

Balaji

AMINES LIMITED



AWARDS



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



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

Board of Directors

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

Mrs. Jimisha Parth Dawda	Company Secretary & Compliance Officer
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Audit Committee

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

Stakeholders' Relationship Committee

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

Research & Development Committee

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

Nomination and Remuneration Committee

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

Corporate Social Responsibility Committee

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

Registered Office

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

Administrative Office

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

FACTORIES

Unit 1

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

Unit 2

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

Unit 3

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

Unit 4

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

Unit 5

Nandi Kandi, Sadasivpet,
Sangareddy- 502 001
Telangana.

Hotel Division

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

Statutory Auditors

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

Secretarial Auditors

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

Cost Accountant

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

Internal Auditors

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

Bankers

State Bank of India
HDFC Bank Limited
Bank of Baroda

Share Transfer Agents

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

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CHAIRMAN MESSAGE

(Rs. in Crs.)

Dear Shareholders,

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

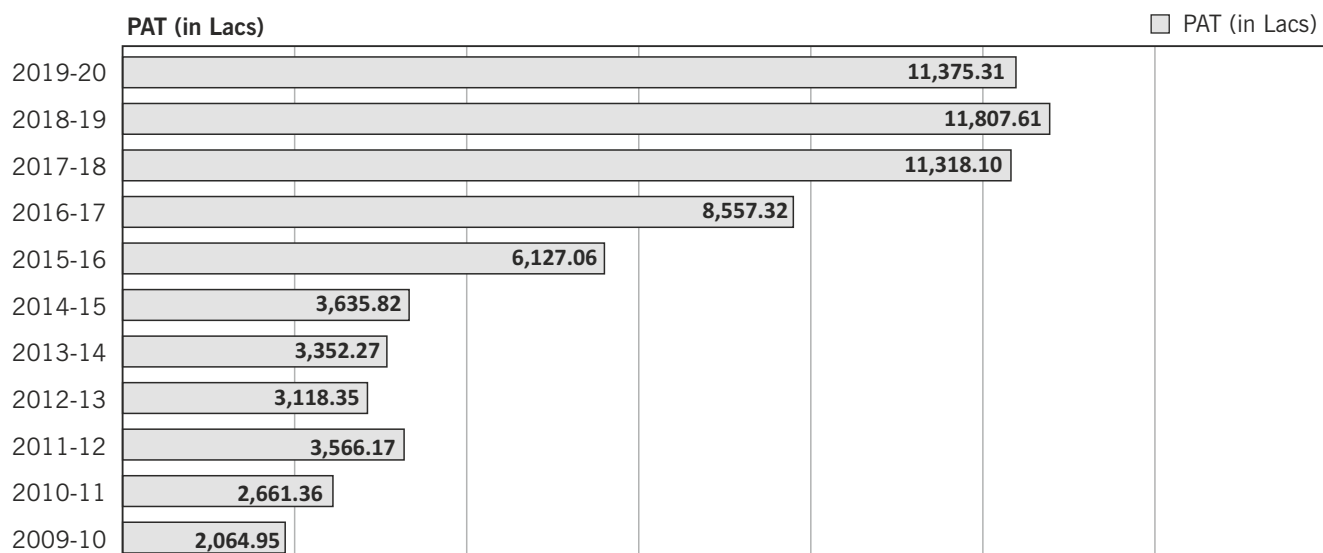
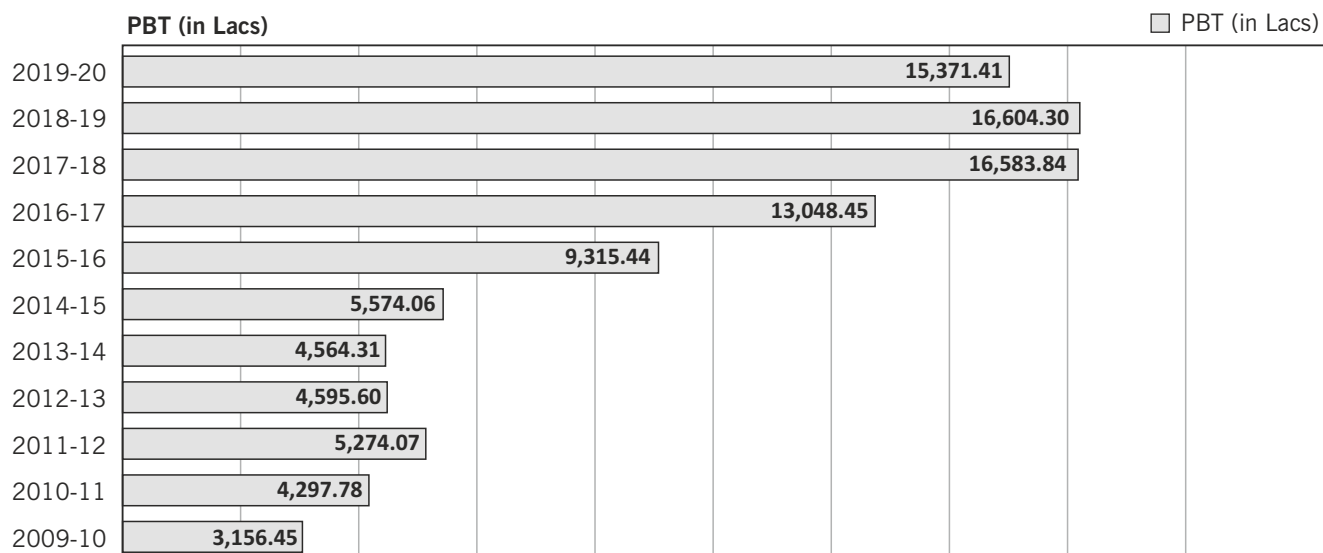
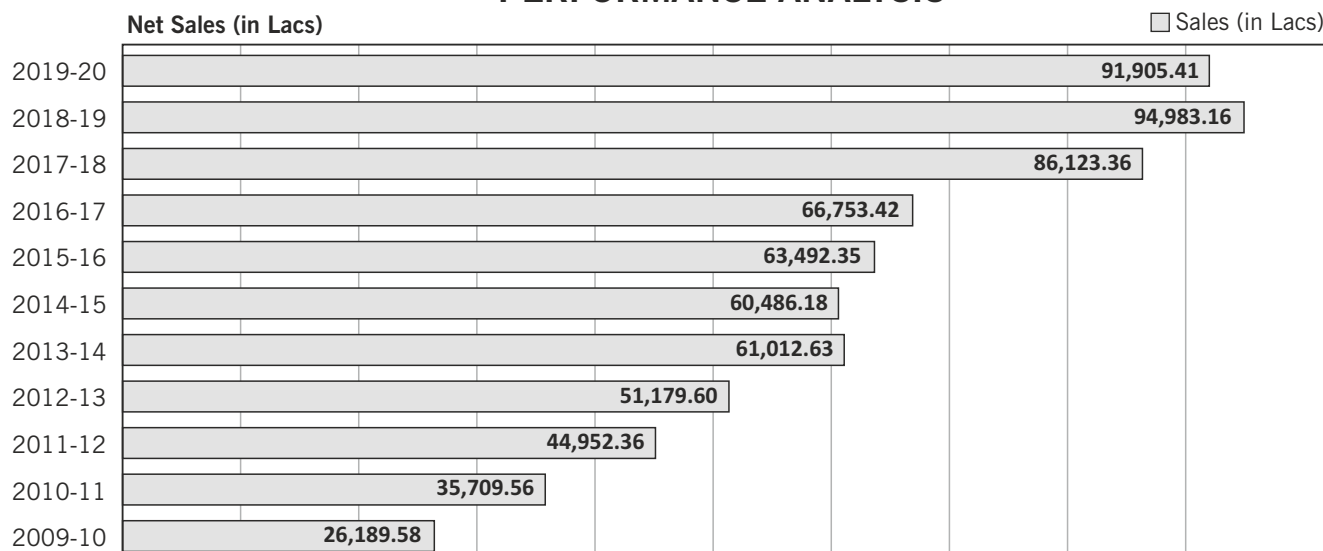
We have been continuously undertaking expansion to reinforce our production capacity for future growth. Our constant endeavour is also to broaden our product offerings and move up the value chain into more complex chemical compounds and products. Your company's objective is to drive up the operating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

