

**Transcript of the 79<sup>th</sup> Annual General Meeting OF BASF India Limited held on Friday, 04<sup>th</sup> August, 2023 at 3 p.m. through audio – visual means**

- **Mr. Manohar Kamath – Director - Legal, General Counsel (India) & Company Secretary, BASF India Limited:**
- Dear shareholders, I welcome you to your company's 79th Annual General Meeting, which is being held through video conferencing and audio-visual means. I now would like to inform you about certain important points for the smooth functioning of this meeting. The facility of joining the annual general meeting through video conferencing or other audio-visual means is being made available for the shareholders on first come first serve basis. All the shareholders of the company who have joined this meeting have been muted by the host to avoid any disturbance arising out of background noise and ensure smooth and seamless conduct of the meeting. During the question-and-answer session, the names of the speaker shareholders will be called out and thereafter he or she will be unmuted by the host. Speaker shareholders are requested to ensure that audio video should be enabled and working properly. If you are unable to use the video mode, then you can speak through audio mode. Please use earphones or headphones if possible, so that you are clearly audible. If there is any connectivity problem at your end, we would ask the next speaker to join. Once the connectivity improves, you will be called again to speak.
- I welcome Mr. Pradip P. Shah, our chairman attending this meeting virtually from his office at Mumbai and request him to preside over the Annual General Meeting.
- **Mr. Pradip P. Shah – Chairman, BASF India Limited:**
- Thank you, Manohar. Ladies and gentlemen, dear shareholders, I have great pleasure in welcoming you all to the 79th Annual General Meeting of your company. In compliance with the circulars issued by the Ministry of Corporate Affairs and the Securities and Exchange Board of India, your company's Annual General Meeting is being conducted through video conferencing. Your company has taken required steps to enable shareholders to participate in this meeting and vote on the resolutions they set out in the notice of the 79th Annual General Meeting. The live streaming of this meeting is also being webcast on NSDL's website. The requisite quorum for this meeting is present and with your permission, I shall commence the proceedings. On behalf of the board of directors and shareholders as a company I welcome Dr. Ramkumar Druva, President Monomers, and Dr. Carola Richter, President – Asia Pacific who are attending this meeting from Brussels and Germany, respectively. All the directors of your company are present at this meeting and I will now request all directors to introduce themselves one by one. Mr. Alexander Gerding.

- **Mr. Alexander Gerding – Managing Director, BASF India Limited:**
- Good afternoon, dear shareholders. I'm Alexandra Gerding, your managing director for your company and attending this meeting from BASF office in Navi Mumbai. I'm also the chairman of the risk management committee.
- **Mr. Pradip P. Shah – Chairman, BASF India Limited:**
- Thank you, Alexandra. Dr. Ramkumar Dhruva.
- **Mr. Ramkumar Dhruva – President, Monomers Division**
- Good afternoon shareholders. I'm Ramkumar Dhruva, non-executive Director of BASF India Limited joining this meeting from Brussels.
- **Mr. Pradip P. Shah – Chairman, BASF India Limited:**
- Thank you, Dr. Carola Richter.
- **Dr. Carola Richter – President Asia Pacific, BASF India Limited:**
- I am Carola Richter non-executive director of the company and I'm attending this meeting from Germany. Please take that to the minutes.
- **Mr. Pradip P. Shah – Chairman, BASF India Limited:**
- Thank you, Doctor Richter. Mr. R. A. Shah.
- **Mr. R. A. Shah – Independent Director, BASF India Limited:**
- Good afternoon, all of you. My name is R. A. Shah. I'm participating in these proceedings from my residence in Bombay, and I'm in possession of full facts and papers.
- **Mr. Pradip P. Shah – Chairman, BASF India Limited:**
- Thank you, Mr. Shah, Mrs. Shyamala Gopinath. We can't hear you. We can't hear you. Can you put on your mute probably? Mr. Arun Bewoor.
- **Mr. Arun Bewoor – Independent Director, BASF India Limited:**
- I'm Arun Bewoor, independent director of the committee and attending this meeting from my residence in Mumbai. I am the Chairman of the stakeholders relationship committee, and I'm also Chairman of the Corporate Social Responsibility committee. Welcome to all the shareholders. Thank you.

- **Mr. Pradip P. Shah – Chairman, BASF India Limited:**
- Thank you. Thank you, Arun. Mr. Narendranath J. Baliga.
- **Mr. Narendranath J. Baliga – Chief Financial Officer, BASF India Limited:**
- Good afternoon, everyone. I am Narendranath J. Baliga Chief Financial Officer of the company and attending this meeting from BASF office in Navi Mumbai.
- **Mr. Pradip P. Shah – Chairman, BASF India Limited:**
- Thank you, Naren. Mr. Anil Choudhary.
- **Mr. Anil Choudhary – Manufacturing Head & Whole-Time Director, BASF India Limited:**
- Good afternoon shareholders I'm Anil Choudhary Manufacturing Head and whole-time Director. And I'm attending this meeting from BASF office in Navi Mumbai.
- **Mr. Pradip P. Shah – Chairman, BASF India Limited:**
- Thanks, Anil. Mr. Manohar Kamath.
- **Mr. Manohar Kamath – Director - Legal, General Counsel (India) & Company Secretary, BASF India Limited:**
- Good afternoon once again, I'm Manohar Kamath Company Secretary of the company and attending this meeting from the BASF office in Navi Mumbai.
- **Mr. Pradip P. Shah – Chairman, BASF India Limited:**
- Thank you, Manohar. Your company's statutory auditor, internal auditor, secretarial auditor and cost auditor have also joined the meeting through video conferencing or audio-visual means. The notice convening the 79th Annual General Meeting and the annual report have already been circulated to the shareholders of the company on 7<sup>th</sup> July 2023. And with your permission, I take the notice dated 10th May 2023 convening the 79th Annual General Meeting as read. The auditor's report does not have any qualification or observation or comments on the financial statements of the company for the financial year ended 31st March 2023. Hence with your permission, I take the same is read. The company has received corporate representations under Section 113 of the Companies Act 2013 from BASF SE and BASF Schweiz AG representing 73.33% of the paid-up equity capital of the company, holding 3,17,43,220 shares of the company. Since the Annual General Meeting is held virtually the requirement of appointment of proxy is not applicable. The registers maintained under the Companies Act 2013 are open for inspection electronically. Shareholders may send a request to Mr. Manohar Kamath, Company Secretary, for inspection of any documents mentioned in the AGM

notice. I will now invite Mr. Alexander Gerding to make a presentation to shareholders. Alex.

- **Mr. Alexander Gerding – Managing Director, BASF India Limited:**

- Thank you very much, Mr. Shah, and good afternoon, dear shareholders. It's an honor and pleasure to talk to you today as your new managing director of BASF India Limited taking over this position first of January 2023. First and foremost, I would like to extend my sincere gratitude to my predecessor, Mr. Krishnamohan for having successfully steered BASF India Limited over the last few years, leaving behind a strong legacy. And my ambition together with a team is to continue and to build on that legacy and navigate towards sustainable growth.
- In the next 30 to 45 minutes, I would like to share with you the financial performance of your company and stroke the key highlights of the company in the last 15 months. And then I'm looking forward to answer your questions. But before we start the presentation, some disclaimer. We only discuss topics that are in the public domain, we do not provide any forecasts about the future business situation. And we don't comment or give guidance on future results in business outlook.
- Next, please. Now safety is our number one priority in the company. We start every meeting with the safety moments. I would also like to start this meeting with a safety moment. Here you see our safety track record in the 15 months from April 2022 to June 2023. Fortunately, we have had no high severity incident. But we had two lost time injuries and three process safety incidents. Now the two lost time injuries the two colleagues effected are back to work. All incidents have been safely contained in remedial measures have been implemented. I would also like to congratulate our manufacturing sites for achieving a great result in our successful responsible care audits. So, we have had six responsible care audits to date, which were passed very successfully. And that's a testament of the safety mindset and safety awareness at our sites.
- It has also been a pleasure for me next slide please to visit all of our manufacturing sites across the country. Next, I visited Dahej site in February, I was able to visit Bangalore site in May. I visited Thane in June and Panoli in July. And I was very inspired by the high professionalism of our teams at the sites and by the high mindset and safety awareness and this is something that we will continue to drive moving forward.
- Next slide. Now if I had to describe the global macro-economic developments in the last fiscal year 22-23 in one picture, the picture would probably look a little bit like this. We were navigating through not so easy waters globally, there are some clouds in the sky, but also some sunlight. Last year was influenced by major events. The ongoing war in Ukraine has triggered an energy crisis in Europe, which influenced inflation, rising interest rates, and ultimately also dampening consumer demand and consumer confidence. And this is something that became especially visible towards the second half

of the last calendar year. And in our case, towards the second, third and fourth quarter of the fiscal year. Now, this dampening of demand was especially visible in Europe, but also North America, but even in Asia, if you look at China, which represents today 45% of the global chemical market, doing the most part of the year, doing all the part of last year, China had a zero COVID policy with sustained lockdowns and up until December, which also influenced the demand. And even after lifting the lockdowns in December, there was a strong expectation that after the Chinese New Year, the demand in China would very, very strongly rebound which did not materialize.

