

Directors' Report

To the Members,

The Directors are pleased to present the 34th Annual Report of Balaji Amines Limited along with the Audited Statement of Accounts of the Company Standalone and Consolidated for the year ended 31st March, 2022.

1. Financial Results

(₹ in Lakhs)

Particulars	Standalone		Consolidated	
	2021-22	2020-21	2021-22	2020-21
Revenue from Operations	1,91,805.19	1,22,777.95	2,32,035.23	1,31,145.51
Other Income	1,213.57	1,203.04	724.56	607.41
Total Revenue	1,93,018.76	1,23,980.99	2,32,759.79	1,31,752.92
Profit before Finance Charges, Tax Expenses, Exceptional items and Depreciation	45,934.97	33,864.90	63,739.35	37,929.87
Less : Depreciation	2,916.85	2,334.30	4,200.37	3,441.10
Profit before Finance Charges, Tax Expenses, Exceptional items	43,018.12	31,530.60	59,538.98	34,488.77
Less : Finance Charges	704.09	533.47	1,710.16	1,829.23
Profit Before Tax Expenses	42,314.03	30,997.13	57,828.82	32,659.54
Provision for Tax	11,522.74	8,002.49	15,888.29	8,486.44
Adjustments of earlier year Tax Provision	(2.81)	(176.46)	150.46	(176.46)
Profit After Tax	30,794.10	23,171.10	41,790.07	24,349.56
Total Comprehensive Income	30,794.10	23,171.10	41,790.07	24,349.56
(a) Shareholders of the Company	30,794.10	23,171.10	36,841.88	23,819.25
(b) Non-controlling interests	-	-	4,948.19	530.31
Less : Transfer to Reserves	3,078.70	2,317.11	3,078.70	2,317.11
Balance	27,715.40	20,853.99	33,763.18	21,502.14
Balance of profit of earlier years	78,485.68	57,826.10	78,183.92	56,876.19
Final Dividend paid on Equity Shares (2019-20)	0	194.41	0	194.41
Dividend paid on Equity Shares (2020-21)	1,296.04	0	1,296.04	0
Balance Carried Forward	1,04,905.03	78,485.68	1,10,651.07	78,183.92

2. PERFORMANCE HIGHLIGHTS

Your company has achieved a Gross Income of ₹1,93,018.76 Lakhs on standalone basis during the financial year 2021-22. The Profit after Tax for the year stood at ₹30,794.10 Lakhs.

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

3. DIVIDEND

During the Financial Year, based on the Company's performance, the Directors have declared dividend on equity shares @ ₹6/- (Rupees Six only) at 300% of the face value of ₹2/- if approved by the Members would involve a cash outflow of ₹1,944.06 lakhs Pursuant to Regulation 43A of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 the Company has framed a Dividend Distribution Policy and the same is herewith annexed as 'Annexure I' to this report. The Dividend Distribution Policy is posted on the website of the Company and the web link is <http://www.balajiamines.com/investor-relations>.

4. TRANSFER TO RESERVES

Company proposes to transfer a sum of ₹3,078.70 lakhs to the General Reserves. An amount of ₹26,419.36 Lakhs is proposed to be retained in the statement of profit and loss.

5. SUBSIDIARIES

Balaji Speciality Chemicals Limited (BSCL) is the only Subsidiary of the Company, BSCL is engaged in Manufacturing of Ethylenediamine (EDA), Piperazine (Anhydrous), Aminoethylpiperazine (AEP) and Diethylene triamine (DETA) and other Specialty Chemicals. During the period under review, Subsidiary Company has become Public Company vide fresh Certificate of Incorporation issued by Registrar of Companies Pune, vide its letter dated 17th March, 2022.

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.

As per the provisions of Section 136 of the Companies Act, 2013, the Company will also place separate Audited accounts of its Subsidiaries on its website.

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

7. CREDIT RATING

The Credit Rating of the company is affirmed during the year as "IND AA/Stable/INDA1+" 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 2021-22, no company ceased to be a subsidiary of the company and your company does not have any associates or joint ventures.

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

The constitution of the Board is in Compliance with the provisions of Section 149 of the Companies Act, 2013, and the Listing Regulations. During the FY 2021-22, Mr. A Prathap Reddy, Executive Chairman of the Company, Mr. A Srinivas Reddy, Wholetime Director of the Company, Mr. G Hemanth Reddy, Wholetime Director and CFO of the Company, Mr. D Ram Reddy, Managing Director of the Company and Mr. N Rajeshwar Reddy, Joint Managing Director of the Company were re-appointed in the 33rd AGM of the Company held on 9th August, 2021.

