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

Balaji

ISO 9001:2015
TÜV Rheinland CERTIFIED
www.tuv.com ID 9105038797
CIN : L24132MH1988PLC049387

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

28th June, 2019

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. 2018-19

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 2018-19.

Please take the same on record.

Thanking you,

Yours Faithfully,
For Balaji Amines Limited

Jimisha Parth Dawda
Company Secretary & Compliance Officer

BALAJI AMINES LIMITED

Encl : a/a

Balaji

AMINES LIMITED

31st ANNUAL REPORT 2018-19

AWARDS

Mr. A. Prathap Reddy receiving Award on behalf of Balaji Amines for Product Innovator of the Year in the Chemical Sector category at FICCI Chemicals & Petrochemicals Awards 2018

Mr. G. Hemanth Reddy at Fortune India Next 500 Summit, receiving award on behalf of Balaji Amines for being among top 500 wealth creators in the list of Fortune India the Next 500

Mr. G. Hemanth Reddy at IBC corporate Awards 2019 receiving award for Balaji Amines Limited, India's Best Company of the Year 2018

Mr. G. Hemanth Reddy honoured with 'FE CFO of the Year Award 2019 in Medium Enterprises – Manufacturing Industry' organised by the Financial Express

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 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
Nandi Kandi, Sadasivpet,
Sangareddy District,
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

Dear Shareholders,

It gives me immense pleasure to share with you all, the performance of your company during the year 2018-19, with well-defined systems and processes in place supported with in House R&D team, the company's performance has been satisfactory. The company has faced pressures on account of Global slowdown in demand and volatile prices in our feed stock and commodity chemicals. The continued support of the customers and R&D focussed investments are the growth drivers for our industry which is poised to grow exponentially in the coming years.

So far Balaji Amines during 30 years of successful operations.

- We raised IPO during the year 1995-96, at that time our Total sales were Rs. 10.23 Crs. and PAT was Rs. 0.73 Crs.
- We have raised Term Loans of Rs. 205.85 Crs. at various stages and paid up all the TL as on 31/03/2019. Now we are a Debt free company.
- We did not raise any additional equity, except warrants issued and converted to shares to promoters on preferential allotment basis at a premium during the year 2006-07.
- We have contributed to Govt. exchequer as under over the years in Direct and Indirect taxes.

  a) Direct taxes Rs. 263.05 Crs. b) Indirect tax Rs. 1069.57 Crs.
- We have issued 1:1 bonus shares in the year 2006.
- We had started our unit with 74 manpower and now we have Manpower strength of 916 Nos. Directly Employed and indirectly more than 3000
- So far we have paid total dividend of Rs. 68.29 Crs. from the inception.
- We have been paying continuous dividend since 1999 - 2000.
- We have started our production with just 3 products with limited capacities catering only to domestic users then and now we have more than 30 products to offer to our esteemed customers all over the world.
- We have acquired expertise and competencies to set up plants in shortest possible time with Global capacities having futuristic plans.
- Reduced cost of production of all the products with in House R&D and we are on par with any Global /MNC players.

The following are some of the Key growth points, I would like to share with you for the Financial Year 2018-19.

- Standalone Sales grew by around 10.29% during the year from Rs. 861.23 Crs to 949.83 Crs during FY 2018-19. Speciality chemicals has grown by 10.29% from the previous year.
- EBIDTA has grown by 2.61% from Rs. 193.57 Cr to 198.62 Cr.
- Earnings per share grew from Rs. 34.93 to Rs. 36.44
- Book value per share has gone up from Rs. 144.15 to Rs. 177.43 during the current FY recording a 23.11% of growth.
- Dividend payout has gone up by 18.18% during the Current FY.
- Return on capital employed is at 24.18% for the Current FY.
- Return on equity stood at 20.53% for the current FY.

Your company has been the leader in Indian space of Speciality and Fine chemicals.

I would like to reiterate that by launching of New products, setting up of New plants for additional capacities, we continue to strengthen our customer relationships by offering wide range of products in Amines & Speciality Chemicals to drive the growth prospects with healthy margins.

Your company has identified some of the new products seeing the potential growth from import substitutes and working towards developing these products in economical way and establishing large scale capacities to cater to the growing markets of Pharma, Agrochemicals, Refineries, Paints, Water treatment chemicals etc.

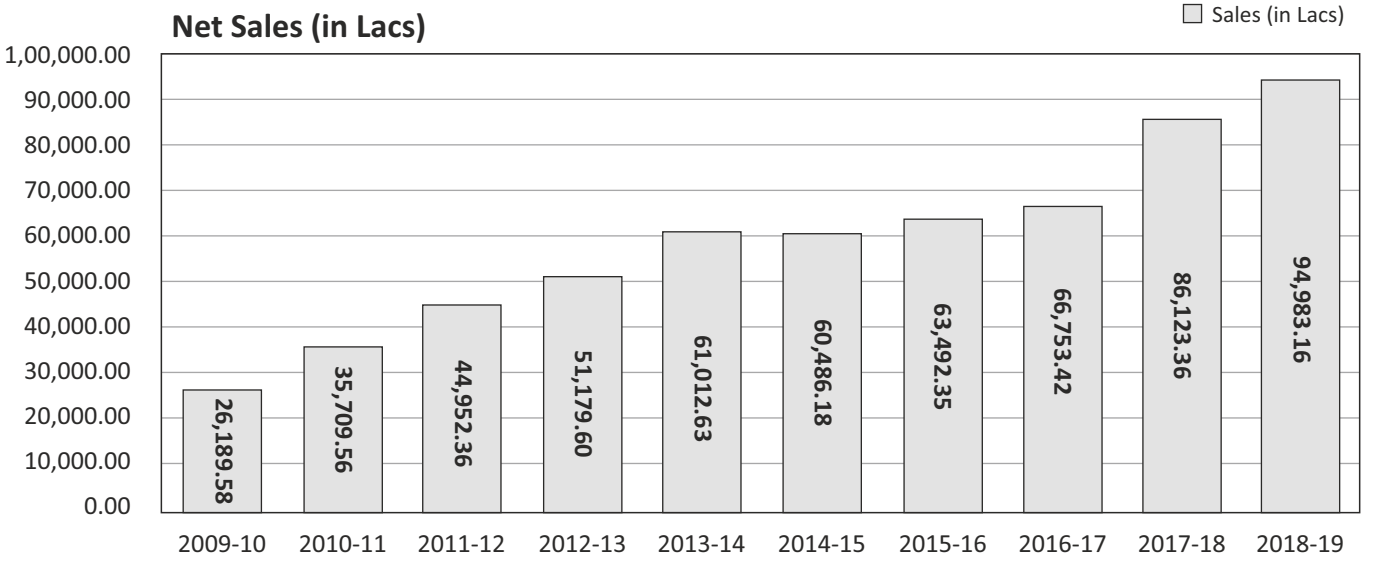
Your company has been honoured with numerous awards during the year, which is a testimony for our capabilities and competencies developed over the years both in technology and process improvements and contribution to the society.

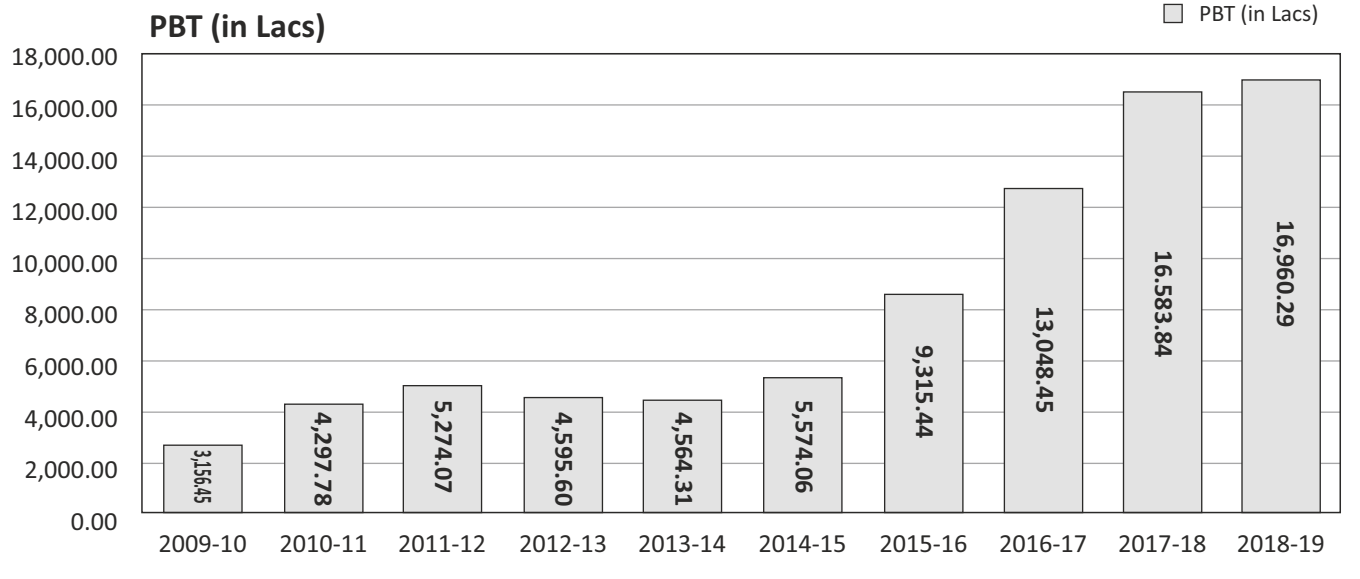
I take this opportunity to acknowledge all our esteemed customers, suppliers, Banks, Colleagues, Staff members and all the stakeholders in the company and government authorities for their continued support, guidance and hard work and look forward to receive the same ever after.

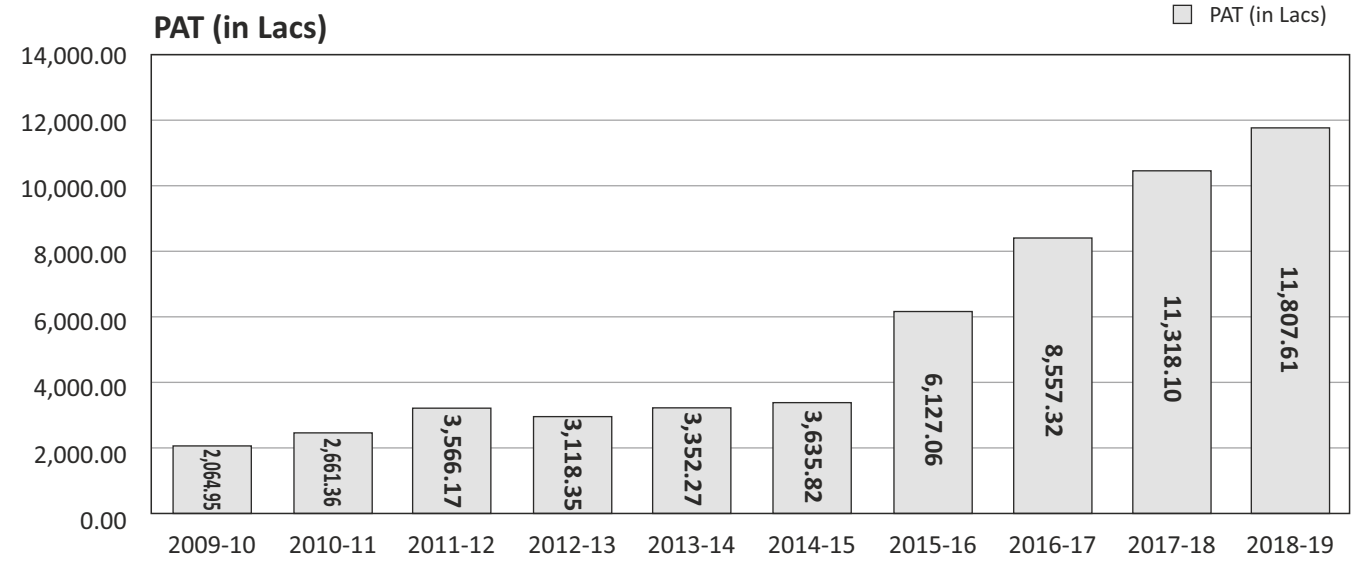
Regards

A. Prathap Reddy
Executive Chairman

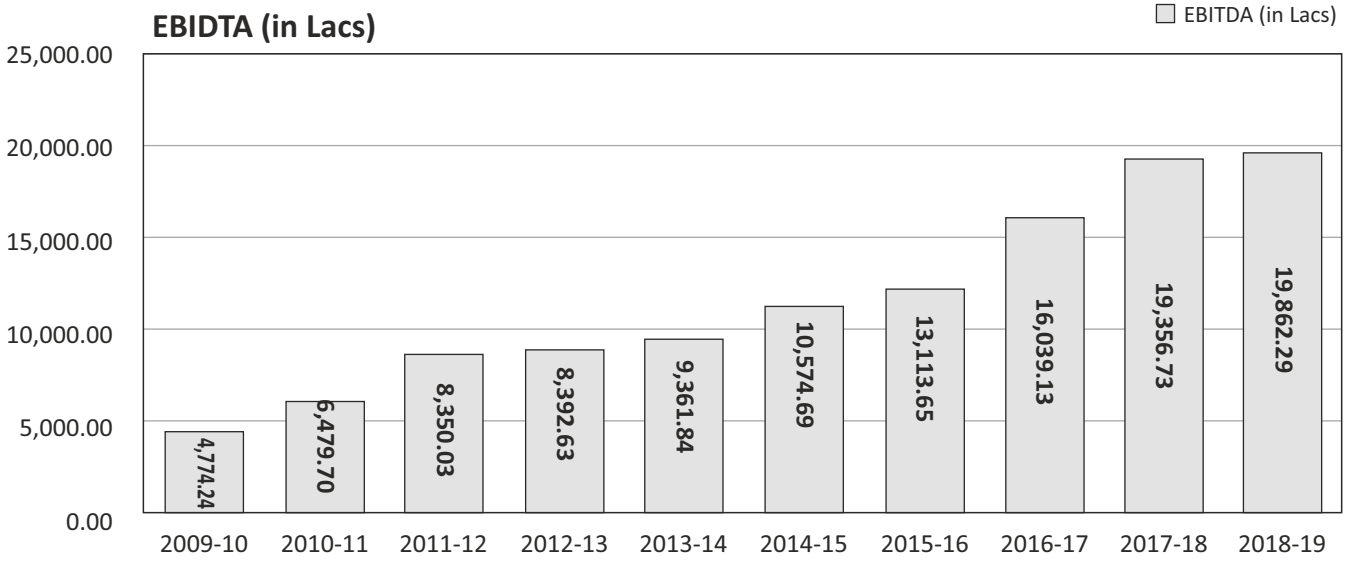
PERFORMANCE ANALYSIS

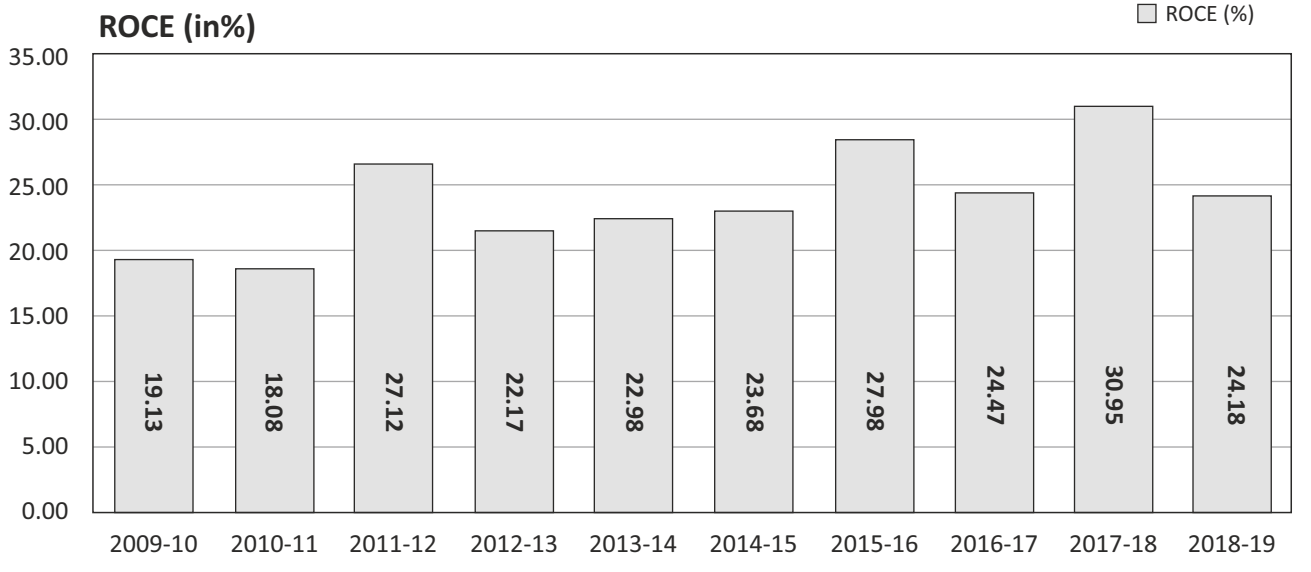


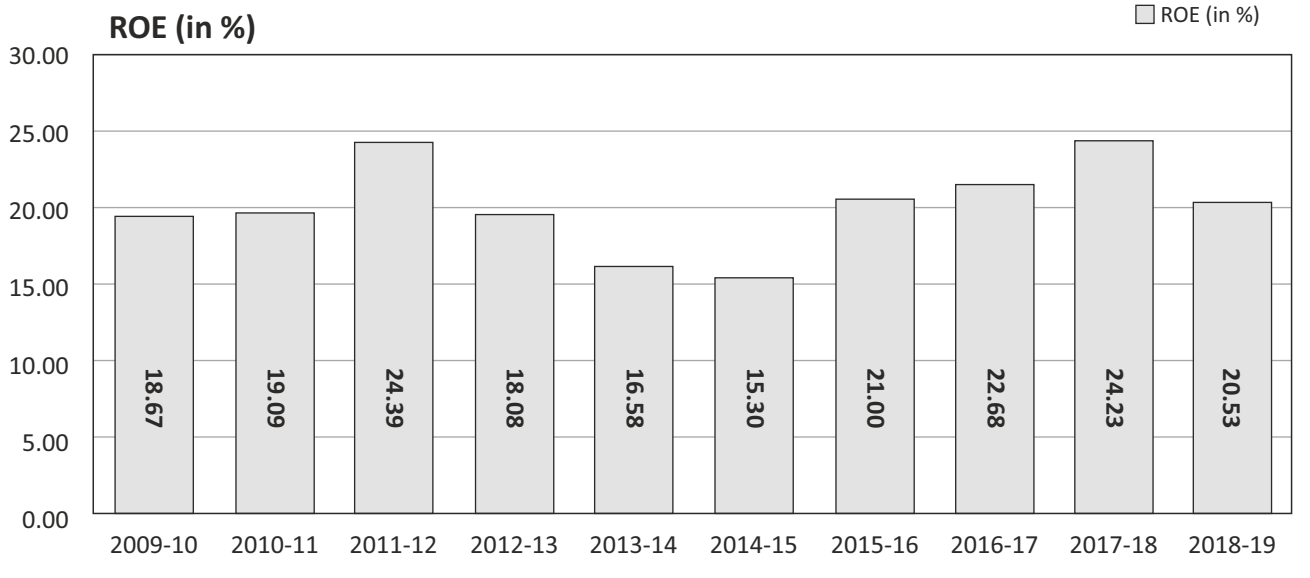




PERFORMANCE ANALYSIS







NOTICE

The 31ST ANNUAL GENERAL MEETING of BALAJI AMINES LIMITED will be held on Friday, the 26th day of July, 2019 at 12:00 noon at Hotel Balaji Sarovar Premiere, Survey No. 9/1A/1, Aasara Chowk, Hotgi Road, Solapur - 413 224, Maharashtra to transact the following businesses:

ORDINARY BUSINESS:

1. To receive, consider and adopt the Audited Financial Statement, including Audited Consolidated Financial Statement of the Company for the Financial Year ended 31st March, 2019 and the Reports of the Board of Directors and Auditors thereon.
2. To declare dividend on Equity Shares.
3. To appoint a Director in place of Mr. A. Srinivas Reddy (DIN: 03169721), 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, 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 the 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 ending 31st March, 2020, amounting to Rs. 60,000 (Rupees Sixty 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."

5. Re-appointment of Mr. T. Naveena Chandra as an Independent Director

To consider and, if thought fit, to pass the following as a Special Resolution:

"RESOLVED THAT pursuant to the provisions of Sections 149, 150, 152 read with Schedule IV and other applicable provisions of the Companies Act, 2013 and the Companies (Appointment and Qualifications of Directors) Rules, 2014 and Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 [including any statutory modification(s) or amendment(s) thereto or re-enactment(s) thereof for the time being in force], Mr. T. Naveena Chandra (DIN: 00231636), who was appointed as an Independent Director of the Company at the 26th Annual General Meeting of the Company and who holds office of the Independent Director up to 28th September, 2019 and who is eligible for being re-appointed as an Independent Director, be and is hereby re-appointed as an Independent Director of the Company, to hold office for a second term of Five consecutive years commencing from 26th July, 2019 to 25th July, 2024 and his term of office is not liable to retire by rotation."

6. Re-appointment of Mr. M. Amarender Reddy as an Independent Director

To consider and, if thought fit, to pass the following as a Special Resolution:

"RESOLVED THAT pursuant to the provisions of Sections 149, 150, 152 read with Schedule IV and other applicable provisions of the Companies Act, 2013 and the Companies (Appointment and Qualifications of Directors) Rules, 2014 and Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 [including any statutory modification(s) or amendment(s) thereto or re-enactment(s) thereof for the time being in force], Mr. M. Amarender Reddy (DIN: 05182741), who was appointed as an Independent Director of the Company at the 26th Annual General Meeting of the Company and who holds office of the Independent Director up to 28th September, 2019 and who is eligible for being re-appointed as an Independent Director, be and is hereby re-appointed as an Independent Director of the Company, to hold office for a second term of Five consecutive years commencing from 26th July, 2019 to 25th July, 2024 and his term of office is not liable to retire by rotation."

7. Re-appointment of Mr. C.S.N. Murthy as an Independent Director

To consider and, if thought fit, to pass the following as a Special Resolution:

"RESOLVED THAT pursuant to the provisions of Sections 149, 150, 152 read with Schedule IV and other applicable provisions of the Companies Act, 2013 and the Companies (Appointment and Qualifications of Directors) Rules, 2014 and Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 [including any statutory modification(s) or amendment(s) thereto or re-enactment(s) thereof for the time being in force], Mr. Chavali Satyanarayana Murthy (DIN: 00142138), who was appointed as an Independent Director of the Company at the 26th Annual General Meeting of the Company and who holds office of the

Independent Director up to 28th September, 2019 and who is eligible for being re-appointed as an Independent Director, be and is hereby re-appointed as an Independent Director of the Company, to hold office for a second term of Five consecutive years commencing from 26th July, 2019 to 25th July, 2024 and his term of office is not liable to retire by rotation."

8. Re-appointment of Mr. Kashinath R. Dhole as an Independent Director

To consider and, if thought fit, to pass the following as a Special Resolution:

"RESOLVED THAT pursuant to the provisions of Sections 149, 150, 152 read with Schedule IV and other applicable provisions of the Companies Act, 2013 and the Companies (Appointment and Qualifications of Directors) Rules, 2014 and Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 [including any statutory modification(s) or amendment(s) thereto or re-enactment(s) thereof for the time being in force], Mr. Kashinath R. Dhole (DIN: 01076675), who was appointed as an Independent Director of the Company at the 26th Annual General Meeting of the Company and who holds office of the Independent Director up to 28th September, 2019 and who is eligible for being re-appointed as an Independent Director, be and is hereby re-appointed as an Independent Director of the Company, to hold office for a second term of Five consecutive years commencing from 26th July, 2019 to 25th July, 2024 and his term of office is not liable to retire by rotation."

9. Re-appointment of Mrs. Vimala B. Madon as an Independent Director

To consider and, if thought fit, to pass the following as a Special Resolution:

"RESOLVED THAT pursuant to the provisions of Sections 149, 150, 152 read with Schedule IV and other applicable provisions of the Companies Act, 2013 and the Companies (Appointment and Qualifications of Directors) Rules, 2014 and Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 [including any statutory modification(s) or amendment(s) thereto or re-enactment(s) thereof for the time being in force], Mrs. Vimala B. Madon (DIN: 06925101), who was appointed as an Independent Director of the Company at the 26th Annual General Meeting of the Company and who holds office of the Independent Director up to 27th July, 2019 and who is eligible for being re-appointed as an Independent Director, be and is hereby re-appointed as an Independent Director of the Company, to hold office for a second term of Five consecutive years commencing from 26th July, 2019 to 25th July, 2024 and her term of office is not liable to retire by rotation."