- Now, how does this all translate into the situation in India? Next slide, please. India could not be completely isolated and insulated from this regional and global developments. Nonetheless, India showed a very resilient development. If you look at the GDP growth in the last fiscal year with around 7%, and also the GDP expectation for this year in India of around 6%. I think it's a very resilient GDP development compared to global GDP development of 2%. So, large economy growing at this pace, I think it's a very strong result and a very robust result. Inflation and interest rates in India, although historically they might still be on a little bit higher level, they have been stabilizing with inflation around 5% and interest rate around 6.5%. We always look at the purchasing manager index because it tells us a sentiment of purchasing managers. So, the expectations if an economy will continue to expand or contract, and if the purchasing manager index is above 50, that means that there is an expectation that the economy will continue to expand, which has been consistently the case in India. Nonetheless, if you look a bit deeper into the GDP, you will see that last year GDP growth especially coming from manufacturing slowed down tremendously. The manufacturing growth was only 1% whereas in the previous fiscal year 22, it was around 11%. So, there was a strong slowdown of GDP contribution coming from manufacturing. While services had a strong continuation of GDP contribution. After the pandemic, a lot of people are going back to restaurants, are traveling, taking vacation, but they are not buying durable goods and this is a tendency that we see across the world.
- Now, if we go to the right-hand side of this slide by industries, India has shown strong resilience and strong growth in the automotive market. Last fiscal year the production of passenger vehicles growth was above 20% and IHS is projecting passenger vehicles to be produced in India around plus 8% this year. So strong, resilient automotive demand. Construction is picking up again but slowed down also last fiscal year, compared to previous year. We have seen a very robust agricultural market with a population of 1.4 billion people. They need food, high quality food, so obviously the agricultural market has been strong. Nonetheless, we have to acknowledge that we have been facing over the last few seasons very erratic monsoons. The monsoon this year was about one month delayed and we've had floods in the North of India, while it was very dry in the South of India. So, erratic monsoons have become the new normal. The monsoon is still going on. So, we'll have to see in the next two months when harvesting starts, how it will play out. Fast moving consumer goods is still growing, but also in a slower pace. Especially we see that in rural India there is a dampened demand. Now we will have

longer festive season coming. So hopefully also here we'll see some good developments. And when it comes to chemical production in the last fiscal year, chemical production from a volume perspective grew. But if you look at the second, third and fourth fiscal year quarter, also India was influenced by softening of prices of commodity prices and still higher input cost.

- Now how does this all translate into BASF performance? Next slide, please. Here on the left-hand side, you see the six segments that BASF operates in, in India. And on the right-hand side, in the middle of the circle, you see the performance in terms of revenue growth for the last fiscal year and here would really like to thank the entire team of BASF India Limited. for achieving such a strong financial results. The businesses, the service functions and the manufacturing sites, I think, a 4% growth year by year in revenue, given the context that we especially face in the second, third and fourth quarter of the fiscal year is an extraordinary result in this was strongly driven by volume growth. And all the business units participated in this achievement. And you also see on the right-hand side that we're quite balanced in our portfolio in India.
- Now, if we go a little bit deeper, next slide, please. This is a quite busy slide, but let me walk you through. On the upper left-hand side, you see the revenue development for the fiscal year 22-23 and the first quarter results that we have recently announced for the new fiscal year. And then on the upper right-hand side, you'll see the Profit Before Taxes and Before Exceptional Items for the same periods. Now, we've had a strong 4% growth in top line revenues in the last fiscal year. Nonetheless, especially starting in the second, third and fourth quarter of the last fiscal year, we saw, as mentioned before, softening of commodity prices and also higher input costs, which put a lot of pressure on our margins, especially in our upstream businesses and segments, materials and chemicals. Therefore, our profit before taxes and before exceptional items in the last fiscal year, reduced by 29% to 528 crores. Nonetheless, it was a very solid year, a very solid financial performance, which is why your board of directors has recommended a dividend payout of 80%, which is higher than the dividend payout the year before at 60%. Now, if we look at the first quarter of the new fiscal year, unfortunately these trends that we have been experiencing continue also into the first quarter of the new fiscal year. Our revenues have declined by 13% to 3,375 crores and our profit before taxes and before exceptional items has dropped to 152 crores compared to the June quarter of last year. But here we have to say that the June quarter last year was the absolute record quarter ever in the history of BASF India Limited. So, we're comparing the June quarter this year to the strongest June quarter ever, the year before.
- Now going a bit more into details. Next slide please. Here you see the quarterly development in the last 15 month on the left-hand side revenues, on the right-hand side profit before taxes and before exceptional items again. And what gives me confidence is you see that in the December 22 quarter, which was a very, very difficult quarter for us with 18 crores profit before taxes and before exceptional items. Quarter on quarter our profitability has been increasing since then, and our June quarter 23 with 152 crores is a

57% increase in profit before taxes and before exceptional items compared to the previous March quarter 2023.

- Next slide please. So, the context around us, globally, regionally, but also in India, I think the picture is still quite valid. We have some headwind, we might have also some tailwind here and there in specific industries, in product groups. There are some clouds in the sky. But there's also sunlight, especially in India. And the focus of our team is we need to continue to fight for every volume opportunity and to be very close to our customers moving forward. And in times like these, it's even more important that you focus on your strategic pillars. So, what I would like to share with you in the next few slides is some of the highlights of the last 15 months of what your company has been doing in India.
- And we start, next slide please, with sustainability. We create chemistry for a sustainable future. This is our company purpose. Everything we do is catered towards that purpose. BASF group globally has set itself very, very ambitious targets. We want to become a net zero CO<sub>2</sub> emission company by 2050. And we want to reduce our CO<sub>2</sub> emissions by 2030 by 25% and the company is well on track to achieve those targets and India contributes to these targets.
- Next slide please. So, here on the right-hand side, you see a picture of our bio-boiler in Mangalore. The bio-boiler is fed with coffee husk. So, this pellet that you see on the right side of the picture, 90% of the steam that we generate at our Mangalore site for running our plant is coming from this bio-boiler and this is leading to 3,000 tons of CO<sub>2</sub> reduction per year. Also, the energy that we need to operate our Mangalore and Dahej sites, most of the energy is coming from renewable sources, solar and wind. We're also able to measure and calculate the products carbon footprint of almost all products that we sell in India. And we share this information also with our customers. And we're steering our portfolio towards the future to reduce our product carbon footprint and to steer and go into products that have a lower carbon footprint. When it comes to Circular Economy, BASF products contribute to recycling. We have a lot of additives that go into PET recycling. We have biodegradable plastics and we also are an active member of Alliance to End Plastic Waste, and contributed to 11 projects in India, which led to a recycling of 7,500 tons of plastic waste. We continue to build stakeholder value. We just launched Kid's Lab as a CSR initiative, focusing on climate protection. These are experiments where we're inspiring young kids coming from underprivileged backgrounds to become climate champions. We're also tying up with UN Global Compact to create a closing the loop project engaging the youth, creating employment and creating value out of waste, either bio waste or plastic waste. So, your company is very active on the sustainability front. This is a key driver our strategy and it's a key differentiator for us.
- But we don't only work on sustainability. Next slide please. Your company continues to expand its production capabilities. And as some of you might have seen in the opening

videos before the start of the AGM, we have expanded our production capability at Mangalore and started several more production. This is a biobased material that goes into coatings and adhesives, into the applications of New Energy vehicles or windmills, like you can see on the slide, flooring and protective industrial coatings as well.

- Next slide please. We have also expanded our production capability at Dahej site adding a second dispersion line, doubling our capacity. This line came into commission middle of last year. And we can say one year later that this second line has enabled us to increase our market share in northern and western part of India and increase our flexibility and reliability to our customers in India.
- Next slide please. We have also expanded our production capability at Panoli expanding our Ultramid Polyamide capacity. And this is catering to the growing automotive demand of our customers in India and increasing also our flexibility and reliability.
- But your company does not only expand in production capabilities, we also expanded in R&D capabilities. Next slide. We're building an application lab, a Polyurethane Application Lab enabling applications to be stronger catered to the Indian market. These polyurethane products can be visited by our customers, they can test, the strength, the performance, the sustainability features, and the comfort. And this is very important to be close to customers and to adapt our products to the needs of our local customers in India.
- Next slide please. We also continue to launch new products. Here I bring only two examples. One is our very, very successful Exponus launch in the agricultural solutions division. This is a fruit and vegetable insecticide that we launched and it has been an unprecedented launch. Within only four month, this product achieved 100 crore revenue. It was a record not only in BASF, but probably also in the market. And it has become a fundamental pillar of our agricultural solutions portfolio, making our portfolio also more resilient. We were already very strong in herbicides and fungicides and now we're stepping into insecticides.
- Next slide please. We've also expanded our product portfolio with new launches in other areas, such as our Dynago Tropical Coolant. This is a cost alternative to the antifreeze coolants, which obviously are not needed in India because the temperatures are very high. This coolant enables a very long and strong protection of engines against corrosion. So besides, your company has expanded production capabilities, R&D capabilities, and is continuing to launch new products, we also continue to engage with our stakeholders.
- Next slide. Your company is constantly seen as a thought leader, and an action leader, not only the areas of sustainability, but in the chemical industry were invited constantly to attend and to present at key conferences and key associations like the Indian Chemical Council, which you see in the picture on the left in March, but also FICCI and CII, and other important events.