Ms. Soniya Nilesh Mahajan was appointed as Company Secretary and Compliance Officer of the Company on 30th June, 2021 and resigned from the position with effect from 27th October, 2021.

Mr. Lakhan Dargad was appointed as Company Secretary and Compliance Officer of the Company with effect from 27th October, 2021.

During the year, there are no changes in the directors of the Company.

10. DECLARATION BY INDEPENDENT DIRECTORS

The Company has received declarations from all the Independent Directors of the Company confirming that they fulfill the criteria of independence as prescribed

under sub-section (6) of Section 149 of the Companies Act, 2013, and the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements), Regulations, 2015.

11. MEETINGS

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

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

None of the Directors are disqualified under Section 164(2) of the Act. Certificate on non-disqualification, as required under Regulation 34 of SEBI (Listing Obligation & Disclosure Requirements) Regulations, 2015 is annexed to this Annual Report.

Committees of the Board

Details of committees of the Board, their composition and other details are provided in the corporate governance section, which forms part of this annual report.

Meetings of Independent Directors

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

12. BOARD 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, safeguarding 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.

Familiarisation program for Directors

A formal familiarisation programme was conducted about the amendments in the Companies Act, Rules prescribed thereunder, SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and all other applicable laws to the Company.

It is the general practice of the Company to notify the changes in all the applicable laws from time to time and during the Board Meetings conducted.

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 2021-22 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 2021-22 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 activities in the following areas:

- a) Adoption of advanced technology in recovering waste water has resulted in minimizing the impact on the environment and concentration of the core principle of Reduce, Reuse and Recycle of all the resources.
- b) Several improvements in the ACETONITRILE plant have been initiated which have resulted in lower consumption coefficient and higher efficiency of plant operations.
- c) Backward & forward integration of products to improve value chain and better utilisation of all the resources.
- d) Identification of new products and development activities of latest process technologies are continuously worked on.
- e) Continuous improvement of processes and fine tuning of process parameters to optimize utilisation of energy, utilities & raw materials consumption and alternate routes are being looked at.
- f) For sustainable usage of natural resources, the Company has initiated various methods and Processes, equipments for reducing, reusing and recycling of various natural resources
- g) The R&D demonstration projects for the Manufacture of THF, NEM, NMM, NMMO and MIPA were undertaken during the year by your company.
- h) After successful development of the process (es), the pilot plant-cum-demonstration plants shall be taken up for implementation.

15. EXPANSION/DIVERSIFICATION

- a) The Expansion project of the DMC is in the final stages of commissioning and expected to start trials by the end of June 2022. As on 31st March, 2022 capex incurred on DMC plant is ₹13,324.35 lakhs including advances paid.
- b) The Boiler of 50 TPH capacity is commissioned during the FY with a capex of ₹1,975.06 lakhs.
- c) The captive power plant is under installation and as on 31st March, 2022 capex incurred on this is ₹1,988.64 lakhs.
- d) All other expansion plans are in final stages of order placement for plant & machinery, long delivery equipment such as boiler/turbine etc.,

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 2021-22 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. ANNUAL RETURN

The Annual Return of the Company as on March 31, 2022 is available on the Company's website and can be accessed at www.balajiamines.com/investor-relations.

21. PARTICULARS OF EMPLOYEES

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

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

The Company has in place proper and adequate internal control systems commensurate with the nature of its business, size and complexity of its operations. Internal control systems comprising 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

The term of M/s Ayyadevara & Co., Chartered Accountants, Hyderabad, the Statutory Auditors of the Company, will expire on the conclusion of the ensuing Annual General Meeting. Hence it is proposed to appoint M/s. M.Anandam & Co., Chartered Accountants as Statutory Auditor for a period of 5 years.

The company has received a consent and eligibility letter from M/s. M. Anandam & Co., Chartered Accountants

under Section 139(1) of the Companies Act, 2013 and the Rules framed thereunder confirming their eligibility to the effect, that, their appointment, if made, would be within the prescribed limits under provisions of sections specified under the Act and that, they are not disqualified for such appointment within the meaning of the section of the said Act.

Accordingly, resolution recommending appointment of M/s. M. Anandam & Co., Chartered Accountants Firm Reg. No. 000125S is proposed along with the Notice of the 34th AGM of the Company.

24. REPORTING OF FRAUDS

During the year under review, there was no instance of fraud, which required the Statutory Auditors to report to the Audit Committee and /or Board under Section 143(12) of the Companies Act, 2013 and the rules made thereunder.

25. INTERNAL AUDITORS

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

26. 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. Narayan D. Dontul, Practicing Cost Accountants, Solapur, (FRN No. 100224), being eligible and having sought appointment, as Cost Auditors of the Company, to carry out the cost audit of the products manufactured by the Company during the financial year 2022-2023 on a remuneration of ₹75,000/- (Rupees Seventy Five 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. Narayan D. Dontul, Cost Accountants, is included at Item No. 3 of the Notice convening the Annual General Meeting.