10. Approval of remuneration of Mr. A. Prathap Reddy, Executive Chairman in terms of Regulation 17(6)(e) of SEBI Amended Listing Regulations for the remaining tenure of his appointment

To consider and, if thought fit, to pass the following as a Special Resolution:

"RESOLVED THAT pursuant to regulation 17(6)(e) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) (Amendment) Regulations, 2018 along with the provisions of Sections 196, 197, 198 and other applicable provision of the Companies Act, 2013 and the rules made thereunder (including any statutory modification or re-enactment thereof) read with Schedule V of the Companies Act, 2013, consent of the Members be and is hereby accorded for payment of remuneration to Mr. A. Prathap Reddy (DIN: 00003967), Executive Chairman at such terms and conditions as approved by Members in its Annual General Meeting held on 30th August, 2018 during the remaining tenure of his appointment, as the annual remuneration payable to Mr. A. Prathap Reddy may exceed rupees 5 crores or 2.5 per cent of the net profits of the Company (whichever is higher) and the aggregate annual remuneration to all Executive Directors exceeds 5 per cent of the net profits of the Company in any year.

RESOLVED FURTHER THAT the remuneration payable to Mr. A. Prathap Reddy, Executive Chairman shall not exceed the overall ceiling of the total managerial remuneration as provided under Section 197 of the Companies Act, 2013 or such limits as approved by members on 30th August, 2018.

RESOLVED FURTHER THAT the Board of Directors of the Company be and is hereby authorized to do all acts, deeds, matters and things as may be necessary, proper or desirable or expedient to give effect to the above resolution."

11. Approval of remuneration of Mr. D. Ram Reddy, Managing Director in terms of Regulation 17(6)(e) of SEBI Amended Listing Regulations for the remaining tenure of his appointment

To consider and, if thought fit, to pass the following as a Special Resolution:

"RESOLVED THAT pursuant to regulation 17(6)(e) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) (Amendment) Regulations, 2018 along with the provisions of Sections 196, 197, 198 and other applicable provision of the Companies Act, 2013 and the rules made thereunder (including any statutory modification or re-enactment thereof) read with Schedule V of the Companies Act, 2013, consent of the Members be and is hereby accorded for payment of remuneration to Mr. D. Ram Reddy (DIN: 00003864), Managing Director at such terms and conditions as

approved by Members in its Annual General Meeting held on 30th August, 2018 during the remaining tenure of his appointment, as the annual remuneration payable to Mr. D. Ram Reddy and all other Executive Directors in aggregate exceeds rupees 5 crores or 5 percent of the net profits of the Company.

RESOLVED FURTHER THAT the remuneration payable to Mr. D. Ram Reddy, Managing Director shall not exceed the overall ceiling of the total managerial remuneration as provided under Section 197 of the Companies Act, 2013 or such limits as approved by members on 30th August, 2018.

RESOLVED FURTHER THAT the Board of Directors of the Company be and is hereby authorized to do all acts, deeds, matters and things as may be necessary, proper or desirable or expedient to give effect to the above resolution."

12. Approval of remuneration of Mr. N. Rajeshwar Reddy, Joint Managing Director in terms of Regulation 17(6)(e) of SEBI Amended Listing Regulations for the remaining tenure of his appointment

To consider and, if thought fit, to pass the following as a Special Resolution:

"RESOLVED THAT pursuant to regulation 17(6)(e) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) (Amendment) Regulations, 2018 along with the provisions of Sections 196, 197, 198 and other applicable provision of the Companies Act, 2013 and the rules made thereunder (including any statutory modification or re-enactment thereof) read with Schedule V of the Companies Act, 2013, consent of the Members be and is hereby accorded for payment of remuneration to Mr. N. Rajeshwar Reddy (DIN: 00003854), Joint Managing Director at such terms and conditions as approved by Members in its Annual General Meeting held on 30th July, 2016 during the remaining tenure of his appointment, as the annual remuneration payable to Mr. N. Rajeshwar Reddy and all other Executive Directors in aggregate exceeds rupees 5 crores or 5 percent of the net profits of the Company.

RESOLVED FURTHER THAT the remuneration payable to Mr. N. Rajeshwar Reddy, Joint Managing Director shall not exceed the overall ceiling of the total managerial remuneration as provided under Section 197 of the Companies Act, 2013 or such limits as approved by members on 30th July, 2016.

RESOLVED FURTHER THAT the Board of Directors of the Company be and is hereby authorized to do all acts, deeds, matters and things as may be necessary, proper or desirable or expedient to give effect to the above resolution."

13. Approval of remuneration of Mr. G. Hemanth Reddy, Whole-time Director & CFO in terms of Regulation 17(6)(e) of SEBI Amended Listing Regulations for the remaining tenure of his appointment

To consider and, if thought fit, to pass the following as a Special Resolution:

"RESOLVED THAT pursuant to regulation 17(6)(e) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) (Amendment) Regulations, 2018 along with the provisions of Sections 196, 197, 198 and other applicable provision of the Companies Act, 2013 and the rules made thereunder (including any statutory modification or re-enactment thereof) read with Schedule V of the Companies Act, 2013, consent of the Members be and is hereby accorded for payment of remuneration to Mr. G. Hemanth Reddy (DIN: 00003868), Whole-time Director & CFO at such terms and conditions as approved by Members in its Annual General Meeting held on 30th July, 2016 during the remaining tenure of his appointment, as the annual remuneration payable to Mr. G. Hemanth Reddy and all other Executive Directors in aggregate exceeds rupees 5 crores or 5 percent of the net profits of the Company.

RESOLVED FURTHER THAT the remuneration payable to Mr. G. Hemanth Reddy, Whole-time Director & CFO shall not exceed the overall ceiling of the total managerial remuneration as provided under Section 197 of the Companies Act, 2013 or such limits as approved by members on 30th July, 2016.

RESOLVED FURTHER THAT the Board of Directors of the Company be and is hereby authorized to do all acts, deeds, matters and things as may be necessary, proper or desirable or expedient to give effect to the above resolution."

14. Approval of remuneration of Mr. A. Srinivas Reddy, Whole-time Director in terms of Regulation 17(6)(e) of SEBI Amended Listing Regulations for the remaining tenure of his appointment

To consider and, if thought fit, to pass the following as a Special Resolution:

"RESOLVED THAT pursuant to regulation 17(6)(e) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) (Amendment) Regulations, 2018 along with the provisions of Sections 196, 197, 198 and other applicable provision of the Companies Act, 2013 and the rules made thereunder (including any statutory modification or re-enactment thereof) read with Schedule V of the Companies Act, 2013, consent of the Members be and is hereby accorded for payment of remuneration to Mr. A. Srinivas Reddy (DIN: 03169721), Whole-time Director at such terms and conditions as approved by Members in its Annual General Meeting held on 30th July, 2016 during the remaining tenure of his appointment,

as the annual remuneration payable to Mr. A. Srinivas Reddy and all other Executive Directors in aggregate exceeds rupees 5 crores or 5 percent of the net profits of the Company.

RESOLVED FURTHER THAT the remuneration payable to Mr. A. Srinivas Reddy, Whole-time Director shall not exceed the overall ceiling of the total managerial remuneration as provided under Section 197 of the Companies Act, 2013 or such limits as approved by members on 30th July, 2016.

RESOLVED FURTHER THAT the Board of Directors of the Company be and is hereby authorized to do all acts, deeds, matters and things as may be necessary, proper or desirable or expedient to give effect to the above resolution."

15. Approval pursuant to Section 185 of the Companies Act, 2013, Loan to Subsidiary Company

To consider and if thought fit, to pass, the following Resolution as a Special Resolution:

"RESOLVED THAT pursuant to the provisions of Section 185 and other applicable provisions of the Companies Act, 2013 ("the Act") read with the Companies (Meetings of Board and its Powers) Rules, 2014 and all other rules, regulations, notifications and circulars issued (including any statutory modifications, clarifications, exemptions or re-enactments thereof, from time to time), and the relevant provisions of the Memorandum and Articles of Association of the Company and in furtherance to the existing loans given, the consent of the Members be and is hereby accorded for grant of loans for an amount not exceeding Rs. 150 crores, in aggregate to Balaji Speciality Chemicals Private Limited, subsidiary of the Company, in one or more tranches, at the rate of 9.50% p.a. which is to be reset as and when bank revise their interest rate to Balaji Amines Limited with marking of 0.50% and to be repaid within 3 years and on such terms and conditions as may be mutually agreed upon.

RESOLVED FURTHER THAT the Board of Directors of the Company be and is hereby authorized to do all acts, deeds, matters and things as may be necessary, proper or desirable or expedient to give effect to the above resolution."

By Order of the Board
For Balaji Amines Limited

Sd/-
Jimisha Parth Dawda
Company Secretary &
Compliance Officer

Date : 15.5.2019
Place : Secunderabad

NOTES FOR MEMBERS

1. 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.
2. **A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF AND A PROXY NEED NOT BE A MEMBER.**
3. The instrument appointing a proxy must be deposited, either in person or through post, with the Company at its Registered Office not less than 48 hours before the time for holding the Meeting. Corporate members intending to send their authorized representative(s) to attend the Meeting are requested to send to the Company a certified true copy of the relevant Board Resolution together with the specimen signature(s) of the representative(s) authorised under the said Board Resolution to attend and vote on their behalf at the Meeting.
4. A person can act as a proxy on behalf of Members not exceeding fifty and holding in the aggregate not more than ten percent of the total share capital of the Company carrying voting rights. A Member holding more than ten percent of the total share capital of the Company carrying voting rights may appoint a single person as proxy and such person shall not act as a proxy for any other Member. Proxies submitted on behalf of limited companies, societies, etc., must be supported by an appropriate resolution/authority as applicable. The Proxy-holder shall prove his identity at the time of attending the Meeting.
5. The Register of Members and Transfer Books of the Company will be closed from Friday, 19th July, 2019 to Friday, 26th July, 2019 (both days inclusive).
6. The dividend, if declared at the Annual General Meeting, would be paid after 26th July, 2019 to those persons or their mandates:
   (a) whose names appear as Beneficial Owners as at the end of the business hours on Thursday, 18th July, 2019 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 Thursday, 18th July, 2019.
7. Pursuant to Section 124 of the Companies Act, 2013, the amount of dividend remaining unpaid or unclaimed for a period of seven years from the date of its transfer to the Unpaid Dividend Account of the Company is required to be transferred to the Investor Education and Protection Fund (IEPF) set up by the Government of India. Accordingly company has transferred an amount of Rs. 80,690/- in respect of unclaimed dividend for the financial year 2010-11 to IEPF. (Members who haven't yet encashed their dividend warrants are requested to make their claims to the Company without any further delay.)
   Further, 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
   http://iepf.gov.in/IEPFA/refund.html
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 alongwith 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 2018-19 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. For Members who have not registered their e-mail addresses, physical copies would be sent by the permitted mode. 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). Even after registering for e-communication, members are entitled to receive such communication in physical form, upon making a request for the same, by post free of cost. For any communication, the Members may also send requests to the Company's email id: cs@balajiamines.com

12. 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.
13. All the documents referred to in the Notice and explanatory statement will be available to the Members at the Registered Office of the company between 10.30 A.M to 12.30 P.M on all working days from the date hereof up to the date of the Meeting.
14. 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 dematerialized 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.
15. Members/Proxies/Representatives are requested to bring the Attendance Slip enclosed in the Annual Report for attending the Meeting.
16. Mr. Y. Suryanarayana, Corporate Lawyer, High Court of Telangana has been appointed as the Scrutiniser to scrutinise the e-voting process in a fair and transparent manner.
17. PROCEDURE FOR REMOTE E-VOTING
    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 31st 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 31st Annual General Meeting (AGM) ("remote e-voting") will be provided by National Securities Depository Limited (NSDL).
    II. The facility for voting through polling paper shall be made available at the AGM and the members attending the meeting who have not cast their vote by remote e-voting shall be able to exercise their right at the meeting through ballot paper.
    III. The members who have cast their vote by remote e-voting prior to the 31st Annual General Meeting (AGM) may also attend the 31st Annual General Meeting (AGM) but shall not be entitled to cast their vote again.
    IV. The remote e-voting period commences on Tuesday, 23rd July, 2019 (9:00 am IST) and ends on Thursday, 25th July, 2019 (5:00 pm IST). During this period members of the Company holding shares either in physical form or in dematerialized form, as on the cut-off date of Thursday, 18th July, 2019, may cast their vote by remote e-voting. The remote e-voting module shall be disabled by NSDL for voting thereafter. Once the vote on a resolution is cast by the member, the member shall not be allowed to change it subsequently.
    V. The process and manner for remote e-voting are as under:
    VI. a) In case a Member receives an email from NSDL [for members whose email IDs are registered with the Company/Depository Participant(s)]:
        i. Open email and open PDF file viz; "BALAJI AMINES LIMITED e-Voting.pdf" with your Client ID or Folio No. as password. The said PDF file contains your user ID and password/PIN for e-voting. Please note that the password is an initial password.
        ii. Launch internet browser by typing the following URL: https://www.evoting.nsdl.com
        iii. Click on Shareholder - Login
        iv. Put user ID and password as initial password/PIN noted in step (i) above. Click Login.
        v. Password change menu appears. Change the password/PIN with new password of your choice with minimum 8 digits/characters or combination thereof. Note new password. It is strongly recommended not to share your password with any other person and take atmost care to keep your password confidential.
        vi. Home page of e-voting opens. Click on e-Voting: Active Voting Cycles.
        vii. Select "EVEN" of BALAJI AMINES LIMITED.
        viii. You are ready for e-voting as Cast Vote page opens.
        ix. Cast your vote by selecting appropriate option & click on "Submit" and also "Confirm" when prompted.
        x. Upon confirmation, the message "Vote cast successfully" will be displayed
        xi. Once you have voted on the resolution, you will not be allowed to modify your vote
        xii. 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. together with attested specimen signature of the duly authorized signatory(ies) who are authorized to vote, to the Scrutinizer through e-mail to suryacorporatelawyer@gmail.com or to the company cs@balajiamines.com with a copy marked

to NSDL at evoting@nsdl.co.in

b) In case a Member receives physical copy of the Notice of AGM [for members whose email IDs are not registered with the Company/Depository Participant (s) or requesting physical copy]:

I. Initial password is provided as below/at the bottom of the Attendance Slip for the AGM :
EVEN (E Voting Event Number) USER ID PASSWORD/PIN

ii. Please follow all steps from Sl. No. (ii) to Sl. No. (xii) above, to cast vote.

VII. In case of any queries, you may refer the Frequently Asked Questions (FAQs) for Shareholders and e-voting user manual for Members available at the Downloads section of www.evoting.nsdl.com or call on the toll free no. 1800-222-990

VIII. If you are already registered with NSDL for e-voting then you can use your existing user ID and password/PIN for casting your vote.

IX. You can also update your mobile number and e-mail id in the user profile details of the folio which may be used for sending future communication(s).

X. 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.

XI. 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., Thursday, 18th July, 2019, 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.

XII. A member may participate in the 31st Annual General Meeting (AGM) even after exercising his right to vote through remote e-voting but shall not be allowed to vote again at the 31st Annual General Meeting (AGM).

XIII. A person whose name is recorded in the register of members or in the register of beneficial owners maintained by the depositories as on the cut-off date only shall be entitled to avail the facility of remote e-voting as well as voting at the 31st Annual General Meeting (AGM) through ballot paper.

XIV. The Chairman shall at the 31st Annual General Meeting (AGM), at the end of discussion on the resolutions on which voting is to be held, allow voting with the assistance of scrutinizer, by use of "Poling Paper" for all those members who are present at the 31st Annual General Meeting (AGM) but have not cast their votes by availing the remote e-voting facility.

XV. The Scrutinizer after the conclusion of voting at the general meeting, will first count the votes cast at the meeting and thereafter unblock the votes cast through remote e-voting in the presence of at least two witnesses not in the employment of the Company and shall make, a consolidated scrutinizer's report of the total votes cast in favour or against, if any, to the Chairman or a person authorized by him in writing, who shall countersign the same and declare the result of the voting forthwith.

XVI. 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.

XVIII. Route map showing directions to reach venue of Annual General Meeting is attached to this Annual Report.

By Order of the Board
For Balaji Amines Limited

Sd/-
Jimisha Parth Dawda
Company Secretary &
Compliance Officer

Date: 15.5.2019
Place : Secunderbad

ADDITIONAL INFORMATION WITH RESPECT TO ITEM NO. 3

Mr. A. Srinivas Reddy (DIN: 03169721), the Whole-time Director 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. A. Srinivas Reddy as Whole-time Director for the period of 5 years.

Mr. A. Srinivas Reddy has completed 44 years of Age. His date of birth is 10th May,1975. Mr. Srinivas Reddy is a Post Graduate in Computer Science. Completed executive management programme at Indian School of Business CTSB Hyderabad. He started his career in one of the largest management consulting firms in USA, Capgemini as a management consultant and worked in various capacities in different countries. He has worked as project manager on multiple projects at large Fortune 100 US companies including Sprint, Good year, Agilent technologies, Cummins Inc, etc. He is presently responsible for Project Execution.

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

Mr. Srinivas Reddy holds 16,50,811 equity shares in the company.

Mr. A. Srinivas Reddy is son of Mr. A. Prathap Reddy, Cousin of Mr. D. Ram Reddy and Brother-in-Law of Mr. G. Hemanth Reddy, who are also Directors and Promoters of the Company.

None of the Directors or KMP except Mr. A. Srinivas Reddy, Mr. A. Prathap Reddy, Mr. D. Ram Reddy and Mr. G. Hemanth 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 15th May, 2019, 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, 2020, at a remuneration of Rs. 60,000 (Rupees Sixty 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, 2020.

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.

ITEM NO 5 T0 9

Mr. T. Naveena Chandra, Mr. M. Amarender Reddy, Mr. C.S.N. Murthy, Mr. Kashinath R. Dhole and Mrs. Vimala B. Madon were appointed as Independent Directors on the Board of the Company pursuant to the provisions of Section 149 of Companies Act, 2013 read with the Companies (Appointment and Qualification of Directors) Rules, 2014 and the erstwhile Clause 49 of the Listing Agreement with the stock exchanges, by the Shareholders at the 26th Annual General Meeting ("AGM") of the Company held on 29th September, 2014. They hold office as Independent Directors of the Company up to 28th September, 2019 except Mrs. Vimala B. Madon who holds office up to 27th July, 2019.

Brief details of the Independent Directors are mentioned below:

Mr. T. Naveena Chandra

Mr. T. Naveena Chandra has completed 58 years of Age. His date of birth is 28th November, 1960 Mr. Naveena Chandra holds Bachelor's degree in Commerce and is a Fellow Member of the Institute of Chartered Accountants of India. He has over 30 years of rich and varied experience in the fields of Finance, Taxation, Projects, and Capital Markets etc.

Mr. Naveena Chandra was first appointed as a director on 24th June, 1996. Mr. Naveena Chandra does not hold any shares in the Company.

Mr. T. Naveena Chandra is also Director in Sri KPR Industries Limited, Saaketa Consultants Limited, Zenith Alternative Energy Ventures Private Limited, Saaketa Commodities Private Limited, CHJ Securities Private Limited and Saaketa Finestock Private Limited.

Mr. T. Naveena Chandra is a Member of the following Board Committees:

Sr. No.	Name of the Company	Name of the Committee	Position held
1.	Balaji Amines Limited	Audit Committee	Chairman
		Nomination & Remuneration Committee	Member
2.	Sri KPR Industries Limited	Audit Committee	Chairman
		Nomination & Remuneration Committee	Member

Mr. M. Amarender Reddy

Mr. Amarender Reddy has completed 67 years of Age. His date of birth is 22nd October, 1951. Mr. Amarender Reddy is a Graduate, he started his career with State Bank of Hyderabad and worked in various capacities as Branch Manager, Chief Manager, Asst. General Manager and Dy. General Manager. He also worked with State bank of Mysore as Dy. General Manager before superannuation. He is credited with vast knowledge on Project Finance, Banking etc.

Mr. Amarender Reddy was first appointed as Director on 30th January, 2012. Mr. Amarender Reddy does not hold any shares in the Company.

Mr. Amarender Reddy is a Member of the following Board Committees:

Sr. No.	Name of the Company	Name of the Committee	Position held
1.	Balaji Amines Limited	Audit Committee	Member
		Stakeholders' Relationship Committee	Chairman
		Nomination & Remuneration Committee	Chairman

Mr. C. S. N. Murthy

Mr. C.S.N Murthy has completed 52 years of Age. His date of birth is 12th March, 1967. Mr. C.S.N Murthy is Chemical Engineer from IIT and IIM Graduate, he started his career with ICICI Venture, and was a Management consultant, Entrepreneur and Professional Executive in different industries. He worked with Pharma Industry as Chief Operating Officer of a Generic Pharma Co., followed by a stint at Dr. Reddy's in the corporate development department. Since 2005, he has been the CEO of Aurigene Discovery Technologies Ltd.

Mr. C.S.N. Murthy was first appointed as Director on 30th January, 2012. Mr. C.S.N. Murthy does not hold any shares in the Company.

Mr. C.S.N. Murthy is also Director in Gland Chemicals Private Limited and Gland Pharma Limited.

Mr. C.S.N. Murthy is a Member of the following Board Committees:

Sr. No.	Name of the Company	Name of the Committee	Position held
1.	Balaji Amines Limited	Audit Committee	Member
2.	Gland Pharma Limited	Compensation Committee	Member

Mr. Kashinath R. Dhole

Mr. Kashinath Dhole has completed 70 years of Age. His date of birth is 1st June, 1949. Mr. Dhole holds, Masters in Science (Chemistry). He started his career as a Chemist and worked for 10 years in a MNC, manufacturing Brake Linings and Cloth Facings and became an Entrepreneur. Presently, he is the Managing Director of Kross International Private Limited, Solapur and has varied industrial experience.

Mr. Kashinath Dhole was first appointed as Director on 11th May, 2013. Mr. Kashinath Dhole holds 321 Equity shares in the Company.

Mr. Kashinath Dhole is also Director in Smruthi Organics Limited, Balaji Speciality Chemicals Private Limited and Kross International Private Limited.

Mr. Kashinath Dhole is a member of the following Board Committees:

Sr. No.	Name of the Company	Name of the Committee	Position held
1.	Balaji Amines Limited	Corporate Social Responsibility Committee	Chairman
2.	Balaji Speciality Chemicals Private Limited	Audit Committee	Chairman
		Nomination & Remuneration Committee	Chairman
3.	Smruthi Organics Limited	Audit Committee	Member

Mrs. Vimala B. Madon

Mrs. Vimala Madon has completed 70 years of Age. Her date of birth is 17th August, 1948. Mrs. Vimala Madon is a Postgraduate with M.A in English and Diploma in French. She started her banking career in the year 1971-72 as a probationary officer. She held various positions in different parts of the country including Branch Manager of small, medium, and large branches. She has vast and rich experience of more than 35 years in Banking. Apart from her parent bank State Bank of Hyderabad, she has worked in SBI Paris and in State Bank of Mysore. She has worked as General Manager (technology) at SBH and later State Bank of Travancore along with the portfolio of MIS and Business Process Re-engineering at Bank's head offices in Hyderabad and Thiruvananthapuram till her retirement in the year 2008. Post her retirement, she is active in social activities which includes working with blind students, and people suffering from depression and suicidal tendencies. She also conducts life skills workshops occasionally.

Mrs. Vimala Madon was first appointed as Director on 28th July, 2014. Mrs. Vimala Madon does not hold any shares in the Company.

Mrs. Vimala Madon is also Director in Godavari Drugs Limited and Gameopedia Data Solutions Private Limited.

Mrs. Vimala Madon is a Member of the following Board Committees:

Sr. No.	Name of the Company	Name of the Committee	Position held
1.	Balaji Amines Limited	Nomination & Remuneration Committee	Member

All the Independent Directors would be entitled to sitting fees for attending the Meetings of the Board of Directors and Committees thereof.

