

NOTICE

NOTICE is hereby given that the SEVENTY FOURTH ANNUAL GENERAL MEETING of BASF INDIA LIMITED will be held at Yashwantrao Chavan Pratishthan Auditorium, Y. B. Chavan Centre, General Jagannath Bhosale Marg, Nariman Point, Mumbai – 400021 on Friday, 10th August, 2018 at 3.00 p.m. to transact the following business, namely:

ORDINARY BUSINESS

1. To receive, consider and adopt the audited financial statements of the Company for the financial year ended 31st March, 2018, including the audited Balance Sheet as at 31st March, 2018 and the Statement of Profit and Loss for the year ended on that date and the Reports of the Board of Directors and the Auditors thereon.
2. To declare dividend on Equity Shares @30% i.e. Rs.3/- per equity share for the financial year ended 31st March, 2018.
3. To appoint a Director in place of Mr. Rajesh Naik (DIN: 06935998), who retires by rotation at this Annual General Meeting and being eligible offers himself for re-appointment.

SPECIAL BUSINESS

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

“RESOLVED THAT Mr. Raimar Jahn (DIN:07819517), who was appointed as Director of the Company from 1st April, 2017 and whose term of office as Director of the Company expires at this meeting under Section 161(4) of the Companies Act, 2013, 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. Raimar Jahn (DIN:07819517) as a candidate for the office of Director, be and is hereby appointed as Director of the Company.”

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

“RESOLVED THAT in accordance with the provisions of Sections 196, 197, 198, 203 read with Schedule V and all other applicable provisions, if any, of the Companies Act, 2013 and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 (including any amendment(s), modification(s) or re-enactment thereof) and in terms of the Articles of Association of the Company and based on the recommendation of the Nomination & Remuneration Committee and the approval of the Board of Directors of the Company, the consent of the Members of the Company be and is hereby accorded to the re-appointment of Dr. Raman Ramachandran (DIN:00200297) as the Chairman & Managing Director of the Company and to his receiving, benefits and amenities as the Chairman & Managing Director for a term of one year from 1st April, 2018 to 31st March, 2019, upon the terms, conditions and stipulations contained in the Agreement to be entered into between the Company and Dr. Raman Ramachandran, a draft whereof is placed before the meeting and initialed for the purpose of identification;

RESOLVED FURTHER THAT based on the recommendation of the Nomination & Remuneration Committee, the Board of Directors of the Company be and are hereby authorised to vary the terms and conditions of appointment, including the remuneration payable to Dr. Raman Ramachandran, provided, however, that the remuneration payable to Dr. Raman Ramachandran shall be in accordance with the provisions specified in Sections 197, 198 and Schedule V of the Companies Act, 2013 or any amendments thereto as may be made from time to time;

RESOLVED FURTHER THAT where in the financial year 2018-2019, the Company has no profits or its profits are inadequate, the Company shall pay remuneration, benefits and amenities to Dr. Raman Ramachandran as specified in the draft Agreement referred to above, based on the approval of the Nomination & Remuneration Committee and the Board of Directors of the Company and subject to obtaining necessary approvals, as may be required in accordance with the provisions of Sections 197, 198 and Schedule V of the Companies Act, 2013 or any amendments thereto as may be made from time to time. In that event the following perquisites shall, however, not be included in the computation of the ceiling on remuneration specified hereinabove:

- (a) Contribution to provident fund, superannuation fund or annuity fund and benefits under the Company's Pension Scheme, to the extent these, either singly or put together, are not taxable under the Income Tax Act, 1961;
- (b) Gratuity payable at a rate not exceeding half month's salary for each completed year of service; and
- (c) Encashment of leave at the end of the tenure;

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."

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

"RESOLVED THAT pursuant to the provisions of Section 148(3) and other applicable provisions, if any, of the Companies Act, 2013 and the Rules made thereunder (including any amendment(s), modification(s) or re-enactment thereof) and based on the recommendation of the Audit Committee and the approval of the Board of Directors of the Company, the remuneration payable to M/s. R. Nanabhoy & Co., Cost Accountants (Firm Registration No: 000010), appointed by the Board of Directors as Cost Auditors to conduct the audit of the cost accounting records of the Company for the financial year ending 31st March, 2019, amounting to Rs.14.30 lakhs (Rupees Fourteen Lakhs and Thirty Thousand Only) plus applicable taxes and reimbursement of out of pocket expenses, in connection with the said audit, be and is hereby ratified and confirmed;

RESOLVED FURTHER THAT the Board of Directors of the Company be and are hereby authorised to do all such acts and take all such steps as may be necessary, proper or expedient to give effect to this resolution."