27. 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 2021-22. The Secretarial Audit Report, pursuant to Section 204(1) of the Companies Act, 2013, for the financial year ended 31st March, 2022 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 on the Company. However Secretarial Auditors have given their observation as below:

“Registration of one of the Independent Directors of the Company in the Independent Directors Data Bank was done beyond the prescribed time”

Reply to Observation in secretarial Audit Report:

Due to inadvertence, the registration of Mr. M. Amarender Reddy as Independent Director in the Independent Directors Database was not done during the prescribed period and the window for said registration was made open by MCA only after some time and the Independent Directors got himself registered in the said database immediately when the same was enabled.

The Annual Secretarial Compliance Report issued by M/s. P.S. Rao & Associates, Practicing Company Secretaries pursuant to SEBI circular dated February 8, 2019 and is forming part of the Corporate Governance Report.

28. 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 and Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015 for the employees to report their grievances / concerns about instances of unethical behavior, actual or suspected fraud or violation of Company's Code of Conduct by means of Protected Disclosure to the Authorized Officer or the Chairman of the Audit Committee.

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

29. 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'.

30. PARTICULARS OF CONTRACTS OR ARRANGEMENTS WITH RELATED PARTY

All related party transactions that were entered into during the financial year were at an arm's length basis

and were in the ordinary course of business. There are no materially significant related party transactions made by the Company with Promoters, Directors, Key Managerial Personnel or other designated persons which may have a potential conflict with the interest of the Company at large.

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

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

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

31. RISK MANAGEMENT

The Company has constituted a Risk Management Committee and formulated a policy on Risk Management in accordance with the Companies Act, 2013 and Regulation 21 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. The details of the Committee and its terms of reference are set out in the Corporate Governance Report forming part of the Board's Report. The Risk Management Policy of the Company is posted on the website of the Company and the web link <http://www.balajiamines.com/investor-relations>

32. 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.

33. 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.

34. 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.

35. MANAGEMENT DISCUSSION & ANALYSIS

The Management Discussion and Analysis as required under Schedule V of the Listing Regulations forms is shown in a separate section forming part of the Annual Report.

36. COMPLIANCE WITH SECRETARIAL STANDARDS

During the year under review your Company has complied with the respective Secretarial Standards issued by the Institute of Company Secretaries of India on Board Meetings, General Meetings and Dividend.

37. EMPLOYEE STOCK OPTIONS

Company is yet to implement the ESOP Scheme.

38. BUSINESS RESPONSIBILITY & SUSTAINABILITY REPORT WITH ENVIRONMENT, SOCIAL & GOVERNANCE

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

SEBI, vide its circular dated May 10, 2021, made BRSR mandatory for the top 1,000 listed companies (by market capitalization) from fiscal 2023, while disclosure is voluntary for fiscal 2022.

The Committee Report encourages companies to report their performance for fiscal 2022 to be better prepared to adopt this framework from the next fiscal.

39. 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 operations and activities. 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.

40. 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 the Company's vision being accomplished. Your Company appreciates the contribution of its dedicated employees during this pandemic.

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

The Company has in place an Anti-Sexual Harassment Policy in line with the requirements of the Sexual Harassment of Women at the Workplace (Prevention, Prohibition & Redressal) Act, 2013. Internal Complaints Committee (ICC) has been set up to redress complaints received regarding sexual harassment. All employees (permanent, contractual, temporary, trainees) are covered under this policy.

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

No. of Complaints received	: Nil
No. of Complaints disposed of	: Nil

42. LISTING WITH STOCK EXCHANGES

The Equity Shares of the Company are listed on NSE Limited and BSE Limited. The annual listing fees for the years 2022-23 have been paid to these exchanges.

43. ACKNOWLEDGMENT

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

For and on Behalf of the Board of Directors

Sd/-

A. Prathap Reddy
Executive Chairman
DIN: 00003967

Date: 11th May, 2022
Place: Hyderabad



ANNEXURES TO THE DIRECTORS' REPORT

ANNEXURE-I

DIVIDEND DISTRIBUTION POLICY

1. Background and applicability

The Dividend Distribution Policy (hereinafter referred to as the "Policy") has been developed in accordance with the applicable provisions of the Companies Act, 2013 and applicable SEBI regulations.

The Securities and Exchange Board of India ("SEBI") vide its Gazette Notification dated July 08, 2016 has amended the Listing Regulations by inserting Regulation 43A in order to make it mandatory to have a Dividend Distribution Policy in place by the top five hundred listed companies based on their market capitalization calculated as on the 31st day of March of every year and to disclose a Dividend Distribution Policy in the annual report and on the corporate website.