The Nomination & Remuneration Committee at its Meeting held on 15th May, 2019 on the basis of performance evaluation of Independent Directors and taking into account the, the knowledge, experience and the substantial contribution made by Mr. T. Naveena Chandra, Mr. M. Amarender Reddy, Mr. C.S.N. Murthy, Mr. Kashinath R. Dhole and Mrs. Vimala B. Madon during their tenure, has recommended to the Board that continued association as Independent Directors of the Company would be beneficial to the Company. Based on the above and the performance evaluation of Independent Directors, the Board recommends the re-appointment of Mr. T. Naveena Chandra, Mr. M. Amarender Reddy, Mr. C.S.N. Murthy, Mr. Kashinath R. Dhole and Mrs. Vimala B. Madon, as Independent Directors of the Company, not liable to retire by rotation, to hold office for a second term of five consecutive years on the Board of the Company commencing from 26th July, 2019 to 25th July, 2024.

Mr. T. Naveena Chandra, Mr. M. Amarender Reddy, Mr. C.S.N. Murthy, Mr. Kashinath R. Dhole and Mrs. Vimala B. Madon are not disqualified from being appointed as Directors in terms of section 164 of the Companies Act, 2013 and have given their consent to act as Directors. The Company has received declarations from all Independent Directors stating that they meet the criteria of independence as prescribed under sub-section (6) of section 149 of the Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

In the opinion of the Board, all the Independent Directors fulfils the conditions specified in the Act and SEBI Listing Regulations for appointment as an Independent Director and is independent of the management of the Company.

Save and except Mr. T. Naveena Chandra, Mr. M. Amarender Reddy, Mr. C.S.N. Murthy, Mr. Kashinath R. Dhole and Mrs. Vimala B. Madon, and their relatives in respect of their respective appointments, none of the other Directors, Key Managerial Personnel (KMP) of the Company and their relatives are, in any way, concerned or interested, financially or otherwise, in the Resolution set out at Item Nos. 5 to 9 of the Notice. None of the Directors and KMP of the Company are inter-se related to each other.

The Board commends the Special Resolutions set out at Item Nos. 5 to 9 of the Notice for approval of the Members.

ITEM NO 10 T0 14

In terms of Regulation 17(6)(e) of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) (Amendment) Regulations, 2018 issued on 9th May, 2018 ("Amended Listing Regulations"), the fees or compensation payable to Executive Directors who are promoters or members of the promoter group, shall be subject to the approval of the shareholders by Special Resolution in general meeting, if:

a. The annual remuneration payable to such Executive Director exceeds rupees 5 crore or 2.5 per cent of the net profits of the Listed Entity, whichever is higher; or
b. Where there is more than one such Director, the aggregate annual remuneration to such Directors exceeds 5 per cent of the net profits of the Listed Entity

Provided that the approval of the Members under this provision shall be valid only till the expiry of the term of such Director.

Mr. A. Prathap Reddy

Mr. A. Prathap Reddy (DIN: 00003967) was re-appointed as Chairman and Managing Director for a term of five years effective from 1st April, 2016 and his remuneration was also approved by the members of the Company in their Annual General Meeting held on 30th July, 2016 by way of ordinary resolution. In the Annual General Meeting held on 30th August, 2018, he was re-designated as Executive Chairman for the remaining period of his tenure at the remuneration already approved by the Members. As per the Amended Listing regulations, and on recommendation of Nomination and Remuneration Committee, Board of Directors are seeking for Members' approval by way of Special Resolution for paying him remuneration as per already approved terms and conditions as his remuneration exceeds the limits prescribed in Regulation 17(6)(e) of Amended Listing regulations.

Mr. A. Prathap Reddy holds 49,54,873 equity shares in the Company.

Mr. A. Prathap Reddy is father of Mr. A. Srinivas Reddy, Uncle of Mr. D. Ram Reddy and Father-in-Law of Mr. G. Hemanth Reddy, who are also Directors and Promoters of the Company.

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

Mr. D. Ram Reddy

Mr. D. Ram Reddy (DIN: 00003864) was re-appointed as whole-time Director and designated Joint Managing Director for a term of five years effective from 1st April, 2016 and his remuneration was also approved by the members of the Company in their Annual General Meeting held on 30th July, 2016 by way of ordinary resolution. In the Annual General Meeting held on 30th August,

2018, he was re-designated as Managing Director for the remaining period of his tenure at the remuneration already approved by the Members. As per the Amended Listing regulations, and on recommendation of Nomination and Remuneration Committee, Board of Directors are seeking for Members' approval by way of Special Resolution for paying him remuneration as per already approved terms and conditions as his remuneration exceeds the limits prescribed in Regulation 17(6)(e) of Amended Listing regulations.

Mr. D. Ram Reddy holds 4,66,905 equity shares in the Company.

Mr. D. Ram Reddy is nephew of Mr. A. Prathap Reddy and cousin of Mr. A. Srinivas Reddy, who are also Directors and Promoters of the Company.

None of the Directors or KMP except Mr. D. Ram Reddy, Mr. A. Prathap Reddy and Mr. A. Srinivas Reddy, may be considered to be interested in the Resolution.

Mr. N. Rajeshwar Reddy

Mr. N. Rajeshwar Reddy (DIN: 00003854) was re-appointed as whole-time Director and designated Joint Managing Director for a term of five years effective from 1st April, 2016 and his remuneration was also approved by the members of the Company in their Annual General Meeting held on 30th July, 2016 by way of ordinary resolution. As per the Amended Listing regulations, and on recommendation of Nomination and Remuneration Committee, Board of Directors are seeking for Members' approval by way of Special Resolution for paying him remuneration as per already approved terms and conditions as his remuneration exceeds the limits prescribed in Regulation 17(6)(e) of Amended Listing regulations.

Mr. N. Rajeshwar Reddy holds 5,94,895 equity shares in the Company.

Mr. N. Rajeshwar Reddy is Brother-in-law of Mr. G. Hemanth Reddy, who is also Director and Promoter of the Company.

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

Mr. G. Hemanth Reddy

Mr. G. Hemanth Reddy (DIN: 00003868) was re-appointed as whole-time Director & CFO for a term of five years effective from 1st April, 2016 and his remuneration was also approved by the members of the Company in their Annual General Meeting held on 30th July, 2016 by way of ordinary resolution. As per the Amended Listing regulations, and on recommendation of Nomination and Remuneration Committee, Board of Directors are seeking for Members' approval by way of Special Resolution for paying him remuneration as per already approved terms and conditions as his remuneration exceeds the limits prescribed in Regulation 17(6)(e) of Amended Listing regulations.

Mr. G. Hemanth Reddy holds 7,05,020 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.

Mr. A. Srinivas Reddy

Mr. A. Srinivas Reddy (DIN: 03169721) was re-appointed as whole-time Director for a term of five years effective from 1st April, 2016 and his remuneration was also approved by the members of the Company in their Annual General Meeting held on 30th July, 2016 by way of ordinary resolution. As per the Amended Listing regulations, and on recommendation of Nomination and Remuneration Committee, Board of Directors are seeking for Members' approval by way of Special Resolution for paying him remuneration as per already approved terms and conditions as his remuneration exceeds the limits prescribed in Regulation 17(6)(e) of Amended Listing regulations.

Mr. Srinivas Reddy holds 16,50,811 equity shares in the company.

Mr. A. Srinivas Reddy is son of Mr. A. Prathap Reddy, Cousin of Mr. D. Ram Reddy and Brother-in-Law of Mr. G. Hemanth Reddy, who are also Directors and Promoters of the Company.

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

The Board commends the Special Resolutions set out at Item Nos. 10 to 14 of the Notice for approval of the Members.

Item No 15

Balaji Speciality Chemicals Private Limited is currently at the initial stage of setting up, for which there is an ongoing requirement for funds. Accordingly, in order to meet these funding requirements and ensure necessary compliances of the provisions of the Companies Act, 2013 the Board of Directors, hereby proposes to grant loans to Balaji Speciality Chemicals Private Limited upto an aggregate amount of Rs. 150 Crores.

The Board at its Meeting held on 15th May, 2019 had considered the proposal of granting loan to Balaji Speciality Chemicals Private

Limited subsidiary of the company in one or more tranches, for the principal business activities of the Company for an amount not exceeding Rs. 150 Crores, in aggregate at the rate of 9.50% p.a. which is to be reset as and when bank revise their interest rate to Balaji Amines Limited with marking of 0.50% and to be repaid within 3 years.

Pursuant to Section 185 of the Companies Act, 2013, prior approval of the Members of the Company by means of Special Resolution is necessary to grant any loan to any entity in which directors of the Company are interested.

Balaji Speciality Chemicals Private Limited is subsidiary of the company having common directors. Save and except Executive Directors and their relatives who are deemed to be interested in the Company, none of the other Directors, Key Managerial Personnel (KMP) of the Company and their relatives are, in any way, concerned or interested, financially or otherwise, in the Resolution set out at Item 15 of the Notice.

The Board commends the Special Resolution set out at Item No. 15 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: 15.5.2019
Place : Secunderbad

DIRECTOR'S REPORT

To,
The Members,
Balaji Amines Limited

Your Directors are pleased to present to you the 31st Annual Report along with the Audited Statement of Accounts of the Company for the year ended 31st March, 2019.

1) FINANCIAL RESULTS **(Rs. in Lakhs)**

Particulars	2018-19	2017-18
Revenue from Operations	94983.16	86123.36
Other Income	521.85	407.37
Total Revenue	**95505.01**	**86530.73**
Profit before Finance Charges, Tax Expenses, Exceptional items and Depreciation	19862.28	19356.73
Less : Depreciation	1955.39	1928.79
Profit before Finance Charges, Tax Expenses, Exceptional items	17906.89	17427.94
Less : Finance Charges	1302.59	904.01
Profit before Tax Expenses and Exceptional items	16604.30	16523.93
Add : Exceptional Items	355.99	59.91
Profit before Tax	16960.29	16583.84
Provision for Tax	5152.68	5265.74
Profit after Tax	11807.61	11318.10
Total Comprehensive Income	11807.61	11318.10
Less : Transfer to Reserves	1181.00	1132.00
Balance	**10626.61**	**10186.10**
Balance of profit of earlier years	40086.94	30758.79
Less : Dividend Paid on Equity Shares	842.43	712.82
Dividend Distribution Tax	171.52	145.13
Balance Carried Forward	**49699.60**	**40086.94**

2) PERFORMANCE HIGHLIGHTS

Your company has achieved a Gross Income of Rs. 94983.16 Lakhs during the financial year 2018-19 an increase of 8.60% over the previous year. The Profit After Tax for the year stood at Rs. 11807.61 Lakhs as against previous year Profit After Tax of Rs. 11318.10 Lakhs registering an increase of 4.32% over previous year.

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

3) DIVIDEND

Your Directors are pleased to recommend for approval of the Members a dividend of Rs. 2.80/- per share that is 140% on paid up value of Rs. 2/- per share (previous year 130% on paid up value of Rs. 2/- per share). The total cash outflow on account of dividends payable including dividend distribution tax payable is Rs. 1091. 92 Lakhs (previous year Rs. 1013.94 Lakhs).

4) TRANSFER TO RESERVES

The Company proposes to transfer a sum of Rs. 1181.00 Lakhs to the General Reserves. An amount of Rs. 10626.61 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 upgraded during the year from IND A+ to "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 2018-19, 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.

Mr. A. Srinivas Reddy retires by rotation and, being eligible, offers himself for re-appointment at the 31st Annual General Meeting (AGM) of the Company scheduled to be held on 26th July, 2019.

The Nomination and Remuneration Committee, on the basis of performance evaluation of Independent Directors and taking into account the external business environment, the business knowledge, experience and the contribution made by Mr. T. Naveena Chandra, Mr. M. Amarender Reddy, Mr. C.S.N. Murthy, Mr. Kashinath R. Dhole and Mrs. Vimala B. Madon during their tenure, has recommended to the Board that continued association of Mr. T. Naveena Chandra, Mr. M. Amarender Reddy, Mr. C.S.N. Murthy, Mr. Kashinath R. Dhole and Mrs. Vimala B. Madon as Independent Directors of the Company for the second term would be beneficial to the Company. Based on the above and the performance evaluation of Independent Directors, the Board recommends re-appointment of Mr. T. Naveena Chandra, Mr. M. Amarender Reddy, Mr. C.S.N. Murthy, Mr. Kashinath R. Dhole and Mrs. Vimala B. Madon.

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 fulfil 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, four 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 2018-19 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 2018-19 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 and 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 Polyvinyl Pyrrolidone plant have been initiated and resulted 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 IPA, MIPA and Betaine HCL were undertaken during the year by your company.
h. After successful development of the process, 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, IPA/MIPA.

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 2018-19 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, 2019, in Form No. MGT-9 is annexed herewith and marked as 'Annexure II' forming part of this report.

21) PARTICULARS OF EMPLOYEES

The Company had five employees including the Whole-time Directors who were in receipt of remuneration of not less than Rs.1,02,00,000 during the year ended 31st March, 2019 or not less than Rs. 8,50,000 per month during any part of the year.

A statement pursuant to the Section 197 read with Rule 5 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 is annexed as 'Annexure III' to this report.

None of these employees are relative of any Director of the Company.

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, by the Companies (Amendment) Act, 2017, provisions pretaining to 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, Statutory Auditors of the Company on standalone and consolidated Financial Statements of the Company does not contain any qualification, reservation or adverse remark.

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 2019-20 on a remuneration of Rs. 60,000/- (Rupees Sixty 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 2018-19. The Secretarial Audit Report, pursuant to Section 204(1) of the Companies Act, 2013, for the financial year ended 31st March, 2019 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, and as per Regulation 22 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 for the employees to report their grievances / concerns about instances of unethical behaviour, actual or suspected fraud or violation of Company's Code of Conduct by means of Protected Disclosure to the Authorised 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 PARTIES

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 and 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) 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.

36) 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.

37) DISCLOSURE UNDER THE SEXUAL HARASSMENT OF WOMEN 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 complaints received	:	Nil
No. of complaints disposed of	:	Nil

38) 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: 15.5.2019
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, 2019 (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. 44,00,39,080
6	Total Assets	Rs. 2,65,01,66,933
7	Total Liabilities	Rs. 1,81,01,27,853
8	Investments	-
9	Turnover	Rs. 12,60,957
10	Profit before taxation	Rs. 39,080
11	Provision for Taxation	-
12	Profit after taxation	Rs, 39,080
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 : 15th May, 2019
Place : Secunderabad

ANNEXURE -II

FORM NO. MGT 9
EXTRACT OF ANNUAL RETURN
As on financial year ended on 31.03.2019
[Pursuant to Section 92 (3) of the Companies Act, 2013, and rule 12(1) of the Company (Management & Administration) Rules, 2014]

I. Registration & Other Details:-

1.	CIN	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	97.76%
2.	Hotel Balaji Sarovar Premiere	55101	2.24%

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-2018]				No. of shares held at the End of the year [As on 31-March-2019]				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
A. Promoters									
(1) Indian									
a) Individual/HUF	12899196	0	12899196	39.81	12521146	0	12521146	38.64	(1.17)
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):-	**17673916**	**0**	**17673916**	**54.55**	**17295866**	**0**	**17295866**	**53.38**	**(1.17)**
(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)	**17673916**	**0**	**17673916**	**54.55**	**17295866**	**0**	**17295866**	**53.38**	**(1.17)**
B. Public Shareholding									
1. Institutions									
a) Mutual Funds	593222	-	593222	1.83	307884	-	307884	0.95	(0.88)
b) Banks / FI	23629	-	23629	0.07	24970	-	24970	0.08	0.01
c) Central Govt	-	-	-	-	-	-	-	-	-
d) State Govt(s)	-	-	-	-	-	-	-	-	-
e) Venture Capital Funds	-	-	-	-	-	-	-	-	-
f) Insurance Companies	-	-	-	-	-	-	-	-	-
g) FIIs	8757	-	8757	0.03	9688	-	9688	0.03	0.00
h) Foreign Venture Capital Funds	-	-	-	-	-	-	-	-	-
i) Others (Specify)	-	-	-	-	-	-	-	-	-
j) Alternate Investment Funds	-	-	-	-	5382	-	5382	0.02	0.02
Sub-total (B)(1):-	**625608**	**-**	**625608**	**1.93**	**347924**	-	**347924**	**1.07**	**(0.86)**
2. Non-Institutions									
a) Bodies Corp.	994558	14000	1008558	3.11	899712	7000	906712	2.80	(0.31)
I. Indian	-	-	-	-	-	-	-	-	-
ii. Overseas	-	-	-	-	-	-	-	-	-
b) Individuals									
I. Individual shareholders holding nominal share capital upto ₹1 Lakh	5273351	488090	5761441	17.78	5616946	409590	6026536	18.60	0.82
ii. Individual shareholders holding nominal share capital is excess of ₹1 Lakh	6563954	-	6563954	20.26	6865013	-	6865013	21.19	0.93
c) Others (Specify)									
Foreign Portfolio Investors	412626	-	412626	1.27	459730	-	459730	1.42	0.15
Clearing Member	159386	-	159386	0.49	49705	-	49705	0.15	(0.34)
Trust	6000	-	6000	0.02	667	-	667	0.00	(0.02)
Non Resident Individuals	154901	-	154901	0.48	408672	-	408672	1.26	0.78
IEPF	35110	-	35110	0.11	40175	-	40175	0.12	0.01
Sub-total (B)(2):-	**13599386**	**502090**	**14101476**	**43.52**	**14340620**	**416590**	**14757210**	**45.55**	**2.03**
Total Shareholding of Public (B) = (B)(1)+(B)(2)	**14224994**	**502090**	**14727084**	**45.45**	**14688544**	**416590**	**15105134**	**46.62**	**1.17**
C. Shares held bu Custodian for GDRs & ADRs	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
Grand Total (A+B+C)	**31898910**	**502090**	**32401000**	**100**	**31984410**	**416590**	**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	1650811	5.09	0.00	NIL
3	A. Annapurna Devi	314850	0.97	0.00	314850	0.97	0.00	NIL
4	A. Prathap Reddy	4929148	15.21	0.00	4954873	15.29	0.00	0.08
5	N. Rajeshwar Reddy	594895	1.84	0.00	594895	1.84	0.00	NIL
6	D. Ram Reddy	466905	1.44	0.00	466905	1.44	0.00	NIL
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	705020	2.18	0.00	NIL
10	A. Shakuntala Devi	1959250	6.05	0.00	1959250	6.05	0.00	NIL
11	D. Vandana	228019	0.70	0.00	228019	0.70	0.00	NIL
12	G. Madhumathi	574150	1.77	0.00	574150	1.77	0.00	NIL
13	N. Eeshan Reddy	99500	0.31	0.00	99500	0.31	0.00	NIL
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	**17270141**	**53.30**	**0.00**	**17295866**	**53.38**	**0.00**	**0.08**

Note : Mr. Gaddam Raja Reddy holding 403775 shares was in promoter category in last financial year, however he has been reclassified to public category in current financial year upon obtaining approval of stock exchanges.

C) Change in Promoters' Shareholding:

Sr. No.	Particulars	Shareholding at the beginning of the year		Cumulative shareholding during the year	
	Mr. A. Prathap Reddy	**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	**4929148**	**15.21**	**4929148**	**15.21**
	Date wise Increase/Decrease in promoters shareholding during the year specifying the reasons for increase/decrease (e.g.allotment/transfer/bonus/sweat equity etc.)	8187 shares acquired through Market Purchase on 6.6.2018	0.03	4937335	15.24
		4265 shares acquired through Market Purchase on 5.9.2018	0.01	4941600	15.25
		13273 shares acquired through Market Purchase on 5.2.2019	0.04%	4954873	15.29
	At the end of the year			**4954873**	**15.29**

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 (01/04/2018)	% 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
2.	Vineel Reddy Nalla	1050145	3.24	No Change			1050145	3.24
3.	Vinitha Nalla	958440	2.96	No Change			958440	2.96
4.	Vijaya Nalla	798500	2.46	No Change			798500	2.46
5.	Veera Reddy Yannam Srinivas Reddy Yannam Vijaya Laxmi Yannam	469717	1.45				469717	1.45
				20.04.2018	(14)	Sale	469703	1.45
				21.09.2018	500	Purchase	470203	1.45
				12.10.2018	18	Purchase	470221	1.45
				19.10.2018	256	Purchase	470477	1.45
				26.10.2018	4	Purchase	470481	1.45
				02.11.2018	296	Purchase	470777	1.45
				08.02.2019	1696	Purchase	472473	1.46
				08.03.2019	200	Purchase	472673	1.46
	At the end of the year (31.03.2019)						472673	1.46
6.	Gaddam Raja Reddy	403775	1.25	No Change			403775	1.25
7.	Vijaya Laxmi Yannam Veera Reddy Yannam Srinivas Reddy Yannam	403125	1.24				403125	1.24
				21.09.2018	500	Purchase	403625	1.25
	At the end of the year (31.03.2019)						403625	1.25
8.	Yelamanchali Bebi Sarojini	283049	0.87	No Change			283049	0.87
9.	Srinivas Reddy Yannam Veera Reddy Yannam Vijaya Laxmi Yannam	200000	0.62	No Change			200000	0.62
10.	Vijaya S	200000	0.62				200000	0.62
				04.05.2018	(58)	Sale	199942	0.62
				15.03.2019	(9000)	Sale	190942	0.59
				29.03.2019	(5578)	Sale	185364	0.57
	At the end of the year (31.03.2019)						185364	0.57

E) Shareholding of Directors and Key Managerial Personnel:-

Sr. No.	Shareholding of each Directors & 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	4929148	15.21	4954873	15.29
2.	Mr. N. Rajeshwar Reddy	594895	1.84	594895	1.84
3.	Mr. D. Ram Reddy	466905	1.44	466905	1.44
4.	Mr. G. Hemanth Reddy	705020	2.17	705020	2.17
5.	Mr. A. Srinivas Reddy	1650811	5.09	1650811	5.09
6.	Mr. T. Naveena Chandra	50	-	-	-
7	Mr. M. Amarender Reddy	-	-	-	-
8.	Mr. C.S.N. Murthy	-	-	-	-
9.	Mr. Kashinath R Dhole	-	-	321	-
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	114,70,61,481	-	-	114,70,61,481
ii) Interest due but not paid	14,81,874	-	-	14,81,874
iii) Interest accrued but not due	0	-	-	0
Total (i+ii+iii)	**114,85,43,355**	-	-	**114,85,43,355**
Change in Indebtedness during the financial year				
* Addition	39,04,33,547	-	-	39,04,33,547
*Reduction	59,15,05,572	-	-	59,15,05,572
Net Change	**-20,10,72,025**	-	-	**-20,10,72,025**
Indebtedness at the end 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**

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	49,32,000	41,10,000	41,10,000	41,10,000	36,16,800	2,08,78,800
	(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	5,04,60,049 -	3,28,18,032 -	3,28,18,032 -	1,43,54,016 -	3,33,11,232 -	16,37,61,361 -
5.	Others	-	-	-	-	-	-
	Total	**5,53,92,049**	**3,69,28,032**	**3,69,28,032**	**1,84,64,016**	**3,69,28,032**	**18,46,40,161**
	Ceiling as per the Act	Maximum Upto Rs. 18,46,40,161/-					

* 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.

B) Remuneration to other directors:- **(Amount in Rs.)**

Sr. No.	Particulars of Remuneration	Name of Directors				
1.	Independent Director	Mr. T. Naveena Chandra	Mr. M. Amarender Reddy	Mr. C.S.N. Murthy	Mr. Kashinath R. Dhole	Mrs. Vimala B. Madon
	Fee for attending board committee meetings	73,000	81,000	37,000	54,000	65,000
	Commission	-	-	-	-	-
	Others, please specify	-	-	-	-	-
	Total(1)	**73,000**	**81,000**	**37,000**	**54,000**	**65,000**
2.	Other Non-Executive Directors	-	-	-	-	-
	Fee for attending board committee meetings	-	-	-	-	-
	Commission	-	-	-	-	-
	Others, please specify	-	-	-	-	-
	Total(2)	-	-	-	-	-
	Total=(1+2)	**73,000**	**81,000**	**37,000**	**54,000**	**65,000**
	Overall Ceiling as per the Act	Maximum of Rs. 1,00,000/- per meeting per Independent Director				

C) Remuneration to Key Managerial Personnel other that MD/Manager/WTD: **(Amount in Rs.)**

Sr. No.	Particulars of Remuneration	Key Managerial Personnel			
		CEO	CS Mrs. Jimisha Parth Dawda	CFO *Mr. G. Hemanth Reddy	Total
1.	Gross Salary				
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	-	5,35,799	41,10,000	46,45,799
	(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			1,43,54,016	1,43,54,016
	- Others, Specify			-	
5.	Others	-	-	-	
	Total	-	**5,35,799**	**1,84,64,016**	**1,89,99,815**

* 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

A. Prathap Reddy
Executive Chairman
DIN: 00003967

Date : 15. 5. 2019
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 2018-19* (amount in Rs.)	Ratio of Remuneration of each Director to median remuneration of employees	% increase in Remuneration in the financial year 2018-19
Mr. A. Prathap Reddy	Executive Chairman	49,32,000	25.11	3.44
Mr. D. Ram Reddy	Managing Director	41,10,000	20.93	4.16
Mr. N. Rajeshwar Reddy	Joint Managing Director	41,10,000	20.93	4.16
Mr. G. Hemanth Reddy	Whole-time Director & CFO	41,10,000	20.93	4.16
Mr. A. Srinivas Reddy	Whole-time Director	36,16,800	18.41	4.78
Mrs. Jimisha Parth Dawda	Company Secretary & Compliance Officer	5,35,799	2.72	48.89

*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. 1,96,398/-

iii. The percentage increase in the median remuneration of employees in the financial year ending 31st March, 2019 was Rs.21,810/- (14.5 %).

iv. There were 770 permanent employees on the rolls of Company as on 31st March, 2019.