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

"RESOLVED THAT pursuant to the provisions of Section 188 and other applicable provisions, if any, of the Companies Act, 2013 read with the Companies (Meetings of Board and its Powers) Rules, 2014 & such other Rules as may be applicable to the Company and in terms of Regulation 23 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (including any amendment(s), modification(s) or re-enactment thereof), the approval of the Members of the Company be and is hereby accorded for entering into transaction(s) (including on-going transactions) in the ordinary course of business and on arms' length basis with the following related parties upto the maximum amount mentioned herein, in each financial year, for a period of 5 years on such terms and conditions as may be mutually agreed between the Company and the said related parties:

(Rs. in crores)

Sr. No.	Name of the Related Party	Relationship	Nature of transaction(s)* (singly or all taken together)	Existing limits pursuant to the Members' approval dated 20 th August, 2015/ 11 th August, 2016	Revised/New limits {maximum value of the transaction(s) per annum}
1	BASF Societas Europaea (BASF SE)	Parent Company	(a) Sale and/or purchase of chemicals/materials. (b) Availing or rendering of services. (c) Payment of Royalty for Technical Collaboration/ Assistance. (d) Purchase/ Sale of Assets/ Business. (e) Payment of Dividend.	1000	1500
2	BASF Hong Kong Limited	Affiliate Company	(a) Sale and/or purchase of chemicals/materials. (b) Availing or rendering of services.	2000	5000
3	BASF South East Asia Pte. Ltd.	Affiliate Company	(a) Sale and/or purchase of chemicals/materials. (b) Availing or rendering of services.	2000	2500
4	BASF Company Ltd.	Affiliate Company	(a) Sale and/or purchase of chemicals/materials. (b) Availing or rendering of services.	—	2000
5	BASF Petronas Chemicals Sdn Bhd	Affiliate Company	(a) Sale and/or purchase of chemicals/materials. (b) Availing or rendering of services.	—	1500
6	BASF Ireland Limited	Affiliate Company	(a) External Commercial Borrowing (ECB) Loan (including Assignment of Loan). (b) Interest on ECB Loan. (c) Repayment of ECB Loan as per arrangement.	—	1200

* Transaction(s) are entered in the ordinary course of business and on arms' length basis.

RESOLVED FURTHER THAT all the actions, decisions & approvals accorded by the Board of Directors (including the Audit Committee) in this connection be and are hereby approved & confirmed and the Board of Directors of the Company be and are hereby authorised to do all such acts, deeds, matters & things and to take such steps, settle any queries, difficulties, doubts that may arise with regard to any transaction(s) with the related parties and execute such agreements, documents and writings 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.”

By Order of the Board of Directors

PRADEEP M. CHANDAN
*Director – Legal, General Counsel (South Asia)
& Company Secretary*

Registered Office:

The Capital, ‘A’ Wing, 1204-C
12th Floor, Plot No. C-70,
‘G’-Block, Bandra Kurla Complex,
Bandra (East), Mumbai-400051.

CIN: L33112MH1943FLC003972

Dated: 22nd June, 2018

Route map to the venue of the AGM



The prominent landmark for the venue is Mantralaya.

Notes:

1. A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF/HERSELF ON A POLL/E-VOTING ONLY AND THE PROXY NEED NOT BE A MEMBER OF THE COMPANY. IN ORDER TO BE EFFECTIVE, THE INSTRUMENT APPOINTING PROXY SHOULD BE DEPOSITED AT THE REGISTERED OFFICE OF THE COMPANY ATLEAST 48 HOURS BEFORE THE COMMENCEMENT OF THE MEETING.
2. A PERSON CAN ACT AS A PROXY ON BEHALF OF NOT MORE THAN FIFTY (50) MEMBERS AND HOLDING IN THE AGGREGATE NOT MORE THAN TEN PERCENT OF THE TOTAL SHARE CAPITAL OF THE COMPANY. A MEMBER HOLDING MORE THAN TEN PERCENT OF THE TOTAL SHARE CAPITAL OF THE COMPANY CARRYING VOTING RIGHTS MAY APPOINT ONE PERSON AS PROXY AND SUCH PERSON SHALL NOT ACT AS A PROXY FOR ANY OTHER PERSON OR MEMBER.
3. A Proxy Form is annexed to this Notice. Proxies submitted on behalf of Companies, Societies etc., must be supported by an appropriate resolution/authorization, as applicable. Corporate Members intending to send their authorised representatives to attend the Annual General Meeting pursuant to Section 113 of the Companies Act, 2013, are requested to send to the Company, a certified copy of the relevant Board Resolution together with the respective specimen signatures of those representative(s) authorised under the said resolution to attend and vote on their behalf at the meeting.
4. The requirement to place the matter relating to the ratification of appointment of Statutory Auditors by Members at every Annual General Meeting is done away with vide notification dated 7th May, 2018 issued by the Ministry of Corporate Affairs, New Delhi. Accordingly, no resolution is proposed for ratification of appointment of Statutory Auditors, who were appointed at the Annual General Meeting held on 28th September, 2017
5. An Explanatory Statement pursuant to Section 102 of the Companies Act, 2013 in respect of the Special Business to be transacted at the Meeting is annexed hereto and forms part of this Notice.
6. The Register of Members and the Share Transfer Books of the Company will be closed from Saturday, 28th July, 2018 to Friday, 3rd August, 2018 (both days inclusive) for the purpose of determining the eligibility of the Members entitled to dividend (subject to the approval of the Members at the Annual General Meeting).
7. Dividend as recommended by the Board of Directors, if approved at the Annual General Meeting, will be paid on or after 13th August, 2018 in respect of shares held in physical form, to those members whose names appear in the Company's Register of Members as on 3rd August, 2018 and in respect of shares held in electronic form, to those "Deemed Members" whose names appear in the statement of Beneficial Ownership furnished by the National Securities Depository Limited (NSDL) and the Central Depository Services (India) Limited (CDSL) at the close of business hours on Friday, 27th July, 2018.
8. Members are requested to submit their queries/requests for clarification, if any, on the Annual Report so as to reach the Company by Friday, 3rd August, 2018, which will enable the Company to furnish replies at the Annual General Meeting.
9. Members are requested to notify any change in their address or bank mandate to: (a) their respective Depository Participants in case of shares held in electronic form; or (b) the Company's Registrar & Share Transfer Agent, TSR Darashaw Limited (TSRD) at 6-10, H. M. Patrawala Industrial Estate, Near Famous Studio, 20, Dr. E. Moses Road, Mahalaxmi (West), Mumbai – 400 011, in case of shares held in physical form.
10. Members holding shares under multiple folios are requested to submit their applications to TSRDL for consolidation of folios into a single folio.
11. Pursuant to the provisions of Section 124(5) of the Companies Act, 2013, any money transferred to the unpaid dividend account of the Company, which remains unpaid or unclaimed for a period of seven years from the date of such transfer to the unpaid dividend account, shall be transferred by the Company to the Investor Education and Protection Fund (IEPF) of the Central Government.

Accordingly, the Company has transferred Rs. 1,204,592, being the unclaimed dividend amount of the Company for the financial year ended 31st March, 2010 to IEPF on 9th October, 2017. The Company has also transferred Rs. 657,057 pertaining to the net sale proceeds arising out of the consolidation of fractional entitlements paid in connection with the merger of Ciba India Limited with BASF India Limited remaining unclaimed for a period of seven years from the date of its payment, on 15th January, 2018.

The Company has sent reminders to the Members of the Company on 16th February, 2018 and 18th May, 2018 requesting them to claim their dividend for the financial year ended 31st March, 2011. As required under the provisions of Section 124(2) of the Companies Act, 2013, the Company has uploaded the details of unpaid and unclaimed amounts lying with the Company as on 28th September, 2017 (i.e. date of last Annual General Meeting of the Company) on the website of the Company (www.basf.com/in) and also filed the same with the Ministry of Corporate Affairs.

Those Members who have so far not encashed their dividend warrants for the following financial years, may approach the Company for the payment thereof, failing which the same will be transferred to the IEPF on the respective dates mentioned there against.

Financial Year ended	Dates on which unpaid dividend amount will be credited/transferred to the Investor Education and Protection Fund
31.03.2011	28.09.2018
31.03.2012	29.09.2019
31.03.2013	05.10.2020
31.03.2014	02.10.2021
31.03.2015	23.09.2022
31.03.2016	23.09.2023
31.03.2017	08.11.2024

In terms of the Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016 ('IEPF Rules') as amended, in addition to the unpaid or unclaimed dividend which is required to be transferred by the Company to IEPF, equity shares relating to such unpaid/unclaimed dividend are also required to be transferred to IEPF Account. Members are requested to take note of the aforesaid provisions of the Companies Act, 2013 and claim their unclaimed dividends immediately to avoid transfer of the underlying shares to the IEPF Account. Details of unpaid/unclaimed dividend are uploaded on the website of the Company before transferring to IEPF.

In respect of the unpaid/unclaimed dividend pertaining to the financial years ended 31st March, 2009 & 31st March, 2010, the Company has already transferred the shares to IEPF.