- We're also very present with our customers. Next slide please. We continue to engage with our customers here you see a very, very important event in our polyurethane business in April, PUTech, where we are actively participating and engaging with our customers, discussing technical adaptation of our products also to their demands.
- Next slide. And we continue to develop our organization, the most important asset in our company is our people. And we continue to also infuse young talent into our organization. Here you see the batch of our GROW trainees of 2022. The GROW program has become a gold program for us that we have launched many years ago. And last year, we hired 14 young professionals, graduates from engineering schools, from business schools, from Agri schools. These are strong young talents that are really strengthening organization. And we have currently more than 60 active GROW trainees that have gone through this program over the last few years. These talents in the first year, when they join us, they rotate through different divisions also go to manufacturing sites until they land at their final destination within a business unit or a service unit. And you also see that we're driving diversity in our talent pipeline. In fact, the GROW batch of 2022 almost 60% of this batch were female colleagues.
- Next slide, please. We continue to actively work to create an inclusive environment. Here's just one example at our Dahej site where we inaugurated a washing facility for our female colleagues.
- Next. And women in manufacturing are really breaking boundaries. I think some of you might have seen the video before the start of the AGM. We have a strong female representation in many, many different functions, not just service functions, but also on the manufacturing floor. And here you see one of our female colleagues at Dahej who is actually a shift in-charge.
- Next slide, please. We recently also had the pleasure to host a very, very high level and very important delegation from Germany. Our honorable German Vice Chancellor, Dr. Robert Habeck, visited our BASF facilities here at Innovation Campus. And we were all able to showcase what your company does in the space of innovation. We were very honored to do this. And he was accompanied by a delegation of 80 people, Members of Parliament of Germany, but also CEOs of other German companies. Here on the picture, you see Mr. Habeck in the middle, and on the left-hand side, you'll see our board member, Dr. Markus Kamieth who is responsible for Asia and Markus came here with his delegation, but he was also here in April. So, a lot of attention on India, a lot of attention also on BASF in India, and we are constantly showcasing the capabilities and the solid performance of your company in India.
- Next slide please. We're very fortunate Mr. Habeck inaugurated our first Kid's Lab that we launched as a CSR initiative, focusing on climate protection. These are young kids from underprivileged backgrounds, where we show experiments to, how they can help to protect the climate. And these kids are going back home and sending us pictures and comments on what they're doing back at home being climate champions. Within two

days in Mumbai, more than 330 kids pass through this Kid's Lab and we're expanding this Kid's Lab. The next stop will be Mangalore, after that Dahej, and by the end of this year, there will be 3,500 kids from underprivileged backgrounds who we will inspire to become climate champions.

- Next slide, please. We have also donated 36 Digital classrooms in 14 municipal schools around our manufacturing sites. And here's one example close to our Thane site. And these digital classrooms really complement the very, very hard work of our teachers in less privileged areas. The teacher to student ratio is actually one to 80 and 90, I have four kids, I know how difficult it is to engage, keep my kids for engaged, I cannot imagine how it is with 80 and 90 students at one time. So, these digital classroom complement textbooks and you have virtual, digital means with a syllabus to translate the syllabus to the kids and this is a helpful additional complementing component for the teachers.
- So, I hope I have been able to show what your company is doing on the side of corporate social responsibility, how we continue to develop talent and drive diversity and inclusion in BASF India Limited. How we continue to launch products, expand production capabilities and R&D capabilities, how we drive sustainability and continue to engage with key stakeholders speed associations, academia but also customers and ultimately, how your team, how the BASF India Limited team continues to have solid financial performance.
- With that, I would like to come to the next slide. So, the picture around us in India, outside of India, globally, will continue to look a bit like this. We might have some tailwind, some headwinds, clouds in the sky but also some sun. The focus of the BASF India Limited team is to stay close to customers and win every business possible to continue to develop a volume momentum and to go to sustain profitable growth. At the same time, we have to maintain prudent cost control not only on our discretionary spending, but also over our working capital such as inventories and optimize our asset utilization in the country. We will continue to be a thought and action leader in the space of sustainability and drive our sustainability roadmaps and obviously our license to operate is to continue to have a safe and efficient operation. So, safety is our number one priority. Our most important asset is our people. So, we will continue to focus on our employees, fortify our talent pipeline and promote diversity and inclusion.
- And with that, I would like to conclude with my last slide. I would really like to thank all of you, dear shareholders for your continued trust and support in BASF India Limited. I look forward to continue to create chemistry together with my team in India and together with you for a sustainable future. Thank you.
- As per the provisions of the Companies Act 2013 and the rules made thereunder, the company is required to provide remote e-voting facility to its shareholders, which was provided from Tuesday, first of August 2023 from 9am to Thursday, third of August 2023 till 5pm. For the benefit of the shareholders who have participated in this meeting, and

have not casted their votes through remote e-voting, we have provided the facility for electronic voting and the shareholders can exercise their votes during the course of this meeting. All the resolutions proposed to be passed at this 79th Annual General Meeting would be passed by means of e-voting. Mr. Hemant Shetye, designated partner of HSPN and Associate LLP, practicing company secretaries has been appointed as scrutinizer for the e-voting. I now request Mr. Manohar Kamath to explain the procedure for e-voting to enable you to cast your vote. Manohar.

- **Mr. Manohar Kamath – Director – Legal, General Counsel (India) & Company Secretary, BASF India Limited:**

- Thank you, Alex. NSDL has been engaged by the company to provide e-voting facility. The facility to e-vote at this meeting is only for those shareholders who have not yet cast their votes. Shareholders can cast their votes by visiting the NSDL e-voting website. All the resolutions have already been put to vote through e-voting. There will be no proposing and seconding of the resolution. I also request our shareholders to kindly update their email addresses and bank accounts details with the company or their respective depository participates for correspondence and timely remittance of dividend. Thank you.

- **Mr. Alexander Gerding – Managing Director, BASF India Limited:**

- I will now invite the shareholders of the company who have registered themselves as speakers for this AGM. I request the host to call out the names one by one as per the order of the names written in speaker’s list. I request all the speaker shareholders to be brief and not to repeat the questions or queries already raise by other speakers and limit your speech to three minutes.

- **Moderator:**

- The first speaker for the day is Celestine Mascarenhas and Aloysius Peter Mascarenhas.

- Ma’am, you are placed in the meeting. Kindly turn on your camera, unmute yourself and ask your question.

- **Mrs. Celestine Mascarenhas – Shareholder:**

- Am I audible?

- **Moderator:**

- Yes ma’am, you are audible.

- **Mrs. Celestine Mascarenhas – Shareholder:**

- Visible also, yes?

- **Moderator:**
- Yes, yes go ahead.
- **Mrs. Celestine Mascarenhas – Shareholder:**
- Good evening, everybody. Respected Chairman, Mr. Pradip P. Shah, MD, Mr. Alexander Gerding. I welcome you sir and I know you will take to a very higher performance and all of our company. Next, I greet Dr. Carola Richter, then I also....Mr. Anil, Director, full time director, Anil Choudhary, I welcome you. You are heading a lot on the manufacturing side. R.A Shah is our old friend. So many years, we have always been meeting him. Madam Shyamala Gopinath, I think she is abroad. Mr. Arun, Mr. Ramakrishna and Mr. Baliga, all my shareholders who are in the virtual meet, I am Mrs. C.E Mascarenhas. I am speaking from Mumbai. First of all, I thank our Company Secretary, Mr. Manohar Kamath and his team for sending me the annual report and also for registering me as a speaker at my request. Thank you so much. Now our annual report is very good, informative with facts and figures, self-explanatory, adapting to all the norms of corporate governance. Working is very good in spite of very tough economic conditions, not only in India but all over the world and we have been blessed us with a very good dividend of Rs.8. Now I have also received during the year as documented in the annual report. Also, very good CSR work. Now my queries sir.
- 1<sup>st</sup> one is regarding ESG. Have we gone for rating and if so, what is our rating score and on which platform we will be listing or have listed international or domestic. No.2, we have 1219 employees. What is the average age and attrition level? Sir, 3<sup>rd</sup> one, we have 4 plants. I would like to know mainly the capacity utilization of the Dahej plant. No4, how much we spend on R&D innovations? How many employees are in R&D and what is the attrition level? No.5, do we use AI, ML, Cloud competition, block chains, Chat GPT as IT tools and how much we spend on it? Last is, the future roadmap for the next 5yrs.? Where we do we see our BASF as? With this, I have supported all the resolutions. I wish my company all the best. May it grow from strength to strength and I wish all the directors very good health as health is wealth.
- **Moderator:**
- Thank you mam.
- **Mrs. C.E Mascarenhas – Shareholder:**
- Now Mr. Mascarenhas will .....
- **Moderator:**

