



We create chemistry

## BASF INDIA LIMITED

Registered Office: The Capital, 'A' Wing, 1204-C, 12<sup>th</sup> Floor,  
Plot No. C-70, 'G' Block, Bandra Kurla Complex,  
Bandra (East), Mumbai- 400051

CIN: L33112MH1943FLC003972, Website: [www.basf.com/in](http://www.basf.com/in), Tel: +91 22 62785600

### POSTAL BALLOT NOTICE

To,  
The Member(s),

**NOTICE** is hereby given to the Members of BASF India Limited (hereinafter referred to as the "Company") pursuant to the provisions of Section 110 and other applicable provisions, if any, of the Companies Act, 2013 ("the Act") read with Rule 22 of the Companies (Management and Administration) Rules, 2014, as amended and the applicable provisions of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (including any statutory modification(s) or re-enactment(s) thereof for the time being in force) and such other applicable laws and regulations for seeking the approval of the Members for the matters as set out in the resolutions appended below, through Postal Ballot including voting by electronic means (e-voting).

The Explanatory Statement pursuant to Section 102 and other applicable provisions of the Companies Act, 2013, pertaining to the resolutions setting out the material facts concerning each item and the reasons thereof is annexed hereto along with a 'Postal Ballot Form' and postage-prepaid self-addressed Business Reply Envelope for your consideration.

The Board of Directors of the Company at their meeting held on 11<sup>th</sup> February, 2020 have appointed Mr. Hemant Shetye, Practicing Company Secretary, HS Associates, 206, 2<sup>nd</sup> Floor, Tantia & Jogani Industrial Estate, J.R. Boricha Marg, opposite Lodha Excelus, Lower Parel (East), Mumbai - 400011, having Membership No. FCS-2827 & Certificate of Practice No. 1483, as the Scrutinizer for conducting the postal ballot and e-voting process in a fair and transparent manner.

In compliance with the provisions of Section 108 of the Companies Act, 2013 read with Rules 20 and 22 of the Companies (Management and Administration) Rules, 2014, as amended and Regulation 44 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Company is providing an option of e-voting to its Members to cast their vote on the resolutions proposed in the Notice of Postal Ballot. For this purpose, the Company has engaged the services of National Securities Depository Limited (NSDL) to provide the e-voting facility to the Members.

Members desiring to exercise their vote by using e-voting facility are requested to carefully follow the instructions under the Section 'Voting through Electronic Means' in this Notice of Postal Ballot.

Members desiring to exercise their vote by Postal Ballot are requested to read the instructions printed in the Postal Ballot Form and return the same duly completed in the enclosed postage-prepaid self-addressed Business Reply Envelope. The duly completed Postal Ballot Form should reach the Scrutinizer not later than Tuesday, 21<sup>st</sup> April, 2020 (5.00 p.m. IST) to be eligible for being considered, failing which it will be strictly considered that no reply has been received from the Member.

References to Postal Ballot in this Postal Ballot Notice include votes received electronically.

The Scrutinizer will submit his report to the Chairman of the Company or to any other person authorised by the Chairman after the completion of the scrutiny of the Postal Ballots (including e-voting). The result shall be announced on or before Thursday, 23<sup>rd</sup> April, 2020 and will be displayed on the notice board at the Registered Office of the Company. The said results will be intimated to the Stock Exchanges where the shares of the Company are listed and displayed on the Company's website [www.basf.com/in](http://www.basf.com/in) and also on the website of NSDL.

