



Balaji AMINES LTD.

CORPORATE INFORMATION

BOARD OF DIRECTORS

| | |
|--------------------------|----------------------|
| SRI. M. R. KRISHNAIAH | Chairman |
| SRI. A. PRATHAP REDDY | Managing Director |
| SRI. N. RAJESHWAR REDDY | Whole Time Director |
| SRI. D. RAM REDDY | Whole Time Director |
| SRI. G. HEMANTH REDDY | Whole Time Director |
| SRI. T. NAVEENA CHANDRA | Independent Director |
| SRI. S. VISHNU RAO | Independent Director |
| SRI. S. V. PATTABHIRAMAN | Independent Director |

MR. HEMISH PURUSHOTTAM Company Secretary

AUDIT COMMITTEE

SRI. T. NAVEENA CHANDRA, Chairman
SRI. M. R. KRISHNAIAH, Member
SRI. S. VISHNU RAO, Member
SRI. S. V. PATTABHI RAMAN, Member

SHARE HOLDERS'/INVESTORS' REDRESSAL COMMITTEE

SRI. T. NAVEENA CHANDRA, Chairman
SRI. S. VISHNU RAO, Member
SRI. A. PRATHAP REDDY, Member

RESEARCH & DEVELOPMENT COMMITTEE

SRI. A. PRATHAP REDDY, Chairman
SRI. N. RAJESHWAR REDDY, Member
SRI. G. HEMANTH REDDY, Member

REMUNERATION COMMITTEE

SRI. M. R. KRISHNAIAH, Chairman
SRI. T. NAVEENA CHANDRA, Member
SRI. S. VISHNU RAO, Member

REGISTERED OFFICE

BALAJI BHAVAN
165/A RAILWAY LINES
SOLAPUR
MAHARASHTRA-413001

ADMINISTRATIVE OFFICE

III RD FLOOR
KPR HOUSE, SARDAR PATEL ROAD
SECUNDERABAD-500 003, A.P.

CERTIFIED TRUE COPY

For BALAJI AMINES LIMITED

P. Hemish
Company Secretary

AUDITORS

M/S V. SRIDHAR & CO
CHARTERED ACCOUNTANTS
HYDERABAD

BANKERS

STATE BANK OF HYDERABAD
STATE BANK OF INDIA
ING VYSYA BANK
BANK OF BARODA

SHARE TRANSFER AGENTS

SATHGURU MANAGEMENT
CONSULTANTS PVT. LTD.
PLOT NO. 15, HINDI NAGAR
PUNJAGUTTA, HYDERABAD-500034

FACTORY

UNIT-I

TAMMALWADI (VILLAGE)
TULJAPUR (TQ)
OSMANABAD DIST
MAHARASHTRA-413623

UNIT-II

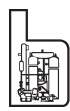
PLOT NO 4 & 5
BESIDE APSEB SUB STATION-II
IDA, BOLLARAM-502325
MEDAK DIST. (A.P)

UNIT-III

PLOT NO. E-7 & E-8
MIDC, CHINCHOLI
SOLAPUR - 413 255, MAHARASHTRA

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NOTICE

NOTICE IS HEREBY GIVEN THAT THE TWENTY SECOND ANNUAL GENERAL MEETING OF THE MEMBERS OF BALAJI AMINES LIMITED will be held on Wednesday, 8th day of September 2010 at 11:30 a.m. at the Registered Office of the company at 165/A, Balaji Bhawan, Railway Lines, Solapur to transact the following business:-

ORDINARY BUSINESS

1. To receive, consider and adopt the Audited Profit and Loss Account for the financial year ended 31st March, 2010 and Balance Sheet as at that date together with the Directors Report and Auditors Report.
2. To declare Dividend on equity shares.
3. To appoint a Director in place of Sri T. Naveena Chandra, who retires by rotation, and being eligible offers himself for re-appointment.
4. To appoint a Director in place of Sri D. Ram Reddy, who retires by rotation, and being eligible offers himself for re-appointment.
5. To appoint Auditors to hold the office from the conclusion of this Annual General Meeting till the conclusion of the next Annual General Meeting and to authorize the Board of Directors to fix their remuneration