- Yes sir, go ahead.
- **Mr. A.P Mascarenhas – Shareholder:**
- I am the next speaker. Can I proceed?
- **Moderator:**
- Yes sir, please proceed.
- **Mr. A.P Mascarenhas – Shareholder:**
- Can I proceed sir?
- **Moderator:**
- Yes sir, you can. We can hear you. You are loud and clear sir.
- **Mr. A.P Mascarenhas – Shareholder:**
- Respected Chairman Sir, very distinguished members of the board and my fellow shareholders, good evening to you all. My name is Aloysius Mascarenhas. I am associated with this prestigious company for a very long time, over 30yrs. and I am proud to be a shareholder. I have received the annual report well in time, full of pictures, facts and figures in place and very well documented and adhering to all the parameters required for a good corporate governance. Our results are good but not as good as last year. Though PBT and PAT have come down but still you have declared a better dividend last year, 80pc instead of 60pc. I am very happy with this performance. Going forward, I hope, under the leadership of our Chairman, he will take us forward. Now my queries sir.
- First, we are in specialty chemicals which are used for many items, paints and all that. Now this specialty chemicals, we are exporting. So I would like to know, which countries are we exporting to and what is the currency we are getting? If it is dollar, very good because the rising dollar against the rupee, we stand to gain substantially. So I would like to know, what is the revenue we get by way of export in foreign exchange? Secondly, now are the days of acquisition. Are we planning to acquire any new company? Please let us know. What is our future plan and the capex program and the roadmap going forward. Now my last question is very important, not only to me but all the shareholders, that is the unclaimed dividend and unclaimed shares. Now I would like to know, what are the shares that you have transferred to the Investor Education Protection Fund and the dividend? Because this is hard earned money which is legally due to the shareholders. If possible, please please sir, remind or send the cheques of

dividend and see that the shares of the shareholders if not transferred, send them reminders and see that it is kept intact with the company. Sir, I have nothing more to add since many questions have been asked by my predecessor, my wife and there will be many more who will come forward with more questions. So I end my speech. Wishing the Chairman and the Board of Directors and more importantly, all the employees, all the very best in the days and years to come. We are in the mid of the festive season so I wish each one of you, a very happy festive season. With this sir, thank you very much for patience. Thank you, God Bless You and the company. Thank you.

- **Moderator:**

- Thank you sir. Thank you mam. The 2<sup>nd</sup> speaker of the day is Bharat Shah and Smita Bharat Shah.

- **Ms. Smita Bharat Shah – Shareholder:**

- Hello? Sir, can you hear me?

- **Moderator:**

- Mam, you are placed in the meeting. Kindly turn on your camera, unmute yourself and ask your question.

- **Ms. Smita Bharat Shah – Shareholder:**

- Can you hear me sir?

- **Moderator:**

- Yes, I can hear you mam. You can speak.

- **Ms. Smita Bharat Shah – Shareholder:**

- Ok, thank you sir, thank you. Respected Chairman, Shri Pradeep bhai, MD Shri Alexanderji and the remaining Directors, I am Smita Shah speaking. My greetings to all of you. I would like to thank firstly to Manoharji, our CS and also to Ms. Vidya who is associated with him for many years. Manoharji's investor servicing is great, perfect and particular. His feelings towards all the shareholders that we join and get acquainted with you in this AGM, that we are able to join on time.

- **Moderator:**

- Yes mam, we can hear you.

– **Ms. Smita Bharat Shah – Shareholder:**

- The balance sheet is also very good with good information, transparent and very colourful. So I specially would like to thank Manoharji and Vidyaji along with the entire secretarial team for their good investor servicing and greetings to them. And sir, I would like to greet you also along with congratulations because today our age old best BASF company is working the best in this whole world. You have got many great awards. Our revenue growth has increased a lot. All this is because of the excellent leadership skills of you Mr. Chairman sir and the hard work of MD Sir along with the co-operation of the Board of Directors and it is also because of the hard work of all the employees of the company because of which our company has got new colours. On the board, there are big stalwarts like you all. Pradeep bhai, you are looking very handsome in the photo in the balance sheet but you are smiling very less sir. Sir, bigger the smile, bigger the happiness. So Chairman sir, you must smile very nicely and always be happy. Who doesn't know you? You have a very good name. Even our MD sir has a great smile. Pradeep bhai, you are the pride of the company. Under your leadership, the company is working so well and the company is progressing ahead.. Next year is going to be our 80<sup>th</sup> AGM. Sir, please think about the bonus. Rest, you have increased the dividend by 20pc as compared to last year to 80pc this year. So thank you very much. I will always give you my best wishes as a sister and I will keep giving you in future also. I hope you are in good health always and you keep looking handsome like this always. I want the company to go ahead by leaps and bounds and keep increasing the dividend, this is what I will pray to God always. We have always supported you at every corner. I am also supporting all the resolutions for today as usual. Lastly I would like to say, it's my humble request to you sir, we have always been meeting from far through this since 4yrs. I want you to conduct physical AGMs now as because of corona, we have been holding VC meetings which is maintaining a distance between us. I want to meet you personally sir. I know that our company is working worldwide so people from outside also want to join us, so you conduct your meeting in the hybrid mode, so that people who want to come physically can come and others can join via VC medium. So both will be benefitted. So please think about it and come to a solution and keep physical AGMs from next year. Rest, I will always support you and I will pray to God that you stay in the best of health and keep meeting like this and I would like to wish you for all the festivals which are going to come in future. Thank you and I support you for everything. Bharat Shah will speak now. So please continue.

– **Mr. Bharat Shah – Shareholder:**

- Respected Chairman Sir, MDji and other members of the board, my name is Bharat Shah. I will not take much time, only 1-1.5 mins. Sir, I have no query. Even in tough times, you have stabilized the company and taken it to greater heights. You have always taken care of the shareholders and given good returns to the shareholders, you have given good dividends. The company's share price is also good. Thank you very much and

I congratulate you for this. In the coming years, I am requesting you to please declare bonus. I also thank you for all the awards. You are doing very good CSR activities. I am thanking you and congratulating you for all this. I would like to offer many thanks to the Secretarial team comprising of Kamathji, Vidyaji, Janviji and the entire secretarial team. They are a very hard working team. They are giving very good investor services. They give a lot of respect to the shareholders. They solve all the shareholder queries. I am thanking Kamathji and his entire team. Sir, if possible, please conduct a factory visit next year to your Dahej plant. I request you to arrange a factory visit. We have not met face to face since 4yrs. so please arrange face to face meeting next year. We want to meet personally so it will be a good thing. I would like to wish you for all the festivals which are going to come in future and I support all the resolutions. Thank you very much sir. Thank you very much. Jai Hind. Thank you sir.

- **Moderator:**

- Thank you sir, thank you mam. The 3<sup>rd</sup> speaker of the day is Bimal Kumar Agarwal. Sir, you are placed in the meeting. Kindly turn on your camera, unmute yourself and ask your question.

- **Mr. Bimal Kumar Agarwal – Shareholder:**

- Can you hear me?

- **Moderator:**

- Yes sir, we can hear you.

- **Mr. Bimal Kumar Agarwal – Shareholder:**

- Good afternoon to everyone. First of all, I thank the Company Secretary Mr. Manohar Kamath and the staff and the directors of the company and the shareholders also. Mr. Alexander Gerding was very helpful when he took us for a visit and he is the person who gave us the speech and he explained very well. Thank you very much Mr. Alexander Gerding. You were very kind enough to come and see us in the visit. Thank you very much sir. Next time again when we come, you come and visit us. We feel very nice. Others have already raised my question. I have got nothing to ask. That's all from me. Thank you very much. Next time also we will see you sir. Always have the meeting online as anyone can join from anywhere in the world. Hybrid will also be ok. thank you very much.

- **Moderator:**



- Thank you sir. The 4<sup>th</sup> speaker of the day is Shobhana Mehta. Mam, you are placed in the meeting. Kindly turn on your camera, unmute yourself and ask your question. Shobhana mam?
  
- **Ms. Shobhana Mehta – Shareholder:**
  
- Can you hear me?
  
- **Moderator:**
  
- Yes mam, we can hear you.
  