### **SPECIAL BUSINESS**

#### **Item No. 1: Appointment of Mr. Dirk Bremm (DIN: 08511847) as a Director of the Company**

To consider and, if thought fit, to pass the following resolution as an Ordinary Resolution:-

**"RESOLVED THAT** Mr. Dirk Bremm (DIN: 08511847), who was appointed as Director of the Company in the casual vacancy, caused due to resignation of Mr. Raimar Jahn, from 21<sup>st</sup> July, 2019, under Section 161(4) of the Companies Act, 2013 as amended by the Companies (Amendment) Act, 2017, and in respect of whom the Company has received a notice in writing as per the provisions of Section 160 of the Companies Act, 2013 from a Member intimating his intention to propose Mr. Dirk Bremm as a candidate for the office of Director, be and is hereby appointed as Director of the Company, liable to retire by rotation;

**RESOLVED FURTHER THAT** the Board of Directors of the Company be and are hereby authorised to do all acts, deeds, matters and things as may be considered necessary, desirable or expedient to give effect to this resolution."

**Item No. 2: Approval for transfer of Construction Chemicals Business of the Company to Master Builders Solutions India Private Limited**

To consider and, if thought fit, to pass the following resolution as an Ordinary Resolution:-

**“RESOLVED THAT** pursuant to the provisions of Section 188(1) and other applicable provisions, if any, of the Companies Act, 2013 read with the Companies (Meeting of Board and its Powers) Rules, 2014 {including any amendment(s), statutory modification(s) or re-enactment(s) thereof for the time being in force} and the provisions of the Memorandum and Articles of Association of the Company and subject to the approvals, consents and permissions as may be necessary from the concerned statutory authorities and subject to such terms and conditions as may be imposed by them, and which may be agreed to by the Board of Directors of the Company [the **“Board”**, which expression shall also include its Authorised Representative(s)], the consent of the Members of the Company be and is hereby accorded for sale, assignment, divestiture, transfer of Construction Chemicals Business of the Company as set out in the draft Business Transfer Agreement (**“BTA”**), by way of a slump sale on a going concern basis, to Master Builders Solutions India Private Limited, wholly owned subsidiary of BASF SE, Germany, for an overall consideration of Rs. 595.16 crores (Rupees Five Hundred Ninety-Five Crore and Sixteen Lakhs), subject to the adjustments as may be specified in the BTA and on such terms and conditions, as may be mutually agreed in the BTA and other agreements to be executed between the Company and Master Builders Solutions India Private Limited;

**RESOLVED FURTHER THAT** the Board be and is hereby authorised to undertake all such acts, deeds, matters & things and to take such steps, settle any queries, difficulties, doubts that may arise with regard to the aforesaid transaction and execute such agreements, documents and writings / instruments and to make such filings, as may be necessary or desirable for the purpose of giving effect to this resolution and for the matters connected therewith or incidental thereto in the best interest of the Company;

**RESOLVED FURTHER THAT** the Board be and is hereby authorised to delegate all or any of the powers conferred on it by or under this resolution to any Director or Officer(s) or Authorised Executive(s) of the Company in order to give effect to this resolution;

**RESOLVED FURTHER THAT** all actions taken by the Board in connection with any matter referred to or contemplated in any of the foregoing resolution be and are hereby approved, ratified and confirmed.”

By Order of the Board of Directors  
For BASF India Limited

Pradeep Chandan  
Director- Legal, General Counsel (South Asia)  
& Company Secretary

*Registered Office:*

The Capital, 'A' wing, 1204-C,  
12<sup>th</sup> Floor, Plot No. C-70, 'G' Block,  
Bandra Kurla Complex, Bandra (East),  
Mumbai – 400051  
CIN: L33112MH1943FLC003972  
Dated: 11<sup>th</sup> February, 2020