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 2018-19	Whether employee is relative of any directoror Manager of the Company
1.	Mr. A. Prathap Reddy Executive Chairman	Contractual	He is a Civil Engineer by Qualification; He has over 40 Years of experience across varied industries. (Age - 68 Years.)	27th October, 1988	Nil	5,53,92,049	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 30 years of experience in varied industries. (Age - 58 Years)	15th January, 1989	Nil	3,69,28,032	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 - 64 Years)	27th October, 1988	Nil	3,69,28,032	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 25 years of experience spread across various businesses. (Age - 53 Years)	28th July, 2008	Bhagyanagar Woodplast Limited	1,84,64,016	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	3,69,28,032	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 - 66 Years)	1st April, 1998	Atul Limited, Ankleshwar	28,00,000	No
7	Mr. Hanumantha Reddy Thippa Reddy Bayalu (Sr. GM - Operations)	On Roll	He is a Post Graduate with BE (Chem.) and he has over 27 experience in Projects & Process. (Age - 53 Years)	1st November, 2016	Netmatrix Crop Care Limited, Visakhapatnam	21,60,000	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 - 59 Years)	15th May, 1990	NA	16,40,000	No

I. The remuneration of Rs.16 Lakhs p.a. is given to 5 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. 102 Lakhs p.a or above whether employed throughout or part of the financial year.

iii. 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 : 15.5.2019
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 compliance 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, 2019 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, 2019 according to the provisions of:

   (I) The Companies Act, 2013 (the Act) and the rules made thereunder;

   (ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;

   (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;

   (iv) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, 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 & 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. 9769
C P No: 3829

Date: 11.05.2019
Place: Hyderabad

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. 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. 9769
C P No: 3829

Date: 11.05.2019
Place: Hyderabad

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 as retainers who are responsible for improving energy conservation. The team implements the latest trends, developments and 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. Power generation turbine that generates power while reducing pressure in Steam.
6. Concentration of Effluent using high pressure RO system that has reduced effective effluent load to multiple effect evaporator.
7. Deployment of dry vacuum pumps that have helped reduced steam consumption as well as reduced overall effluent load at the plants. This replacement activity is being continued at all sites.
8. Reclaim of and purification of Hydrogen for reuse in plant from waste gases.
9. Deployment of cooling tower protective coating to reduce dosing chemicals.

(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 deployment of Solar Panels at Unit 3, Chincholi which is under commissing. 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

1. Optimizing the usage of energy efficient pumping systems.
2. Waste water recovery system through R.O. unit.
3. Deployment of equipment that has allowed us to use Raw Water instead of R.O. Water in cooling towers. This has helped save large quantities of RO reject water.
4. Deployment of more efficient Effluent processing system(30% lower cost of processing using Multiple Effect Evaporator system).
5. Biological treatment facilities pilot and full-fledged plant setup at Unit 1, Tamalwadi. The same will allow for lower cost of effluent processing cost and is scheduled for commissioning in the current year.
6. Replacement of steam ejectors with Dry Vacuum pumps
7. Use of high pressure RO systems for reduction of effluent quantity

Impact of the above measures are:

1. Free power to part of the offices as well as Chincholi Manufacturing site through solar unit. Sustainable usage of water resources.
2. The overall reduction of energy costs and also efficiency of various plants have been Improved.
3. Reduced cost of effluent treatment at Chincholi Site and Tamalwadi Site.
4. Lower wastage of water via RO reject (And subsequent processing in Multiple effect evaporator).
5. Lower cost of cooling due to use of Dry Air Cooled 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 in discussion with process teams.

ii. The Benefits derived like product improvement, cost reduction, product development or import substitution:
   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) New Products Acetonitrile,MIPA, Improved process of Aliphatic Amines manufacture.

b) Backward and forward integration of products to improve value chain.

c) Improvement of processes in existing plants.

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 833.77 Lakhs.

b) Revenue 0.49 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	**2018-19**	**2017-18**
Foreign Exchange Earned	₹ 2,09,50.34	₹ 1,61,33.91
Foreign Exchange Outgo	₹ 2,70,36.54	₹ 2,17,74.02

For and on Behalf of the Board of Directors

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

Date: 15.5.2019
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 withrelated 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, 2019, 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, 2019, are as follows:

Name(s) of the related party and nature of relationship	Nature of Transaction	Transaction Value	Duration of Transaction	Salient terms of Transaction	Date of approval by the Board	Amount paid in advance
KPR House (A Co-ownership in which Directors and their relatives are interested)	Payment for Office Rent	6,70,380	2 Years	Lease agreement for office taken on monthly rental Rs.62000	31st October, 2018	Nil
Thirumala Precicasts Private Limited (Directors are interested)	Receipt of Office Rent	3,46,077	3 Years	Lease agreement for office given on monthly rental of Rs. 25,000	30th October, 2017	Nil
Balaji Speciality Chemicals Private Limited (subsidiary Company by holding 55% stake)	Receipt of Office Rent	45,000	3 Years	Lease agreement for office given on monthly rental Rs. 5000	14th May, 2018	Nil
Balaji Speciality Chemicals Private Limited (subsidiary Company by holding 55% stake)	Sales Purchase	6,78,03,480 12,60,957	1 Year	Based on Transfer Pricing Guidelines Maximum upto 85 Crores	14th May, 2018	Nil
Balaji Sourcings Pvt. Ltd. (Directors are interested)	Sales Purchase	2,34,82,944 2,22,69,196	1 Year	Based on Transfer Pricing Guidelines Maximum upto 60 Crores	23rd July, 2018	Nil
P.D. Enterprises (owned by Mr. Parth Dawda who is acting as an Distributor /Agent of Coffee Day Global Limited and is husband of Mrs. Jimisha Parth Dawda, Company Secretary of the Company)	Purchase	15,858	1 Year	As per agreement between Coffee Day Global Limited and Hotel Balaji Sarovar Premiere and as per the rates fixed by Coffee Day Global Limited	28th January, 2019	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 : 15.5.2019
Place : Secunderabad

Particulars of loans/advances, etc. pursuant to Para A of Schedule V of the SEBI (Listing Obligations and 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. 32,65,76,847/-

There are no transactions entered into between the company with any person or entity belonging to the promoter / promoter group which holds 10% or more shareholding in the company.

For and on Behalf of the Board of Directors

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

Date : 15.5.2019
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. 131,04,86,425

4. Prescribed CSR Expenditure (two percent of the amount on item 3 above):
The Company is required to spend Rs. 2,62,09,728 towards CSR activities.

5. Details of CSR spent for the financial year 2018-19

i. Total amount spent for the financial year :Rs. 2,63,02,460/- (Previous year: Rs.1,89,03,798/-)
ii. Amount unspent, if any : NIL

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 expe-nditure upto the reporting period	Amount spent: Direct or through implementing agency
1	**Health Care:** Improving health conditions and medical facilities in various villages of Maharashtra by constructing toilets, water collection system, Providing Drinking water RCC Tanks, RO Plants, dustbins, Providing medical aid etc.	Mohol Taluka, Solapur District and Osmanabad District of Maharashtra and Nizampet Mandal of Medchal District, Telangana	NA	92,00,307	2,29,50,783	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 Equipment and Other relevant materials. Educational Aid and encouragement to needy students for studies or any other activities of their interest.		NA	73,21,868	1,95,72,644	Direct

Sr. No	Project Area/Sector	Locations	Amount outlay (budget) project or programs wise	Amount spent on the projects or Programs	*Cumulative expenditure upto the reporting period	Amount spent: Direct or through implementing agency
3	**Social Welfare:** Promoting Road safety, Cleanliness under Swach Bharat Abhiyan		NA	4,37,670	18,05,958	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.			30,81,248	2,69,13,231	Direct
5	**Promoting Sports:** Providing necessary Infrastructure for sports activities, providing sports equipment			9,11,113	9,11,113	Direct
6	**Contribution for Armed forces**			50,00,000	50,00,000	Direct
7	**CSR Administrative Expenses**			3,50,254	13,34,598	Direct
	Total			**2,63,02,460**	**7,84,88,327**	

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

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 : 15.5.2019
Place : Secunderabad

MANAGEMENT DISCUSSION AND ANALYSIS REPORT

Global Economy

The global economy has slowed down to its lowest pace in three years. It is on track to stabilize, International trade and investments have been weaker than projected at the start of the year, and economic activity in major advanced economies, particularly the Euro Area, and some large emerging markets and developing economies have been weaker than previously anticipated. As per one of the report, growth in the emerging and developing markets is expected to pick up next year as the turbulence and uncertainty that afflicted a number of countries late last year has receded.

Indian Economy

India's GDP grew by 7.2% in FY 2018-19. According to World Bank report, India's growth forecasts are projected to be 7.5% per annum in 2019, 2020 and 2021 — not having been downgraded from their January '19 estimates. In India, growth is expected to remain stable, on account of stable government, support from monetary and fiscal policies, improved confidence, slowing inflation, and robust investment plans. Private consumption and investment will also benefit from strengthening credit growth amid more accommodative monetary policy, with inflation having fallen below the Reserve Bank of India's target.

Indian Chemical Industry

Market size of the Chemical industry in India stood at $163 bn in 2017-18 and is projected to reach $304 bn. by 2025. Total production of chemicals and petrochemicals stood at 47,882,000 MT during 2017-18, a 2.62% increase over 2016-17. Chemical industry in India is highly diversified, covering more than 80,000 commercial products. It is broadly classified into Basic chemicals, Specialty chemicals, and Agrochemicals. India's proximity to the Middle East, the world's source of petrochemicals feedstock, being geographically close by which enables timely supplies with low inventory levels and assists in achieving economies of scale.

Few Highlights of the Indian Chemical Industry are as follows: -

- Indian chemicals industry (excluding pharmaceutical products) ranks 14th in exports globally
- Demand of chemical products is expected to grow at approximately 9% p.a. over the next 5 years
- Indian chemical industry employs directly and indirectly more than 2 million people
- India accounts for approximately 16% of the world's production of dyestuff and dye intermediates.
- Chloro Alkali chemicals have the largest share in the Chemical industry in India with approximately 69% share in the total production.
- Chemical sector constitutes 10.3% of total Indian export share and
- Indian Chemical industry contributes 3.4% of Global chemical production

Amines Chemical Industry

Amines are a large class of nitrogen-containing organic compounds derived from Ammonia (NH3) by displacement of H2 in the ammonia molecule by other radicals such as Methyl, Ethyl and Propanol. Structurally, three types of amines are formed – Primary/Secondary/Tertiary based on the number of hydrogen atoms displaces.

The size of aliphatic amines industry globally is $4.1 billion, which represents just ~0.1% of the ~$4,100bn global chemical industry. Globally, the Aliphatic Amines industry is oligopolistic with two-three producers catering to the majority of demand in a region. Eastman Chemical Company and BASF are the largest players globally with the top six companies controlling around 50% of the global capacities. China is the largest consumer and producer of aliphatic amines accounting for almost 60% of the global production.

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

Globally, ~61% of aliphatic amines and amine-based chemicals get consumed in the pharmaceutical sector, 16% gets consumed in the chemicals industry (i.e. agro chemicals, 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%).

Aliphatic amines are hazardous in nature when not handled with proper safety during transportation and hence 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. Moreover, safety is a critical factor and hence end-users prefer to work with only 2-3 credible suppliers. Only 5% of the Indian demand for methyl amines 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, force customers to source locally rather than import it. So, the industry will remain an oligopoly and threat from new competitors would be limited.
Aliphatic amines and its derivatives are extensively utilised as

solvents and feed additives in pharma, agro-chemicals and specialty chemicals. Solvents can be used as reaction agents or even extraction agents. Their high boiling points and varying densities are used for facilitating multiple reactions. Solvents account for 80%-90% of the mass utilised in a typical pharmaceutical chemical operation. Hence, given the consumable nature of demand and the oligopolistic nature of the industry, there is a strong correlation between revenue growth of aliphatic amines and that of end-user industries.

Ammonia, methanol and denatured ethyl alcohol are the key raw materials used to manufacture aliphatic amines such as methylamine and ethylamine. While ammonia and methanol are used to manufacture methylamines (such as MMA, DMA or TMA), ethylamine (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. 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. Your company passes on any volatility in raw material prices to the end customers.

With the scope of demand for each of our products increasing, your company is expanding into higher derivatives and specialty chemicals.

Europe is the single-largest export market for Indian amine manufacturers as 45-55% of the export revenue comes from Europe alone. USA and Japan are the other key export markets for your company. Your company has received REACH certification for four of its products - Triethylamine (TEA), Gamma-butyrolactone (GBL), NEP and NMP.

REACH certification enables your company to export its products to the 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 its methylamines and derivatives capacity at near optimal utilisation levels, your company is now expanding its key derivative products alongside entering 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 FY19

- Your company reported revenue of Rs. 949.83 crore in FY19, up from Rs. 861.23 crore in the last year, i.e. a growth of 10.29% YoY
- Your company reported EBITDA of Rs. 198.62 crore in FY19, up from Rs. 193.57 crore in the last year, i.e. a growth of 2.61% YoY.
- Profit before tax (PBT) came in at Rs. 169.60 crore during the year, up from Rs. 165.84 crore in the last year, i.e. a growth of 2.27%.
- Your company reported Profit after Tax of Rs. 118.08 crore in FY19, up from Rs. 113.18 crore in the last year, i.e. a growth of 4.33% YoY
- The revenue mix for exports to imports stands at 64.47 %.
- Total Capex spend during FY19 is Rs. 22.07 crore
- The capex has been towards Expansion Plants of Amines & Speciality Chemicals.
- We are pleased to have maintained EBITDA margins at 20.5% in FY19, in spite of sharp & frequent volatility in prices of our key raw material – methanol
- For FY19 The Board of Directors have recommended a final Dividend of Rs. 2.8/- equity share on F.V. of Rs. 2 per equity shares subject to approval of shareholders at the Annual General Meeting
- Our performance for FY19 remained subdued on account of various factors as enumerated below:
  - There has been major volatility in methanol prices and that too on very frequent bases, which did not permit time to pass on the increase in the prices to end-customers. But this is not expected to be an issue in FY20.
  - Our DMF capacity is about 30,000 tons p.a. In FY19, the production was only about 8,000 tons. Your company had applied for anti-dumping duty for DMF, which was denied by the respective department. Your company has appealed against the order and the same may come for hearing in due course of time.

Business Outlook

Morpholine, Acetonitrile and DMAHCL plant

- Your company has got the wildlife clearance for the plants of Morpholine, Acetonitrile and DMAHCL and other small products. The key highlights are: -
  - Both the Plants of Morpholine & Acetonitrile are ready for operations
  - Your company has already started manufacturing of Morpholine.
  - In the Acetonitrile plant, your company is developing a new product, namely THF, for which the trials are going on. Your company will be able to manufacture THF in the same plant as Acetonitrile.
  - In FY20, your company will be able to manufacture 6,500 tons of Morpholine and 6,000 tons of Acetonitrile. The total capacity of Acetonitrile is 9,000 tons p.a.

Greenfield Project (Mega Project)

- The environmental clearance for 90-acre Greenfield project is expected in some time, post which your company will start its construction from the first week of Q2FY20. The highlights of the project are as follows: -
  - The capex involved in the first phase of the project will be about Rs. 200 crore, out of which Rs. 120 crore would be in form of loan and the rest from internal accruals. The peak asset turnover achievable is 2x.
  - The Greenfield project will commence manufacturing of two products – about 50 tons of ethylamine per day and 50 tons of either IPA (Iso Propyl Alcohol) or MIPA (Mono Iso-propyl Amine) per day – from about 15 months after the start of construction.
  - With this Greenfield project, your company's production capacity for ethylamine will increase from 20 tons per day to 70 tons per day. Your company has adopted new technology for manufacturing ethylamine, through which your company will enjoy a price advantage.
  - Also, the MIPA plant will be able to manufacture either of the products – IPA and MIPA.
  - The demand for IPA is 150,000 tons p.a. in India, out of which the demand is met by one player who manufactures about 80,000 tons p.a. while the rest is imported. Also, for MIPA, there is demand for 8000 tons p.a. in India. MIPA also has good export potential. Your company plans to initially produce 20,000 tons of IPA or MIPA.
  - Your company is going to manufacture MIPA and IPA using different technology, where your company will have price advantage.
  - In the Greenfield project, your company will also manufacture another product (whose name the management will disclose at later date) which will be manufactured in India for the first time.
  - Also, the plant is strategically located, at equidistance to the markets in western India and southern India.
  - The full year revenue from the Greenfield project will be visible in FY22, while FY21 will have revenue trickling in for only about a quarter.
  - In the second phase, your company plans to manufacture many other value added products.

Balaji Speciality Chemicals Private Limited (BSCPL)

- Your company is awaiting consent to operate from MPCB for the BSCPL, subsidiary which may come in couple of weeks
- Your company has already done the capex of Rs. 240 Crore. Loan of Rs. 120 crore was taken from banks
- Your company had applied and has received mega project status for this project as well
- The facility has already been visited by two of the three major customers and approval process is in advance stages

Once both, Greenfield project and Balaji Speciality Chemicals Private Limited are fully operational, your company will have incremental revenue inflow of about Rs. 700 crore per annum.

Hotel Business

Your company had started a 5 star hotel in Solapur (only 5 star hotel till date) in Oct'13 with an investment of Rs. 110 crore. It is a 129 room facility. Your company has tied 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) it 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 getting popular as a destination for weddings and other conferences, as a result of which BAL's hotel's banquets are doing very well. IN FY19, the occupancy rate of the Hotel was 63%. In FY19, Average Room Rate (ARR) and Revenue per Available Room (RevPAR) was Rs. 3375/- and Rs. 2133/- respectively. Hotel division did sales of Rs 20.94 crore in FY19 with Cash Profit of Rs. 4.34 crore.

For and on Behalf of
the Board of Directors

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

Date : 15.5.2019
Place : Secunderabad

REPORT ON CORPORATE GOVERNANCE

1. COMPANY'S PHILOSOPHY ON CORPORATE GOVERNANCE

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.

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 objectives of the Company.

At Balaji Amines Limited, the focus is on its core strengths, value systems, hardworking and strategic moves to be in the leading edge of new technology. It also strives to be ahead of competition by taking all the risk assessments well in advance to mitigate the same.

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.

As on 31st March, 2019, the Company's Board comprised 10 Members. 5 out of 10 directors are Independent Directors. 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 30th August, 2018, and also the number of Directorships and committee positions held by them in public limited companies are as follows:

Name of the Director	Category	Directorship and names of other listed entities and category of Directorship	Directorships in other Indian Public Companies	Member-ships held in committees*	Chairman-ships held in committees*	Relationship between directors interse
Mr. A. Prathap Reddy Executive Chairman DIN: 00003967	Executive Director (Promoter)	-	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)	-	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)	-	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)	-	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)	-	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
Mr. T. Naveena Chandra Independent Director DIN: 00231636	Independent Non-Executive Director	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	-	0	2	1	NA
Mr. C.S.N. Murthy Independent Director DIN : 00142138	Independent Non-Executive Director	-	1	1	0	NA
Mr. Kashinath R. Dhole Independent Director DIN : 01076675	Independent Non-Executive Director	Smruthi Organics Ltd. (Independent Director)	2	2	1	NA

Name of the Director	Category	Directorship and names of other listed entities and category of Directorship	Directorships in other Indian Public Companies	Member-ships held in committees*	Chairman-ships held in committees*	Relationship between directors inter se
Mrs. Vimala B. Madon Independent Director DIN : 06925101	Independent Non-Executive Director	Godavari Drugs Ltd. (Independent Director)	1	0	0	NA

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

4. 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 four times during the year under review on 14th May, 2018, 23rd July, 2018, 31st October, 2018 and 28th January, 2019. 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 30th Annual General Meeting was held on 30th August, 2018.

The attendance of the Directors at these Meetings was as under :

Name of Director	Number of Board Meeting Attended	Attendance at the last AGM
Mr. A. Prathap Reddy	4	Yes
Mr. D. Ram Reddy	4	Yes
Mr. N. Rajeshwar Reddy	4	Yes
Mr. G. Hemanth Reddy	4	Yes
Mr. A. Srinivas Reddy	4	Yes
Mr. T. Naveena Chandra	4	No
Mr. M. Amarender Reddy	4	Yes
Mr. C. S. N. Murthy	2	No
Mr. Kashinath R. Dhole	3	Yes
Mrs. Vimala B. Madon	4	No

5. NUMBER OF SHARES HELD BY DIRECTORS

Name of the Director	Designation	No. of Shares held
Mr. A. Prathap Reddy	Executive Chairman	4954873
Mr. D. Ram Reddy	Managing Director	466905
Mr. N. Rajeshwar Reddy	Joint Managing Director	594895
Mr. G. Hemanth Reddy	Whole-time Director & CFO	705020
Mr. A. Srinivas Reddy	Whole-time Director	1650811
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	321
Mrs. Vimala B. Madon	Independent Director	-

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
- Technical / Professional skills and specialized knowledge in relation to Company's business

7. 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.

This Meeting was conducted to enable Independent Directors to discuss matters relating to Company's affairs and put forth their views without the presence of Non-Independent Directors and members of the Management. At these Meeting, 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, taking into account the views of Executive Directors, assessed the quality, quantity and timeliness of the flow of information between the Management and the Board and its Committees which is necessary for the Board to effectively and reasonably perform and discharge their duties. All the Independent Directors were present at the Meeting.

In the opinion of the board, the independent directors fulfil the conditions specified in these regulations and are independent of the management.

8. 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 and 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.

9. 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

10. 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 14th May, 2018, 23rd July, 2018, 31st October, 2018 and 28th January, 2019. 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	2

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.

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 14th May, 2018. 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

a) Non-Executive Directors:

i. There were no pecuniary relationships or transactions of the Non-Executive Independent Directors vis-à-vis the Company excepting for the payment of sitting fees.
ii. Company does not make any payments to Non-Executive Directors excepting for the payment of sitting fees.
iii. Disclosures with respect to remuneration: in addition to disclosures required under the Companies Act, 2013.

Name of the Director	Amount (Rs.)
Mr. T. Naveena Chandra	73,000
Mr. M. Amarender Reddy	81,000
Mr. C.S.N. Murthy	37,000
Mr. Kashinath R. Dhole	54,000
Mrs. Vimala B. Madon	65,000
Total Paid	**3,10,000**

b) Executive Directors

Name of the Director	Salary, Allowances & Perquisites (Rs.)	Benefits (Rs.)	Commission (Rs.)	Sitting Fees (Rs.)	Loans from the Company (Rs.)	Total (Rs.)
Mr. A. Prathap Reddy	49,32,000	-	5,04,60,049	-	-	5,53,92,049
Mr. N. Rajeshwar Reddy	41,10,000	-	3,28,18,032	-	-	3,69,28,032
Mr. D. Ram Reddy	41,10,000	-	3,28,18,032	-	-	3,69,28,032
Mr. G. Hemanth Reddy	41,10,000	-	1,43,54,016	-	-	1,84,64,016
Mr. A. Srinivas Reddy	36,16,800	-	3,33,11,232	-	-	3,69,28,032

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.