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

Regards,

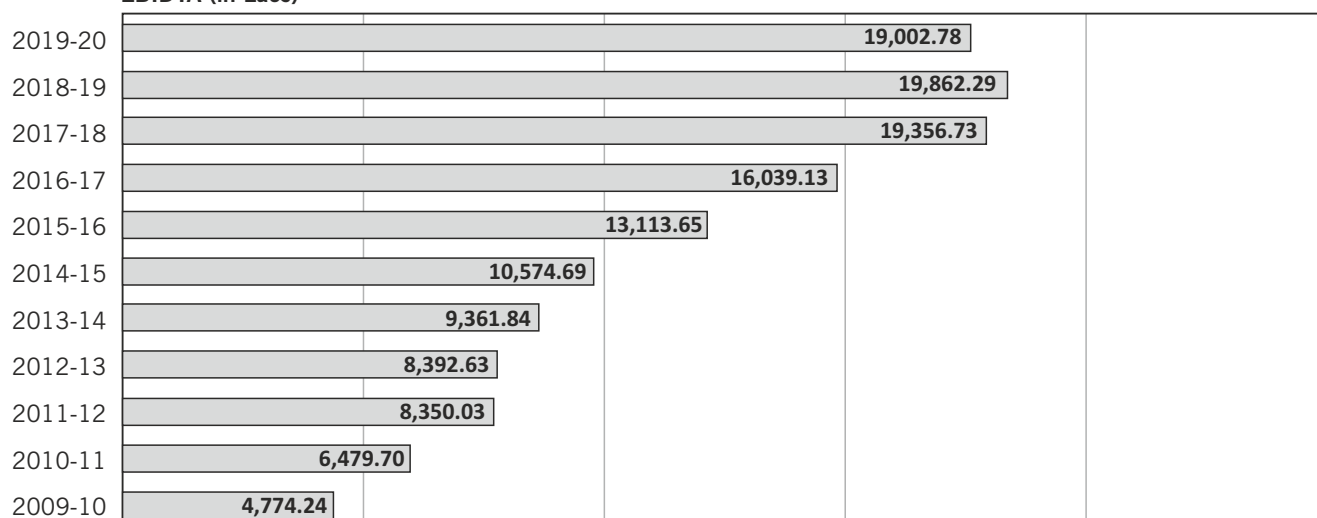
A. Prathap Reddy
Executive Chairman

PERFORMANCE ANALYSIS

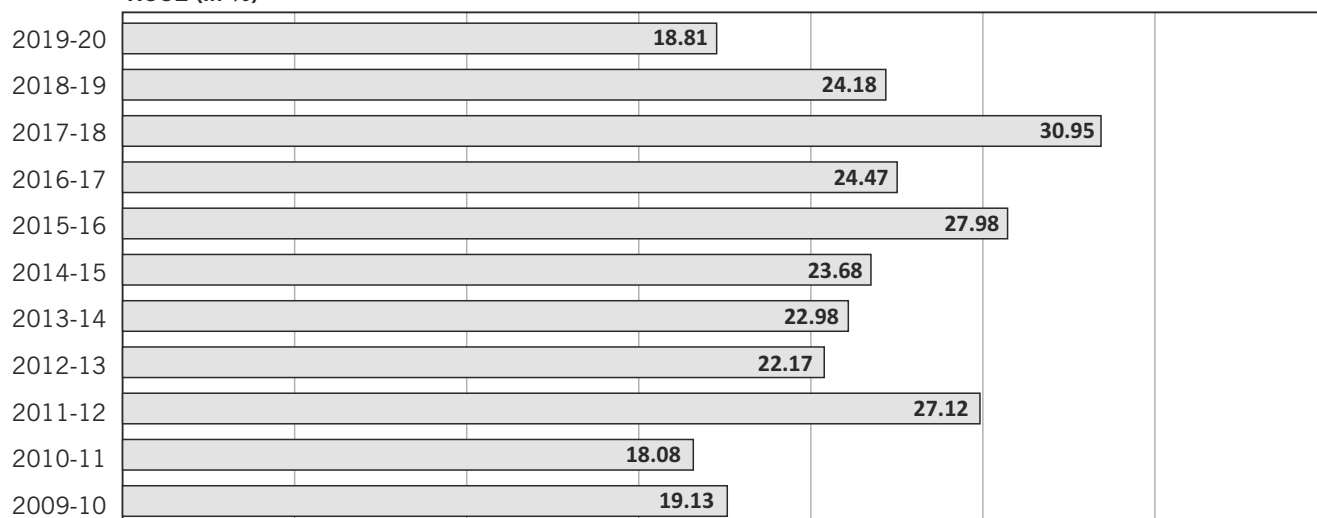


PERFORMANCE ANALYSIS