**NOTES:**

1. The Postal Ballot Notice is being sent to those Members whose name appears in the Company's Register of Members / List of Beneficial Owners as received from National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL) as on the close of business hours on Friday, 6<sup>th</sup> March, 2020. The Postal Ballot Notice is being sent by e-mail to those Members who have registered their e-mail address with the Company or with their Depository Participants or with TSR Darashaw Consultants Private Limited, Company's Registrar and Share Transfer Agent. Members who have not registered their e-mail address will receive this Postal Ballot Notice along with the Postal Ballot Form and postage-prepaid self-addressed Business Reply Envelope through permitted mode. Members who have received Postal Ballot Notice by e-mail and who wish to vote through physical Postal Ballot Form can download the form from the website of the Company, i.e., [www.basf.com/in](http://www.basf.com/in) or website of NSDL, i.e. [www.evoting.nsd.com](http://www.evoting.nsd.com) or contact TSR Darashaw Consultants Private Limited via e-mail at [csg-unit@tsrdarashaw.com](mailto:csg-unit@tsrdarashaw.com) or on Tel. No. 022-66178552/66568484.
2. Members whose names appear in the Company's Register of Members / List of Beneficial Owners as on the close of business hours on Friday, 6<sup>th</sup> March, 2020 will be considered for the purpose of voting. The voting rights of Members shall be in proportion to the paid-up value of their shares in the equity share capital of the Company as on the close of business hours on Friday, 6<sup>th</sup> March, 2020. A person who is not a Member as on Friday, 6<sup>th</sup> March, 2020 should treat this Postal Ballot Notice for information purposes only.
3. The Postal Ballot Notice is uploaded on the website of the Company, i.e., [www.basf.com/in](http://www.basf.com/in) and on the website of NSDL, i.e., [www.evoting.nsd.com](http://www.evoting.nsd.com).
4. Resolutions passed by the Members through postal ballot are deemed to have been passed as if they have been passed at a General Meeting of the Members.
5. The Members can opt for only one mode of voting i.e. either physical ballot or e-voting. In case Members cast their votes through both the modes, voting done by e-voting shall prevail and votes cast through physical Postal Ballot Form will be treated as invalid.
6. The e-voting period commences on Monday, 23<sup>rd</sup> March, 2020 (9.00 a.m. IST) and ends on Tuesday, 21<sup>st</sup> April, 2020 (5.00 p.m. IST).
7. Tuesday, 21<sup>st</sup> April, 2020 (5.00 P.M. IST) shall be the last date of receipt of the Business Reply Envelope with Postal Ballot Form i.e. the date on which the resolution would be deemed to have been passed, if approved by requisite majority.
8. All documents referred in the Notice and the Explanatory Statement including the draft Business Transfer Agreement will be available for inspection by the Members at the Registered Office of the Company on all working days (except Saturdays, Sundays and Public Holidays) during working hours upto the date of announcement of results of this Postal Ballot.
9. In case of any query / grievance in connection with the Postal Ballot including e-voting, Members may contact NSDL by email at [e-voting@nsdl.co.in](mailto:e-voting@nsdl.co.in) or the Company Secretary at [investor-grievance-india@basf.com](mailto:investor-grievance-india@basf.com).

**Voting through Electronic Means**

The instructions for e-voting are as follows:

Step 1 : Log-in to NSDL e-voting system at <https://www.evoting.nsd.com/>

Step 2 : Cast your vote electronically on NSDL's e-voting system.

**Step 1: Log-in to NSDL e-voting system**

- I. Visit the e-voting website of NSDL by opening your web browser and typing the URL: <https://www.evoting.nsd.com/>
- II. Once the home page of e-voting system is launched, click on the icon 'Login' which is available under 'Shareholders' section.
- III. A new screen will open. You will have to enter your User ID & Password and a Verification Code as shown on the screen.

Alternatively, if you are registered for NSDL e-services, i.e. IDEAS, you can log-in at <https://eservices.nsd.com/> with your existing IDEAS login. Once you log-in to NSDL e-services after using your log-in credentials, click on e-voting and you can proceed to Step 2, i.e., cast your vote electronically.