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. Ms. 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 14th May, 2018, 23rd July, 2018, 31st October, 2018 and 28th January, 2019 during the financial year 2018-19. 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 grievances 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 Resolved	Pending Complaints
Non Receipt of Dividend Warrant	0	0	0
Miscellaneous	0	0	0
Non receipt of Bonus	NA	NA	NA
TOTAL	**0**	**0**	**0**

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, 2019, 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 4th May, 2018, 18th July, 2018, 22nd October, 2018 and 21st January, 2019. 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 reports 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
2017-2018	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.
2016-2017	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.
2015-2016	28th AGM	Balaji Sarovar Premiere, Balaji Towers, 9/1A/1, Aasara Chowk, Hotgi Road, Solapur-413 224.	Saturday, 30th July, 2016	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	
I.	Annual General Meeting Date, Time and Venue	Friday, 26th July, 2019 at 12.00 noon at Hotel Balaji Sarovar Premiere, Survey No. 9/1A/1, Aasara Chowk, Hotgi Road, Solapur - 413 224 Maharashtra.
ii.	Date of Book Closure	The share transfer books and the Register of Members will be closed on 19th July, 2019 to 26th July, 2019 (both days inclusive)
iii.	Financial year	1st April to 31st March
iv.	Dividend Payment Date	The proposed dividend, if approved at the ensuing Annual General Meeting (AGM) on Friday, 26th July, 2019 will be distributed within 30 days of Annual General Meeting.
v.	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.
vi.	Listing fees	The Company has paid the annual listing fees for the year 2019-2020 to both the above stock exchanges.
vii.	Security Code	BSE : 530999 NSE: BALAMINES
viii.	ISIN Code	INE050E01027
ix.	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
x.	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.

Sr. No.	GENERAL INFORMATION TO SHAREHOLDERS	
xi.	Outstanding GDRs/ADRs/ Warrants or any Convertible Instruments	As on 31st March, 2019, the Company did not have any outstanding GDRs/ADRs/Warrants or any Convertible Instruments.
xii.	Address for the correspondence	Ms. Jimisha Parth Dawda Company Secretary & Compliance Officer Balaji Amines Limited. Balaji Towers No. 9/lA/1, Hotgi Road, Aasara Chowk, Solapur-413 224. Email: cs@balajiamines.com

12. PLANT 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 :Nandi Kandi, Sadasivpet, Sangareddy District, Telangana.

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

13. FINANCIAL REPORTING CALENDAR (INDICATIVE)

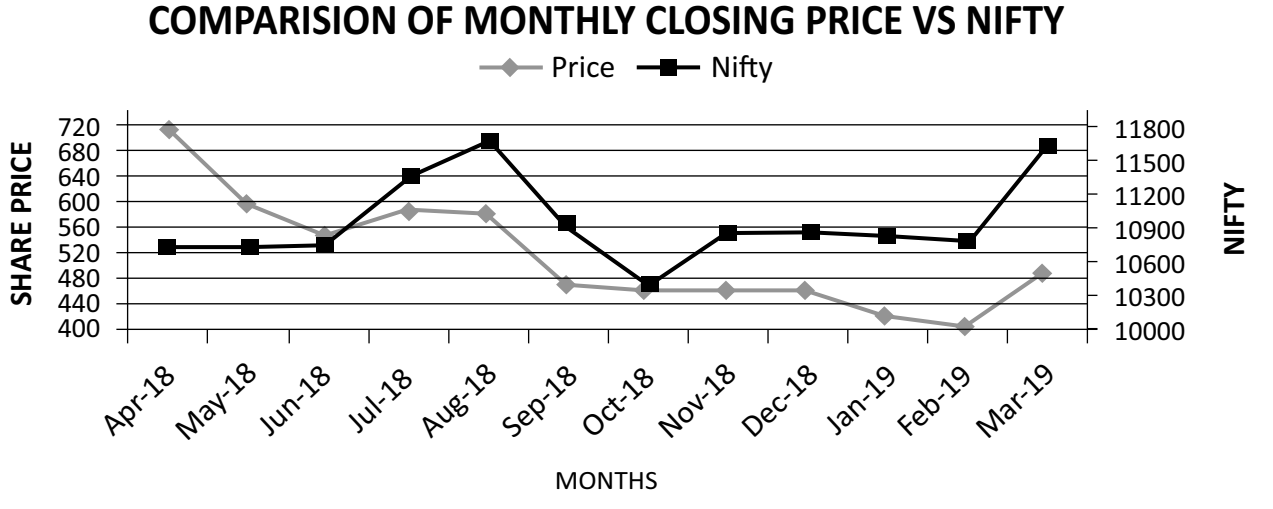
Quarter ending 30th June, 2019	Fourth Week of July, 2019
Half-year ending 30th September, 2019	Fourth Week of October, 2019
Quarter ending 31st December, 2019	Fourth Week of January, 2019
Year ending 31st March, 2020	First or second week of May, 2021

14. MONTH-WISE MARKET PRICE DATA DURING THE YEAR ENDED 31ST MARCH, 2019

MONTH	BSE		NSE	
	High Price	Low Price	High Price	Low Price
Apr- 18	727.05	564.15	730.00	563.50
May-18	723.40	562.65	718.85	566.80
Jun- 18	630.00	506.85	636.75	506.85
July- 18	599.00	470.00	596.50	475.00
Aug- 18	601.45	532.00	603.00	535.00
Sep- 18	590.00	457.85	591.00	456.75
Oct- 18	520.00	411.60	518.35	410.00
Nov- 18	514.00	431.05	516.00	429.35
Dec- 18	474.60	424.00	475.00	421.95
Jan- 19	508.00	415.40	509.00	415.00
Feb- 19	425.00	368.50	426.75	366.10
Mar - 19	510.75	405.55	509.45	402.00

I. BAL's share performance versus BSE Sensex

ii. BAL's share performance versus Nifty



15. DISTRIBUTION OF SHAREHOLDING AS AT 31ST MARCH, 2019

Distribution details on Face Value as at 31st March, 2019				
Nominal Value	**Number**	**% of total**	**In Rs.**	**% of the total**
Upto 5000	14842	96.5	5633164	8.69
5001 - 10000	261	1.7	2100052	3.24
10001 - 20000	123	0.8	1850320	2.86
20001 - 30000	41	0.27	1055208	1.63
30001 - 40000	18	0.12	629340	0.97
40001 - 50000	13	0.08	595550	0.92
50001 - 100000	35	0.23	2384772	3.68
100001 and above	47	0.31	50553594	78.01
Total	**15380**	**100**	**64802000**	**100**

16. DEMATERIALIZATION OF SHARES AND LIQUIDITY:

As on 31st March, 2019, 3,19,84,410 number of Equity Shares of 2/- each representing 98.72% of the total No. of shares are in dematerialized form. There were no pending transfers as on 31st March, 2019.

17. 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 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 year.

iii. Related Party Transactions

During the Financial Year 2018-19, 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 http://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 download able 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 2019	FY 2018
Audit Fees	14,25,000	15,42,700

x. 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.

xi. 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 ("UPSI") for Details Please refer to the Company's website :

http://www.balajiamines.com/investor-relations

xii. 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.

xiii. 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.

xiv. Secretarial Standards

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

xv. 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 2010-11 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)

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.

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

Date : 15.5.2019
Place : Secunderabad

CEO /CFO CERTIFICATION TO THE BOARD

[Pursuant to Regulation 17 (8) under Chapter IV of Securities and 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 2018-19 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, including Adoption of accounts in the revised Schedule VI Format for the Current and Previous Year.

b) There are, to the best of our knowledge and belief, no transactions entered into by the company during the year 2018-19, which are fraudulent, illegal or violate 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 2018-19.
   ii. significant changes in accounting policies during the year 2018- 19 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.

	D. Ram Reddy	**G. Hemanth Reddy**
Date : 15.5.2019	**Managing Director**	**Whole-time Director & CFO**
Place : Secunderabad	**DIN : 00003864**	**DIN: 00003868**

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 March 31st, 2019 as envisaged in the Chapter IV of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 of the listing agreement with stock exchange.

	D. Ram Reddy
Date : 15.5.2019	**Managing Director**
Place : Secunderabad	**DIN : 00003864**

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, 2019 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.

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

Ayyadevara Srinivas
Proprietor
ICAI Membership No. 028803

Date: 15.05.2019
Place: Hyderabad

CERTIFICATE OF NON-DISQUALIFICATION OF DIRECTORS

To
The Members of
Balaji Amines Limited

As required by item 10 (i) of Part C of Schedule V of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirement) Regulations, 2015 we certify that none of the directors on the board of Balaji Amines Limited have been debarred or disqualified from being appointed or continuing as directors of companies by the SEBI/Ministry of Corporate Affairs or any such statutory authority.

For P.S. Rao & Associates
Company Secretaries

P S Rao
Partner
M. No. 9769
C P No: 3829

Date: 11.05.2019
Place: Hyderabad

INDEPENDENT AUDITOR'S REPORT

To,
The Members of
Balaji Amines Limited
Solapur, Maharashtra

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, 2019, 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 Indian Accounting Standards prescribed under section 133 of the Companies Act 2013, read with Companies (Indian Accounting Standards) Rules 2015, as amended, (Ind AS) and other accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2019, and its profit, 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.

Sl.No.	Key Audit Matter	Auditor's Response
1.	**Land allotted by MIDC to the company at Chicholi, Maharashtra.** 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.	We have ascertained the land allotment procedure of MIDC and also perused the land allotment and possession documents. 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.
2.	**Disputed Tax Demands** The company is in dispute in respect of Income Tax Assessments for three years and the aggregate of the tax demand in respect of these three years is Rs. 258.93 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.	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.

Information Other than the Standalone 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 safeguarding 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.

The 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 statementsas a wholeare 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 scepticism throughout the audit. We also:

a. 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.

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 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.

e. 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 safeguards.

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 31st March,2019 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2019 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 1. – V – 16 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 were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

For Ayyadevara & Co
Chartered Accountants
FRN: 000278S

Ayyadevara Srinivas
Proprietor
Membership No.028803
Hyderabad. May 15, 2019.

REG: BALAJI AMINES LIMITED
Year ended March 31, 2019.

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 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.		Physical verification of inventory has been conducted at reasonable intervals by the management 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.		The company has made investment in a subsidiary, given loan to the subsidiary and provided guarantee for amounts borrowed by it from the financial institutions / banks. The company has complied with the provisions of section 186 in respect of the said investments. loan and guarantee.
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.	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; I. Rs.17.60 Lakhs (relating to Assessment Year 2013-14) ii. Rs.231.08 Lakhs (relating to Assessment Year 2014-15) iii. Rs.9.25 Lakhs (relating to Assessment Year 2016-17) The disputesare 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.
		The company has deposited an amount of Rs.81.15 Lakhs in aggregate against the demands for the said three years and obtained stay of collection of the balance disputed demand till disposal of the appeal.
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 *Nidhi Company.*
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. May 15, 2019.

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, 2019 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. 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, 2019, based on the internal control over financial reporting criteria established

by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

For Ayyadevara & Co.
Chartered Accountants
FRN: 000278S

Ayyadevara Srinivas
Proprietor
ICAI Membership No. 028803
Hyderabad. May 15, 2019.

STANDALONE BALANCE SHEET AS AT MARCH 31, 2019

Rupees

Particulars	Note No.	As at March 31, 2019	As at March 31, 2018
Assets			
1. Non-current assets			
a. Property, plant and equipment	2	318,35,41,070	316,05,77,013
b. Capital work - in -progress	3	63,24,38,733	66,49,10,851
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	32,65,76,847	-
(iv) Others	6	119,38,58,619	39,24,95,562
i. Deferred tax assets (net)		-	-
j. Other non-current assets	7	1,44,24,015	97,58,107
2. Current assets			
(a) Inventories	8	142,61,56,966	89,09,70,882
(b) Financial Assets			
(i) Investments	9	5,000	55,000
(ii) Trade Receivables	10	167,21,83,771	172,67,78,334
(iii) Cash and cash equivalents	11	13,90,62,311	1,91,45,357
(iv) Bank balances other than (iii) above	12	6,62,46,328	5,19,78,045
(v) Loans		-	-
(vi) Others		-	-
(c) Current Tax Assets (Net)		53,26,71,892	54,14,18,397
(d) Other current assets	13	12,54,53,782	7,55,24,584
Total Assets		**997,26,19,335**	**819,36,12,131**
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	568,52,01,730	460,58,33,336
LIABILITIES			
1. Non - current liabilities			
(a) Financial Liabilities			
(i) Borrowings	16	-	6,09,64,236
(ii) Trade payables	17	3,04,37,023	2,72,22,256
(iii) Other financial liabilities (other than those specified in item (b))	18	116,89,82,899	36,94,44,919
(b) Provisions		-	-
(c) Deferred tax liabilities (Net)	19	45,75,00,903	50,22,32,825
(d) Other non-current liabilities		-	-
2. Current liabilities			
(a) Financial Liabilities			
(I) Borrowings	20	94,64,06,508	99,68,09,001
(ii) Trade payables	21	83,63,24,095	71,84,42,878
(iii) Other financial liabilities (other than those specified in item ©)	22	18,51,370	9,82,55,366
(b) Other current liabilities		-	-
(c) Provisions	23	22,11,12,807	21,71,05,314
(d) Current Tax Liabilities (Net)	24	56,00,00,000	53,25,00,000
Total Equity and Liabilities		**997,26,19,335**	**819,36,12,131**
Significant Accounting Policies and other information	1		

Notes 1 to 31 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. May 15, 2019.

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 STATEMENT OF PROFIT AND LOSS FOR THE PERIOD ENDED MARCH 31, 2019

Rupees

Sr. No.	Particulars	Note No.	For the Period ended March 31, 2019	For the Period ended March 31, 2018
I	Revenue from operations	25	949,83,16,197	861,23,36,230
II	Other income	26	5,21,84,977	4,07,36,667
III	**Total Revenue (I+II)**		**955,05,01,174**	**865,30,72,897**
IV	**EXPENSES**			
	Cost of Material Consumed	27	547,85,22,796	460,96,92,888
	Changes in inventories of finished goods and work-in-progress	28	(25,65,56,462)	3,11,61,998
	Employee benefits expense	29	29,46,92,972	26,89,48,873
	Finance costs	30	13,02,58,766	9,04,00,850
	Depreciation and amortization expense	2	19,55,38,589	19,28,79,289
	Other expenses	31	204,76,12,937	180,75,96,321
	Total Expenses (IV)		**789,00,69,598**	**700,06,80,219**
V	Profit/(loss) before exceptional items and tax (III-IV)		**166,04,31,576**	**165,23,92,678**
VI	Exceptional items		3,55,99,295	59,91,412
VII	Profit/(loss) before tax (V + VI)		**169,60,30,871**	**165,83,84,090**
VIII	Tax Expenses:			
	1. Current Tax		56,00,00,000	53,25,00,000
	2. Deferred Tax		(4,47,31,923)	(59,25,950)
IX	Profit (Loss) for the period from continuing operations (VII-VIII)		**118,07,62,794**	**113,18,10,040**
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)		**118,07,62,794**	**113,18,10,040**
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)		**118,07,62,794**	**113,18,10,040**
XVI	Earning per equity share (for continuing operation):			
	(1) Basic		36.44	34.93
	(2) Diluted		36.44	34.93
XVII	Earning per equity share (for discontinued operation):			
	(1) Basic		-	-
	(2) Diluted		-	-
XVIII	Earning per equity share (for discontinued & continuing operations)			
	(1) Basic		36.44	34.93
	(2) Diluted		36.44	34.93
	Significant Accounting Policies and other information	1		

Notes 1 to 31 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. May 15, 2019.

Jimisha Parth Dawda
Company Secretary & Compliance Officer

STANDALONE CASH FLOW STATEMENT FOR THE YEAR ENDED MARCH 31, 2019

Rupees

Sr. No.	Particulars		Current year 31.03.2019	Previous year 31.03.2018
A	**Cash Flow From Operating Activities**			
	Profit before interest and tax		182,62,89,637	174,87,84,940
	Other income considered		(5,21,84,977)	(4,07,36,667)
	Depreciation		19,55,38,589	19,28,79,289
	Increase / (Decrease) in Current Liabilities		(2,49,17,779)	47,16,58,222
	(Increase)/ Decrease in Inventories		(53,51,86,084)	(7,12,35,345)
	(Increase)/ Decrease in Debtors		5,45,94,563	(50,87,90,686)
	(Increase)/ Decrease in Other Current Assets		(4,99,29,198)	4,08,93,544
	(Increase)/Decrease in Current Tax Assets		87,46,505	(14,03,32,198)
	Income Tax Paid		(53,25,00,000)	(43,00,00,000)
	Cash Flow From Operating Activities	**A**	**89,04,51,256**	**126,31,21,099**
B	**Cash Flow From Investing Activities**			
	Purchase of Fixed Assets		(22,07,20,525)	(71,04,34,935)
	Decrease in Reserves on account of Amalgamation		-	(14,80,36,744)
	Increase on Investments		-	(66,00,00,000)
	Decrease in Investments on account of Amalgamation		-	30,15,28,200
	Increase in Deferred Tax Assets on account of Amalgamation		-	(7,44,68,046)
	Sale of Fixed Assets		3,46,89,997	2,83,40,168
	(Increase)/ Decrease in Loans		(32,65,76,847)	27,82,37,437
	(Increase)/ Decrease in Other Financial Assets		(80,234)	(40,12,705)
	(Increase)/ Decrease in Non Current Assets		(46,65,908)	1,37,61,663
	(Increase)/ Decrease in Current Investments		50,000	(55,000)
	Other Income		5,21,84,977	4,07,36,667
	Cash flow from Investing activities	**B**	**(46,51,18,540)**	**(93,44,03,295)**
C	**Cash Flow From Financing Activities**			
	Increase / (Decrease) in Secured Loans		(6,09,64,236)	(8,91,02,220)
	Increase / (Decrease) in Other Long Term Financial Obligations		(17,44,843)	7,98,365
	Increase / (Decrease) in Trade Payables		32,14,766	(2,76,39,082)
	Interest paid		(13,02,58,766)	(9,04,00,850)
	Dividend paid		(10,13,94,400)	(8,57,95,300)
	Cash Flow from Financing Activities	**C**	**(29,11,47,479)**	**(29,21,39,087)**
D	**Net increase/(decrease) in cash and cash equivalents (A+B+C)**		**13,41,85,237**	**3,65,78,717**
E	Cash and cash equivalents (beginning of the year)		7,11,23,402	3,45,44,685
F	Cash and cash equivalents (end of the year)		20,53,08,639	7,11,23,402
G	Increase/(decrease) in cash and cash equivalents (closing minus opening balances)		13,41,85,237	3,65,78,717

As per our report of even date

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

Ayyadevara Srinivas
Proprietor
ICAI Membership No. 028803
Hyderabad. May 15, 2019.

For and on behalf of Board of Directors

A Prathap Reddy	**G Hemanth Reddy**
Executive Chairman	**Whole Time Director & CFO**
DIN 00003967	**DIN 00003868**

Jimisha Parth Dawda
Company Secretary & Compliance Officer

YEAR ENDED MARCH 31, 2019
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 mainly operates in two segments i.e., Speciality Chemicals and Amines and Hotel. In addition to the said two primary. Main divisions BAL also has CFL lamps facility at Medak, Telangana which was acquired vide amalgamation of Balaji Greentech Products Limited with BAL in the FY 2017-18.

II. Compliance with Indian Accounting Standards

1. 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.

2. The company had adopted Ind AS for the first time in accordance with Ind AS 101, First Time Adoption of Indian Accounting Standards in the year ended March 31, 2018, i.e., the immediately preceding year.

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, 2019 as presented in detail hereunder.

V. 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 leasebasis 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, 2019 the company has spent the required amount. Hence there are no unspent amounts 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) 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.81.15 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.263.02 Lakhs (Previous Year Rs.189.04 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.31 Other expenses, item (f).

20. Segment Reporting:

The company 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 Division	92,886.76
	Hotel Division	2,125.13
	CFL Lamps Division	1.80
	Sub Total:	**95,013.69**
	Less: Inter-segment revenue	30.53
	Net revenue from operations	**94,983.16**
2.	**Segment Results before Tax & Interest**	
	Amines Division	18,420.79
	Hotel Division	-2.07
	CFL Lamps Division	-155.84
	Total:	**18,262.88**
	Less: Interest	
	Amines Division	1,219.11
	Hotel Division	83.27
	CFL Lamps Division	0.21
	Total:	**1,302.59**
	Segment Profit/Loss (-) before tax	
	Amines Division	17,201.68
	Hotel Division	-85.34
	CFL Lamps Division	-156.05
	Total:	**16,960.29**
3.	**Capital Employed (Segment Assets - Segment Liabilities)**	
	Amines Division	47,940.67
	Hotel Division	6,530.15
	CFL Lamps Division	210.41
	Total:	**57,500.04**

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. 32,65,76,847 Rs. 99,16,601	Rs. 32,65,76,847 Rs. 22,02,761	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. 6,78,03,480 Rs. 12,60,957	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.	Office Rent	Rs.45,000	Rs.5,000	Nil
KPR House / Family Trust	A Co-ownership in which Directors and their relatives are interested.	Office Rent	Rs. 6,70,380	Rs. 62,000	Nil
Balaji Sourcings Pvt. Ltd.	A Company in which Directors are interested	a. Sales b. Purchase	Rs. 2,34,82,944 Rs. 2,22,69,196	Nil Rs. 6,146	Nil Nil
ThirumalaPrecicasts Pvt. Ltd.	A Company in which Directors are interested	Office Rent	Rs.3,46,077	Rs.1,02,906	Nil
Sri A. Prathap Reddy	Executive Chairman	Remuneration & Allowances Commission on Profits	Rs. 49,32,000 Rs. 5,04,60,049	Rs. 2,42,000 Rs. 5,04,60,049	Nil Nil
Sri N. Rajeshwar Reddy	Joint Managing Director	Remuneration & Allowances Commission on Profits	Rs. 41,10,000 Rs. 3,28,18,032	Nil Rs. 3,28,18,032	Nil Nil
Sri D. Ram Reddy	Managing Director	Remuneration & Allowances Commission on Profits	Rs. 41,10,000 Rs. 3,28,18,032	Nil Rs. 3,28,18,032	Nil Nil
Sri G. Hemanth Reddy	Whole Time Director & CFO	Remuneration & Allowances Commission on Profits	Rs. 41,10,000 Rs. 1,43,54,016	Rs. 2,05,500 Rs. 1,43,54,016	Nil Nil
Sri A. Srinivas Reddy	Whole Time Director	Remuneration & Allowances Commission on Profits	Rs. 36,16,800 Rs. 3,33,11,232	Rs. 1,22,600 Rs. 3,33,11,232	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. 15,858	Nil	Nil

22. Additional Information pertaining to Statement of Profit and Loss

Sl.No.	Nature of Income /Expenses	Current Year		Previous Year	
		Amount In Foreign Currency	Amount In INR	Amount In Foreign Currency	Amount In INR
1.	Export Earning	US Dollars 2,06,70,398.50 EURO 83,90,446.80	141,93,94,754.46 67,56,39,706.00	US Dollars 1,54,96,214.48 EURO 83,53,825.80	99,26,64,619.39 62,07,26,750.00
2.	Sales Commission	US Dollars 64,169.60	44,37,458.00	US Dollars 59,406.20	38,01,370.00
3.	Registration & Renewals	US Dollars 325.00 EURO 333.33	21,257.00 27,778.00	US Dollar 382.00 EURO 1,22,057.00	24,862.00 85,36,960.00
4.	Travelling Expenses	US Dollar 3000.00 EURO 1343.00 MYR 770.00 RMB 26,100.00	2,13,045.00 1,05,194.00 13,629.00 2,82,860.00	US Dollar 5,489.00 EURO 590.00 CNY 22,000.00 RMB 32,700.00	2,86,350.00 45,719.00 2,18,560.00 3,26,340.00
5.	Exhibition Charges	EURO 72,547.02	59,82,079.00	EURO 68,516.51 GBP 280.00	50,51,242.00 23,598.00
6.	Capital Goods & Spares	US Dollars 1,57,353.00	1,10,45,808.00	US Dollars 2,03,301.15 EURO 45,200.00 JPY 5,76,000.00	1,29,98,224.00 35,80,507.00 3,50,496.00
7.	Raw Material	US Dollars 3,79,82,949.34 EURO 1,80,800.00	263,82,80,228.00 1,44,56,998.00	US Dollars 3,09,54,289.63	199,29,64,096.00
8.	Lease Rent	-	-	US Dollars 1,958.00	1,26,709.00
9.	Finance Charges	US Dollars 27,938.98 EURO 7318.27	19,43,396.00 5,83,321.00	USD Dollars 29,068.71 EURO 61,385.85 GBP 21.92	18,81,185.00 45,18,127.00 1,815.00
10.	Transportation Charges	US Dollars 9020.00	6,10,156.00	EURO 2,890.02	2,11,110.00

VII. The details with respect to the dues under MSME Act are not being furnished as the details are not available with the company, in spite of the company having written to its creditors seeking details of their status under the MSME Act. However, there are no dues to the creditors that are more than one year old.