The Board of Directors (the "Board") of Balaji Amines Limited (the "Company") has adopted the Policy of the Company as required in terms of Regulation 43A of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations").

The Company currently has only one class of shares, viz. equity, for which, this policy is applicable. The policy is subject to review if and when the Company issues different classes of shares.

2. Dividend distribution philosophy

The Company is committed to driving extraordinary value creation for all its stakeholders. The focus is to continue to provide sustainable returns, through an appropriate capital strategy for both medium term and longer term value creation. Accordingly, the Board would continue to adopt a progressive and dynamic dividend policy, ensuring immediate as well as long term needs of the business considering wealth maximisation as a philosophy.

3. Dividend

Dividend represents part of the profits of the Company, which is distributed to shareholders in proportion to the amount paid-up on shares they hold. Dividend includes Interim Dividend.

The Dividend for any financial year shall normally be paid out of the Company's profits for that year. This will be arrived at after providing for depreciation in accordance with the provisions of the Companies Act, 2013. If circumstances require, the Board may also declare dividend out of accumulated profits of any previous financial year(s) in accordance with provisions of the Act and Regulations, as applicable.

4. Circumstances under which shareholders can expect Dividend

The Board will assess the Company's financial requirements, including present and future organic and inorganic growth opportunities and other relevant factors (as mentioned elsewhere in this policy) and declare Dividend in any financial year.

Notwithstanding the above, the shareholders of the Company may not expect Dividend under the following circumstances:

- a. Whenever it undertakes or proposes to undertake a significant expansion project requiring higher allocation of capital expenditure
- b. Significantly higher working capital requirements which may adversely impacting free cash flow during that period.
- c. Whenever it undertakes any acquisition or joint ventures requiring significant Allocation of capital
- d. In the event of inadequacy of profit or whenever the Company has incurred losses

5. Interim and Final Dividend

The Board may declare one or more Interim Dividends during the year. Additionally, the Board may recommend Final Dividend for the approval of the shareholders at the Annual General Meeting. The date of the Board meeting in which the Dividend proposal is being considered, will be informed to the stock exchanges, as required by Listing Regulations.

6. Financial parameters and other internal and external factors that would be considered for declaration of Dividend:

- Distributable surplus available as per the Act and Regulations
- The Company's liquidity position and future cash flow needs
- Track record of Dividends distributed by the Company
- Payout ratios of comparable companies
- Prevailing Taxation Policy or any amendments expected thereof, with respect to Dividend distribution
- Capital expenditure requirements considering the expansion and acquisition opportunities

- Cost and availability of alternative sources of funds.
- Macroeconomic and business conditions in general which may impact the cashflows.
- Providing for unforeseen events or contingency with financial implications
- Any other relevant factors that the Board may deem fit to consider before declaring a Dividend.

7. Utilisation of retained earnings

Subject to applicable regulations, the Company's retained earnings shall be applied for:

- Funding inorganic and organic growth needs including working capital, capital expenditure, repayment of debt, etc.

- Buyback of shares subject to applicable limits as per the Act and Regulations.
- Payment of Dividend in future years
- Issue of Bonus shares
- Any other permissible purpose

8. Modification of the Policy

The Policy will be reviewed periodically by the Board. The Board is authorised to change/amend this policy from time to time at its sole discretion and/or in pursuance of any amendments made in the Companies Act, 2013, or the SEBI Regulations, etc.



ANNEXURES TO THE DIRECTORS' REPORT
ANNEXURE – II
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 Limited
2	Reporting period for the subsidiary concerned, if different from the holding company's reporting period	31 st March, 2022 (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	₹40,00,00,000
5	Reserves & Surplus	₹1,50,19,52,154
6	Total Assets	₹4,25,77,67,034
7	Total Liabilities	₹2,35,58,14,880
8	Investments	-
9	Turnover	₹5,15,79,63,180
10	Profit / Loss before taxation	₹1,55,14,80,021
11	Tax Expense Net of Deferred Tax Asset	₹45,18,81,506
12	Profit/Loss after taxation	₹1,09,95,98,515
13	Proposed Dividend	Nil
14	% of Shareholding	55%

PART B : ASSOCIATE AND JOINT VENTURES : Not Applicable

As per our report of even date

For M/s. Ayyadevara & Co.