IV. Your User ID details are given below:

Manner of holding shares, i.e. Demat (NSDL or CDSL) or Physical	User ID
a) For Members who hold shares in demat account with NSDL.	8-character DP ID followed by 8 digit Client ID For example if your DP ID is IN300*** and Client ID is 12***** then your user ID is IN300***12*****
b) For Members who hold shares in demat account with CDSL.	16-digit Beneficiary ID For example if your Beneficiary ID is 12***** then your user ID is 12*****
c) For Members holding shares in Physical Form.	EVEN, followed by Folio Number registered with the Company. For example, if EVEN is 112875 and your folio number is 001***, then your user ID is 112875001***

V. Your password details are given below:

- a) If you are already registered for e-voting, then you can use your existing password to login and cast your vote.
- b) If you are using NSDL's e-voting system for the first time, you will need to retrieve the 'initial password' which was communicated to you. Once you retrieve your 'initial password', you need to enter the 'initial password' and change your password, as prompted by the system.
- c) How to retrieve your 'initial password'?
  - (i) If your e-mail ID is registered in your demat account or with the Company, your 'initial password' is communicated to you on your e-mail ID. Trace the e-mail sent to you by NSDL in your mailbox. Open the e-mail and the attachment (pdf file). The password to open the file is your 8 digit client ID for NSDL account or the last 8 digits of client ID for CDSL account or folio number for shares held in physical form. The file contains your 'User ID' and your 'initial password'.
  - (ii) If your e-mail ID is not registered, your 'initial password' is communicated to you on your registered address.

VI. If you have not received the 'initial password' or are unable to retrieve it, or have forgotten your password, then:

- a) Click on "Forgot User Details/Password?" (If you are holding shares in your demat account with NSDL or CDSL) option available on [www.evoting.nsdl.com](http://www.evoting.nsdl.com).
- b) Click on "Physical User Reset Password?" (If you are holding shares in physical mode) option available on [www.evoting.nsdl.com](http://www.evoting.nsdl.com).
- c) If you are still unable to get the password by aforementioned options, you can send a request at [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in) mentioning your demat account number/folio number, PAN, name and registered address.
- d) Members can also use the OTP (One-Time Password) based login for casting the votes on the e-voting system of NSDL.

VII. After entering your password, agree to the terms & conditions by checking the box.

VIII. Then click on "Login" button.

IX. After you click on the "Login" button, home page of e-voting will open.

### Step 2: Cast your vote electronically

- I. After successful login at Step 1, you will be able to see the home page of e-voting. Click on e-voting. Then, click on Active Voting Cycles.
- II. After clicking the Active Voting Cycles, you will be able to see the "EVEN" of all the Companies in which you are holding shares and whose voting cycle is in active status.
- III. Select the "EVEN" of the Company for which you wish to cast your vote.
- IV. Now you are ready for e-voting as the voting page opens.
- V. Cast your vote by selecting appropriate options, i.e. assent or dissent, verify/modify the number of shares for which you wish to cast your vote and click on "Submit". Also click on "Confirm" when prompted.
- VI. Upon confirmation, the message "Vote cast successfully" will be displayed.
- VII. You can also take the printout of the votes cast by you by clicking on the print option on the confirmation page.
- VIII. Once you confirm your vote on the resolution, you will not be allowed to modify your vote.

**EXPLANATORY STATEMENT**

Pursuant to Section 102 of the Companies Act, 2013.

**Item No. 1**

The Board of Directors of the Company at their meeting held on 6<sup>th</sup> June 2019, on the recommendation of the Nomination & Remuneration Committee, had appointed Mr. Dirk Bremm (DIN: 08511847) as a Non-Executive Director of the Company with effect from 21<sup>st</sup> July, 2019, in the casual vacancy caused by the resignation of Mr. Raimar Jahn.

Mr. Dirk Bremm (DIN: 08511847) was born in the year 1973. He studied Business Administration at the Leipzig Graduate School of Management, Leipzig, Germany. He joined BASF SE as Staff to a Division Head in 2000. Thereafter, in 2002, he became the Head of Plastics & Polyurethane Division, BASF South Africa (Pty.) Ltd. In 2004, he was appointed as Group Leader Sales, Polyamide & Intermediates Europe, BASF SE. From 2007-2011, he operated as Vice President, Business Management Coatings Solutions Mexico. In 2012, he served as Senior Vice President, Construction Chemicals Retail Europe, BASF Construction Chemicals, Mannheim, Germany and from 2013-2016, he was the Senior Vice President, Construction Chemicals Americas, BASF Corporation. Since 2017, Mr. Dirk Bremm (DIN: 08511847) is the President, BASF Coatings GmbH, Münster, Germany.