VIII. 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 31.03.2018	Addition	Deletion	As at 31.03.2019	As at 31.03.2018	For the Period	Adjustments Deletion	As at 31.03.2019	As at 31.03.2018	As at 31.03.2019
A) Amines Division										
Land	**14,28,64,991**	**16,68,98,085**	**0**	**30,97,63,076**	**0**	**30,91,499**	**0**	**30,91,499**	**14,28,64,991**	**30,66,71,577**
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	0	0	2,93,69,239	0	30,91,499	0	30,91,499	2,93,69,239	2,62,77,740
Lease Hold Land- Plot No. F-104, Chincholi, Dist.Solapur, Maharashtra	0	16,68,98,085	0	16,68,98,085	0	0	0	0	0	16,68,98,085
Unit-V Nandi Kandi, 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	**48,36,98,664**	**6,78,400**	**0**	**48,43,77,064**	**12,99,37,089**	**1,56,29,014**	**0**	**14,55,66,103**	**35,37,61,575**	**33,88,10,961**
Unit-I	13,90,14,155	6,78,400	0	13,96,92,555	5,15,38,797	46,65,359	0	5,62,04,156	8,74,75,358	8,34,88,399
Unit-II	3,64,37,212	0	0	3,64,37,212	1,17,88,970	12,09,092	0	1,29,98,062	2,46,48,242	2,34,39,150
Unit-III	25,04,99,719	0	0	25,04,99,719	5,02,45,665	78,71,468	0	5,81,17,133	20,02,54,054	19,23,82,586
Unit-V	5,77,47,578	0	0	5,77,47,578	1,63,63,657	18,83,095	0	1,82,46,752	4,13,83,921	3,95,00,826
Office Buildings	**7,38,40,688**	**0**	**0**	**7,38,40,688**	**36,75,862**	**11,66,439**	**0**	**48,42,301**	**7,01,64,826**	**6,89,98,387**
Hotgi Road,Solapur, Maharashtra	5,73,25,461	0	0	5,73,25,461	29,53,856	9,04,948	0	38,58,804	5,43,71,605	5,34,66,657
Mumbai Flat	1,65,15,227	0	0	1,65,15,227	7,22,006	2,61,491	0	9,83,497	1,57,93,221	1,55,31,730
Wind Electric Generator	**17,16,03,446**	**0**	**0**	**17,16,03,446**	**7,33,35,256**	**68,82,203**	**0**	**8,02,17,459**	**9,82,68,190**	**9,13,85,987**
Nagaj, Dist.Sangli, Maharashtra	8,65,70,934	0	0	8,65,70,934	4,35,51,395	33,64,835	0	4,69,16,230	4,30,19,539	3,96,54,704
Kas, Dist.Satara, Maharashtra	8,50,32,512	0	0	8,50,32,512	2,97,83,861	35,17,368	0	3,33,01,229	5,52,48,651	5,17,31,283
Plant & Machinery	**234,87,76,053**	**70,36,000**	**0**	**235,58,12,053**	**95,17,59,949**	**8,95,13,738**	**0**	**104,12,73,687**	**139,70,16,104**	**131,45,38,366**
Unit-I	85,85,70,291	70,36,000	0	86,56,06,291	50,09,31,241	2,17,48,472	0	52,26,79,713	35,76,39,050	34,29,26,578
Unit-II	5,18,84,780	0	0	5,18,84,780	3,66,15,878	27,39,516	0	3,93,55,394	1,52,68,902	1,25,29,386
Unit-III	125,44,77,763	0	0	125,44,77,763	32,54,53,141	5,22,80,736	0	37,77,33,877	92,90,24,622	87,67,43,886
Unit-V	18,38,43,219	0	0	18,38,43,219	8,87,59,689	1,27,45,014	0	10,15,04,703	9,50,83,530	8,23,38,516

(Rupees)

ASSETS	GROSS BLOCK				DEPRECIATION				NET BLOCK	
	As at 31.03.2018	Addition	Deletion	As at 31.03.2019	As at 31.03.2018	For the Period	Adjustments Deletion	As at 31.03.2019	As at 31.03.2018	As at 31.03.2019
Plant & Machinery R & D	**30,68,56,104**	**18,57,255**	**0**	**30,87,13,359**	**14,06,28,521**	**1,25,68,097**	**0**	**15,31,96,618**	**16,62,27,583**	**15,55,16,741**
Unit-I	15,90,47,978	0	0	15,90,47,978	7,94,06,565	64,47,453	0	8,58,54,018	7,96,41,413	7,31,93,960
Unit-II	73,41,910	0	0	73,41,910	47,65,512	3,87,653	0	51,53,165	25,76,398	21,88,745
Unit-III	14,04,66,216	18,57,255	0	14,23,23,471	5,64,56,444	57,32,991	0	6,21,89,435	8,40,09,772	8,01,34,036
Furniture & Fixtures	**2,62,24,436**	**0**	**0**	**2,62,24,436**	**1,29,01,284**	**22,53,778**	**0**	**1,51,55,062**	**1,33,23,152**	**1,10,69,374**
Unit-I	2,27,93,777	0	0	2,27,93,777	1,07,26,864	19,15,352	0	1,26,42,216	1,20,66,913	1,01,51,561
Unit-II	1,29,452	0	0	1,29,452	91,259	8,194	0	99,453	38,193	29,999
Unit-III	25,88,108	0	0	25,88,108	16,92,141	2,85,093	0	19,77,234	8,95,967	6,10,874
Unit-V	7,13,099	0	0	7,13,099	3,91,020	45,139	0	4,36,159	3,22,079	2,76,940
Office Equipment	**1,49,10,579**	**3,35,267**	**0**	**1,52,45,846**	**1,07,27,431**	**10,32,809**	**0**	**1,17,60,240**	**41,83,148**	**34,85,606**
Unit-I	82,30,890	2,63,445	0	84,94,335	71,58,569	3,27,291	0	74,85,860	10,72,321	10,08,475
Unit-II	28,83,379	0	0	28,83,379	13,80,984	1,82,518	0	15,63,502	15,02,395	13,19,877
Unit-III	23,05,682	71,822	0	23,77,504	12,93,447	4,28,644	0	17,22,091	10,12,235	6,55,413
Unit-V	14,90,628	0	0	14,90,628	8,94,431	94,356	0	9,88,787	5,96,197	5,01,841
Vehicles	**5,24,07,293**	**90,38,543**	**68,12,224**	**5,46,33,612**	**2,53,83,153**	**61,88,168**	**45,94,345**	**2,69,76,976**	**2,70,24,140**	**2,76,56,636**
Unit-I	1,46,89,008	18,70,367	0	1,65,59,375	84,80,841	15,59,551	0	1,00,40,392	62,08,167	65,18,983
Unit-II	1,17,11,999	58,91,787	29,24,370	1,46,79,416	29,48,941	16,34,430	13,94,959	31,88,412	87,63,058	1,14,91,004
Unit-III	2,60,06,286	12,76,389	38,87,854	2,33,94,821	1,39,53,371	29,94,187	31,99,386	1,37,48,172	1,20,52,915	96,46,649
Others	**9,72,33,184**	**3,44,06,619**	**0**	**13,16,39,803**	**2,46,04,883**	**52,41,907**	**0**	**2,98,46,790**	**7,26,28,301**	**10,17,93,013**
Unit-I	5,17,21,874	2,58,46,358	0	7,75,68,232	1,42,69,453	30,62,577	0	1,73,32,030	3,74,52,421	6,02,36,202
Unit-II	14,83,621	0	0	14,83,621	1,12,621	61,060	0	1,73,681	13,71,000	13,09,940
Unit-III	4,40,27,689	85,60,261	0	5,25,87,950	1,02,22,809	21,18,270	0	1,23,41,079	3,38,04,880	4,02,46,871
Total : A	**371,84,15,438**	**22,02,50,169**	**68,12,224**	**393,18,53,383**	**137,29,53,428**	**14,35,67,652**	**45,94,345**	**151,19,26,735**	**234,54,62,010**	**241,99,26,648**
B) Hotel Division - Hotgi Road										
Land	1,96,76,241	0	0	1,96,76,241	0	0	0	0	1,96,76,241	1,96,76,241
Buildings	56,73,00,546	0	0	56,73,00,546	7,46,15,724	92,34,511	0	8,38,50,235	49,26,84,822	48,34,50,311
Plant & Machinery	24,92,46,629	0	0	24,92,46,629	7,17,04,997	1,70,95,932	0	8,88,00,929	17,75,41,632	16,04,45,700
Furniture & Fixures	20,60,85,373	0	0	20,60,85,373	9,60,62,350	2,20,72,072	0	11,81,34,422	11,00,23,023	8,79,50,951
Office Equipment	32,32,241	0	0	32,32,241	26,42,858	5,89,383	0	32,32,241	5,89,383	0
Vehicle	28,22,618	4,70,356	0	32,92,974	11,24,281	3,95,974	0	15,20,255	16,98,337	17,72,719
Others	2,42,28,218	0	0	2,42,28,218	1,13,26,653	25,83,065	0	1,39,09,718	1,29,01,565	1,03,18,500
Total : B	**107,25,91,866**	**4,70,356**	**0**	**107,30,62,222**	**25,74,76,863**	**5,19,70,937**	**0**	**30,94,47,800**	**81,51,15,003**	**76,36,14,422**
Total : A + B	**479,10,07,304**	**22,07,20,525**	**68,12,224**	**500,49,15,605**	**163,04,30,291**	**19,55,38,589**	**45,94,345**	**182,13,74,535**	**316,05,77,013**	**318,35,41,070**

Notes forming part of Standalone Financial Statements

Rupees

Particulars	As at March 31, 2019	As at March 31, 2018
Note 3 : Capital work in progress		
Amines Division		
Expansion Project - at the beginning of the year	48,15,06,784	8,53,33,233
Expenditure incurred during the year	5,38,10,884	39,61,73,551
At the end of the year	53,53,17,668	48,15,06,784
Less: Capitalised / Put to use during the year	64,93,027	-
Less : Transferred to Lease hold Land	16,56,25,375	-
Balance A	**36,31,99,266**	**48,15,06,784**
R & D Project - At the beginning of the year	18,34,04,067	16,55,00,510
Expenditure incurred during the year	8,58,35,400	1,79,03,557
At the end of the year	26,92,39,467	18,34,04,067
Less Transfers	-	-
Balance B	**26,92,39,467**	**18,34,04,067**
Total (A+B)	**63,24,38,733**	**66,49,10,851**
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
B. Others		
500 equity shares of Rs. 100/- each fully paid up in Solapur Janata Sahakari Bank. Valued at cost.	-	50,000
Total	**66,00,00,000**	**66,00,50,000**
Less : Items reclassified as current investments in view of disposal within one year from the date of the balance sheet		
500 equity shares of Rs. 100/- each fully paid up in Solapur Janata Sahakari Bank.	-	50,000
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	32,65,76,847	-
Total	**32,65,76,847**	-
Note 6 : Others		
A) Amines division		
Deposit with Government Departments	2,19,17,118	2,18,77,363
Others-Security Deposits	27,48,939	27,47,939
Corporate guarantee - Subsidiary	116,52,02,899	36,39,20,076
Total (A)	**118,98,68,956**	**38,85,45,378**
The company has extended corporate guarantee to instititional lenders to an extent of Rs. 175.00 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		
B) Hotel division		
Deposit with Government Departments	38,46,663	38,60,184
Others-Security Deposits	1,43,000	90,000
Total (B)	**39,89,663**	**39,50,184**
Total (A+B)	**119,38,58,619**	**39,24,95,562**

Notes forming part of Standalone Financial Statements

Rupees

Particulars	As at March 31, 2019	As at March 31, 2018
Note 7: Other non-current assets		
A) Amines division		
Advances towards Capital Goods	1,44,24,015	97,58,107
Total	**1,44,24,015**	**97,58,107**
Note 8 : Inventories		
A) Amines division		
[As verified, valued and certified by the Management]		
Raw Material	54,02,70,811	29,17,21,198
Work-in-Process	29,74,98,710	23,65,19,926
Finished Goods	40,73,27,243	21,17,49,565
Goods-in-transit / at Bonded Warehouse	1,86,70,857	4,27,15,570
Stores, Spares	4,74,22,846	5,50,21,524
Packing Materials	2,26,68,475	1,41,14,289
Fuel & Others etc.	8,45,94,317	3,25,59,546
Total (A)	**141,84,53,259**	**88,44,01,618**
B) Hotel division		
Housekeeping, Kitchen, Stewarding.	34,30,526	43,02,484
Food & Bevarages	42,73,181	22,66,780
Total (B)	**77,03,707**	**65,69,264**
Total (A+B)	**142,61,56,966**	**89,09,70,882**
Note 9 : Investments		
Others		
500 equity shares of Rs. 100/- each fully paid up in Solapur Janata Sahakari Bank. Valued at cost. Reclassified as current on 31.03.2018, in view of disposal in month of April 18	-	50,000
National Saving Certificate	5,000	5,000
Total	**5,000**	**55,000**
Note 10 : Trade Receivables		
(Unsecured and considered good)		
A) Amines division	166,82,19,130	172,10,79,233
B) Hotel division	39,64,641	56,99,101
Total	**167,21,83,771**	**172,67,78,334**
Note 11 : Cash and cash equivalents		
A) Amines division		
Cash in hand	32,510	56,503
Balance with Scheduled Banks		
In Current Account	13,87,18,130	1,89,25,958
Total (A)	**13,87,50,640**	**1,89,82,461**
B) Hotel division		
Cash in hand	3,11,671	1,62,896
Total (B)	**3,11,671**	**1,62,896**
Total (A+B)	**13,90,62,311**	**1,91,45,357**
Note 12 : Bank balance		
A) Amines division		
Balance with Scheduled Banks		
In Margin money deposits	6,08,57,085	4,90,74,525
Total (A)	**6,08,57,085**	**4,90,74,525**
B) Hotel division		
Balance with Scheduled Banks		
In Current Account	53,89,243	29,03,520
Total (B)	**53,89,243**	**29,03,520**
Total (A+B)	**6,62,46,328**	**5,19,78,045**

Notes forming part of Standalone Financial Statements

Rupees

Particulars	As at March 31, 2019	As at March 31, 2018
Note 13 : Other Current Assets		
A) Amines division		
Balance with Revenue Authorities	2,00,19,005	2,47,31,380
Advances to Suppliers	2,47,57,176	2,09,09,116
Employees' advances	15,43,037	18,98,102
Income Tax Refund Receivable	4,81,07,237	32,90,410
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	-
Others - Unsecured, considered good	1,89,77,314	1,21,62,736
Total (A)	**12,15,56,191**	**7,09,58,904**
B) Hotel division		
Balance with Revenue Authorities	49,514	10,04,139
Advances to Suppliers	15,46,964	14,13,300
Prepaid Expenses	22,96,852	21,48,120
Employees' advances	4,261	121
Total (B)	**38,97,591**	**45,65,680**
Total (A+B)	**12,54,53,782**	**7,55,24,584**
Note 14 : Equity share capital		
a. Authorised		
At the beginning of the year		
22,75,00,000 Equity Shares of Rs. 2/- each.	45,50,00,000	-
4,50,00,000 Equity Shares of Rs. 2/- each.	-	9,00,00,000
Addition during the year		
18,25,00,000 Equity Shares of Rs.2 each	-	36,50,00,000
At the end of the year	**45,50,00,000**	**45,50,00,000**
During the previous year the increase in the Authorised capital is on account of the Order of the Hon'ble NCLT sanctioning the Amalgamation of Bhagyanagar Chemicals Limited and Balaji Green Tech Products Limited, with the company.		
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 begining 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		

Notes forming part of Standalone Financial Statements

Rupees

Particulars	As at March 31, 2019	As at March 31, 2018
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	49,54,873	49,29,148	15.29	15.21
2.	APR Holdings & Investments LLP	47,74,720	47,74,720	14.74	14.74
3.	Smt. A. Shakunthala Devi	19,59,250	19,59,250	6.05	6.05
4.	Ande Srinivas Reddy	16,50,811	16,50,811	5.09	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	50,97,68,000	39,65,68,000
Add : Transfer from statement of Profit and Loss	11,81,00,000	11,32,00,000
Add : Difference between the aggregate face value of investment in amalgamating companies and the total cost of the same.	-	3,65,21,800
Less : Adjustment of Accumlated Debit Balance of Profit and Loss of		
a. Balaji Greentech Products Limited	-	(16,54,74,676)
b. Bhagyanagar Chemicals Limited	-	(1,90,83,868)
Total B	**62,78,68,000**	**36,17,31,256**
e) Balance in Statement of Profit and Loss brought forward from previous year	400,86,93,831	322,39,15,835
Add : Profit for the year	118,07,62,794	113,18,10,040
Less : (i) Transfer to General Reserve	11,81,00,000	11,32,00,000
(ii) Dividend paid during the year	8,42,42,600	7,12,82,200
(iii) Dividend distribution tax	1,71,51,800	1,45,13,100
Balance in Statement of Profit and Loss at the end of year Total C	**496,99,62,225**	**415,67,30,575**
Total other equity (A + B + C)	**568,52,01,730**	**460,58,33,336**
Note 16: Borrowings		
1. Secured		
Term loans		
(i) Bank of Baroda		
(a) Rupee Term Loan	-	4,28,80,710
2. Unsecured from related parties.	-	1,80,83,526
Total	**-**	**6,09,64,236**
Note 17: Trade payables		
Amines Division-Creditors for Capital Goods	2,72,87,023	2,40,72,254
Rental Deposit	31,50,000	31,50,002
Total	**3,04,37,023**	**2,72,22,256**

Notes forming part of Standalone Financial Statements

Rupees

Particulars	As at March 31, 2019	As at March 31, 2018
Note 18: Other financial liabilities		
A) Amines Division		
Deposits from Customers	37,80,000	37,30,000
Corporate guarantee - Subsidiary	116,52,02,899	36,39,20,076
[Refer: Disclosure below Note 6 Non Current Assets - Others]		
Total (A)	**116,89,82,899**	**36,76,50,076**
B) Hotel Division		
Advance from Customers	-	17,94,843
Total (B)	-	**17,94,843**
Total (A+B)	**116,89,82,899**	**36,94,44,919**
NOTE 19: Deferred Tax Liabilities / Assets		
Beginning of the year relating to the fixed assets	50,22,32,826	58,26,26,821
Add / (Less): Deferred tax assets of BGPL transferred on amalgamation	-	(7,44,68,046)
Total	**50,22,32,826**	**50,81,58,775**
Add / (Less): Timing difference arising during the year on account of depreciation	(4,47,31,923)	(59,25,950)
Deferred Tax Liability (Net)	**45,75,00,903**	**50,22,32,825**
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.		
Note 20: Borrowings		
Secured		
Towards working capital - Repayable on demand		
(i) State Bank of India *	30,00,86,080	12,85,59,640
(ii) HDFC Bank *	38,65,40,292	38,37,77,711
(iii) Bank of Baroda *	25,97,80,136	48,44,71,650
*** Includes sub limit of demand Loan**		
Total	**94,64,06,508**	**99,68,09,001**
The borrowings for working capital limits sanctioned by banks, including Working Capital Demand Loans, are secured by ***pari-pasu*** first charge by way of hyphothecation of stocks & book debts, and second charge on all fixed assets of the company, both present and future.		
Note 21: Trade payables		
A) Amines Division		
Creditors for raw materials & others	82,91,42,606	70,15,04,862
Duties and taxes	20,07,247	1,19,66,269
Total (A)	**83,11,49,853**	**71,34,71,131**
B) Hotel Division		
Creditors for supplies	49,96,704	48,14,543
Duties & Taxes	1,77,538	1,57,204
Total (B)	**51,74,242**	**49,71,747**
Total (A+B)	**83,63,24,095**	**71,84,42,878**

Notes forming part of Standalone Financial Statements

Rupees

Particulars	As at March 31, 2019	As at March 31, 2018
Note 22: Other financial liabilities		
A) Amines division		
Current maturities of long term debt from banks payable within twelve months		
i) HDFC Bank Ltd.-Rupee Term Loan	-	2,50,00,000
ii) HDFC Bank Ltd. FCNR Term Loan	-	2,46,37,492
iii) Interest accrued on term loans	18,51,370	14,81,874
Total (A)	**18,51,370**	**5,11,19,366**
B) Hotel Division		
Current maturities of long term debt from banks payable within twelve months		
i) Bank of Baroda - Rupee Term Loan	**-**	4,71,36,000
Total (B)	**-**	**4,71,36,000**
Total (A+B)	**18,51,370**	**9,82,55,366**
Note 23: Provisions		
A) Amines division		
Salaries	1,36,50,332	1,16,17,530
Provident Fund	27,05,564	26,59,107
Employees State Insurance	3,24,056	2,36,381
Remuneration to Directors	16,37,61,361	16,38,05,986
Electricity Charges	1,89,77,363	1,41,07,215
Others - expenses	73,10,210	1,30,98,710
Total (A)	**20,67,28,886**	**20,55,24,929**
B) Hotel Division		
Salaries	24,62,630	20,96,650
Provident Fund	4,37,316	4,04,843
Employees State Insurance	1,04,005	1,00,883
Electricity Charges	27,18,153	13,66,010
Other expenses	86,61,817	76,11,999
Total (B)	**1,43,83,921**	**1,15,80,385**
Total (A+B)	**22,11,12,807**	**21,71,05,314**
Note 24: Current Tax Liabilities		
Provision for Current Tax	56,00,00,000	53,25,00,000
Total	**56,00,00,000**	**53,25,00,000**

Notes forming part of Standalone Financial Statements

Rupees

Particulars	For the period ended March 31, 2019	For the period ended March 31, 2018
Note 25 : Revenue From Operations		
A) Amines division		
Sale of Aliphatic Amines, Speciality Chemicals, Derivatives of Amines (including Export Benefits) and CFL Lamps.	928,88,55,765	855,48,79,720
Less : Excise Duty (Previous Year - upto 30.06.2017)	-	13,35,62,417
Total (A)	**928,88,55,765**	**842,13,17,303**
B) Hotel division		
Rooms, restaurants, banquets and other services	20,94,60,432	19,10,18,927
Total (B)	**20,94,60,432**	**19,10,18,927**
Total Revenue from operations (Net)(A+B)	**949,83,16,197**	**861,23,36,230**
Note 26 : Other Income		
A) Amines division		
Income from Wind Electric Generator	3,06,25,188	2,85,87,202
Interest on Margin Money Deposit	14,50,529	16,43,895
Interest on Security Deposit	19,03,391	18,14,526
Interest on loan to Subsidiary	99,16,601	-
Sales Tax Refund and interest thereon	7,03,550	47,54,533
Profit on Sale of Fixed Assets	-	19,675
Rent Receipt	44,21,609	28,29,658
Miscellaneous Income	25,01,548	4,28,968
Total (A)	**5,15,22,416**	**4,00,78,457**
B) Hotel division		
Rent from Lobby Shops	3,00,000	3,00,000
Interest on Security Deposit	3,62,561	3,58,210
Total (B)	**6,62,561**	**6,58,210**
Total (A + B)	**5,21,84,977**	**4,07,36,667**
Note 27 : Cost of material consumed		
A) Amines division		
Opening Stock	29,17,21,198	27,39,55,601
Opening Stock of amalgamating company	-	69,19,329
Add: Purchases		
Raw Material - Domestic	265,83,56,651	211,24,38,088
Raw Material - Imports CIF Value	304,38,31,754	248,58,34,863
Sub- Total	**599,39,09,603**	**487,91,47,881**
Less : Closing Stock	54,02,70,811	29,17,21,198
Total (A)	**545,36,38,792**	**458,74,26,683**
B) Hotel division		
Food & Beverages		
Opening Stock	65,69,264	46,02,313
Add: Purchases	2,60,18,447	2,42,33,156
Sub- Total	**3,25,87,711**	**2,88,35,469**
Less : Closing Stock	77,03,707	65,69,264
Total (B)	**2,48,84,004**	**2,22,66,205**
Net Total (A + B)	**547,85,22,796**	**460,96,92,888**