SPECIAL BUSINESS

6. Sub-division of Equity shares

To consider and if thought fit, to pass with or without modification(s) the following resolution as a **"Special Resolution"**:

"RESOLVED THAT pursuant to the provisions of Section 16, 94 and other applicable provisions, if any, of the Companies Act, 1956 ("the Act") or any other law for the time being in force (including any statutory modification or re-enactment thereof) and the provisions of the Articles of Association of the Company and subject to such approval(s), permission(s), sanction(s), confirmation(s), as may be required under any law for the time being in force, the consent of the Company be and is hereby accorded for sub-division of the existing equity shares of face value of Rs.10/- each of the Company into 5 equity shares of Rs 2 /- each.

RESOLVED FURTHER THAT the existing Clause V of the Memorandum of Association be and is hereby substituted in the manner as set out below:

'The Authorised Share Capital of the Company is Rs. 9,00,00,000 (Rupees Nine Crores) divided into 4,50,00,000 (Four Crores and Fifty Lakhs Only) Equity Shares of Rs. 2/- (Rupees Two) each. The share capital is in accordance with the provisions of the Companies Act, 1956'.

"RESOLVED FURTHER THAT pursuant to the provisions of Section 31 and all other applicable provisions, if any, of the Companies Act, 1956 (" the Act") or any other law for the time being in force (including any statutory modification or re-enactment thereof) the Article 3 of the Articles of Association of the Company be and is hereby amended and substituted as:

'The Authorised Share Capital of the Company is Rs. 9,00,00,000 (Rupees Nine Crores) divided into 4,50,00,000 (Four Crores and Fifty Lakhs Only) Equity Shares of Rs. 2/- (Rupees Two) each'.

RESOLVED FURTHER THAT the existing share certificate(s) in relation to the equity share capital held in physical form be cancelled and new share certificate(s) be issued in respect of the equity shares held by the members of the Company consequent upon the sub-division of the equity shares as aforesaid and in case of shares held in the dematerialized form, the sub-divided equity shares be credited to the respective demat accounts of the beneficiaries in lieu of the existing shares held by them.

RESOLVED FURTHER THAT the Board of directors of the Company ("the Board", which expression shall also include a duly constituted Committee thereof) be and is hereby authorised to do all such acts, deeds and things and to delegate all or any of the powers vested in the Board to any Director(s) or Officer(s) of the Company as may be required to give effect to the above resolution."

7. Reappointment of Mr. A. Prathap Reddy as Managing Director

To consider and if thought fit, to pass with or without modification(s) the following resolution as a **"Special Resolution"**:

"RESOLVED THAT pursuant to the provisions of Sections 198, 269, 309 & 310 read with Schedule XIII and other applicable provisions, if any, of the Companies Act, 1956, Sri. A Prathap Reddy be and is hereby reappointed as Managing Director of the company for a period of 3 years with effect from 01.04.2010 on the following remuneration as approved by the remuneration committee.

I Salary Rs. 2,00,000/- p.m.

II Perquisites:

- a) House Rent Allowance : 25% of the Salary
- b) Leave Travel Concession: Reimbursement of Leave travel expenses for self & family once in 4 years.
- c) Premium on Personal Accident Insurance and premium on Mediclaim policy for self and family not exceeding Rs.25,000/- per annum. For the purpose of this category, 'Family' means spouse, dependent children and dependent parents.
- d) Use of Company Car with Driver.
- e) Mobile Phone Facilities.
- f) Telephone facilities at residence
- g) Provident fund: Company's contribution to provident fund not exceeding 20 % of basic salary.
- h) Gratuity payable at a rate not exceeding half a month's salary for each completed year of service.
- i) The Managing Director will be eligible for an annual increment of Rs. 10,000/- p.m. The first annual increment shall accrue to him on 1st April, 2011.
- j) The Managing Director shall be entitled to be reimbursed in respect of all expenses incurred by him (including traveling, entertainment, etc.) for and on behalf of the company during the course of business.
- k) Club Fees: Fees of Clubs subject to a maximum of one club.
- l) Commission on Profits: Upto 5% of the net profits of the year as computed according to the Companies Act, 1956.