In terms of the provisions of Section 161(4) of the Companies Act, 2013 as amended by Companies (Amendment) Act, 2017, if the office of any Director appointed by the Company in General Meeting is vacated before his term of office expires in normal course, the resulting casual vacancy may, in default of and subject to any regulations in the Articles of Association of the Company, be filled by the Board of Directors at a meeting of the Board which shall be subsequently approved by Members in the immediate next General Meeting of the Company.

The Company has received a notice in writing under Section 160(1) of the Companies Act, 2013 from a Member, signifying his intention to propose the candidature of Mr. Dirk Bremm (DIN: 08511847) for the office of Director liable to retire by rotation.

Mr. Dirk Bremm (DIN: 08511847) does not hold any shares in the Company by himself or for any other person on a beneficial basis. He does not hold any other Directorships / Committee positions in any other Company in India. He is not related to any other Director of the Company. He will not be receiving any remuneration from the Company.

Mr. Dirk Bremm (DIN: 08511847) is not debarred from holding the office of Director by virtue of any order of the Securities & Exchange Board of India or any other such Authority.

The Nomination & Remuneration Committee and the Board of Directors of the Company recommend the Ordinary Resolution set out at Item No. 1 of this Postal Ballot Notice for the approval of the Members of the Company.

Except Mr. Dirk Bremm (DIN: 08511847) and his relatives, none of the other Directors, Key Managerial Personnel of the Company and their respective relatives are concerned or interested, financially or otherwise, in the Ordinary Resolution set out at Item No. 1 of this Postal Ballot Notice, except to the extent of their respective shareholding, if any, in the Company.

This Explanatory Statement may also be regarded as a disclosure under Regulation 36(3) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Secretarial Standard – 2 on General Meetings, in respect of Mr. Dirk Bremm's appointment.

**Item No. 2**

BASF SE, Germany, Parent Company has decided to globally divest its Construction Chemicals Business to an Affiliate of Lone Star, a global private equity player. Accordingly, the Company now proposes to sell, transfer, assign and deliver the Construction Chemicals Business by way of a slump sale on an ongoing basis to Master Builders Solutions India Private Limited, wholly owned subsidiary of BASF SE, for an overall consideration of Rs. 595.16 crore (Rupees Five Hundred Ninety-Five Crore and Sixteen Lakhs), being the fair value determined by Deloitte Touche Tohmatsu India LLP, Independent Valuer, subject to the adjustments as may be specified in the draft Business Transfer Agreement (BTA) and on terms and conditions as may be more appropriately specified in the BTA and other agreements to be executed by the Company and Master Builders Solutions India Private Limited. As a part of the global transaction, Master Builders Solutions India Private Limited would be acquired, directly or indirectly, by Lone Star and / or its Affiliates from BASF SE, Germany and/ or its Affiliates.

Section 188 of the Companies Act, 2013 read with the Companies (Meetings of Board and its Powers) Rules, 2014 as amended, prescribes the procedure for approval of related party transaction(s).



## **BASF INDIA LIMITED**

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In accordance with the provisions of Section 188(1)(b) of the Companies Act, 2013 read with the Companies (Meetings of Board and its Powers) Second Amendment Rules, 2019, prior approval of the Members by way of an Ordinary Resolution is required for entering into any transaction between related parties for 'selling or otherwise disposing of, or buying, property of any kind' where the amount involved exceeds 10 percent or more of the net worth of the Company.

As the aggregate value of the consideration to be received by the Company for sale / transfer of Construction Chemicals Business to Master Builders Solutions India Private Limited exceeds 10% of the net worth of the Company, prior approval of the Members of the Company is being sought for the same by way of Postal Ballot.

