stock	20,95,26,872	72,88,38,113
Net Total	497,97,11,999	541,01,22,727
Note 27 : Changes in Inventories of Finished Goods & Work in Process		
(a) Opening Stock		
Finished Goods	40,73,27,243	21,17,49,565
Work-in -process	29,74,98,710	23,65,19,926
Sub- Total (a)	70,48,25,953	44,82,69,491
(b) Closing Stock		
Finished Goods	33,26,81,347	40,73,27,243
Work-in -process	21,35,50,691	29,74,98,710
Sub- Total (b)	54,62,32,038	70,48,25,953
Difference of (a) and (b) Increase (-) / Decrease(+)	15,85,93,915	-25,65,56,462
Note 28 : Employee benefits		
Salaries,Wages and other allowances	28,88,07,567	25,15,71,759
Bonus	1,31,73,333	1,06,41,398
Premium towards Gratuity Scheme of LIC	1,12,81,950	71,70,403
Contribution to Provident Fund	1,88,99,572	1,70,41,082
Contribution to Employees State Insurance	32,84,912	35,42,659
Contribution to Labour Welfare Fund	72,989	65,376
Staff Welfare Expenses	31,18,607	26,69,250
Group Insurance Premium	20,68,127	19,91,045
Total	34,07,07,057	29,46,92,972
Note 29 : Finance Cost		
Interest on Working Capital Borrowings	11,05,89,292	10,12,49,500
Interest on Term loan	9,24,79,745	80,03,880
Processing Charges	1,29,01,344	53,33,333
Interest cost on Leases as per AS116	10,634	-
Bank Charges	1,43,65,290	1,56,72,053
Total	23,03,46,305	13,02,58,766
Note 30: Other Expenses		
a) Manufacturing Expenses		
i) Power and Fuel	95,03,04,018	84,70,03,321
ii) Stores, Spares Consumed	6,68,05,971	10,68,16,305
iii) Repairs & Maintenance - Plant & Machinery	6,48,99,082	6,21,55,115
iv) Repairs & Maintenance - Building & Other	1,34,07,249	1,86,88,749
v) Repairs & Maintenance - Kitchen Equipments	2,67,444	11,13,832
b) Selling & Distribution Expenses		
i) Advertisement, Publicity & Sales Promotion	4,55,63,481	3,49,30,128
ii) Discount on Sales	1,21,94,744	2,93,44,107
iii) Outward Freight	30,11,24,773	27,67,35,859
iv) Packing & Forwarding	27,85,32,255	27,84,48,335
v) Other Selling & Distribution	4,95,13,487	8,05,94,624
c) Administrative & General Expenses		
i) Rent	12,42,892	19,37,061
ii) Rates & Taxes	1,69,79,676	1,08,29,122
iii) Repairs & Maintenance - Office Equipments	7,98,802	10,21,518
iv) Repairs & Maintenance - Furniture	61,993	1,54,369
v) Remuneration to Directors	16,91,64,011	18,31,19,361
vi) Foreign Exchange Fluctuations Loss / (Gain)	-3,26,26,358	-1,85,34,302

Notes forming part of Consolidated Financial Statements

Rupees

Particulars	For the Period ended March 31, 2020	For the Period ended March 31, 2019
vii) Auditors Remuneration		
- As Auditors	18,50,000	14,25,000
viii) Premium in Respect of "Employer - Employee Policy	-	49,87,365
ix) Other Expenses	7,04,64,487	7,33,51,977
x) Preliminary Expenses Written Off	10,87,844	-
d) Insurance		
i) Plant & Machinery & Building	65,03,035	34,13,189
ii) Wind Electric Generator	1,75,043	5,45,336
iii) Raw Material & Finished Goods	49,60,034	33,22,094
iv) Cash In Transit	7,167	7,167
v) Loss of Profit	34,95,940	22,54,657
vi) Motor Vehicle	9,14,032	8,93,032
vii) Public Liability Act	8,11,238	8,11,238
e) Research & Development Expenses	53,78,303	49,18,592
f) Expenditure on Corporate Social Responsibility	2,68,50,906	2,63,02,460
g) Operator's Management & Incentives Fees	1,04,99,059	1,15,80,835
Total (A+B)	207,12,30,608	204,81,70,446

Notes 1 to 30 form part of Financial Statements
As per our report of even date

For Ayyadevara & Co.,
Chartered Accountants
FRN: 000278S

Ayyadevara Srinivas
Proprietor
ICAI Membership No. 028803
Hyderabad. June 22, 2020

For and on behalf of Board of Directors

A Prathap Reddy
Executive Chairman
DIN 00003967

G Hemanth Reddy
Whole Time Director & CFO
DIN 00003868

Jimisha Parth Dawda
Company Secretary & Compliance Officer

HIGHLIGHTS OF CORPORATE SOCIAL RESPONSIBILITY WORK



Balaji Amines Contributed 85 Lakhs for COVID 19 Relief Fund



Donated RNA COVID 19 Testing Machine to Dr. Babasaheb Ambedkar University, Osmanabad



Donated Ventilators at Civil Hospital Solapur



Distributed Beds to COVID 19 care centres in Rural Areas



Distribution of food packets to Migrants Labours returning their home



Donated Ration Kits in Rural Areas during COVID 19 Pandemic



Distributed Masks, Sanitizers at various places in Solapur City & Rural Areas






BALAJI
SAROVAR PREMIERE
solapur

A DIVISION OF BALAJI AMINES LIMITED
Solapur's first world class luxury destination!

Balaji

AMINES LIMITED

An ISO 9001 : 2015 Company
CIN : L24132MH1988PLC049387

Registered Office

Balaji Towers, No. 9/1A/1, Aasara Chowk,
Hotgi Road, Solapur. Maharashtra - 413 224.

Administrative Office

3rd Floor, KPR House, Sardar Patel Road,
Secunderabad. Telangana - 500 003.