III. Overall remuneration:

The overall remuneration (i.e. salary, perquisites and commission) in any one financial year shall not exceed 5% of the net profits or any such higher limits prescribed from time to time under section 198, 309 and other applicable provisions of the Companies Act, 1956 read with schedule XIII to the said Act, as may for the time being, be in force and any amendments thereto. In case of any doubts/ discrepancy/clarification that may arise with respect to payment of remuneration the same shall be determined and decided by the Remuneration Committee of Directors. Further, within the overall remuneration, the individual components may be changed as desired by Mr. Prathap Reddy and accepted by the Remuneration Committee.

IV. Minimum remuneration:

In the event of inadequacy or absence of profits in any financial year, during the currency of the tenure of his office, he shall be paid the above remuneration, as minimum remuneration subject to the ceiling mentioned in Schedule XIII to the Companies Act, 1956 from time to time.

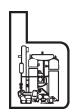
8. Reappointment of Mr. N Rajeshwar Reddy as Executive Director

To consider and if thought fit, to pass with or without modification(s) the following resolution as a **"Special Resolution"**:

"RESOLVED THAT pursuant to the provisions of Sections 198, 269, 309 & 310 read with Schedule XIII and other applicable provisions, if any, of the Companies Act, 1956, Sri. N Rajeshwar Reddy be and is hereby reappointed as Executive Director of the company for a period of 3 years with effect from 01.04.2010 on the following remuneration as approved by the remuneration committee.

I Salary Rs. 1,50,000/- p.m.

II Perquisites:



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AMINES LTD.

- a) House Rent Allowance: 25% of the Salary.
- b) Leave Travel Concession: Reimbursement of Leave travel expenses for self & family once in 4 years.
- c) Premium on Personal Accident Insurance and premium on Mediclaim policy for self and family not exceeding Rs.25,000/- per annum. For the purpose of this category, 'Family' means spouse, dependent children and dependent parents.
- d) Use of Company Car with Driver.
- e) Mobile Phone Facilities.
- f) Telephone facilities at residence
- g) Provident fund: Company's contribution to provident fund not exceeding 20% of salary.
- h) Gratuity payable at a rate not exceeding half a month's salary for each completed year of service.
- i) The Executive Director will be eligible for an annual increment of Rs. 10,000/- p.m. The first annual increment shall accrue to him on 1st April, 2011.
- j) The Executive Director shall be entitled to be reimbursed in respect of all expenses incurred by him (including traveling, entertainment etc.,) for and on behalf of the company during the course of business.
- k) Club Fees: Fees of Clubs subject to a maximum of one club.
- l) Commission on Profits: Upto 2% of the net profits of the year computed according to the Companies Act, 1956.

III. Overall remuneration:

The overall remuneration (i.e. salary, perquisites and commission) in any one financial year shall not exceed 2% of the net profits or any such higher limits prescribed from time to time under section 198, 309 and other applicable provisions of the Companies Act, 1956 read with schedule XIII to the said Act, as may for the time being, be in force and any amendments thereto. In case of any doubts/ discrepancy/clarification that may arise with respect to payment of remuneration the same shall be determined and decided by the Remuneration Committee of Directors. Further, within the overall remuneration, the individual components may be changed as desired by Mr. N Rajeshwar Reddy and accepted by the Remuneration Committee.

IV. Minimum remuneration:

In the event of inadequacy or absence of profits in any financial year, during the currency of the tenure of his office, he shall be paid the above remuneration, as minimum remuneration subject to the ceiling mentioned in Schedule XIII to the Companies Act, 1956 from time to time.

9. Reappointment of Mr. D Ram Reddy as Director - Commercial

To consider and if thought fit, to pass with or without modification(s) the following resolution as a **"Special Resolution"**:

"RESOLVED THAT pursuant to the provisions of Sections 198, 269, 309 & 310 read with Schedule XIII and other applicable provisions, if any, of the Companies Act, 1956, Sri. D Ram Reddy be and is hereby reappointed as Whole Time Director and designated as Director - Commercial, of the company for a period of 3 years with effect from 01.04.2010 on the following remuneration as approved by the remuneration committee.