The Company provides an opportunity to the Members to claim the unpaid/ unclaimed dividend pertaining to the financial years 31st March, 2011 onwards, due to them, failing which shares (held either in physical or electronic mode) shall be transferred by the Company to IEPF Account. Members can however, claim both, the unclaimed dividend amount and the equity shares transferred to IEPF Account from the IEPF Authority, by making an application in the manner specified under the IEPF Rules.

12. Securities and Exchange Board of India has mandated the submission of Permanent Account Number (PAN) by each participant in the securities market. Members holding shares in physical form can furnish their PAN to TSRDL/Company Secretarial Department of the Company.
13. With respect to the payment of dividend, the Company provides the facility of remittance of dividend amount electronically through National Automated Clearing House (NACH) to all Members holding shares in electronic and physical form. Members holding shares in physical form who wish to avail NACH facility,

may submit their bank details viz., Name of the Bank and Branch, their A/c type and Core Banking A/c No. with 9 digit MICR and 11 digit IFSC code along with the copy of cancelled cheque in the prescribed form, which can be obtained from the Company's Registrar & Share Transfer Agent, TSR Darashaw Limited (TSRDL), 6-10, H. M. Patrawala Industrial Estate, Near Famous Studio, 20, Dr. E. Moses Road, Mahalaxmi (West), Mumbai – 400 011. Requests for payment of dividend through NACH for the year 2017-2018 should be lodged with TSRDL on or before the book closure date i.e. Friday, 27th July, 2018.

14. The Company's Equity Shares are listed on the BSE Limited, P.J. Towers, Dalal Street, Mumbai – 400 001 and National Stock Exchange of India Limited, Exchange Plaza, C-1, G-Block, Bandra-Kurla Complex, Bandra (East), Mumbai – 400 051. The Company has paid the annual listing fees for the financial year 2018-2019 to both the Stock Exchanges.
15. In terms of Section 72 of the Companies Act, 2013, and Rule 19 of the Companies (Share Capital and Debentures) Rules, 2014, every holder of securities of the Company may, at any time, nominate, in the prescribed manner, a person to whom his/her securities of the Company shall vest in the event of his/her death. Members, who wish to avail of this facility, may fill in the prescribed Form No. SH-13 and forward the same to TSRDL.
16. Details of the Directors seeking appointment/re-appointment under Item Nos. 3, 4 and 5 of this Notice are provided at page no. 56 of the Annual Report.
17. Members holding shares in physical form, who desire to take part in the Green Initiative of the Company, are requested to register their e-mail addresses with the Company by filling up the 'E-communication Registration' Form, which is available on the website of the Company www.basf.com/in and send the said form to TSRDL duly signed by the first named Member as per the specimen signature recorded with the Company/Registrar and Share Transfer Agent. On registration, all the communications will be sent to the e-mail address of the member registered with the Company. Members holding shares in electronic form are requested to register their e-mail addresses with their Depository Participant. Members are entitled to receive communication in physical form, free of cost, upon making a request for the same.
18. An electronic copy of the Annual Report 2017-2018 along with the Notice are being sent to all those Members whose e-mail addresses are registered with the Company/Depository Participant(s). Members are requested to print the Attendance Slips and submit a duly filled in Attendance Slip at the Registration Counter at the Annual General Meeting. For Members who have not registered their e-mail addresses, physical copies of the Annual Report 2017-2018 are being sent by the permitted modes. Members may also note that the Notice of the 74th Annual General Meeting, Attendance Slip and the Annual Report are available on the Company's website www.basf.com/in. Physical copies of the aforesaid documents and the documents referred to in the Notice will also be available at the Company's Registered Office in Mumbai for inspection during normal business hours on working days.
19. Voting through electronic means:

Pursuant to the provisions of Section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules, 2014 as amended and Regulation 44 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Company is providing remote e-voting facility to enable the Members to cast their votes electronically on all the resolutions set forth in the Notice convening the 74th Annual General Meeting. The Company has engaged the services of National Securities Depository Limited to provide the remote e-voting facilities.

The instructions for remote e-voting are provided in the Attendance Slip, which is enclosed along with the Annual Report. Members are advised to read the instructions carefully before exercising their vote.
20. Members are requested to bring their copy of the Annual Report along with them to the meeting.

Explanatory Statement

Pursuant to Section 102 of the Companies Act, 2013.

Item No. 4

The Board of Directors of the Company at their meeting held on 23rd March, 2017 appointed Mr. Raimar Jahn as a Director of the Company effective 1st April, 2017 in the casual vacancy caused by the resignation of Dr. Rainer Diercks.

Mr. Jahn is presently 60 years of age and is currently the President of BASF's Performance Materials business. Mr. Jahn joined BASF's Latin America division in 1985. He had held multiple leadership positions in the BASF's plastics and coatings divisions in Germany, Belgium, Mexico and the U.S.