Chartered Accountants,
FRN 000278S

Sd/-

Ayyadevara Srinivas

Proprietor

Membership No. 028803

Date: May 11, 2022

Place: Hyderabad

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/-

Lakhan Dargad

Company Secretary

Date: May 11, 2022

Place: Hyderabad

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 are as under:

Name	Designation	Remuneration of Director KMP for the financial year 2021-22* (Amount in ₹)	Ratio of Remuneration of each Director to median remuneration of employees	% increase in Remuneration in the financial year 2021-22
Mr. A. Prathap Reddy	Executive Chairman	54,25,200	18.69	3.03
Mr. D. Ram Reddy	Managing Director	46,03,200	15.85	3.57
Mr. N. Rajeshwar Reddy	Joint Managing Director	46,03,200	15.85	3.57
Mr. G. Hemanth Reddy	Whole-time Director & CFO	46,03,200	15.85	3.57
Mr. A. Srinivas Reddy	Whole-time Director	41,10,000	14.16	4
Ms. Sonia Nilesh Mahajan# (From 30 th June, 2021 to 27 th October, 2021)	Company Secretary & Compliance Officer	96,154	0.33	-
Mr. Lakhan Dargad# (From 27 th October, 2021)	Company Secretary & Compliance Officer	2,55,295	0.88	-

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

Remuneration paid only for part of the year

- ii. The median remuneration of employees' of the Company during the financial year was ₹2,90,345/-
- iii. The percentage increase in the median remuneration of employees in the financial year ending 31st March, 2022 was ₹35,493/- (20%)
- iv. There were 1071 permanent employees on the rolls of Company as on 31st March, 2022.
- 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 25% However, the total increase was 39% 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 Rule 5 (2) of Section 197 (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 2021-22 (₹)	Whether employee is relative of any director or Manager of the Company
1	Mr. A. Prathap Reddy, Executive Chairman	Contractual	He is a Civil Engineer by Qualification; He has over 47 Years of experience across varied industries. (Age - 71 Years.)	27 th October, 1988	Nil	14,10,10,981	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 37 years of experience in varied industries. (Age - 61 Years)	15 th January, 1989	Nil	9,40,07,321	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 42 years of experience across varied industries. (Age - 67 Years)	27 th October, 1988	Nil	9,40,07,321	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 32 years of experience spread across various businesses. (Age - 56 Years)	28 th July, 2008	Bhagyanagar Woodplast Limited	4,70,03,660	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 technologies Cummins Inc, etc. (Age - 46 Years)	11 th May, 2013	Nil	9,40,07,321	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. Nilesh Shashikant Jadhav (Vice President)	On Roll	He holds a Bachelor's Degree (B.E. -Chemical Engineering), Piping Engineering from IIT Bombay & an MBA. He has over 26 years experience in Processes, Operations, Technology and Business significance of Specialty Chemicals including Deepak Fertilizers and Petrochemicals Corp. Ltd, ESSAR Refinery, Schenectady Herdillia, Rubber Flex SDN BHD -Malaysia, Apcotex Lattices Limited, (Age - 51 Years)	06 th January, 2021	Deepak Fertilizers and Petrochemicals Corp. Ltd	44,00,000	No
6	Mr. Govind Raybhanrao Menchekare (GM – Operations)	On Roll	He holds a Bachelor's Degree (B.Sc. -Tech. (Petrochemical) and he has over 28 years experience in Chemicals Production. (Age - 48 Years)	24 th January, 1996	NA	29,00,000	No



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 2021-22 (₹)	Whether employee is relative of any director or Manager of the Company
7	Mr. Roopavathram Subba Sastry (DGM – Services)	On Roll	He is a Post Graduate in Instrumentation (M.Sc – Instrumentation) and he has over 27 years experience in Electrical Instrumentation & Maintenance (Age – 56 Years)	1 st July, 1996	NA	25,00,000	No
8	Mr. Suresh Babu Satyanarayana Vuppula (DGM – Services)	On Roll	He is a Post Graduate in Engineering Physics & Instrumentation (M.Sc – Engineering Physics & Instrumentation) and he has over 31 years experience in Electrical & Instrumentation. (Age – 54 Years)	8 th July, 1991	NA	25,00,000	No
9	Mr. Arun Maruti Masal (DGM – Finance)	On Roll	He is a Post Graduate in Commerce (M.com) and he has over 32 years experience in Accounts & Finance (Age – 56 Years)	01 st October, 1990	NA	22,00,000	No

- There were no other employees drawing remuneration of ₹8.50 Lakhs p.m or above / ₹102 Lakhs p.a or above whether employed throughout or part of the financial year No employees are covered under rule 5(2)(iii) of Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014
- 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: 11th May, 2022
Place: Hyderabad