I **Salary** Rs. 1,50,000/- p.m.

II Perquisites:

- a) House Rent Allowance : 25% of the Salary
- b) Leave Travel Concession: Reimbursement of Leave travel expenses for self and family once in 4 years
- c) Premium on Personal Accident Insurance and Mediclaim premium for self and family not exceeding Rs.25,000/- per annum. For the purpose of this category 'Family' means spouse, dependent children and dependent parents.

- d) Use of Company's Car with Driver.
- e) Mobile Phone Facilities.
- f) Telephone facility at residence
- g) Provident fund: Company's contribution to provident fund not exceeding 20% of salary.
- h) Gratuity payable at a rate not exceeding half a month's salary for each completed year of service.
- i) The Commercial Director will be eligible for an annual increment of Rs. 10,000/- p.m. The first annual increment shall accrue to him on 1st April, 2011.
- j) The Commercial Director shall be entitled to be reimbursed in respect of all expenses incurred by him (including travelling, entertainment etc.,) for and on behalf of the company during the course of business.
- k) Club Fees: Fees of Clubs subject to a maximum of one club.
- l) Commission on Profits: Upto 2 % of the net profits of the year computed according to the Companies Act, 1956.

III. Overall remuneration:

The overall remuneration (i.e. salary, perquisites and commission) in any one financial year shall not exceed 2% of the net profits or any such higher limits prescribed from time to time under section 198, 309 and other applicable provisions of the Companies Act, 1956 read with schedule XIII to the said Act, as may for the time being, be in force and any amendments thereto. In case of any doubts/ discrepancy/clarification that may arise with respect to payment of remuneration the same shall be determined and decided by the Remuneration Committee of Directors. Further, within the overall remuneration, the individual components may be changed as desired by Mr. D Ram Reddy and accepted by the Remuneration Committee.

IV. Minimum remuneration:

In the event of inadequacy or absence of profits in any financial year, during the currency of the tenure of his office, he shall be paid the above remuneration, as minimum remuneration subject to the ceiling mentioned in Schedule XIII to the Companies Act, 1956 from time to time.

10. Reappointment Mr. G. Hemanth Reddy as Whole Time Director

To consider and if thought fit, to pass with or without modification(s) the following resolution as a **"Special Resolution"**:

"RESOLVED THAT pursuant to the provisions of Sections 198, 269, 309 & 310 read with Schedule XIII and other applicable provisions, if any, of the Companies Act, 1956, Mr. G. Hemanth Reddy be and is hereby reappointed as a Whole Time Director of the company for a period of 3 years with effect from 01.04.2010 on the following remuneration as approved by the remuneration committee.

I Salary Rs. 1,50,000/- p.m.

II Perquisites:

- a) House Rent Allowance: 25% of the Salary.
- b) Leave Travel Concession: Reimbursement of Leave travel expenses for self and Family once in 4 years.
- c) Premium on personal Accident Insurance and Mediclaim premium for self and family not exceeding Rs.25,000/- per annum. For the purpose of this category 'Family' means spouse, dependent children and dependent parents.
- d) Use of Company's Car with Driver.
- e) Mobile Phone Facilities.
- f) Telephone facility at residence
- g) Provident fund: Company's contribution to provident fund not exceeding 20% of salary.
- h) Gratuity payable at a rate not exceeding half a month's salary for each completed year of service.

- i) The Whole Time Director will be eligible for annual increment of Rs. 10,000/- p.m. The first annual increment shall accrue to him on 1st April, 2011.
- j) The Whole Time Director shall be entitled to be reimbursed in respect of all expenses incurred by him (including travelling, entertainment etc.,) for and on behalf of the company during the course of business.
- k) Club Fees: Fees of Clubs subject to a maximum of one club.
- l) Commission on Profits: Upto 1% of the net profits of the year computed according to the Companies Act, 1956.