In terms of Section 161(4) of the Companies Act, 2013 and Article 134 of the Articles of Association of the Company, Mr. Raimar Jahn holds office upto the date of the forthcoming Annual General Meeting, being the date on which Dr. Rainer Diercks would have retired by rotation, had he continued to be Director 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. Raimar Jahn for the office of Director liable to retire by rotation.

Mr. Raimar Jahn 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.

The Nomination & Remuneration Committee and the Board of Directors of the Company recommend his appointment as Director of the Company, liable to retire by rotation.

Except Mr. Raimar Jahn and his relatives, none of the other Directors, Key Managerial Personnel of the Company and their relatives are concerned or interested in the resolution set out at Item No. 4 of this Notice. This Explanatory Statement may also be regarded as a disclosure under Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (SEBI Listing Regulations).

Item No. 5

1. The Members of the Company at their 70th Annual General Meeting held on 27th August, 2014, had, subject to the approval of the Central Government, appointed Dr. Raman Ramachandran as the Managing Director of the Company for the period from 1st October, 2013 to 31st March, 2018.
2. The Board of Directors of the Company, at their meeting held on 14th November, 2017, based on the recommendation of the Nomination & Remuneration Committee and subject to the approval of the Members of the Company, have re-appointed Dr. Raman Ramachandran as the Chairman and Managing Director of the Company for a term of one year from 1st April, 2018 to 31st March, 2019 on the terms and conditions detailed in para 4 below. A brief profile of Dr. Raman Ramachandran in terms of Regulation 36(3) of the SEBI Listing Regulations is detailed in para 3 below.
3. Dr. Raman Ramachandran, presently 60 years of age, has completed his Bachelors' and Masters' degree in Science (Agriculture) from Tamilnadu Agricultural University, Coimbatore and Indian Agricultural Research Institute, New Delhi, respectively. Dr. Raman Ramachandran holds a doctorate degree from the University of Adelaide, Australia. Dr. Raman Ramachandran joined BASF in August, 2000 pursuant to the merger of erstwhile Cyanamid India Limited with BASF India Limited. In January, 2005, Dr. Raman Ramachandran

was appointed as Chief Executive of the Agricultural Products Division and also served as Director on the Board of BASF India Limited from April, 2006 till April, 2008. In January, 2008, Dr. Raman Ramachandran was appointed as Vice-President, Marketing, Asia Pacific, Singapore and thereafter in March, 2012 was appointed as the Senior Vice President, Crop Protection, Asia Pacific, BASF South East Asia Pte. Ltd., Singapore. Presently, he holds memberships in the Nomination & Remuneration Committee and Stakeholders' Relationship Committee of the Company. He does not hold any other Directorship/Committee positions in any other Listed Company in India and is not related to any other Director of the Company.

Having regard to his qualifications, experience and association with the Company, the Board of Directors of the Company considers that it will be in the interest of the Company to re-appoint Dr. Raman Ramachandran as the Chairman and Managing Director of the Company for a term of one year from 1st April, 2018 to 31st March, 2019.

4. The essential terms and conditions of his re-appointment and remuneration payable are as under:
- (i) Dr. Raman Ramachandran shall exercise and perform all such powers and duties as the Board of Directors of the Company shall, from time to time, determine, and subject to the superintendence, control, direction, and restriction from time to time given and imposed by the Board and/or the Articles of Association of the Company. He shall have control of and full executive responsibility for the general conduct and management of the business and affairs of the Company. He shall have the power to enter into contracts on behalf of the Company in the ordinary course of the business and to do and perform all other acts and things, which in the ordinary course of business, he may consider necessary and proper or in the interest of the Company. He shall devote sufficient time and whole-time attention to the business of the Company for which he is made accountable and shall use his best endeavours to promote the Company's interests and welfare.
 - (ii) Period of Agreement: 1st April, 2018 to 31st March, 2019.
 - (iii) Remuneration: The remuneration payable to Dr. Raman Ramachandran by way of salary, performance linked incentive, perquisites and any other allowances shall be determined by the Board from time to time on the recommendation/approval of the Nomination & Remuneration Committee and shall be in accordance with the provisions of Sections 197, 198 and Schedule V of the Companies Act, 2013 or any amendments thereto as may be made from time to time. The remuneration payable to Dr. Raman Ramachandran as determined by the Board of Directors, based on the recommendation of the Nomination & Remuneration Committee, is as under:
 - (a) Salary, special allowance and any other allowances, not exceeding Rs. 25,000,000 per annum, the current basic salary with effect from 1st April, 2018 being Rs. 1,567,500 per month.
 - (b) In addition to remuneration payable under (a) above, Dr. Raman Ramachandran is entitled to perquisites including furnished/unfurnished accommodation/house rent allowance in lieu thereof, medical reimbursements for self and family, leave travel concession for self and family, club fees, personal accident insurance, medical insurance, group term insurance and other benefits and amenities payable in accordance with the rules of the Company from time to time.