Subject to the approval of the Members of the Company, the Board of Directors of the Company at their meeting held on 11<sup>th</sup> February, 2020 have approved the sale, transfer of Construction Chemicals Business of the Company to Master Builders Solutions India Private Limited, wholly owned subsidiary of BASF SE, Germany, by way of slump sale on an ongoing basis for an overall consideration of Rs. 595.16 crores, subject to adjustments and other terms and conditions as may be specified in the BTA.

As per the terms of the draft BTA, the Construction Chemicals Business, which comprises of the following, as may be more appropriately specifically set out in the BTA, shall be transferred to Master Builders Solutions India Private Limited, subject to the adjustments as may be specified in the BTA:

- (i) The Moveable Assets pertaining to the Construction Chemicals business and other Construction Chemicals Business Assets / Liabilities;
- (ii) The Construction Chemicals Business Contracts and the relevant parts of the Shared Contracts which relate exclusively to the Construction Chemicals Business;
- (iii) The Business Permits and Licences, which are capable of being transferred / endorsed under the Applicable Law;
- (iv) The Manufacturing Facilities at Kharagpur, Nellore, Nalagarh, Navi Mumbai (Plot No. C-68), where Construction Chemicals Business Products are manufactured;
- (v) The Manufacturing Facility at Mangalore, where Construction Chemicals Business Products are manufactured, would be sub-leased to Master Builders Solutions India Private Limited, as may be decided by the Board of Directors of the Company;
- (vi) Transferring Employees;
- (vii) Books and Records pertaining to Construction Chemicals Business.

In order to arrive at the overall consideration amount, the Company has obtained and relied upon the valuation report of Deloitte Touche Tohmatsu India LLP. No values have been assigned to any of the individual assets or assumed liabilities comprised in the Construction Chemicals Business. Further, the Company will also obtain all other approvals required for the consummation of the proposed transaction.

The disclosures required to be made under the provisions of the Companies Act, 2013 and the Companies (Meeting of Board and its Powers) Rules, 2014 as amended are given herein below:

1. Name of the Related Party and Nature of relationship: Master Builders Solutions India Private Limited and BASF India Limited are BASF Group Companies. BASF SE is the ultimate holding Company of all BASF Companies worldwide.
2. Name of the Director or Key Managerial Personnel who is related, if any: None of the Directors or Key Managerial Personnel are related.
3. Nature, material terms, monetary value and particulars of the contract or arrangement: Please refer resolution no. 2 and explanatory statement for item no. 2 of this Postal Ballot Notice.
4. Any other information relevant or important for the Members to take a decision on the proposed resolution:

The transfer of the Construction Chemicals Business of the Company to Master Builders Solutions India Private Limited is on arm's length basis by way of a slump sale and on an ongoing concern basis. The transaction is expected to close in the second quarter of FY 2020-2021.

The Board is of the opinion that the aforementioned proposal is in the best interest of the Company and hence, the Board recommends the Ordinary Resolution set out at Item No. 2 of the accompanying Postal Ballot Notice for the

approval of the unrelated Members of the Company in terms of the provisions of Section 188 of the Companies Act, 2013. The Members are requested to approve all the actions, decisions and approvals accorded by the Board (including the Audit Committee) in connection with the aforementioned transaction.

None of the Directors or Key Managerial Personnel of the Company and their respective relatives are, in any way, concerned or interested, financially or otherwise in the said Ordinary Resolution set out at Item No. 2 of the Postal Ballot Notice, except to the extent of their respective shareholding, if any, in the Company.

By Order of the Board of Directors  
For BASF India Limited

Pradeep Chandan  
Director- Legal, General Counsel (South Asia)  
& Company Secretary

*Registered Office:*

The Capital, 'A' wing, 1204-C,  
12<sup>th</sup> Floor, Plot No. C-70, 'G' Block,  
Bandra Kurla Complex, Bandra (East),  
Mumbai – 400051  
CIN: L33112MH1943FLC003972  
Dated: 11<sup>th</sup> February, 2020

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