III. Overall remuneration:

The overall remuneration (i.e. salary, perquisites and commission) in any one financial year shall not exceed 1% of the net profits or any such higher limits prescribed from time to time under section 198, 309 and other applicable provisions of the Companies Act, 1956 read with schedule XIII to the said Act, as may for the time being, be in force and any amendments thereto. In case of any doubts/discrepancy/clarification that may arise with respect to payment of remuneration the same shall be determined and decided by the Remuneration Committee of Directors. Further, within the overall remuneration, the individual components may be changed as desired by Mr. G Hemanth Reddy and accepted by the Remuneration Committee.

IV. Minimum remuneration:

In the event of inadequacy or absence of profits in any financial year, during the currency of the tenure of his office, he shall be paid the above remuneration, as minimum remuneration subject to the ceiling mentioned in Schedule XIII to the Companies Act, 1956 from time to time.

11. Increase in borrowing powers pursuant to section 293 (1)(d) of the Companies Act, 1956 upto Rs. 500 crore.

To consider and if thought fit, to pass with or without modification(s) the following resolution as an **"Ordinary Resolution"**:

"RESOLVED THAT in supersession of the resolution passed at the Sixteenth Annual General Meeting of the Shareholders of the Company held on 29th September, 2004, consent of the members of the Company be and is hereby accorded to the Board of Directors of the Company pursuant to Section 293(1)(d) and other applicable provisions of the Companies Act, 1956, for borrowing from time to time, any sum or sums of money for the purposes of the Company upon such terms and conditions and with or without security as the Board of Directors may in its discretion think fit, notwithstanding, that the money or monies to be borrowed by the Company (apart from the Temporary loans obtained or to be obtained from time to time from the Company's Bankers in the ordinary course of business) together with the money already borrowed, may exceed the aggregate of the Paid-up Share Capital of the Company and its free reserves that is to say, reserves not set apart for any specific purpose(s), provided however that the money or monies to be borrowed by the Company together with the money already borrowed shall not, at any time exceed Rs.500 Crores (Rupees Five Hundred Crores only)".

By Order of The Board of Directors
For **Balaji Amines Limited**

Secunderabad
29 July, 2010

Hemish Purushottam
Company Secretary

NOTES:

- a) A member entitled to attend and vote at the meeting is entitled to appoint a proxy to attend and vote instead of himself/ herself and a proxy need not be a member of the company. Proxies, in order to be valid and effective, must be delivered at the registered office of the company not later than 48 hours before the commencement of the meeting.
- b) The notice of the Annual General Meeting will be sent to those members whose names appear on the register of members as on Friday, July 30, 2010.
- c) The register of members and share transfer books of the company will remain closed from 01.09.2010 to 08.09.2010 (both days inclusive). The dividend if declared will be paid to the Members, whose names appear in the register of members as on 08.09.2010
- d)
 - (i) Members holding shares in physical form are requested to immediately notify change in their address , if any, to the Registrar and Transfer Agents of the company namely M/s Sathguru Management Consultants Private Limited, Plot No 15, Hindi Nagar, Punjagutta, Hyderabad-500034 quoting their Folio Numbers.
 - (ii) In order to avoid fraudulent encashment of dividend warrants, Members holding shares in physical forms are requested to send to the Registrar and Transfer Agents of the company, on or before 31st August, 2010, a Bank Mandate (providing details of name and address of banker, branch, PIN code and particulars of bank accounts) or changes thereon, if not provided earlier, under the signature of the sole / first holders along with the folio numbers. This information will be printed on the dividend warrants. You may avail of the Electronic Clearing Service (ECS) mandate facilities provided by the company.
- e) Members holding shares in dematerialized mode are requested to intimate all changes pertaining to their bank account details. ECS mandates, nominations, power of attorney, change of address/ name etc. to their depository participant only and not to the company or its Registrar and Transfer Agent. The said nominations will be automatically reflected in the Company's records.
- f) Shareholders who have not yet encashed their dividend warrant for the year 2002-03 and subsequent years may approach the company for re-validation, issue of duplicate warrants etc. Dividend remaining unclaimed for over Seven Years will be transfer to Investor Education and Protection Fund as per Law.
- g) Consequent upon the introduction of Section 109 A of the Companies Act, 1956, shareholders are entitled to make nomination in respect of shares held by them in physical form. Shareholders desirous of making nominations are requested to send their request in Form No. 2B in duplicate to the company.
- h) Pursuant to the requirements on the Corporate Governance under the listing agreement entered into with stock exchanges, the information about the Directors proposed to be appointed /re- appointed is given in the annexure to the notice.
- i) 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.
- j) All the documents referred to in the Notice and explanatory statement will be available to the members at the Registered of the company between 10.30 A.M to 12.30 P.M on all working days from the date hereof upto the date of the Meeting.
- k) Explanatory Statement pursuant to the provisions of section 173(2) of the Companies Act, 1956, is annexed herewith.