Notes forming part of Standalone Financial Statements

Rupees

Particulars	For the period ended March 31, 2019	For the period ended March 31, 2018
Note 28 : Changes in Inventories of Finished Goods & Work in Process		
(a) Opening Stock		
Finished Goods	21,17,49,565	25,45,85,251
Finished goods of amalgamating company	-	1,28,95,647
Excise duty	-	3,18,23,156
Work-in -process	23,65,19,926	4,35,70,409
Work-in -process of amalgamating company	-	13,65,57,026
Sub- Total (a)	**44,82,69,491**	**47,94,31,489**
(b) Closing Stock		
Finished Goods	40,73,27,243	21,17,49,565
Work-in -process	29,74,98,710	23,65,19,926
Sub- Total (b)	**70,48,25,953**	**44,82,69,491**
Difference of (a) and (b) Increase (-) / Decrease(+)	**(25,65,56,462)**	**3,11,61,998**
Note 29 : Employee benefits		
A) Amines division		
Salaries,Wages and other allowances	21,61,77,533	19,66,22,573
Bonus	1,06,41,398	1,16,35,522
Premium towards Gratuity Scheme of LIC	71,70,403	47,54,925
Contribution to Provident Fund	1,47,34,762	1,46,58,570
Contribution to Employees State Insurance	26,33,530	18,90,457
Contribution to Labour Welfare Fund	53,172	46,922
Contribution to Medical Aids	71,780	72,980
Staff Welfare Expenses	26,64,054	25,29,989
Group Insurance Premium	19,09,824	26,00,494
Total (A)	**25,60,56,456**	**23,48,12,432**
B) Hotel division		
Salaries,Wages and other allowances	3,53,22,446	3,12,32,690
Contribution to Provident Fund	23,06,320	19,97,518
Contribution to Employees State Insurance	9,09,129	8,14,229
Contribution to Labour Welfare Fund	12,204	10,476
Staff Welfare Expenses	5,196	3,595
Group Insurance Premium	81,221	77,933
Total (B)	**3,86,36,516**	**3,41,36,441**
Total (A+B)	**29,46,92,972**	**26,89,48,873**
Note 30 : Finance Cost		
A) Amines division		
Interest on Working Capital Borrowings	10,12,49,500	4,42,19,513
Interest on Term loan	13,02,650	97,75,461
Processing Charges	53,33,333	53,88,201
Bank Charges	1,40,46,445	1,69,99,779
Total (A)	**12,19,31,928**	**7,63,82,954**
B) Hotel division		
Interest on Term loan	67,01,230	1,26,49,562
Bank Charges	16,25,608	13,68,334
Total (B)	**83,26,838**	**1,40,17,896**
Total (A+B)	**13,02,58,766**	**9,04,00,850**

Notes forming part of Standalone Financial Statements

Rupees

Particulars	For the period ended March 31, 2019	For the period ended March 31, 2018
Note 31: Other Expenses		
A) Amines division		
a) Manufacturing Expenses		
i) Power and Fuel	80,75,68,341	73,10,27,254
ii) Stores, Spares Consumed	10,57,99,207	11,09,94,219
iii) Repairs & Maintenance - Plant & Machinery	5,77,59,962	2,98,69,958
iv) Repairs & Maintenance - Building & Other	68,05,315	46,98,094
b) Selling & Distribution Expenses		
i) Advertisement, Publicity & Sales Promotion	2,92,30,517	2,27,35,586
ii) Discount on Sales	2,93,44,107	3,23,19,265
iii) Outward Freight	27,62,37,342	26,03,92,750
iv) Packing & Forwarding	27,78,90,826	24,86,23,115
v) Other Selling & Distribution	8,05,94,624	5,31,12,766
c) Administrative & General Expenses		
I) Rent	10,41,181	10,48,397
ii) Rates & Taxes	76,83,550	2,59,75,269
iii) Repairs & Maintenance - Office Equipments	9,52,179	5,31,632
iv) Repairs & Maintenance - Furniture	1,54,369	1,33,001
v) Remuneration to Directors	18,31,19,361	18,19,42,346
vi) Foreign Exchange Fluctuations Loss / (Gain)	(1,85,34,302)	(7,45,87,798)
vii) Auditors Remuneration		
- As Auditors	12,75,000	12,75,000
viii) Premium in Respect of "Employer - Employee Policy"	49,87,365	-
ix) Other Expenses	5,62,14,430	5,70,94,219
d) Insurance		
i) Plant & Machinery & Building	25,43,574	25,04,502
ii) Wind Electric Generator	5,45,336	5,45,344
iii) Raw Material & Finished Goods	33,22,094	34,45,176
iv) Cash In Transit	7,167	6,985
v) Loss of Profit	22,54,657	23,20,389
vi) Motor Vehicle	8,93,032	8,30,312
vii) Public Liability Act	8,11,238	8,35,970
e) Research & Development Expenses	49,18,592	49,50,836
f) Expenditure on Corporate Social Responsibility		
i) Promoting Education	73,21,868	24,57,574
ii) Maintenance of greenery on the Road divider between Mahaveer Chowk to Multani Bakery, Solapur.	-	2,47,500
iii) Arrangement of Drinking Water	2,72,110	1,18,052
iv) Promotion of Road Safety	1,24,970	-
v) Solar Street Light	-	2,82,704
vi) Armed Forces	50,00,000	-
vii) Health Care	92,00,307	47,50,820
viii) Rural Development Projects	26,74,138	1,01,75,654
ix) Remuneration to Staff	2,54,999	3,05,000
x) Administrative Expenses	5,022	5,235
xi) Fund for Orphan Childrans	-	5,00,000

Notes forming part of Standalone Financial Statements

Rupees

Particulars	For the period ended March 31, 2019	For the period ended March 31, 2018
xii) Roads in Tamalwadi	1,35,000	-
xiii) Promoting Sports	9,11,113	-
xiv) Swachh Bharat Abhiyan	3,12,700	10,400
xv) Travelling Expenses	90,233	50,859
Total (A)	**194,97,21,524**	**172,15,28,385**
B) Hotel Division		
i) Power and Fuel	3,94,34,980	3,41,46,160
ii) Stores, Spares and Packing Material	10,17,098	70,416
iii) Repairs & Maintenance - Plant & Machinery	43,95,153	27,70,947
iv) Repairs & Maintenance - Building	56,90,803	32,31,937
v) Repairs & Maintenance - Kitchen Equipments	11,13,832	32,02,928
vi) Repairs & Maintenance - Others	31,80,227	18,46,007
vii) Repairs & Maintenance - Furniture	8,66,039	2,35,442
viii) Repairs & Maintenance - Office Equipment	69,339	-
ix) Repairs & Maintenance - Computer	8,51,107	6,05,812
x) Repairs & Maintenance - Electrical Equipments	9,81,993	9,56,516
xi) Repairs & Maintenance - Sanitary Fitting	12,000	61,510
xii) Repairs & Maintenance - AC Equipments	3,01,265	66,440
xiii) Insurance - Plant & Machinery	7,64,079	6,28,627
xiv) Insurance	1,05,536	29,233
xv) Banquet Expenses	16,06,887	16,44,364
xvi) Spa Operating Expenses	27,18,955	29,45,195
xvii) Laundry expenses	13,35,503	13,02,410
xviii) Advertisement, Publicity & Sales Promotion Expenses	56,99,611	36,26,507
xix) Freight & Forwarding	4,98,517	4,79,433
xx) Rent, Rates & Taxes	40,41,452	41,32,887
xxi) Operator's Management & Incentives Fees	1,15,80,835	1,07,46,313
xxii) Audit Fees	1,50,000	1,50,000
xxiii) Safety measures	-	24,02,900
xxiv) Others	1,14,76,202	1,07,85,952
Total (B)	**9,78,91,413**	**8,60,67,936**
Total (A+B)	**204,76,12,937**	**180,75,96,321**

Notes 1 to 31 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. May 15, 2019.

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

INDEPENDENT AUDITOR'S REPORT

To,
The Members of
Balaji Amines Limited
Solapur, Maharashtra

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, 2019, 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, as at March 31, 2019, of consolidated profit, and its consolidated cash flows for the year then ended.

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.	**Land allotted by MIDC to the holding company at Chicholi, Maharashtra.** 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.	We have ascertained the land allotment procedure of MIDC and also perused the land allotment and possession documents. 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.
2.	**Disputed Tax Demands in case of holding company** The company is in dispute in respect of Income Tax Assessments for three years and the aggregate of the tax demand in respect of these three years is Rs. 258.93 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.	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.

Information other than the consolidated financial statements and Auditors 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.265.01 Crores as at 31st Mach, 2019, total revenues of Rs.Nil and net cash flows amounting to Rs.143.35 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:

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 of the aforesaid consolidated financial statements.

b. 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.

c. 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.

d. 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.

e. On the basis of the written representations received from the directors of the Holding Company as on 31st March, 2019 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, 2019 from being appointed as a director in terms of Section 164(2) of the Act.

f. 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.

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 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 – VI – 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. May 15, 2019

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, 2019 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, 2019, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial

Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

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

Ayyadevara Srinivas
Proprietor
ICAI Membership No. 028803
Hyderabad. May 15, 2019.

CONSOLIDATED BALANCE SHEET AS AT MARCH 31, 2019

Rupees

Particulars	Note No.	As at March 31, 2019	As at March 31, 2018
Assets			
1. Non-current assets			
a. Property, plant and equipment	2	319,74,62,398	316,05,77,013
b. Capital work - in -progress	3	269,46,00,140	123,12,96,757
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	4,01,48,495	3,82,64,006
i. Deferred tax assets (net)		-	-
j. Other non-current assets	5	3,09,26,677	50,10,66,145
2. Current assets			
(a) Inventories	6	163,15,21,728	89,09,70,882
(b) Financial Assets			
(I) Investments	7	5,000	50,000
(ii) Trade Receivables	8	167,21,83,771	172,67,78,334
(iii) Cash and cash equivalents	9	14,48,33,555	2,21,46,025
(iv) Bank balances other than (iii) above	10	6,08,57,085	21,94,96,587
(v) Loans		-	-
(vi) Others		-	-
(c) Current Tax Assets (Net)		53,30,35,391	54,14,97,591
(d) Other current assets	11	45,33,12,919	14,62,97,766
Total Assets		**1045,88,87,160**	**847,84,41,106**
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	567,53,24,206	460,58,33,333
Non controlling interest in subsidiary		**18,00,00,000**	**18,00,00,000**
LIABILITIES			
1. Non - current liabilities			
(a) Financial Liabilities			
(I) Borrowings	14	83,33,20,085	42,48,84,312
(ii) Trade payables	15	13,17,51,224	12,78,67,421
(iii) Other financial liabilities (other than those specified in item (b))	16	3,19,35,600	55,24,843
(b) Provisions		-	-
(c) Deferred tax liabilities (Net)	17	45,75,00,903	50,22,32,825
(d) Other non-current liabilities		-	-
2. Current liabilities			
(a) Financial Liabilities			
(I) Borrowings	18	107,22,05,941	99,68,09,001
(ii) Trade payables	19	85,26,87,401	71,84,42,879
(iii) Other financial liabilities (other than those specified in item (c))	20	37,34,63,329	9,95,29,339
(b) Other current liabilities		-	-
(c) Provisions	21	22,58,96,471	21,97,95,153
(d) Current Tax Liabilities (Net)	22	56,00,00,000	53,27,20,000
Total Equity and Liabilities		**1045,88,87,160**	**847,84,41,106**
Significant Accounting Policies and other information	1		

Notes 1 to 22 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. May 15, 2019.

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, 2019

Rupees

Sr. No.	Particulars	Note No.	For the Period ended March 31, 2019	For the Period ended March 31, 2018
I	Revenue from operations	23	943,05,12,717	861,23,36,230
II	Other income	24	4,22,68,376	4,07,36,667
III	**Total Revenue (I+II)**		**947,27,81,093**	**865,30,72,897**
IV	**EXPENSES**			
	Cost of Material Consumed	25	541,01,22,727	460,96,92,888
	Changes in inventories of finished goods and work-in-progress	26	(25,65,56,462)	3,11,61,998
	Employee benefits expense	27	29,46,92,972	26,89,48,873
	Finance costs	28	13,02,58,766	9,04,00,850
	Depreciation and amortization expense	2	19,55,38,589	19,28,79,289
	Other expenses	29	204,81,70,446	180,75,96,321
	Total Expenses (IV)		**782,22,27,038**	**700,06,80,219**
V	Profit/(loss) before exceptional items and tax (III-IV)		**165,05,54,055**	**165,23,92,678**
VI	Exceptional items		3,55,99,295	59,91,412
VII	Profit/(loss) before tax (V +VI)		**168,61,53,350**	**165,83,84,090**
VIII	Tax Expenses:			
	1. Current Tax		56,00,00,000	53,25,00,000
	2. Deferred Tax		(4,47,31,923)	(59,25,950)
IX	Profit (Loss) for the period from continuing operations (VII-VIII)		**117,08,85,273**	**113,18,10,040**
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)		**117,08,85,273**	**113,18,10,040**
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)		**117,08,85,273**	**113,18,10,040**
XVI	Earning per equity share (for continuing operation):			
	(1) Basic		36.14	34.93
	(2) Diluted		36.14	34.93
XVII	Earning per equity share (for discontinued operation):			
	(1) Basic		-	-
	(2) Diluted		-	-
XVIII	Earning per equity share (for discontinued & continuing operations)			
	(1) Basic		36.14	34.93
	(2) Diluted		36.14	34.93
	Significant Accounting Policies and other information	1		

Notes 23 to 29 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. May 15, 2019.

For and on behalf of Board of Directors

A Prathap Reddy	**G Hemanth Reddy**
Executive Chairman	**Whole Time Director & CFO**
DIN 00003967	**DIN 00003868**

Jimisha Parth Dawda
Company Secretary & Compliance Officer

CONSOLIDATED CASH FLOW STATEMENT FOR THE YEAR ENDED MARCH 31, 2019

Rupees

Sr. No.	Particulars		Current year 31.03.2019	Previous year 31.03.2018
A	**Cash Flow From Operating Activities**			
	Profit before interest and tax		181,64,12,116	174,87,84,940
	Other income considered		(4,22,68,376)	(4,07,36,667)
	Depreciation		19,55,38,589	19,28,79,289
	Increase / (Decrease) in Current Liabilities		48,96,76,770	47,38,61,663
	(Increase)/ Decrease in Inventories		(74,05,50,846)	9,88,37,603
	(Increase)/ Decrease in Debtors		5,45,94,563	(48,39,00,620)
	(Increase)/ Decrease in Other Current Assets		(30,70,15,153)	(1,95,44,874)
	(Increase)/Decrease in Current Tax Assets		84,62,200	(14,03,83,234)
	Income Tax Paid		(53,27,20,000)	(43,00,00,000)
	Cash flow from Operating Activities	**A**	**94,21,29,863**	**139,97,98,100**
B	**Cash Flow From Investing Activities**			
	Purchase of Fixed Assets		(1,69,79,45,236)	(1,10,74,58,577)
	Increase in Minority Interest		-	18,00,00,000
	Sale of Fixed Assets		22,17,879	2,83,40,168
	(Increase)/ Decrease in Other Non Current Financial Assets		(18,84,489)	(1,28,72,798)
	(Increase)/ Decrease in Other Non Current Assets		47,01,39,468	(47,75,46,375)
	(Increase)/ Decrease in Current Investments		45,000	1,00,000
	Other Income		4,22,68,376	4,07,36,667
	Cash flow from Investing activities	**B**	**(1,18,51,59,002)**	**(1,34,87,00,915)**
C	**Cash Flow From Financing Activities**			
	Increase / (Decrease) in Secured Loans		40,84,35,773	25,67,34,330
	Increase / (Decrease) in Other Long Term Financial Obligations		2,64,10,757	20,99,843
	Increase / (Decrease) in Trade Payables		38,83,803	7,30,06,083
	Interest paid		(13,02,58,766)	(9,04,00,850)
	Dividend paid		(10,13,94,400)	(8,57,95,300)
	Cash Flow from Financing Activities	**C**	**20,70,77,167**	**15,56,44,106**
D	**Net increase/(decrease) in cash and cash equivalents (A+B+C)**		**(3,59,51,972)**	**20,67,41,291**
E	Cash and cash equivalents (beginning of the year)		24,16,42,612	3,49,01,321
F	Cash and cash equivalents (end of the year)		20,56,90,640	24,16,42,612
G	Increase/(decrease) in cash and cash equivalents (closing minus opening balances)		(3,59,51,972)	20,67,41,291

As per our report of even date

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

Ayyadevara Srinivas
Proprietor
ICAI Membership No. 028803
Hyderabad. May 15, 2019.

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, 2019
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 as at March 31, 2019 has not commenced its commercial operations and as such does not have any revenues from operations.

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 mainly operates in two segments i.e., Speciality Chemicals and Amines and Hotel. In addition to the said two primary. Main divisions BAL also has CFL lamps facility at Medak, Telangana which was acquired vide amalgamation of Balaji Greentech Products Limited with BAL in the FY 2017-18.

III. Compliance with Indian Accounting Standards

1. 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.

2. The company had adopted Ind AS for the first time in accordance with Ind AS 101, First Time Adoption of Indian Accounting Standards in the year ended March 31, 2018, i.e., the immediately preceding year.

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, 2019 as presented in detail hereunder.

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 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, 2019 the company has spent the required amount. Hence there are no unspent amounts 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) 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.81.15 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.263.02 Lakhs (Previous Year Rs.189.04 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.31 Other expenses, item (f).

20. Segment Reporting:

The company 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 Division	92,886.76
	Hotel Division	2,125.13
	CFL Lamps Division	1.80
	Sub Total:	**95,013.69**
	Less: Inter-segment revenue	30.53
	Net revenue from operations	**94,983.16**
2.	**Segment Results before Tax & Interest**	
	Amines Division	18,420.79
	Hotel Division	-2.07
	CFL Lamps Division	-155.84
	Total:	**18,262.88**
	Less: Interest	
	Amines Division	1,219.11
	Hotel Division	83.27
	CFL Lamps Division	0.21
	Total:	**1,302.59**
	Segment Profit/Loss (-) before tax	
	Amines Division	17,201.68
	Hotel Division	-85.34
	CFL Lamps Division	-156.05
	Total:	**16,960.29**
3.	**Capital Employed (Segment Assets - Segment Liabilities)**	
	Amines Division	47,940.67
	Hotel Division	6,530.15
	CFL Lamps Division	210.41
	Total:	**57,500.04**

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. 32,65,76,847 Rs. 99,16,601	Rs. 32,65,76,847 Rs. 22,02,761	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. 6,78,03,480 Rs. 12,60,957	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.	Office Rent	Rs.45,000	Rs.5,000	Nil
KPR House / Family Trust	A Co-ownership in which Directors and their relatives are interested.	Office Rent	Rs. 6,70,380	Rs. 62,000	Nil
Balaji Sourcings Pvt. Ltd.	A Company in which Directors are interested	a. Sales b. Purchase	Rs. 2,34,82,944 Rs. 2,22,69,196	Nil Rs. 6,146	Nil Nil
ThirumalaPrecicasts Pvt. Ltd.	A Company in which Directors are interested	Office Rent	Rs.3,46,077	Rs.1,02,906	Nil
Sri A. Prathap Reddy	Executive Chairman	Remuneration & Allowances Commission on Profits	Rs. 49,32,000 Rs. 5,04,60,049	Rs. 2,42,000 Rs. 5,04,60,049	Nil Nil
Sri N. Rajeshwar Reddy	Joint Managing Director	Remuneration & Allowances Commission on Profits	Rs. 41,10,000 Rs. 3,28,18,032	Nil Rs. 3,28,18,032	Nil Nil
Sri D. Ram Reddy	Managing Director	Remuneration & Allowances Commission on Profits	Rs. 41,10,000 Rs. 3,28,18,032	Nil Rs. 3,28,18,032	Nil Nil
Sri G. Hemanth Reddy	Whole Time Director & CFO	Remuneration & Allowances Commission on Profits	Rs. 41,10,000 Rs. 1,43,54,016	Rs. 2,05,500 Rs. 1,43,54,016	Nil Nil
Sri A. Srinivas Reddy	Whole Time Director	Remuneration & Allowances Commission on Profits	Rs. 36,16,800 Rs. 3,33,11,232	Rs. 1,22,600 Rs. 3,33,11,232	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. 15,858	Nil	Nil

22. Additional Information pertaining to Statement of Profit and Loss

Sl.No.	Nature of Income /Expenses	Current Year		Previous Year	
		Amount In Foreign Currency	Amount In INR	Amount In Foreign Currency	Amount In INR
1.	Export Earning	US Dollars 2,06,70,398.50 EURO 83,90,446.80	141,93,94,754.46 67,56,39,706.00	US Dollars 1,54,96,214.48 EURO 83,53,825.80	99,26,64,619.39 62,07,26,750.00
2.	Sales Commission	US Dollars 64,169.60	44,37,458.00	US Dollars 59,406.20	38,01,370.00
3.	Registration & Renewals	US Dollars 325.00 EURO 333.33	21,257.00 27,778.00	US Dollar 382.00 EURO 1,22,057.00	24,862.00 85,36,960.00
4.	Travelling Expenses	US Dollar 3000.00 EURO 1343.00 MYR 770.00 RMB 26,100.00	2,13,045.00 1,05,194.00 13,629.00 2,82,860.00	US Dollar 5,489.00 EURO 590.00 CNY 22,000.00 RMB 32,700.00	2,86,350.00 45,719.00 2,18,560.00 3,26,340.00
5.	Exhibition Charges	EURO 72,547.02	59,82,079.00	EURO 68,516.51 GBP 280.00	50,51,242.00 23,598.00
6.	Capital Goods & Spares	US Dollars 1,57,353.00	1,10,45,808.00	US Dollars 2,03,301.15 EURO 45,200.00 JPY 5,76,000.00	1,29,98,224.00 35,80,507.00 3,50,496.00
7.	Raw Material	US Dollars 3,79,82,949.34 EURO 1,80,800.00	263,82,80,228.00 1,44,56,998.00	US Dollars 3,09,54,289.63	199,29,64,096.00
8.	Lease Rent	-	-	US Dollars 1,958.00	1,26,709.00
9.	Finance Charges	US Dollars 27,938.98 EURO 7318.27	19,43,396.00 5,83,321.00	USD Dollars 29,068.71 EURO 61,385.85 GBP 21.92	18,81,185.00 45,18,127.00 1,815.00
10.	Transportation Charges	US Dollars 9020.00	6,10,156.00	EURO 2,890.02	2,11,110.00

VII. The details with respect to the dues under MSME Act are not being furnished as the details are not available with the company, in spite of the company having written to its creditors seeking details of their status under the MSME Act. However, there are no dues to the creditors that are more than one year old.