The monetary value of the perquisites aforesaid not exceeding Rs.15,000,000 per annum.
 - (c) Performance linked incentive as may be determined by the Board from time to time, not exceeding Rs.17,500,000 per annum.

- (d) Company's contribution to provident fund, superannuation fund and benefit under the Company's pension scheme, gratuity and encashment of leave at the end of the tenure will be permitted, in accordance with the rules of the Company. The Company's contribution to provident fund and superannuation fund benefits under the Company's pension scheme, gratuity and encashment of leave at the end of the tenure will not be included in the computation of the ceiling on perquisites stated in 4(iii)(b) above to the extent these, either singly or put together, are not taxable under the Income Tax Act, 1961. The Company shall provide a car with driver to the Managing Director and telephone facilities at the residence of Managing Director and the expenses connected therewith will be borne by the Company. These perquisites will also not be included in the computation of the ceiling on perquisites. For the purpose of computing the ceiling on perquisites, the same would be valued as per the Income Tax Rules, 1962, wherever applicable.
- (e) Where in the financial year 2018-2019, the Company has no profits or its profits are inadequate, the Company shall pay remuneration, benefits and amenities to Dr. Raman Ramachandran as specified in the Agreement, based on the approval of the Nomination & Remuneration Committee and the Board of Directors of the Company and subject to obtaining necessary approvals, as may be required in accordance with the provisions of Sections 197, 198 and Schedule V of the Companies Act, 2013 or any amendments thereto as may be made from time to time.

In that event the following perquisites shall, however, not be included in the computation of the ceiling on remuneration specified hereinabove:

- Contribution to provident fund, superannuation fund or annuity fund and benefits under the Company's Pension Scheme, to the extent these, either singly or put together, are not taxable under the Income Tax Act, 1961;
- Gratuity payable at a rate not exceeding half month's salary for each completed year of service; and
- Encashment of leave at the end of the tenure;

As per Part II Section II (B) of Schedule V of the Companies Act, 2013, if in any financial year during the currency of the tenure of the managerial person, a Company has no profits or its profits are inadequate, it may pay remuneration to a managerial person without seeking approval of Central Government if the following conditions are satisfied:

- The managerial person is not having any interest in the capital of the Company or its Holding Company or any of its Subsidiaries directly or indirectly or through any statutory structures;
- The managerial person is not having any direct or indirect interest or related to the Directors or Promoters of the Company or its Holding Company or any of its Subsidiaries at any time during last two years before or on the date of appointment;
- The managerial person is having a graduate level qualification with expert and specialized knowledge in the field of his/her profession.

All the conditions stated above are being fulfilled by Dr. Raman Ramachandran. He does not have any direct or indirect interest in the capital of the Company or through any other statutory structures and is not related to the Directors or Promoters of the Company at any time.

In view of fulfillment of all the conditions by Dr. Raman Ramachandran, no approval of the Central Government is required to be sought for payment of remuneration to him in the event of loss or inadequacy of profits.

- (f) The total remuneration payable to Dr. Raman Ramachandran by way of salary, performance linked incentive, perquisites and any other allowances, contribution to provident fund, superannuation fund and benefits under the Company's pension scheme shall be as per the limits prescribed under Sections 197, 198 and Schedule V of the Companies Act, 2013.

(iv) Other Terms:

1. Dr. Raman Ramachandran shall be entitled to reimbursement of all actual expenses including those incurred on entertainment and travelling in the course of Company's business.
2. Dr. Raman Ramachandran shall be entitled to housing loan as per the rules of the Company and if permitted under the Companies Act, 2013.
3. Dr. Raman Ramachandran shall be entitled to fully paid leave as per the rules of the Company.
4. Dr. Raman Ramachandran would be entitled to any other benefits or privileges as may be available to the other senior executives of the Company.
5. Dr. Raman Ramachandran shall not directly or indirectly engage himself in any business or occupation other than BASF's.
6. Dr. Raman Ramachandran shall observe the secrecy obligations with regard to the business and operations of the Company.
7. The appointment may be terminated by either party by giving to the other 6 months' notice in writing.

In compliance with the provisions of Sections 196, 197, 198, 203 and any other applicable provisions of the Companies Act, 2013, the Ordinary Resolution in terms as set out at Item No. 5 of the accompanying notice is now being placed before the Members for their approval.