By Order of The Board of Directors
For **Balaji Amines Limited**

Secunderabad
29 July, 2010

Hemish Purushottam
Company Secretary

EXPLANATORY STATEMENT

Explanatory Statement under section 173 (2) of the Companies Act, 1956

Item No 06

The equity shares of the Company are listed and are actively traded on the National Stock Exchange of India Limited (NSE) and Bombay Stock Exchange Limited (BSE). The market price of the shares of the Company has witnessed significant growth over the past few years and are presently traded around Rs. 170/-. In order to improve the liquidity of the Company's shares in the stock market and to make it affordable to the small investors, the Board of directors of the Company at their meeting held on 29th July, 2010, considered it desirable to sub-divide the nominal value of the equity share capital of the Company from Rs. 10/- per share to Rs. 2/- per share as proposed in the resolution.

The aforesaid sub-division would require substitution of existing Capital Clause V of the Memorandum of Association and Article 3 of the Articles of Association of the Company by Clause V and Article 3 detailed in the resolution no. 6.

Accordingly, the Board recommends the resolutions as set out in item no. 06 for approval from shareholders. Upon approval of the shareholders for sub-division of shares, in case the shares are held in physical, the old share certificates of face value of Rs. 10/- each will be cancelled on the record date and the new share certificates will be sent to the shareholders. In case the shares are in dematerialized form, the sub-divided shares will be directly credited to the shareholders demat account on the record date in lieu of their existing shares.

The Directors of the Company are deemed to be concerned or interested in the resolution to the extent of shares held by them in the Company.

Item No. 07 to 10

At the 17th Annual General Meeting of the Company held on 29th September, 2005, the members had approved the re-appointment and terms of remuneration of Mr. A. Prathap Reddy as Managing Director, Mr. N. Rajeshwar Reddy as Executive Director, Mr. D. Ram Reddy as Director-Commercial & Mr. G. Hemanth Reddy as Whole time director for a period of 5 years w.e.f. from 1st April, 2005. The Board of Directors at its Meeting held on 29th April, 2010 has re-appointed Mr. A. Prathap Reddy as Managing Director, Mr. N. Rajeshwar Reddy as Executive Director, Mr. D. Ram Reddy as Director-Commercial & Mr. G. Hemanth Reddy as Whole time director for a period of three years w.e.f from 1st April, 2010, subject to the approval of the Members at the remuneration stated in the resolution no. 7,8,9 &10. The said remuneration was approved by the Remuneration Committee of the Company at their meeting held on 29th April, 2010.

Brief Profile of Directors being reappointed:

Mr. A Prathap Reddy is a Civil Engineer by qualification and started his career in the year 1970 working for a company engaged in manufacturing of RCC spun pipes. In the year 1988 he incorporated Balaji Amines Limited for the manufacture of Methyl and Ethyl Amines. BAL's continuing success is a testimony to the entrepreneurial skills of Mr. A. Prathap Reddy. His vision and perseverance today has taken the Company as one of the leading manufacturers and exporters of specialty chemicals, aliphatic amines and derivatives in the entire Chemical Industry. Mr. A. Prathap Reddy received the 2010 IMM Eminent Organisation Award for excellence at the 37th World Marketing Congress hosted by the Institute of Marketing and Management, New Delhi.