- **Ms. Shobhana Mehta – Shareholder:**
  
- Ok. Respected Chairman Shri Pradeepji, MD Shri Alexanderji and my other directors and shareholders, my name is Shobhana Mehta. I would first like to welcome our new MD Shri Alexanderji. I welcome him. Sir, I received the annual report well in time. Our secretarial department has made the annual report colourful and very informative. There are colorful graphs, photographs and have taken full efforts to say the story of the company. So I would like to thank our Company Secretary Manoharji, Vidyaji and to their full team and to all those who have contributed in making the balance sheet and say that the presentation is very well done. Keep it up. After my husband's death, I searched a lot for the share certificates but I wasn't getting them. I wanted to demat the shares. The secretarial team comprising of Manoharji and Vidyaji helped me a lot in this regard and I will remember this for the rest of my life. Now my shares have been dematted. They explained to me very well the entire procedure to be followed. The results have shown satisfactory performance, revenue has increased 4.2 times but still the PBT and PAT are lesser. In spite of this, you have recommended a dividend of 80pc as against of 60pc. So I would like to thank you and your entire team and say that, "very good, keep it up!" You could have increased the dividend more but you are conserving the resources, otherwise the EPS is Rs.97. Anyway, next time, you can increase it. I would also like to congratulate you and your team once more as on page 67, you have mentioned that our company has won many awards and recognition, I would like to congratulate you a lot for all this and like always, I will give you my best wishes and that all this has happened because of your hard work and dedication. Because of this, we get to see good results each year. Sir, I saw everyone's smiling photograph on page no.2. Seeing that, I would say, "*aankhon mein Khushi, labhon pe hasi, gam ka kahin naam na ho.*" May God give you all the happiness in this world. Let those joys never reduce." Sir, I am a shareholder of BASF since many years and to the extent I know the management, I would say that whatever you all do will be in favor of the company and the shareholder. So sir, where there is faith, there are no questions to be asked. I will not repeat the queries which have already come. Just for my information, I have one question. I want to know who are the competitors of our company and if you have a capital expenditure program for the next 2yrs., then please tell me about it. I would also say that in order to

join this AGM, Manoharji and Vidyaji helped me a lot. I would like to thank them once again. I support all the resolutions. My best wishes to the company. I want our company to progress and go ahead by leaps and bounds so that you can give us year on year better performance and better dividend and also give bonus in the near future. By name of bonus, sir, we have celebrated, golden jubilee, silver jubilee and platinum jubilee. So what are your plans sir about the bonus? Please tell me when did the company declare a bonus last time? I hope you have good health and wealth always. I wish you all the best. I wish you all for your future success and I wish good health and wealth to all of you. Thank you very much with these best wishes. If possible keep the annual meeting a bit earlier next year as the balance sheet was signed on 10<sup>th</sup> May. There are 2 meetings today so my mind is diverted. Even Mahindra & Mahindra have their meeting at the same time. So thank you very much. I wish you all the best. Thanks sir.

- **Moderator:**

- Thank you mam. The 5<sup>th</sup> speaker of the day is Manoj Kumar Gupta.

- **Mr. Manoj Kumar Gupta – Shareholder:**

- Hello sir! Respected Chairman, Board of Directors and other shareholders, my name is Manoj Gupta and I am joining this meeting from Kolkata. I feel proud to be a part of BASF and thanks to our beloved Company Secretary Manoharji and his team member Vidyaji to help us to join this meeting through VC. Sir, what's your future plan and thanks for your dividend. You have increased dividend by 33pc from 6 to 8 and convey our best wishes to Shri R.A Shah who knows me. I have great request and regards for Mr. R.A Shah and I know him very well. I pray to God for his safe, long and prosperous long life to serve the company in a better manner in future also. Sir, kindly think about splitting the shares to increase the liquidity and the market capitalization and how you will reward to the shareholders in future. Thank you sir.

- **Moderator:**

- Thank you sir. The 6<sup>th</sup> speaker of the day is Gautam Tiwari. You are placed in the meeting. Kindly turn on your camera.

- **Mr. Gautam Tiwari – Shareholder:**

- Am I audible sir?

- **Moderator:**

- Yes, you are sir.

- **Mr. Gautam Tiwari – Shareholder:**

- Can you see me sir?

- **Moderator:**

- No, we cannot see you but we can hear you loud and clear sir. Now we can see you also. Go ahead. Thank you.

- **Mr. Gautam Tiwari – Shareholder:**

- I can also see you very well sir. I am firstly very happy to see you all on one desk, hail and hearty and with pleasant and charming faces, charming atmosphere because this is one more year of grand success of our company and I am very happy that the company has been doing very good. Sir, good afternoon to our honorable and very popular Chairman, Mr. Pradeep Shah whom we are seeing in so many other meetings also and our CFO, MD and all other very high dignified directors, team BASF and my fellow shareholders. Myself Gautam Tiwari and I am participating in this AGM from Mumbai. Dear sir, first of all, I would like to welcome our new MD Mr. Alexander Gerding and my dear Alexander Gerding sir, I can recall our physical meeting or personal meeting at the head office for 20 mins and there only I could make out, I could find out the excellent business acumen that you have got. The excellent business understanding and the experience that you have got in this field that the company is going to have multifold successes and multifold progresses in the days and days and years and years to come in future and I am very sure that the company is going to make very good progress under your very good guidance and knowledgeable experience and intelligence and expertise in the days to come. Your this speech was also very good sir and we enjoyed and we learned quite a lot from you. Sir, please convey my best wishes to Mr. Rajendra Shah sir whom we know since decades together and with whom we have grown up. Please convey my best wishes and our regular prayer for his speedy recovery and for the best of the things that he may have and very long and safe happy life that he may have in future. Sir, I would like to specially thank .....our investor service and investor care, Mr. Manohar Kamath and especially Vidyaji also, his subordinate, sir, she has helped so much....i was listening to each and every shareholder to join this virtual meeting and helped in each and every step here to make sure that we join the meeting. Thanks for selecting such noble service provider like Manohar Kamath and Vidyaji for our shareholders' services. Even the services of our NSDL department and this team of Webex, technical team is very very good and we are very happy and thanks to each and every member of this relevant team also.

- Dear sir, I have received the balance sheet which is very well drafted. It is informative and it is strong, robust balance sheet. We have received it in time and its very colourful. I am thankful for this. I am thankful to the relevant department and our secretarial department for this. Also sir, CSR committee is doing a very good job. In fact for our

community and our society, whatever job is being done, I am very sure that we also get partly the good deeds (punyas) which we cannot do independently ourselves. Through you, we are getting, whatever jobs they are doing, the rewards from God, from Almighty for all this CSR, excellent activities. I thank each and every member of CSR team for their dedicated service. Sir, I welcome, for this, I already said, I have some small queries in my mind to improve my understanding on the working of this company and to appreciate your working, I would like to know first.

- The company has done expansion in the Panvel plant. Sir, to what extent this capacity utilization and profitability has been effected by the expansion of this plan? Secondly sir, what are your 3 main focus areas for the financial year 23-24? Sir, thirdly, I welcome the appointment of Mr. Anil Choudhary as a whole time director and shouldering the responsibilities of the manufacturing department. I would like to know, what is the project he is going to undertake in future and in what way it's going to help our company? Sir lastly, the 4<sup>th</sup> point is, in Mangalore, we have got our sovermol production plant which has been commissioned and already started. How much is the production at present of that plant now and can it be increased by this year end? Sir, in conclusion, I would like to state that I support appointments and reappointments of all directors on board and I support all resolutions as usual as I am a shareholder of this company right from day 1 and have seen excellent progress of this company. We feel proud being a shareholder of this company under the superior abilities of Mr. Shah and the excellent team of MD and CFO and all other management committee and all the employees and staff. I thank each and every one of them. Sir, at the end, I would like to say that I have already voted in favour of all the resolutions in advance by remote e-voting and I support all appointments and re-appointments as I see. Sir, I wish and pray for a happy, long, steady and healthy life and a bright future for the organization in the days and years and years to come in future. I am very sure that our investment and our company is very safe in your hands and we are proud of being with you through and through. Our life and support will always continue with you in the time to come. Thank you very much sir for patient listening. I am saluting you for your best results. Thank you very much sir.

- **Moderator:**

- Thank you sir, thank you. The 7<sup>th</sup> speaker of our day is H.S Patel. Sir, H.S Patel is having some network issue. With your due permission, we move on to our next speaker. The 8<sup>th</sup> speaker of our day is Hodayun Beruz. Mam, you are on screen. You can speak now.

- **Ms. Hodayun Beruz – Shareholder:**

- Can you hear me now?

- **Moderator:**

- Yes mam, we can hear you.

– **Ms. Hodayun Beruz – Shareholder:**

- Ok, am so thrilled to join this AGM. You know, we are very old shareholders. Regularly, we used to attend the AGMs of the company right from the very beginning. We have seen other Chairman also. We used to see R.A Shah also. We are very sentimental about our company. First of all, we welcome Mr. Alexander. We saw him at a plant visit. He explained everything. I think I should say that his entire life has been spent in our company. He has got vast experience and we are very confident that he will bring our company more and more into greater heights along with all other excellent directors, whom we had met that day also, at the plant visit. The plant visit, state of the art, how the secretarial team managed to care for all of us. I just cannot express the gratitude. They did it from the heart. So we are very thankful to our secretarial team also. We saw the plant, its state of the art, we will always remember it. I would also like to visit your Mangalore plant because the Dahej plant also we have seen, when you had started and that year, we didn't receive dividend. He didn't give us dividend because of the huge amount spent in our Dahej plant. It is ok, you all kept your promise. When you are better, you give us profits. You have done it. You have kept your promise. You have given us dividend. I want to know about the chemicals in Dahej plant. You are supplying it abroad, I came to know from the Chairman's speech. I mean the North of India. There are floods there now. We know that. Of course, all the people are trying to pick up their lives back to normal. Forget about Punjab because its untouched there. So how much loss we have got because of the floods in the North of India? What is the market share in chemicals? Our market share in the chemicals which we manufacture in Dahej? I would like to know. Ya, so we want to see your Mangalore plant. And regarding your Company Secretary, what can we say? We had seen him when he had joined the company as a young intern and now he has literally grown up in front of us. He has grown up with the company and now he has become very experienced and the best investor services he has given to all the shareholders along with the secretarial team.. At the Chairman's speech, managing director had explained all the details, all the difficulties and everything. Regarding China, China was closed during lockdown. So did it affect us? Did we have any business there? Were we importing any raw materials from China and supplying them something? Of course, we all know about the result of Russia – Ukraine war. Everybody has been affected. So please throw light on these few questions of mine. I will be thankful. Thank you very much. Our best wishes and blessings are on you, MD and all our directors. Thank you very much.