A copy of the draft Agreement to be executed between the Company and Dr. Raman Ramachandran will be available for inspection without any fee by the Members at the Registered Office of the Company during normal business hours on working days, upto and including the date of the Annual General Meeting.

Dr. Raman Ramachandran does not hold any shares in the Company either by himself or for any other person on a beneficial basis.

The Board of Directors recommend the Ordinary Resolution set out at Item No. 5 of the accompanying Notice for the approval of the Members of the Company.

Except Dr. Raman Ramachandran and his relatives, none of the other Directors, Key Managerial Personnel of the Company and their relatives are concerned or interested in the resolution set out at Item No. 5 of this Notice. This Explanatory Statement may also be regarded as a disclosure under SEBI Listing Regulations.

Item No. 6

M/s. R. Nanabhoy & Co., Cost Accountants (Firm Registration No. 000010), were appointed as the Cost Auditors of the Company to conduct the audit of the cost records of Company's products viz., Insecticides, Dyes, Paints, Varnishes & Chemicals for the financial year 2017-2018. M/s. R. Nanabhoy & Co., Cost Accountants, have conveyed their willingness to act as the Cost Auditors of the Company for the financial year ending 31st March, 2019 and have informed the Company that their appointment, if made, would be within the limits provided in Section 141(3)(g) or any other applicable provisions of the Companies Act, 2013, for the financial year ending 31st March, 2019.

The Board of Directors of the Company at their meeting held on 4th May, 2018 have appointed M/s. R. Nanabhoy & Co., as the Cost Auditors of the Company for the financial year ending 31st March, 2019.

In terms of the provisions of Section 148(3) of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules, 2014, the remuneration of the Cost Auditors as recommended by the Audit Committee and approved by the Board of Directors is required to be ratified by the Members. The remuneration payable to M/s. R. Nanabhoy & Co., Cost Auditors of the Company for conducting the audit of the cost records for the financial year ending 31st March, 2019 as recommended by the Audit Committee and approved by the Board of Directors at its meeting held on 4th May, 2018, will not exceed Rs.14.30 lakhs (Rupees Fourteen Lakhs and Thirty Thousand Only) plus applicable taxes and reimbursement of out of pocket expenses.

Accordingly, the consent of the Members of the Company is sought to ratify the remuneration payable to the Cost Auditors for the financial year ending 31st March, 2019.

The Board of Directors recommend the Ordinary Resolution set out at Item No. 6 of the accompanying Notice for the approval of the Members of the Company.

None of the Directors or Key Managerial Personnel of the Company and their relatives are, in any way, concerned or interested, in the resolution set out at Item No. 6 of the Notice.

Item No. 7

Section 188 of the Companies Act, 2013 (as amended) read with Rules 15 and 16 of Companies (Meetings of Board and its Powers) Rules, 2014 prescribes the procedure for approval of related party transaction(s). Regulation 23 of the SEBI Listing Regulations has also prescribed seeking of Members' approval for material related party transaction(s).

The proviso to Section 188 also states that nothing in Section 188(1) will apply to any transaction entered into by the Company in its ordinary course of business and on arms' length basis. In terms of the explanation to Regulation 23 of the SEBI Listing Regulations, transaction(s) with a related party are considered material if the transaction(s) to be entered into individually or taken together with previous transaction(s) during a financial year exceed 10% of the annual consolidated turnover of the Company as per the last audited financial statements of the Company.

The Related Party Transactions (including on-going transactions), as mentioned in the resolution are in the ordinary course of business and at arms' length but however may exceed 10% of the annual turnover of the Company in each financial year.

In terms of Regulation 23(4) of the SEBI Listing Regulations, all material Related Party Transaction(s) shall require the approval of the Members through Ordinary Resolution and all entities/persons that are directly/indirectly related parties of the Company shall abstain from voting on such resolutions.

Accordingly, the Promoter Group Shareholders shall abstain from voting on this resolution for approval of material related party transactions.

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. Nature of relationship: The Related Parties are Affiliate Companies of BASF India Limited. 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: See resolution no. 7 of this Notice.
4. Any other information relevant or important for the Members to take a decision on the proposed resolution: The transactions of the Company with the aforementioned related parties put up for approval are in the ordinary course of business and on arms' length basis. These transactions are based on business requirements and are necessary for the smooth and efficient functioning of your Company.

Keeping in view the intent of the law, all transactions (irrespective of the nature of the transactions) with the Related Parties have been aggregated while applying threshold limits for seeking your approval.