Mr. N. Rajeshwar Reddy is a commerce graduate having more than three decades of experience spread across different Industries. He started his career as a Manager in Bharat Cement Pipe Industries in 1976 and in 1982 founded Bhagyanagar Potteries and managed the unit till 1985. In 1985, he joined Balaji Cement Products (Pvt.) Ltd as Executive director and successfully implemented the project before joining Balaji Amines Ltd as Director in 1988. He is responsible for the day to day operations at the plants in Solapur. He has been instrumental in executing the projects in time with lowest cost of investments well within time schedules. He is also responsible for perfecting the processes of various products to achieve optimization of cost of utilities etc.,

Mr. D. Ram Reddy is a graduate having more than 29 years of experience spread across various businesses. He joined Bharat Cement Pipe Industries, Hyderabad as Manager in 1980. In 1985, he joined Balaji Cement Products Pvt Ltd and successfully managed the Company before joining Balaji Amines Ltd., as Director in 1988. He is responsible for the procurement, marketing and logistics activities of the Company. He has played a key role in establishing customer and supplier's relationship with leading buyers and suppliers of specialty chemicals both within the country and also abroad. He is instrumental in achieving first of its kind large scale supply contract arrangement with world's leading company in speciality chemicals.

Mr. G. Hemanth Reddy is a post graduate in management with Finance and Marketing as specialisation having more than 20 years of experience spread across various businesses. He has been instrumental in setting up of Bhagyanagar Woodplast Limited and successfully managed the IPO of Bhagyanagar Woodplast. As an Executive Director, he has implemented various projects globally such as water supply projects in Africa, Solar project in Africa and Rural electrification and Global Sourcing of material for various water supply projects in Africa. He joined Balaji Amines Limited as Whole Time Director responsible for finance of the Company.

The appointment and remuneration payable to Mr. A. Prathap Reddy as Managing Director, Mr. N. Rajeshwar Reddy as Executive Director, Mr. D. Ram Reddy as Director-commercial and Mr. G. Hemanth Reddy as Whole Time Director requires the approval of the shareholders in general meeting by way of Special Resolution in terms of provisions of Paragraph 1(B) (iii) of Section II of Part II and Part III of Schedule XIII of the Companies Act, 1956.

Keeping in view the experience and expertise of these persons, the Board commends the Resolutions at Item nos. 07 to 10 for approval by the Members.

A statement containing the information required under proviso (iv) to Section-II(B) of Schedule XIII to the Companies Act, 1956 is annexed for the information of the members.

Mr. A. Prathap Reddy, Mr. N. Rajeshwar Reddy, Mr. D. Ram Reddy and Mr. G. Hemanth Reddy, Directors of the Company are concerned or interested in this resolution. None of the other directors are concerned or interested in this resolution, except to the extent of equity shares held by them.

Items No. 11

Members of the Company at the 16th Annual General Meeting held on 29th September, 2004 have accorded their consent under Section 293(1)(d) of the Companies Act, 1956 to the Board of Directors to borrow monies apart from the temporary loans in aggregate upto Rs. 200 Crores.

As the Company is expanding its operations the company would require to borrow funds from time to time by way of loans or otherwise beyond the existing limit of Rs. 200.00 Crores, which will be insufficient. Your directors feel that an amount Rs. 500.00 Crores will be required to be taken from Banks / Financial Institutions, which exceeds the aggregate of the paid up capital of the company and its free reserves.

Pursuant to the provisions of Section 293 (1) (d) of the Companies Act, 1956, the company cannot borrow an amount in excess of the aggregate of the paid up share capital of the company and its free reserves, i.e., reserves not set apart for any specific purpose without the consent of the members in their general meeting.

Hence the resolution is commended for your approval

The Directors are interested, in the above resolution, to the extent of share capital held by them.

By Order of The Board of Directors
For **Balaji Amines Limited**

Secunderabad
29 July, 2010

Hemish Purushottam
Company Secretary