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 31.03.2018	Addition	Deletion	As at 31.03.2019	As at 31.03.2018	For the Period	Adjustments Deletion	As at 31.03.2019	As at 31.03.2018	As at 31.03.2019
Land	16,25,41,232	18,08,19,413	-	34,33,60,645	-	30,91,499	-	30,91,499	16,25,41,232	34,02,69,146
Factory Buildings	105,09,99,210	6,78,400	-	105,16,77,610	20,45,52,813	2,48,63,525	-	22,94,16,338	84,64,46,397	82,22,61,272
Office Buildings	7,38,40,688	-	-	7,38,40,688	36,75,862	11,66,439	-	48,42,301	7,01,64,826	6,89,98,387
Wind Electric Generator	17,16,03,446	-	-	17,16,03,446	7,33,35,256	68,82,203	-	8,02,17,459	9,82,68,190	9,13,85,987
Plant & Machinery	259,80,22,682	70,36,000	-	260,50,58,682	102,34,64,946	10,66,09,670	-	113,00,74,616	157,45,57,736	147,49,84,066
Plant & Machinery R & D	30,68,56,104	18,57,255	-	30,87,13,359	14,06,28,521	1,25,68,097	-	15,31,96,618	16,62,27,583	15,55,16,741
Furniture & Fixtures	23,23,09,809	-	-	23,23,09,809	10,89,63,634	2,43,25,850	-	13,32,89,484	12,33,46,175	9,90,20,325
Office Equipment	1,81,42,820	3,35,267	-	1,84,78,087	1,33,70,289	16,22,192	-	1,49,92,481	47,72,531	34,85,606
Vehicles	5,52,29,911	95,08,899	68,12,224	5,79,26,586	2,65,07,434	65,84,142	45,94,345	2,84,97,231	2,87,22,477	2,94,29,355
Others	12,14,61,402	3,44,06,619	-	15,58,68,021	3,59,31,536	78,24,972	-	4,37,56,508	8,55,29,866	11,21,11,513
Total :	**479,10,07,304**	**23,46,41,853**	**68,12,224**	**501,88,36,933**	**163,04,30,291**	**19,55,38,589**	**45,94,345**	**182,13,74,535**	**316,05,77,013**	**319,74,62,398**

Notes forming part of Consolidated Financial Statements

Rupees

Particulars	As at March 31, 2019	As at March 31, 2018
Note 3 : Capital work in progress		
Expansion Project - at the beginning of the year	104,78,92,690	8,53,33,233
Expenditure incurred during the year	154,95,86,385	96,25,59,457
At the end of the year	262,13,17,004	104,78,92,690
Less: Capitalised / Put to use during the year	1,64,09,628	-
Less : Transferred to Lease hold Land	17,95,46,703	-
Balance A	**242,53,60,673**	**104,78,92,690**
R & D Project - At the beginning of the year	18,34,04,067	16,55,00,510
Expenditure incurred during the year	8,58,35,400	1,79,03,557
At the end of the year	26,92,39,467	-
Less Transfers	-	-
Balance B	**26,92,39,467**	**18,34,04,067**
Total (A+B)	**269,46,00,140**	**123,12,96,757**
Note 4 : Others		
Deposit with Government Departments	3,53,59,281	3,52,97,294
Others-Security Deposits	47,89,214	29,66,712
Total	**4,01,48,495**	**3,82,64,006**
Note 5: Other non-current assets		
Advances towards Capital Goods	1,76,76,860	42,49,21,541
Margin money deposit (towards guarantees issued by banks)	78,77,795	7,07,73,182
Preliminery Exps.	53,72,022	53,71,422
Total	**3,09,26,677**	**50,10,66,145**
Note 6 : Inventories		
[As verified, valued and certified by the Management]		
Raw Material	72,11,34,406	29,17,21,198
Work-in-Process	29,74,98,710	23,65,19,926
Finished Goods	40,73,27,243	21,17,49,565
Goods-in-transit / at Bonded Warehouse	1,86,70,857	4,27,15,570
Housekeeping, Kitchen, Stewarding.	34,30,526	43,02,484
Food & Bevarages	42,73,181	22,66,780
Stores, Spares	4,74,22,846	5,50,21,524
Packing Materials	2,30,89,094	1,41,14,289
Fuel & Others etc.	10,86,74,865	3,25,59,546
Total	**163,15,21,728**	**89,09,70,882**
Note 7 : Investments		
Others		
500 equity shares of Rs. 100/- each fully paid up in Solapur Janata Sahakari Bank. Valued at cost.	-	-
Reclassified as current on 31.03.2018, in view of disposal in month of April 18	-	50,000
National Saving Certificate	5,000	-
Total	**5,000**	**50,000**
Note 8 : Trade Receivables		
(Unsecured and considered good)		
A) Amines division	166,82,19,130	172,10,79,233
B) Hotel division	39,64,641	56,99,101
Total	**167,21,83,771**	**172,67,78,334**
Note 9 : Cash and cash equivalents		
Cash in hand	3,86,916	2,37,573
Balance with Scheduled Banks		
In current accounts	14,44,46,639	2,19,08,452
Total	**14,48,33,555**	**2,21,46,025**

Notes forming part of Consolidated Financial Statements

Rupees

Particulars	As at March 31, 2019	As at March 31, 2018
Note 10 : Bank balance		
Balance with Scheduled Banks		
In Margin money deposits	6,08,57,085	21,94,96,587
Total	**6,08,57,085**	**21,94,96,587**
Note 11 : Other current Assets		
Balance with Revenue Authorities	35,00,55,994	9,65,08,701
Advances to Suppliers	2,63,34,544	2,23,22,416
Employees' advances	15,47,298	18,98,223
Prepaid Expenses	22,96,852	21,48,120
Income Tax Refund Receivable	4,81,07,237	32,90,410
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	-
Others - Unsecured, considered good	1,68,18,572	1,21,62,736
Total	**45,33,12,919**	**14,62,97,766**
Note 12 : Equity share capital		
a. Authorised		
At the beginning of the year		
22,75,00,000 Equity Shares of Rs. 2/- each.	45,50,00,000	-
4,50,00,000 Equity Shares of Rs. 2/- each.	-	9,00,00,000
Addition during the year	-	-
18,25,00,000 Equity Shares of Rs.2 each	-	36,50,00,000
At the end of the year	**45,50,00,000**	**45,50,00,000**
During the previous year the increase in the Authorised capital is on account of the Order of the Hon'ble NCLT sanctioning the Amalgamation of Bhagyanagar Chemicals Limited and Balaji Green Tech Products Limited, with the company.		
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	62,78,68,000	50,97,68,000
e) Credit Balance in Profit & Loss	496,00,84,701	400,86,93,828
Total other equity	**567,53,24,206**	**460,58,33,333**
Note 14: Borrowings		
1. Secured		
Term loans		
(i) Bank of Baroda		
(a) Rupee Term Loan	41,66,53,415	12,18,00,786
(i) HDFC Bank Ltd.		
(a) Rupee Term Loan	41,66,66,670	28,50,00,000
2. Unsecured from related parties.	-	1,80,83,526
Total	**83,33,20,085**	**42,48,84,312**
The term loans relate to subsidiary company and the same are secured by first charge on all the assets created from such borrowings and corporate guarantee of the Holding Company to institutional lenders to an extent of Rs. 175.00 Crores. 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		

Notes forming part of Consolidated Financial Statements

Rupees

Particulars	As at March 31, 2019	As at March 31, 2018
Note 15: Trade payables		
Creditors for Capital Goods	12,86,01,224	11,98,22,089
Rental Deposit	31,50,000	31,50,002
Others	-	48,95,330
Total	**13,17,51,224**	**12,78,67,421**
Note 16: Other financial liabilities		
Deposits from Customers	37,80,000	55,24,843
Deferred revenue export benefits	2,81,55,600	-
Total	**3,19,35,600**	**55,24,843**
NOTE 17: Deferred Tax Liabilities / Assets		
Beginning of the year relating to the fixed assets	50,22,32,826	58,26,26,821
Add / (Less): Deferred tax assets of BGPL transferred on amalgamation	-	(7,44,68,046)
Total	**50,22,32,826**	**50,81,58,775**
Add / (Less): Timing difference arising during the year on account of depreciation	(4,47,31,923)	(59,25,950)
Deferred Tax Liability (Net)	**45,75,00,903**	**50,22,32,825**
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.		
Note 18: Borrowings		
a. Secured		
Towards working capital - Repayable on demand		
(i) State Bank of India *	30,00,86,080	12,85,59,640
(ii) HDFC Bank *	51,23,39,725	38,37,77,711
(iii) Bank of Baroda *	25,97,80,136	48,44,71,650
*** Includes sub limit of demand Loan**		
Total	**107,22,05,941**	**99,68,09,001**
The borrowings for working capital limits sanctioned by banks, including Working Capital Demand Loans, are secured by ***pari-pasu*** first charge by way of hyphothecation 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	85,05,02,616	70,63,19,406
Duties and taxes	21,84,785	1,21,23,473
Total	**85,26,87,401**	**71,84,42,879**
Note 20: Other financial liabilities		
Current maturities of long term debt from banks payable within twelve months		
i) HDFC Bank Ltd.-Rupee Term Loan	28,33,33,329	2,50,00,000
ii) HDFC Bank Ltd.-FCNR Term Loan	-	2,46,37,492
iii) Bank of Baroda	8,33,25,000	4,71,36,000
iv) Interest accrued on term loans	68,05,000	27,55,847
Total	**37,34,63,329**	**9,95,29,339**
Note 21: Provisions		
Salaries	1,69,92,791	1,38,02,157
Provident Fund	33,14,430	30,63,950
Employees State Insurance	4,78,743	3,37,264
Remuneration to Directors	16,37,61,361	16,38,05,986
Electricity Charges	2,27,85,636	1,54,83,075
Others - expenses	1,85,63,510	2,33,02,721
Total	**22,58,96,471**	**21,97,95,153**

Notes forming part of Consolidated Financial Statements

Rupees

Particulars	As at March 31, 2019	As at March 31, 2018
Note 22: Current Tax Liabilities		
Provision for Current Tax	56,00,00,000	53,27,20,000
Total	**56,00,00,000**	**53,27,20,000**

Particulars	For the Period ended March 31, 2019	For the Period ended March 31, 2018
Note 23 : Revenue From Operations		
Sale of Aliphatic Amines, Speciality Chemicals, Derivatives of Amines (including Export Benefits) and CFL Lamps.	943,05,12,717	874,58,98,647
Less : Excise Duty (Previous Year - upto 30.06.2017)	-	13,35,62,417
Total Revenue from operations (Net)	**943,05,12,717**	**861,23,36,230**
Note 24 : Other Income		
Income from Wind Electric Generator	3,06,25,188	2,85,87,202
Interest on Margin Money Deposit	14,50,529	16,43,895
Interest on Security Deposit	22,65,952	21,72,736
Sales Tax Refund and interest thereon	7,03,550	47,54,533
Profit on Sale of Fixed Assets	-	19,675
Rent Receipt	47,21,609	31,29,658
Miscellaneous Income	25,01,548	4,28,968
Total	**4,22,68,376**	**4,07,36,667**
Note 25 : Cost of material consumed		
Opening Stock	29,82,90,462	27,85,57,914
Opening Stock of amalgamating company	-	69,19,329
Add: Purchases		
Raw Material - Domestic	269,87,50,947	213,66,71,244
Raw Material - Imports CIF Value	314,19,19,431	248,58,34,863
Sub- Total	**613,89,60,840**	**490,79,83,350**
Less : Closing Stock	72,88,38,113	29,82,90,462
Net Total	**541,01,22,727**	**460,96,92,888**
Note 26 : Changes in Inventories of Finished Goods & Work in Process		
(a) Opening Stock		
Finished Goods	21,17,49,565	25,45,85,251
Finished goods of amalgamating company	-	1,28,95,647
Excise duty	-	3,18,23,156
Work-in -process	23,65,19,926	4,35,70,409
Work-in -process of amalgamating company	-	13,65,57,026
Sub- Total (a)	**44,82,69,491**	**47,94,31,489**
(b) Closing Stock		
Finished Goods	40,73,27,243	21,17,49,565
Work-in -process	29,74,98,710	23,65,19,926
Sub- Total (b)	**70,48,25,953**	**44,82,69,491**
Difference of (a) and (b) Increase (-) / Decrease(+)	**(25,65,56,462)**	**3,11,61,998**
Note 27 : Employee benefits		
Salaries,Wages and other allowances	25,14,99,979	22,78,55,263
Bonus	1,06,41,398	1,16,35,522
Premium towards Gratuity Scheme of LIC	71,70,403	47,54,925
Contribution to Provident Fund	1,70,41,082	1,66,56,088
Contribution to Employees State Insurance	35,42,659	27,04,686
Contribution to Labour Welfare Fund	65,376	57,398
Contribution to Medical Aids	71,780	72,980
Staff Welfare Expenses	26,69,250	25,33,584
Group Insurance Premium	19,91,045	26,78,427
Total	**29,46,92,972**	**26,89,48,873**

Notes forming part of Consolidated Financial Statements

Rupees

Particulars	As at March 31, 2019	As at March 31, 2018
Note 28 : Finance Cost		
Interest on Working Capital Borrowings	10,12,49,500	4,42,19,513
Interest on Term loan	80,03,880	2,24,25,023
Processing Charges	53,33,333	53,88,201
Bank Charges	1,56,72,053	1,83,68,113
Total	**13,02,58,766**	**9,04,00,850**
Note 29: Other Expenses		
a) Manufacturing Expenses		
i) Power and Fuel	84,70,03,321	76,51,73,414
ii) Stores, Spares Consumed	10,68,16,305	11,10,64,635
iii) Repairs & Maintenance - Plant & Machinery	6,21,55,115	3,26,40,905
iv) Repairs & Maintenance - Building & Other	1,86,88,749	1,17,01,758
v) Repairs & Maintenance - Kitchen Equipments	11,13,832	32,02,928
b) Selling & Distribution Expenses		
i) Advertisement, Publicity & Sales Promotion	3,49,30,128	2,63,62,093
ii) Discount on Sales	2,93,44,107	3,23,19,265
iii) Outward Freight	27,67,35,859	26,08,72,183
iv) Packing & Forwarding	27,84,48,335	24,86,23,115
v) Other Selling & Distribution	8,05,94,624	7,69,50,522
c) Administrative & General Expenses		
I) Rent	19,37,061	10,48,397
ii) Rates & Taxes	1,08,29,122	3,01,08,156
iii) Repairs & Maintenance - Office Equipments	10,21,518	5,31,632
iv) Repairs & Maintenance - Furniture	1,54,369	1,33,001
v) Remuneration to Directors	18,31,19,361	18,19,42,346
vi) Foreign Exchange Fluctuations Loss / (Gain)	(1,85,34,302)	(7,45,87,798)
vii) Auditors Remuneration		
- As Auditors	14,25,000	15,42,700
viii) Premium in Respect of "Employer - Employee Policy"	49,87,365	-
ix) Other Expenses	7,33,51,977	5,22,19,584
d) Insurance		
i) Plant & Machinery & Building	34,13,189	31,62,362
ii) Wind Electric Generator	5,45,336	5,45,344
iii) Raw Material & Finished Goods	33,22,094	34,45,176
iv) Cash In Transit	7,167	6,985
v) Loss of Profit	22,54,657	23,20,389
vi) Motor Vehicle	8,93,032	8,30,312
vii) Public Liability Act	8,11,238	8,35,970
e) Research & Development Expenses	49,18,592	49,50,836
f) Expenditure on Corporate Social Responsibility	2,63,02,460	1,89,03,798
g) Operator's Management & Incentives Fees	1,15,80,835	1,07,46,313
Total	**204,81,70,446**	**180,75,96,321**

Notes 1 to 31 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. May 15, 2019.

For and on behalf of Board of Directors

A Prathap Reddy	**G Hemanth Reddy**
Executive Chairman	**Whole Time Director & CFO**
DIN 00003967	**DIN 00003868**

Jimisha Parth Dawda
Company Secretary & Compliance Officer

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FORM FOR ECS MANDATE / BANK MANDATE

To
Venture Capital and Corporate Investments Pvt. Limited
12-10-167, Bharat Nagar
Hyderabad - 500 018.
040-23818475/476; Fax: 040-23868024

Dear Sir,
I/We _____ do hereby authorize Balaji Amines Limited to

Credit my dividend amount directly to my Bank Account as per details furnished below by Electronic Clearing Services (ECS) - ECS Mandate.*

Print the details of my Bank account as furnished below, on my dividend warrant which will be mailed to me Bank Mandate.*
(* Strike out whichever is not applicable)

Folio No. _____ DP ID _____
(For shares held in physical form) Client ID

A) Name of First holder _____

B) Bank Name _____

C) Branch Name _____

D) Branch Address (for ECS Mandate only) _____

E) Bank Account Number _____

F) Account type (Saving / Current) _____

G) 9 Digit Code Number of the Bank & Branch _____
Appearing on the MICR Cheque
(For ECS Mandate only)

I hereby declare that particulars given above are correct and complete. If any transaction is delayed or not effected at all for reasons of incompleteness or incorrectness of information supplied as above, Balaji Amines Limited will not be held responsible.

Signature of first named shareholder
(as per specimen lodged with the Company)

Note: Please attach a blank cancelled cheque or a photocopy of a cheque issued by your Bank relating to your above account.

Form No. MGT - 11
BALAJI AMINES LIMITED
CIN: L24132MH1988PLC049387
REGISTERED OFFICE: Balaji Towers No. 9/1A/1, Hotgi Road, Aasara Chowk, Solapur - 413 224.

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

Name of the Member(s) :
Registered Address :
E-Mail ID :
Folio No./Client ID:
DP ID:

I/We, being the member(s) holding _____ shares of the above named Company, hereby appoint

1. Name : _____

   Address : _____

   Email ID : _____Signature : _____or failing him

2. Name : _____

   Address : _____

   Email ID : _____Signature : _____or failing him

3. Name : _____

   Address : _____

   Email ID : _____Signature : _____or failing him

As my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the 31st Annual General Meeting of the Company, to be held on Friday, 26th July, 2019 at 12:00 Noon at the Hotel Balaji Sarovar Premiere, Survey No. 9/1A/1, Aasara Chowk, Hotgi Road, Solapur - 413 224 and at any adjournment thereof in respect of such resolutions as are indicated.

RESOLUTION NUMBER	DESCRIPTION
ORDINARY BUSINESS	
1	To Consider and adopt the Audited Financial Statement, including Audited Consolidated Financial Statement of the Company for the Financial Year ended 31st March, 2019 and the Reports of the Board of Directors & Auditors thereon.
2	To declare dividend of 140% i.e., of Rs. 2.80 per equity share of Rs. 2 each.
3	To appoint a Director in place of Mr. A. Srinivas Reddy (DIN: 03169721), who retires by rotation and being eligible, offers himself for re-appointment.
SPECIAL BUSINESS	
4	Ratification of Remuneration to Cost Auditors for the Financial Year ending 31st March, 2020.
5	Re-appointment of Mr. T. Naveena Chandra as an Independent Director.
6	Re-appointment of Mr. M. Amarender Reddy as an Independent Director.
7	Re-appointment of Mr. C.S.N. Murthy as an Independent Director.
8	Re-appointment of Mr. Kashinath R. Dhole as an Independent Director.
9	Re-appointment of Mrs. Vimala B. Madon as an Independent Director
10	Approval of remuneration of Mr. A. Prathap Reddy, Executive Chairman in terms of Regulation 17(6)(e) of SEBI Amended Listing Regulations for the remaining tenure of his appointment.
11	Approval of remuneration of Mr. D. Ram Reddy, Managing Director in terms of Regulation 17(6)(e) of SEBI Amended Listing Regulations for the remaining tenure of his appointment.
12	Approval of remuneration of Mr. N. Rajeshwar Reddy, Joint Managing Director in terms of Regulation 17(6)(e) of SEBI Amended Listing Regulations for the remaining tenure of his appointment.
13	Approval of remuneration of Mr. G. Hemanth Reddy, Whole-time Director & CFO in terms of Regulation 17(6)(e) of SEBI Amended Listing Regulations for the remaining tenure of his appointment.
14	Approval of remuneration of Mr. A. Srinivas Reddy, Whole-time Director in terms of Regulation 17(6)(e) of SEBI Amended Listing Regulations for the remaining tenure of his appointment.
15	Approval pursuant to Section 185 of the Companies Act, 2013, Loan to Subsidiary Company.

Signed this _____day of _____2019

Affix Rs. 1/- Revenue Stamp

Signature of shareholders Signature of Proxy holder(s)

Note :This form duly filled up, stamped and signed by the appointer or his attorney duly authorized in writing or if the appointer is a Body Corporate, under the seal or signed by an attorney duly authorized by it shall be deposited at the Registered Office ofthe Company along with the power of Attorney, if any under which the Proxy Form is signed, not less than 48 hours before the time for holding the meeting, and at any adjournment thereof.

ATTENDANCE SLIP FOR ANNUAL GENERAL MEETING

BALAJI AMINES LIMITED, CIN: L24132MH1988PLC049387

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

I certify that I am a registered Shareholder/Proxy/Representative for the registered shareholder(s) of Balaji Amines Limited.

I hereby record my presence at the 31st Annual General Meeting of the shareholders of Balaji Amines Limited Friday, 26th July, 2019 at 12:00 Noon at Hotel Balaji Sarovar Premiere, Survey No. 9/1A/1, Aasara Chowk, Hotgi Road, Solapur - 413 224, Maharashtra.

DP ID*	**Reg. Folio No.**
Client ID*	**No. of Shares**

*Applicable if shares are held in electronic form

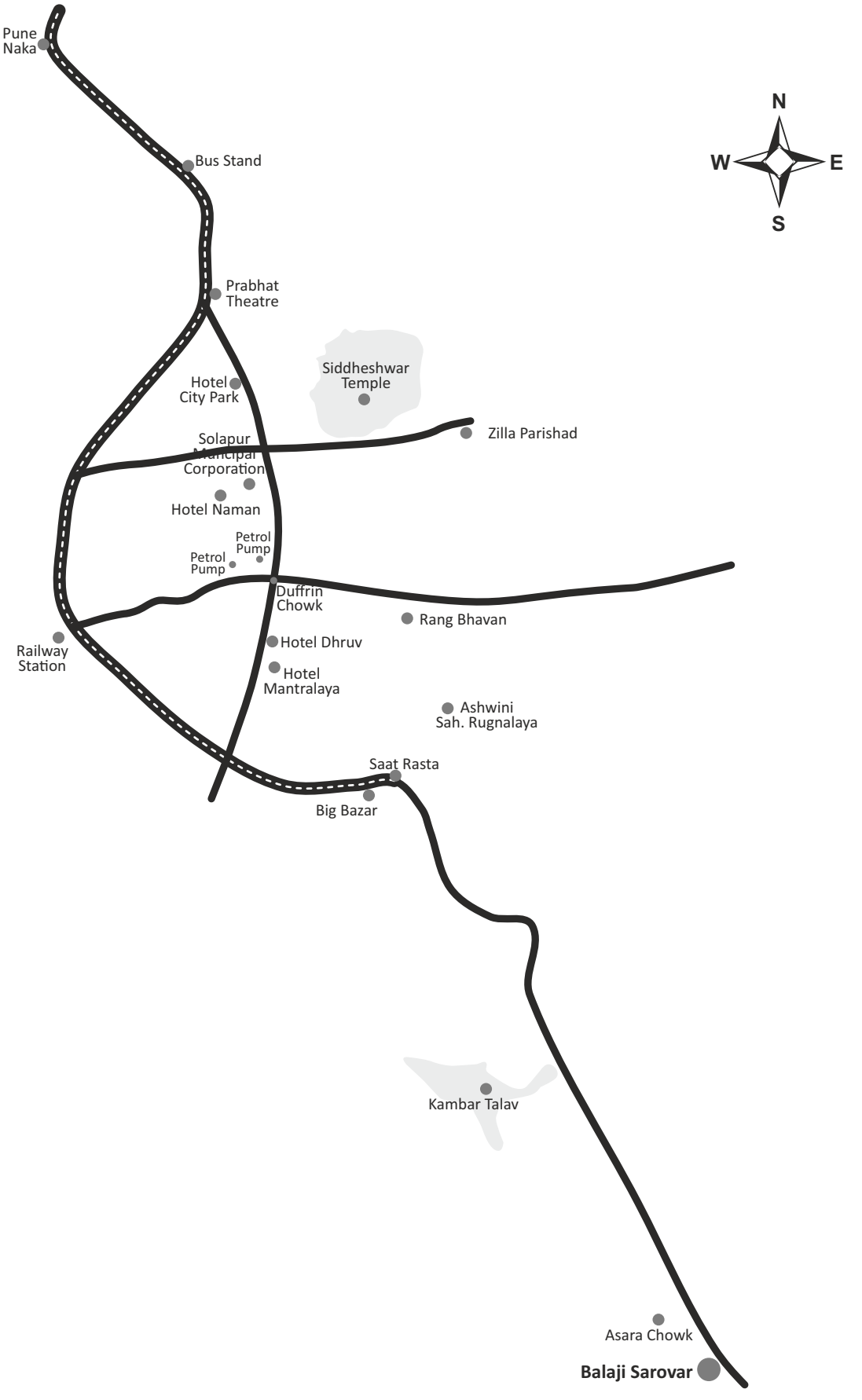
Name of the Shareholder/Proxy/Representative:
(Please specify)

Signature of the Shareholder/Proxy/Representative:

Note:

1. You are requested to sign and handover this slip at the entrance of the meeting venue.
2. Route Map for the AGM Venue

ROUTE MAP - VENUE OF 31ST ANNUAL GENERAL MEETING



CORPORATE SOCIAL RESPONSIBILITY INITIATIVES BY COMPANY

Contribution of Rs. 50 Lakhs for the Armed forces

Distribution of RO Water Plants at Public Places

Distribution of Benches at Rural Schools

Tree Plantation at Tamalwadi

Toilet construction at schools

Distribution of Computer at Schools

Distribution of Dustbins at Public Places

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.