– **Moderator:**

- Thank you mam. Our 9<sup>th</sup> speaker of the day is Aspi Bhesania, who is not present in this meeting. With your due permission, we move on to the 10<sup>th</sup> speaker of the day, Hariram Chaudhary. You are on. You can ask your question. Hariram Chaudhary, please unmute yourself and ask your question.

- **Mr. Hariram Chaudhary – Shareholder:**

- I am starting my video. I have now started my video also and now I am speaking. So Respected Chairman and Managing Director and the Company Secretary, my name is Hariram Chaudhary. Chairman sir, first of all, I appreciate the investor services and the personal touch the Company Secretary Mr. Manohar Kamath is maintaining with the shareholders. He is one of the few company secretaries of the leading companies who is maintaining the personal touch with the speakers. My name is Hariram Chaudhary. I am speaking from my home in SantaCruz. Mr. Chairman, for the next year, I am suggesting that we hold a meeting hybrid. So that those who want to attend physically, they can attend physically and those who want to attend online, can attend online. The advantage will be that the senior citizens will attend the meeting. This is rainy season. August September, both are rainy seasons. And no.2, if there are 2 meetings, we can attend both the meetings via video conferencing. And no.3, those who are out of Mumbai or out of the country, they can also attend. So please consider my suggestions. My next suggestion is, if there is a mobile phone in the secretarial department so that if we don't get the secretarial department via landline, we can send a message. And Mr. Chairman, I would like to speak about the CSR services, they are spending much now. We are very happy. And you mentioned in your speech also Mr. Chairman, kind let us know, how much amount we are spending on the CSR activities and whether this amount is more than 2pc of the net profit? Kindly let us know who is the Chairman of the CSR Committee and kindly also let us know who are the CSR committee members. Mr. Chairman, we are happy that you increased the dividend. Thank you very much. Now kindly let us know about the annual report. Our Company Secretary has made hard and sincere efforts and given a very good annual report. Thank you very much. Now, Mr. Chairman, about the latest technology that we are adopting. Have we adopted artificial intelligence, let us know about that? Have we adopted water harvesting, have adopted solar energy, kindly let us know about that. Who are our competitors and how much amount of capital expenditure you have spent in 22-23 and how much capital expenditure we will spend in 23-24? Kindly let us know about that. Respected Chairman, I support all the resolutions including appointment and reappointment of the directors. Kindly let us know, how many total number of participants are there today in the meeting. About unclaimed dividend, also I support the earlier speaker that we should give more letters to those whose dividends are not claimed. I conclude by conveying my best wishes for the prosperity of the company. Mr. Chairman and Manoharji, my name is Hariram Chaudhary. Thank you Mr. Chairman.

- **Moderator:**

- Thank you sir. Our 11<sup>th</sup> speaker of the day is Nirav Parekh. Sir, you are placed in the meeting. Kindly turn on your camera, unmute yourself and ask your questions. Neerav Sir.

- **Mr. Neerav Parekh - Shareholder:**

- Hello. Am I audible.
- **Moderator:**
- Yes Sir, you are.
- **Mr. Neerav Parekh - Shareholder:**
- Yeah. Good evening and thanks for the opportunity. I am Varun and I am speaking on behalf of Neerav. I have already submitted my list of questions and have received responses from Mr. Manohar. I just have two – three more questions. First is how is BASF cost competitiveness evolved in the merchandising part of the business especially when there have been significant inflationary pressures at the Verbund side facilities of the group and how has that affected the cost competitiveness in the domestic market? Question no. 2 on the ground there is a lot of thrust around manufacturing in India and that is posing a threat to lot of companies especially in the products that are imported in the country. How significant are such headwinds when we look at BASF India's product portfolio? The third question is how large could be Sovermol opportunity for us in the Asia pacific region? Fourth question – what could be our dependence on the top 3 products in the Agri segment? And Mr. Alexander, what in your opinion are the top 3 weaknesses of the company and how do you look to overcome the same? These are my questions. My sincere request to Mr. Alexander to answer them one by one. Thank you.
- **Moderator:**
- Thank you, Sir. Sir, we have with the 9<sup>th</sup> speaker of the day Aspi who is back with us with your due permission. Aspi Bhesania you are screen.
- **Mr. Aspi Bhesania - Shareholder:**
- Sir, can you see me and hear me.
- **Moderator:**
- Sir, we can hear you loud and clear.
- **Mr. Aspi Bhesania - Shareholder:**
- Okay. Chairman Sir, I am Aspi from Bombay. Sir I would like to know why physical meeting was not held this year when so many companies like L & T and Supreme Industries are holding physical meetings. Next year even if the date is extended, please hold the physical meeting. Sir, you are doing very well and there is nothing to ask.

Especially because everybody has asked so many questions. Sir, thank you and all the best for the future.

- **Moderator:**

- Thank you, Sir. The 12<sup>th</sup> speaker of the day is Mr. Dinesh G. Bhatia. Sir, you are placed in the meeting.

- **Mr. Dinesh G. Bhatia - Shareholder:**

- Am I audible Sir?

- **Moderator:**

- Yes Sir. Please go ahead.

- **Mr. Dinesh G. Bhatia - Shareholder:**

- And is my video on?

- **Moderator:**

- Yes Sir, it is now.

- **Mr. Dinesh G. Bhatia - Shareholder:**

- Okay. Firstly, Chairman Mr. Pradip Shah, I would like to congratulate you and your entire team. You and your team are doing excellent work. And this is evident from the results of the company. Our profits have been going higher and higher. Our 10 rupees share is currently quoted at 2,600/- rupees in the market, which is a very good sign. It is a good sign to see our company progressing because of your excellent work and the excellent team effort. As a result of which our earning per share has been remarkable. Our 10/- rupees share is earning 37/- rupees. This is excellent work. Sorry the earnings per share of our 10 /- rupee share is 93/- rupees. This is indeed marvelous and made possible due to your and your teams excellent work due to which our share prices are rising. My previous speakers, many of them have requested for a physical meet. I am also pressing that point and my suggestion is that if we are not given ...just like Shobna Mehta, Smita said to give the bonus share, if you are not increasing our capital, equity capital then you do one thing you split our share. Our 10/- rupees is quoted @ 2,600/-, which is excellent because of which the lowest share price of the year is more than 1000/-. This shows that if you think about the split then it will not reflect on our balance sheet for any of our financial aspects. Only our shares will increase, and we shareholders will be satisfied that we will get a mini bonus. So, if you are splitting it into 2/- rupees shares then we will get 5 shares against 1 share of 10/- rupees. So, it will be 5 shares against 1 share.



So, if possible, please do this. Then the other thing is like the previous speaker also mentioned that our secretarial team is not only good but excellent and I appreciate their effort. You are also excellent.....

- **Moderator:**

- Sir, due to some issues at the speakers end with your due permission we move on to our next speaker. The 13<sup>th</sup> speaker of the day is Mr. Anil Parekh.

- **Mr. Anil Parekh - Shareholder:**

- Hello.

- **Moderator:**

- Yes, sir. Anil Sir please go ahead.

- **Mr. Anil Parekh - Shareholder:**

- Am I audible?

- **Moderator:**

- Yes, sir you are.

- **Mr. Anil Parekh - Shareholder:**

- Chairman Sir, Pradip Bhai other board members and my fellow shareholders. Sir, I am Anil Parekh from Bombay. Good afternoon to all and I hope you all are doing well. Chairman Sir, firstly I would like to thank our secretarial team Mr. Manohar Kamath, Vidya Madam, and the entire secretarial team for maintaining an excellent investor relationship. They are a good asset to the company, and I hope they will continue the past legacy of Mr. Pradip Chandhan. Chairman Sir, despite me many other shareholders have suggested about holding a physical meeting. Holding an online or VC meet is just like a formality. It is just like a formality of holding an AGM where there is no personal interference, no greeting of each other, no interaction with each other and makes no sense in holding an AGM. So, it is my humble request that this is my fundamental right to have physical meeting and for those who don't want a physical meeting but prefer VC, you can probably have a hybrid meeting where they can attend from the comfort of their homes while we will attend it physically. This is my humble request. Having said that, Sir, I have gone through our financial statements under the circumstances and economic scenario you have done very well, and all the board members should be congratulated for that. Of course, there is no dividend understandably, but I understand

the expenses incurred by us on our plant. But anyways when good time prevails give us handsome dividend. Sir, I would like to understand from you our agricultural solution product particularly “Exponus” how well it is received in the market? I would like to know. That is for insecticide and “Priaxor” fungicides and “Vesnit” and “Tirexor” are herbicides, how well these are received and what sales target you have achieved for them? Sir also I would like to know whether all our plants are zero waste plants. I would like to understand these from you. Sir, are our industrial solutions working at full capacity? What is our current year capital expenditure targeted at? Regarding the nutrition and care segment, who are our main customers and what kind of products we are doing there? Other than this I don’t have any further questions as it is already given on the balance sheet which is very well drafted. I am thankful to the board for allowing me to speak. Once again thanks to Manohar and Vidya. Thank you.