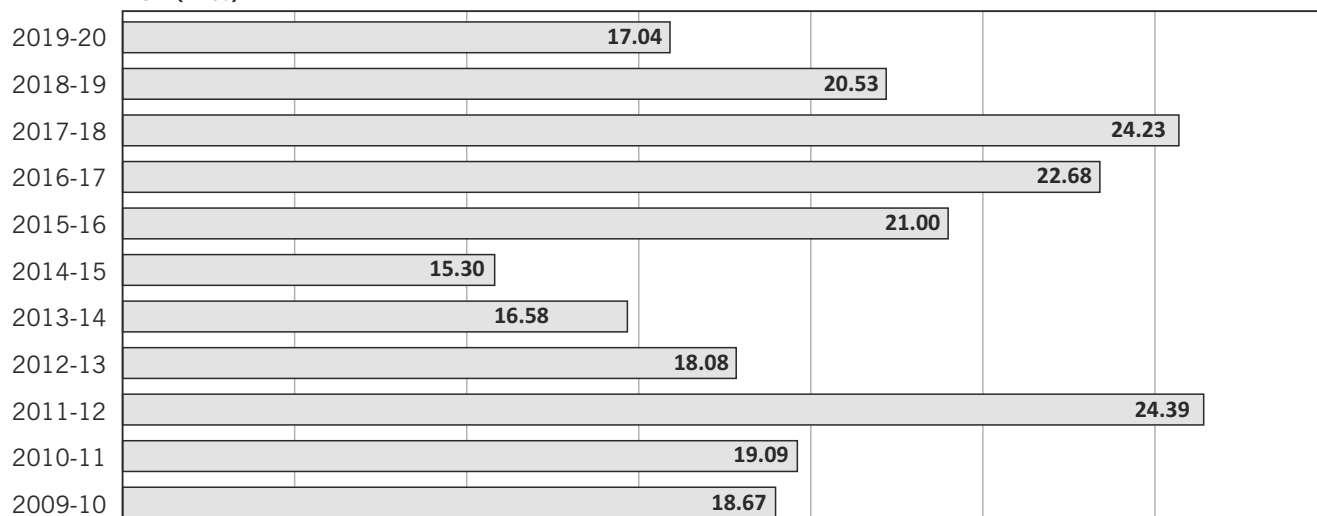
EBIDTA (in Lacs)



ROCE (in %)



ROE (in %)



NOTICE

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

ORDINARY BUSINESS:

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

SPECIAL BUSINESS:

4. Ratification of Remuneration to Cost Auditors

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

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

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

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

Sd/-
Jimisha Parth Dawda
Company Secretary & Compliance Officer

Date : 22.06.2020
Place : Solapur

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

NOTES FOR MEMBERS

1. In view of the continuing Covid-19 pandemic, the Ministry of Corporate Affairs has permitted the holding of the Annual General Meeting through video conferencing (VC) or other audio visual means (OAVM), without the physical presence of the Members at a common venue. In compliance with the provisions of the Companies Act, 2013, SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and MCA Circulars dated May 5, 2020 read with circulars dated April 8, 2020 and April 13, 2020, the AGM of the Company is being held through VC/OAVM.
 2. The Explanatory Statement as required under section 102 of the Companies Act, 2013 is annexed hereto. Further, additional information with respect to Item No. 3 is also annexed hereto.
 3. Pursuant to the provisions of the Act, a Member entitled to attend and vote at the AGM is entitled to appoint a proxy to attend and vote on his/her behalf and the proxy need not be a Member of the Company. Since this AGM is being held pursuant to the MCA Circulars through VC/OAVM, physical attendance of Members has been dispensed with. Accordingly, the facility for appointment of proxies by the Members will not be available for the AGM and hence the Proxy Form & Attendance Slip are not annexed to this Notice.
 4. Institutional/Corporate Shareholders (i.e. other than individuals / HUF, NRI, etc.) are required to send a scanned copy of its Board or governing body Resolution/ Authorization etc., authorizing its representative to attend the AGM through VC/OAVM on its behalf and to vote through remote e-voting. The said Resolution/Authorization shall be sent to the Scrutinizer by email through its registered email address to suryacorporatelawyer@gmail.com or cs@balajiamines.com with a copy marked to evoting@nsdl.co.in
 5. The Register of Members and Transfer Books of the Company will be closed from Saturday, 1st August, 2020 to Saturday, 8th August, 2020 (both days inclusive).
 6. The final dividend, if approved at the Annual General Meeting, would be paid after 8th August, 2020 to those persons or their mandates:
 - a) Whose names appear as Beneficial Owners as at the end of the business hours on Friday, 31st July, 2020 in the list of Beneficial Owners to be furnished by National Securities Depository Limited and Central Depository Services (India) Limited in respect of the shares held in electronic form; and
 - b) Whose names appear as Members in the Register of Members of the Company after giving effect to valid share transfers in physical form lodged with the Company/its Registrar and Transfer Agents on or before Friday, 31st July, 2020.
 7. Pursuant to the provisions of Section 124 of the Companies Act, 2013 read with IEPF Rules, all shares on which dividend has not been paid or claimed for seven consecutive years or more shall be transferred to IEPF Authority as notified by the Ministry of Corporate Affairs.
- In accordance with the aforesaid IEPF Rules, the Company has sent notice to all the Shareholders whose shares are due for transfer to the IEPF Authority and has also published notice in newspapers. The shareholders whose dividend/ shares is/will be transferred to the IEPF Authority can claim the same from the IEPF Authority by following the procedure as detailed on the website of IEPF Authority www.iepf.gov.in
8. Members can avail the facility of nomination in respect of shares held by them in physical form pursuant to the provisions of Section 72 of the Companies Act, 2013. Members desiring to avail this facility may send their nomination in the prescribed Form No. SH-13 duly filled in to RTA of the Company. Members holding shares in electronic form may contact their respective Depository Participants for availing this facility.
 9. The Securities and Exchange Board of India (SEBI) has made it mandatory for all companies to use the bank account details furnished by the Depositories and the bank account details maintained by the Registrar and Transfer Agents for payment of dividend to Members electronically. The Company has extended the facility of electronic credit of dividend directly to the respective bank accounts of the Member(s) through the Electronic Clearing Service (ECS)/National Electronic Clearing Service (NECS)/Real Time Gross Settlement (RTGS)/Direct Credit, etc. As directed by SEBI, the Members holding shares in physical form are requested to submit particulars of their bank account along with the original cancelled cheque bearing the name of the Member to RTA/Company to update their Bank Account details. Members holding shares in demat form are requested to update their Bank Account details with their respective Depository Participant.
 10. SEBI has decided that securities of listed companies can be transferred only in dematerialised form. In view of the above and to avail various benefits of dematerialisation, Members are advised to dematerialise the shares held by them in physical form.
 11. Pursuant to Sections 101 and 136 of the Companies Act, 2013 read with the Rules framed thereunder, the Notice calling the Annual General Meeting along with the Annual Report 2019-20 would be sent by electronic mode to those Members whose e-mail addresses are registered with the Depository or the Company/RTA, unless the Members have requested for a physical copy of the same. Members are requested to support this Green Initiative by registering/updating their e-mail addresses with the Depository Participant (in case of Shares held in dematerialised form) or with RTA (in case of Shares held in physical form). For any communication, the Members may also send requests to the Company's email id: cs@balajiamines.com
 12. In Compliance with the MCA circulars and SEBI Circular dated 12th May, 2020 Notice of the AGM along with the Annual Report 2019-20 is being sent only through electronic mode to those Members whose email addresses