The above contracts/arrangements/transactions as mentioned in the resolution are approved by the Audit Committee and the Board of Directors as the same are in the interest of the Company. Approval of the Members is also sought for all the actions, decisions and approvals accorded by the Board of Directors (including the Audit Committee) in connection with the aforementioned related party transactions.

The Board of Directors recommend the Ordinary Resolution set out at Item No. 7 of the accompanying Notice for the approval of the unrelated Members of the Company in terms of Regulation 23 of the SEBI Listing Regulations.

None of the Directors or Key Managerial Personnel of the Company and their relatives are, in any way, concerned or interested, in the resolution set out at Item No. 7 of the Notice.

By Order of the Board of Directors

PRADEEP M. CHANDAN
*Director – Legal, General Counsel (South Asia)
& Company Secretary*

Registered Office:

The Capital, 'A' Wing, 1204-C,
12th Floor, Plot No. C-70,
'G'-Block, Bandra Kurla Complex,
Bandra (East), Mumbai-400051.

CIN: L33112MH1943FLC003972

Dated: 22nd June, 2018



We create chemistry

BASF INDIA LIMITED

Registered Office:

The Capital, 'A' Wing, 1204-C, 12th Floor, Plot No. C-70, 'G'- Block, Bandra Kurla Complex, Bandra (East), Mumbai – 400 051

CIN: L33112MH1943FLC003972, E-mail ID: investor-grievance-india@basf.com Website: www.basf.com/in,

Tel: +91 22 62785600

PROXY FORM

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

Name of the Member(s) : _____

Registered Address : _____

E-mail ID : _____ *Folio No./DP ID and Client ID : _____

* For details with respect to your Folio No./DP ID, Client ID and number of shares, please refer to the Attendance Slip enclosed along with the Annual Report.

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

1. Name: _____ E-mail ID: _____

Address: _____

Signature: _____, or failing him/her

2. Name: _____ E-mail ID: _____

Address: _____

Signature: _____, or failing him/her

3. Name: _____ E-mail ID: _____

Address: _____

Signature: _____

as my/our proxy to attend and vote (on a poll/e-voting) for me/us and on my/our behalf at the 74th Annual General Meeting of the Company, to be held on Friday, the 10th day of August, 2018 at 3.00 p.m. at Yashwantrao Chavan Pratishthan Auditorium, Y. B. Chavan Centre, General Jagannath Bhosale Marg, Nariman Point, Mumbai – 400 021 and at any adjournment thereof in respect of such resolutions and in such manner as are indicated below:

Resolution No.	Description of the Resolution	Optional*	
		For	Against
Ordinary Business			
1.	Adoption of Audited Financial Statements, Directors' Report & Auditors' Report for the financial year ended 31 st March, 2018.		
2.	Declaration of Dividend for the financial year 2017-2018.		
3.	Re-appointment of Mr. Rajesh Naik (DIN: 06935998) as a Whole-time Director, who retires by rotation.		
Special Business			
4.	Appointment of Mr. Raimar Jahn (DIN:07819517) as a Director.		
5.	Re-appointment of Dr. Raman Ramachandran (DIN: 00200297) as the Chairman and Managing Director of the Company from 1 st April, 2018 to 31 st March, 2019 and fixation of his remuneration.		
6.	Ratification of remuneration payable to M/s. R. Nanabhoj & Co. (Firm Registration No. 000010), Cost Auditors for the financial year ending 31 st March, 2019.		
7.	Approval of the annual limit for material related party transactions for a period of 5 years.		

Signed this _____ day of _____ 2018.

Signature of Member

Signature of Proxy holder(s)

Affix
Revenue
Stamp

Notes:

- *It is optional to put a 'X' in the appropriate column against the respective resolutions indicated in the table above. If you leave the 'For' or 'Against' column blank against any or all resolutions, your Proxy will be entitled to vote in the manner as he/she thinks appropriate.
- A Proxy need not be a Member of the Company. Pursuant to the provisions of Section 105 of the Companies Act, 2013, a person can act as proxy on behalf of not more than fifty Members and holding in aggregate not more than ten percent of the total Share Capital of the Company. Members holding more than ten percent of the total Share Capital of the Company may appoint a single person as proxy, who shall not act as proxy for any other Member.
- For the detailed resolutions, explanatory statement and notes, please refer to the Notice of the 74th Annual General Meeting of the Company.
- This form of Proxy, to be effective, should be duly completed and deposited at the Registered Office of the Company at The Capital, 'A' Wing, 1204-C, 12th Floor, Plot No. C-70, 'G'- Block, Bandra Kurla Complex, Bandra (East), Mumbai-400051 not later than 48 hours before the commencement of the aforesaid meeting.

* * *