– **Moderator:**

– Thank you, Sir. The 14<sup>th</sup> speaker of the day is Lekha Shah and Satish Shah. Ma’am, you are placed in the meeting, kindly turn on your camera. Unmute yourself. Yes, Ma’am go ahead.

– **Mrs. Lekha Shah - Shareholder:**

– Hello. Can you hear me Sir.

– **Moderator:**

– Yes, yes, we can.

– **Mrs. Lekha Shah - Shareholder:**

– Respected Chairman Sir, board of directors and my fellow members good evening to all of you. I am Lekha Shah from Mumbai. First of all, I am very grateful to our company secretary Mr. Manohar Kamathji, Vidya Ma’am for extending very good investor services and also for sending the AGM notice well in time which is full of knowledge, facts and figures in place. So, I am very grateful to the company secretary Mr. Kamath ji. Thank you, Chairman Sir, for explaining to us well about the company. Congratulations for the excellent work Sir and I pray to God to always shower his blessing upon you. Thank you, Alexander ji, for such an informative and wonderful presentation. I am proud to be a shareholder of this company. I would like to appreciate our company secretary Mr. Kamath ji for his effort in making things so much easier for us to comprehend through our annual report. Still, I would like to ask 2 questions for my knowledge. My first question is What is the total number of employees? My second question is How many women employees are working in our company? Chairman Sir, I hope our company will continue with the video conference meeting in future. So, I strongly and wholeheartedly

support all the resolutions put forth in today's meeting and my best wishes are always with our company and its prosperity. Thank you so much Sir.

- **Mr. Manohar Kamath – Director-Legal General Counsel (India) & Company Secretary, BASF:**

- Thank you.

- **Mr. Alexander Gerding – Managing Director, BASF:**

- Thank you.

- **Moderator:**

- Thank you, Ma'am. The 15<sup>th</sup> speaker of the day is Mr. Dnyaneshwar K. Bhagwat. Sir, you are placed in the meeting, kindly turn on your camera.

- **Mr. Dnyaneshwar K. Bhagwat - Shareholder:**

- Yes Sir.

- **Moderator:**

- Dnyaneshwar Sir, you can ask your question. Sir, I think Mr. Dnyaneshwar is facing some technical issues at the speaker's end. With your permission we will move on to our next speaker. The 16<sup>th</sup> speaker of the day is Mr. Hiranad Kotwani.

- **Mr. Hiranad Kotwani- Shareholder:**

- Hello. Am I audible gentlemen?

- **Moderator:**

- Yes Sir, you are.

- **Mr. Hiranad Kotwani- Shareholder:**

- Yes. To respected team, I salute you people. Namaste to all. It is a great pleasure to join you. This is a great company and very dear to us. The company is doing well, rewarding the investors, growth is in-tact. But certainly, this year I have seen that profit before tax has reduced and profit after tax has reduced. What is the reason? Already so many of my questions have been asked. By certainly I want management to comment on this "Proponic acid" – market of this PA food preservative. How do you see the future market

and increase in the production and growth prospects of this PA segment? And particularly another thing this “Exponus” – your product is well marketed. Exponus has a huge market Indian as well as export also. One thing I want to appreciate the mind that in export we are competing with our German Counterpart, is there free to export anywhere our product because our products have great potential not only in India but globally. Our products are well known globally because our products are no. 1 excellent. And you people are doing a great job. I also want to ask you one question regarding the Dahej plant – capital utilization and accrual from that plant, if you can elaborate and give me an idea. Mr. Alexander, you are hardworking, and it is evident from your annual report particular to the capital explaining 96 crores this year. What is the allocation for this year, current year 23-24, capital outlive for our plant and how you see the future market and prosperity? Growth is there, but if you want to improve the growth, okay. But what about the profitability and reward to the minority shareholder. Thank you, gentlemen and good luck.

– **Moderator:**

– Thank you, sir. The 17<sup>th</sup> speaker of the day is Mr. Anil B. Mehta.

– **Mr. Anil B. Mehta - Shareholder:**

– Hello. Am I audible?

– **Moderator:**

– Yes, sir we can hear you.

– **Mr. Anil B. Mehta - Shareholder:**

– Hello.

– **Moderator:**

– Yes sir.

– **Mr. Anil B. Mehta - Shareholder:**

– Good evening to everyone. This is Anil Mehta with my other family members who are the shareholders of the company. First of all, we have some questions – What steps is the board taking to improve the shareholders’ value, to improve the investors’ confidence? My second question is Who is on the board compensation committee? How are the members selected? Is the committee composed entirely of the independent directors, if not is there a plan to press to have the committee composed entirely of

independent director? Is the CEO on the compensation committee? Does the committee have a written charter? Sir, my 3<sup>rd</sup> question is what key economic indicators are used to forecast the company's operations? What is your outlook for the economic factors such as interest rate, inflation, and commodity prices for the coming year? Sir, my 4<sup>th</sup> question is, who are the company's major customers? Will the loss or downsizing of a particular major customer affect the company's sales and earnings? And my last question is that – What are the principal objectives in the company' business plan for the next 5 years? With this we are supporting all the resolutions of the company and special thanks to our secretarial department led by Mr. Manohar Kamath and Ms. Vidya for their co-operation and hard work. Thank you very much and all the best for the future. Thank you.

– **Moderator:**

– Thank you Sir. Our 18<sup>th</sup> speaker for the day is Mr. Vinod Agarwal.

– **Mr. Vinod Agarwal - Shareholder:**

– Can you hear me.

– **Moderator:**

– Yes we can.

– **Mr. Vinod Agarwal - Shareholder:**

– Respected Chairman Mr. Pradip Shah, you are my favorite chairman. We met a few days back during the other meeting of Sonata. Mr. Alexander Gerding, we had met on the site visit we had been to TTC at Thane, CFO Mr. Narendranath Baliga and our CS Manohar Kamath, good afternoon and regards to everyone. I welcome the new MD, Mr. Alexander Gerding. I was helped in joining today's meeting by Vidya and Manohar Kamath. Sir, the revenues last year were 13682 crores up from 13124 crores. Sir, the EPS was 93/- rupees and the dividend that you have given is of rupees 8/-, that is less than 9% of the payout is the dividend paid out. You have kept money for future growth, I can understand Sir. Future growth will always be there, but dividend payout of 9% is a little unacceptable for a MNC sir. Or are you likely to pay like other MNC's are paying huge special dividends and rewarding the shareholders. What is your program for keeping this 85/- rupees out of the 93/- rupees earned in the last year? Sir we have added one new line in Dahej for "Cellasto" and "Sovermol" in Mangalore. Very good Sir, we are on a growth path. Lot of questions have been asked by my previous speakers and I don't want to carry on more. I wish the company all the best. I am signing of Anil from Mumbai. Thank you, Sir.

- **Moderator:**
- Thank you, Sir. Our 19<sup>th</sup> speaker of the day is Mr. Rohinton F. Batiwala and Jahangir Batiwala. Sir, you are placed in the meeting.
- **Mr. Rohinton F. Batiwala - Shareholder:**
- Hello. Can you hear me?
- **Moderator:**
- Yes, we can.
- **Mr. Rohinton F. Batiwala - Shareholder:**
- Can you hear me Sir?
- **Moderator:**
- Yes sir, loud and clear.
- **Mr. Rohinton F. Batiwala - Shareholder:**
- Respected Chairman, board of Directors, Company Secretary Mr. Manohar Kamath, good evening to all of you. Sir, I won't take much of your time. I only have 2 – 3 questions to ask. When are you going for diversification? When are you going to digitalization? Only these 2 questions are there. Thank you very much Sir for allowing me to speak. Thank you. Now Jehangir will speak.
- **Mr. Jehangir Batiwala- Shareholder:**
- Can you hear me Sir?
- **Moderator:**
- Yes,yes. You are audible. Go ahead Jehangir Sir.
- **Mr. Jehangir Batiwala- Shareholder:**
- First of all, good evening to all of you. All the directors, MD, company secretary and fellow shareholders good evening to all of you. My name is Jehangir. Sir, as a lot has been said, I will not take much time. Just one of two questions like – What is the CapEx program? And thank you for the dividend of Rupees 8/- but Sir if you could have

stretched the dividend a little more, like Rupees 15/- could have been given. And what is the CapEx program, R & D CapEx? What is the road map for the next 2 – 3 years? And Sir, I have a sincere request that next time please have the physical meeting. It is much easier to interact with you face to face in the auditorium where we understand how you are reacting. Here speaking in a small box is not much fun. Compliments of the festive season which is about to start Sir and best of luck for the future. Thank you.