ANNEXURE - IV
FORM NO MR-3
SECRETARIAL AUDIT REPORT

FOR THE FINANCIAL YEAR ENDED 31ST MARCH, 2022

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

To,
The Members,
Balaji Amines Limited
Solapur

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

Based on our verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, We hereby report that in our opinion, the company has, during the audit period covering the financial year ended on 31st March, 2022 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, 2022 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;
 - (c) The Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021;
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 Non-Convertible Securities) Regulations, 2021;
 - (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, 2021; and
 - (e) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018;
3. The industry specific major laws that applicable to the company are
 - a) Hazardous and Other Wastes (Management and Transboundary Movement) Rules, 2016 under the Environment (Protection) Act, 1986;

- b) Food Safety And Standards Act, 2006
 - c) Petroleum Act 1934
 - d) Poisons Act 1919
 - e) The Indian Copyright Act, 1957
 - f) The Patents Act, 1970
 - g) The Trade Marks Act, 1999
 - h) The Indian Boilers Act, 1923
 - i) The Explosives Act 1983
 - j) Manufacture Storage and Import of Hazardous Chemical Rules, 1989
 - k) Public Liability Insurance Act, 1991
4. We have also examined compliance with the applicable clauses of the following:
- (a) SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015
 - (b) Secretarial Standards issued by the Institute of Company Secretaries of India and notified under the Act.

During the period under review the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above subject to our comments below:

Place: Hyderabad
Date: 09.05.2022
UDIN: F010322D000288952

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.

Registration of one of the Independent Directors of the Company in the Independent Directors Data Base was made after the prescribed time.

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
P S Rao
Partner
M. No. F10322
C P No: 3829
PR: 710/2020

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
P S Rao
Partner
M. No. F10322
C P No: 3829
PR: 710/2020

Place: Hyderabad
Date: 09.05.2022
UDIN: F010322D000288952



ANNEXURE - V
CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGO

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

A. Conservation of Energy**a. The steps taken or impact on conservation of energy:**

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

1. Steam recovery, optimizing Steam generation & optimum recovery of waste heat synchronization.
2. Recovery of water, and waste water recycling by various methods.
3. Recovery of energy from the process with heat exchangers etc.
4. Use of Dry AirCooled Condensers and Chillers in place of Cooling Tower water.
5. Deploying various power generation equipment in the plants resulting in lower overall cost of power.
6. Use of additional concentration systems for Effluents to reduce MEE loads
7. Deploying of additional innovative solutions at cooling towers to reduce consumption of water and water treatment chemicals.

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

The Company has 415KW solar power plant at Unit 3, MIDC, Chincholi apart from 50KVA at its registered office. The Company continues to explore additional opportunities for alternative sources of energy in other areas that have both environmental as well as financial benefits.

c. The Capital investment on energy conservation equipment

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

- a) Optimizing the usage of energy efficient pumping systems, chillers etc

1. Waste Water recovery system through High Pressure processing system.
2. Deployment of latest Effluent Treatment System in addition to existing ETP unit at Unit 1, Tamalwadi. The same will allow for lower cost of effluent processing cost.
3. Various kinds of power generation systems deployed at plants reducing overall cost of power.

Impact of the above measures are:

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

B. Technology Absorption

- i. Efforts made towards technology absorption: Through the R&D initiatives new products/processes developed, involves usage of latest technology, process methods. The R & D team has been continuously working on improving existing manufacturing processes and changes proposed have been implemented in production.
- ii. The Benefits derived like product improvement, cost reduction, product development or import substitution:
 - a) Impact on Environment is minimized
 - b) Process Time and costs reduced substantially.



iii. In case of imported technology (imported during the last three years reckoned from the beginning of the financial year) – Not Applicable

iv. Particulars with Respect to Research and Development

1. Specific Areas in which the Company Carries out R&D
 - a) Improved process of Aliphatic Amines manufacture process
 - b) Better Handling of effluents from various plants
 - c) Improve product quality of existing product portfolio as per customer requirements through R&D pilot trials
 - d) Improvement of processes in existing plants.
 - e) Test out various new catalysts for existing products for identifying replacement catalysts with better performance on all metrics.

2. Benefits Derived

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

3. Future Course of Action

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

4. Expenditure on R&D

- a) Capital in nature : Nil
- b) Revenue : ₹ 56,03,607

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

(₹ in Lakhs)

Particulars	2020-21	2021-22
Foreign Exchange Earned	₹ 17,796.84	₹ 33,335.15
Foreign Exchange Outgo	₹ 20,664.70	₹ 40,551.42

**ANNEXURE - VI
FORM NO AOC -2**

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

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

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

There were no contracts or arrangements or transactions entered into during the year ended 31st March, 2022, 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, 2022, are as follows:

Name of the related party	Nature of Transaction	Transaction value (In ₹)	Duration of Transaction	Salient terms of Transaction	Date of approval by the Board	Amount paid as advance if any
Balaji Speciality Chemicals Limited (Subsidiary Company by holding 55% Stake)	a. Sales b. Purchase	₹93,23,41,017/- ₹20,26,18,366/-	1 Year	Sale, purchase or supply of raw material and trading of Specialty Chemicals and other capital goods for the value. Consideration upto ₹131.14 Crores	8 th February, 2021	Nil
Balaji Speciality Chemicals Limited (Subsidiary Company by holding 55% Stake)	Receipt of Office Rent	₹60,000/-	3 Years	Lease agreement for office given on monthly rental ₹5000	8 th February, 2021	Nil
Thirumala Precicasts Pvt. Ltd. (Directors are interested)	Receipt of Office Rent	₹3,74,762/-	3 Years	Lease agreement for office given on monthly rental of ₹25,000	28 th October, 2022	Nil
MVL Medisynth Pvt. Ltd. (Directors are interested)	a. Sales b. Purchase	₹3,23,18,443/- ₹12,44,730/-	1 Year	Job Work for chemicals Purchase and Sale of chemicals and utilities on Market Rate/ Transfer Pricing /on Arm's Length basis. Consideration upto ₹93 Crores (Excluding Taxes, TDS & TCS)	8 th February, 2021	Nil
SVS Sourcing Pvt. Ltd. (Directors are interested)	a. Sales	₹52,17,67,333/-	1 Year	Sale of products and purchase of raw materials as per mutual understanding and Transfer pricing guidelines at arm's length. Consideration upto ₹100 Crores	2 nd August, 2021	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: 11.05.2022
Place: Hyderabad

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 Limited: ₹13,34,76,847/-

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: 11.05.2022
Place: Hyderabad



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:

Sr. No.	Name of Director	Designation/Nature of Directorship	Number of meetings held during the year	Number of meetings of CSR Committee attended during the year
1	Kashinath R. Dhole	Chairman- Non executive Independent Director	4	4
2	N. Rajeshwar Reddy	Member- Joint Managing Director	4	4
3	D. Ram Reddy	Member- Managing Director	4	4

3. Web link where Composition of CSR committee, CSR Policy and CSR projects approved by the board are disclosed on the website of the company <http://www.balajiamines.com/investor-relations>

4. Provide the details of Impact assessment of CSR projects carried out in pursuance of sub-rule (3) of rule 8 of the Companies (Corporate Social Responsibility Policy) Rules, 2014, if applicable (attach the report)- Not applicable

5. Details of the amount available for set off in pursuance of sub-rule (3) of rule 7 of the Companies (Corporate Social Responsibility Policy) Rules, 2014 and amount required for set off for the financial year, if any

Sr. No.	Financial Year	Amount available for set-off from preceding financial years (in ₹)	Amount required to be set-off for the financial year, if any (in ₹)	Total Amount available for set off after utilising part of the Carried forward amount
1	2019-20	-	-	
2	2020-21	45,92,897	83,615	
3	2021-22	45,92,897	83,615	
	Total	45,92,897	83,615	

6. Average net profit of the company as per section 135(5): ₹2,12,92,81,578/-

7 a) Two percent of average net profit of the company as per section 135(5): ₹4,25,85,632

b) Surplus arising out of the CSR projects or programmes or activities of the previous financial years NIL.

c) Amount required to be set off for the financial year, if any: ₹83,615/-

d) Total CSR obligation for the financial year (7a+7b-7c): ₹4,25,02,017/-

8 (a) CSR amount spent or unspent for the financial year:

Total Amount Spent for the Financial Year (in ₹)	Amount Unspent (in ₹)				
	Total Amount transferred to Unspent CSR Account as per section 135(6).		Amount transferred to any fund specified under Schedule VII as per second proviso to section 135(5).		
	Amount.	Date of transfer.	Name of the Fund	Amount.	Date of transfer.
4,25,02,017/-	N A	N A	N A	N A	

b) Details of CSR amount spent against ongoing projects for the financial year: (Not Applicable)

Sr. No.	Name of the Project	Item from the list of activities in Schedule VII to the Act	Local Area (Yes/No)	Location of the project	Project Duration	Amount Allocated for the project (in ₹)	Amount Spent in the Current Financial year (in ₹)	Amount transferred to Unspent CSR Account for the project as per Section 135(6) (in ₹)	Mode of Implementation - Direct (Yes/No)	Mode of Implementation - Through Implementing Agency	CSR Registration Number
Not Applicable											

c) Details of CSR amount spent against other than ongoing projects for the financial year:

Sr. No.	Name of the Project	Item from the list of activities in Schedule VII to the Act	Local Area (Yes/No)	Location of the project		Amount Spent for the project (in ₹)	Mode of Implementation - Direct (Yes/No)	Mode of Implementation - Through implementing Agency	CSR Name Registration Number
				State	District				
1	Improving health conditions & medical facilities in various villages of Maharashtra by constructing toilets, water collection system, RO Plants, Providing medical aid, contributing towards CM care fund and other contributions towards COVID-19 pandemic etc.	Health Care	Yes	Maharashtra	Solapur & Osmanabad District	1,28,61,512	Yes	-	-
				Telangana	Siddipet & Mandal Mirdoddi District				
2	Enhancing the state of educational institutions by constructing necessary infrastructure for schools, painting of speaking images on school wall and providing Computers, benches, smart board, projectors, competitive exams books, Lab Equipments & Other relevant materials. Educational Aid and encouragement to needy students for studies or any other activities of their interest.	Promoting Education	Yes	Maharashtra	Solapur & Osmanabad District	56,32,274	Yes	-	-
				Telangana	Siddipet & Mandal Mirdoddi District				
4	Installation of Solar Street Lights, Renovation of Multipurpose hall, construction & colouring building of police station, Construction of rest room at Police Station, cctv camera, donation for construction of kitchen hall & for seminar hall, Road Maintenance activity.	Rural Development	Yes	Maharashtra	Solapur & Osmanabad District	15,15,852	Yes	-	-



Sr. No.	Name of the Project	Item from the list of activities in Schedule VII to the Act	Local Area (Yes/No)	Location of the project		Amount Spent for the project (in ₹)	Mode of Implementation - Direct (Yes/No)	Mode of Implementation - Through implementing Agency	CSR Name Registration Number
				State	District				
5	Providing necessary Infrastructure for sports activities, providing sports equipment	Promoting Sports	Yes	Maharashtra	Solapur District	8,81,003	Yes	-	-
				Telangana	Siddipet & Mandal Mirdoddi District				
6	Set-up Me-Electrical Cremation Furnace	Ensuring environmental sustainability, ecological balance	Yes	Maharashtra	Solapur District	1,05,13,122	Yes	-	-
7	Donated sarees to Indian ex-service man Families.	Armed Forces	Yes	Maharashtra	Solapur District	20,370	Yes	-	-
8	Donation for flood and drought relief operations	Disaster Management	Yes	Maharashtra	-	1,00,00,000	Yes	-	-
Total						4,14,24,133			

d) Amount spent in Administrative Overheads:- ₹10,77,884/-**e) Amount spent on Impact Assessment, if applicable:- Not Applicable****f) Total amount spent for the Financial Year (8b+8c+8d+8e) :- ₹4,25,02,017/-****Excess amount for set off, if any**

Sr. No.	Particular	Amount (in ₹)
1	Two percent of average net profit of the company as per section 135(5)	4,25,85,632/-
2	Total amount spent for the Financial Year	4,25,02,017/-
3	Excess amount spent for the financial year [(ii)-(i)]	(83,615)
4	Surplus arising out of the CSR projects or programmes or activities of the previous financial years, if any	0
5	Amount available for set off in succeeding financial years	(83,615)

9 (a) Details of Unspent CSR amount for the preceding three financial years: Not Applicable

Sl. No.	Preceding Financial Year	Amount transferred to Unspent CSR Account under section 135 (6) (in ₹)	Amount spent in the reporting Financial Year (in ₹)	Amount transferred to any fund specified under Schedule VII as per section 135(6), if any			Amount remaining to be spent in succeeding financial years. (in ₹)
				Name of the Fund	Amount (in ₹)	Date of transfer	
1	2019-20	-	-	-	-	-	-
2	2020-21	-	-	-	-	-	-
3	2021-22	-	-	-	-	-	-
TOTAL							

**9 (b) Details of CSR amount spent in the financial year for ongoing projects of the preceding financial year(s):
Not Applicable**

10. In case of creation or acquisition of capital asset, furnish the details relating to the asset so created or acquired through CSR spent in the financial year (Asset wise details)

- a) Date of creation or acquisition of the capital asset(s). Not Applicable
- b) Amount of CSR spent for creation or acquisition of capital asset. Not Applicable
- c) Details of the entity or public authority or beneficiary under whose name such capital asset is registered, their address etc. Not Applicable
- d) Provide details of the capital asset(s) created or acquired (including complete address and location of the capital asset).- Not Applicable

11. Specify the reason(s), if the company has failed to spend two per cent of the average net profit as per section 135(5). NA

Sd/-

Kashinath R. Dhole
Chairman-CSR Committee
DIN: 01076675

Sd/-

A. Prathap Reddy
Executive Chairman
DIN: 00003967

Date: 09.05.2022

Place: Hyderabad/Solapur