– **Moderator:**

– Thank you, Sir. Our 15<sup>th</sup> speaker of the day is Mr. Dnyaneshwar K. Bhagwat, who had lost connection is back Sir. Dnyaneshwar Sir you are on screen.

– **Mr. Dnyaneshwar K. Bhagwat - Shareholder:**

– Okay. Can you hear me, Sir now?

– **Moderator:**

– Yes Sir, loud and clear.

– **Mr. Dnyaneshwar K. Bhagwat - Shareholder:**

– Okay. Thank you again and sorry for the interruption. I have only 2 questions. The first question is – What is our company’s market share in domestic and international? Second question, just now the previous speaker asked that question – What is CapEx? Only these 2 questions I had listed out for my speech. So, I wish you all good luck for the forthcoming festival. Thank you for your patient hearing. Thank you.

– **Moderator:**

– Thank you, Sir. The 20<sup>th</sup> speaker of the day is Mr. Ankur is not present in the meeting. With your due permission we can move on to the next 21<sup>st</sup> speaker of the day, Mr. Yousuf Yunus Rangwala. Yousuf Sir you are placed in the meeting.

– **Mr. Yousuf Yunus Rangwala - Shareholder:**

– Good evening, Sir. This is Yousuf Rangwala from Mumbai. Sir, I am very grateful to the dynamic Company Secretary Mr. Manohar Kamath. You gave me a tour of your factory last time and I am very happy about that. It is a humble request if you could arrange for a factory visit to Karnataka, because my hometown is Karnataka. I would like to go, Sir. Nothing more Sir.. You see the last sheet Page no. 147 – our CSR activity, this shows how our company. 8/- rupees dividend, very handsome return. Nothing more to ask. My best wishes are with you. And Chairman Sir, I have to say that Kamath Sir has a dynamic

personality, does not need any editing and is like a shining star. Nothing more to add. My best wishes to the company. And with 15<sup>th</sup> August round the corner I wish you a very happy Independence Day. With this I will end my speech, wishing all the good for our company and once again thanking Mr. Kamath for making it possible for me to attend this meeting. In spite of all the other meetings that I had planned for today I never wanted to miss this meeting. I look forward to a physical meet next year and it is my humble request to have one. Thank you very much. Jaihind.

- **Moderator:**

- Thank you very much Sir. The 22<sup>nd</sup> speaker of the day Mahesh Kumar is not present in this meeting. We move on to the 23<sup>rd</sup> speaker of the day, Mr. Narendra Jhaveri. Mr. Narendra Jhaveri you are on screen. Narendra Sir please unmute yourself and ask your questions.

- **Mr. Narendra Jhaveri - Shareholder:**

- Now are you able to listen to me Sir.

- **Moderator:**

- Yes Sir.

- **Mr. Narendra Jhaveri - Shareholder:**

- Respected Chairman, distinguished Directors on the board and my fellow shareholders. Sir I want to avoid the pleasantries and come straight to the point of the play. Sir. Dividend our earnings have been EPS earnings per share is 93/- rupees earlier as compared to 137/-. No doubt last year's earnings were on account of capital gain and extraordinary situation. But are you aware of the Gujarat Government circular regarding the dividend. They have mentioned that at least a minimum of 30% of the available profit should be distributed. So, you see yourself against the 93/- earnings per share you have distributed very less dividend Sir. I hope you will improve this and reconsider your decision Sir. Sir, secondly coming to the dividend matter, dividend dispatch advice is very much necessary, very important and a solid proof of one's holding in the company. Since the emergence of Covid in India you have discontinued with the dividend advice. This is not the right decision but wrong. Dividend advice is very much necessary for various reasons. Dividend advice discloses our holdings. Dividend advice now a days banks are not writing the name of the remitter/ sender. What happens Sir, if the shareholders receive similar amount of credit from different parties, how one can identify that this dividend has come from BASF and not from another person. So please reconsider dispatch of dividend advice which is necessary. Official dividends advice is solid proof, and nobody can challenge it. For Income tax purpose, for family dividend purpose dividend advice is very much necessary Sir. Sir, coming to the physical AGM-



physical AGM has been introduced as a short-term solution, it is not a permanent solution. Just like a person living on medicine for a temporary purpose, medicine cannot take the place of staple food. How unfortunately many people are saying that our ministry of company affairs has transformed into the perpetuity Covid ministry. I hope it is to be taken lightly but the leading textiles industries of Bombay belonging to the reputed Industrial house has mentioned clearly in the notice commencing the meeting that relaxation is only up to 30<sup>th</sup> September 2023 and no more there. Can you confirm it? This is necessary relaxation if only up to 30<sup>th</sup> September 2023, it is clearly stated in circular dated 05<sup>th</sup> January, Sir. So, I hope virtual meetings have no virtue in it. It's a one-to-one meeting, Sir, and it is not convenient for the shareholders. Many shareholders in many other companies also disconnected, they are not familiar with the technicality muted, unmuted domains so many things they are not aware of. This is a short-term solution, there is nothing wrong with physical meetings and I hope you will return to physical meetings. Larsen & Toubro, one of the biggest engineering companies, are holding net week physical meeting. I hope you will pursue it too. Sir our chairman forgot to introduce the new product. We would like to know if this new product is being manufactured by anybody else in India. Will they make a positive contribution to the profit or not, we would like to know, Sir? Sir, regarding unclaimed dividend, can you issue the unclaimed dividend circular in Hindi or local language so that the matter can be solved, as not everybody in the family is well versed with the English language? So please send your circular in Hindi or the local language, if possible, Sir. Some shareholder said that next year we will be celebrating the 80<sup>th</sup> year, so 80<sup>th</sup> year is also called the platinum year. So, I request you to arrange for a visit to your Bangalore plant. It has not been arranged for many years so I hope you will arrange it. We wish the best of luck to all the Directors and shareholders and hope that we will continue with the same progress in the years to come Sir. Thank you very much.

- **Moderator:**

- Thank you, Sir. The 24<sup>th</sup> speaker of the day is Ms. Vasudha Dakwe.

- **Ms. Vasudha Dakwe - Shareholder:**

- Hello, can you hear me Sir.

- **Moderator:**

- Yes, Ma'am go ahead.

- **Ms. Vasudha Dakwe - Shareholder:**

- Respected Chairman Sir, board of directors and my fellow shareholders, myself Vasudha from Thane. I would like to congratulate our company secretary and his team for sending me the soft copy of the report well in advance, which itself is clear and

transparent. Most of the questions have been asked by my fellow shareholders so I will not take much time. Only 1 question I would like to ask is what is our efficient rate? And please highlight on our foreign exchange earnings and outgoing? With this I support all the resolution. Thank you very much and I wish the company all the best for the coming financial years. And my best wishes for all the festivals coming during the month of Shraavan and Bhadrapada. Thank you, Sir.

- **Moderator:**

- Thank you, Ma'am. The 25<sup>th</sup> speaker for the day is Mr. Rajendraprasad D. Joshi. Yes, Sir you can ask your question. You are not audible Sir. Due to technical issues, we are moving on to our next speaker of the day, Mr. Harshad L. Savani. Harshad Sir you are placed in the meeting kindly turn on your camera, unmute yourself and ask your question. Harshad Sir please go ahead. Due to technical issues Harshad Sir is not connected. We go to the 27<sup>th</sup> speaker of the day Mr. Devansh V. Nigotia

- **Mr. Devansh V. Nigotia - Shareholder:**

- Can you hear me?

- **Moderator:**

- Yes Sir, we can hear you.

- **Mr. Devansh V. Nigotia - Shareholder:**

- Thanks for the opportunity. Most of my questions were answered. Just wanted to understand, considering the price softening and the raw material that's at an elevated level what is the kind of outlook we have for this year and next year? And also, if you can elaborate on the CapEx that we are planning for FY24 and FY25?

- **Moderator:**

- Thank you, sir. The 28<sup>th</sup> speaker of the day is Mr. Hasmukhlal T. Vora. Sir, you are placed in the meeting kindly turn on your camera, unmute yourself and ask your question Hasmukhlal Sir. Sir I think Hasmukhlal Sir is facing some technical issues. With your due permission we move on further to the 29<sup>th</sup> speaker of the day Sharadkumar Jivraj Shah and Surekha Sharadkumar Shah.

- **Mr. Sharadkumar Jivraj Shah - Shareholder:**

- Hello. Hello.
- **Moderator:**
- Yes Sir, go ahead.
- **Mr. Sharadkumar Jivraj Shah - Shareholder:**
- Can you hear me?
- **Moderator:**
- Yes, we can.
- **Mr. Sharadkumar Jivraj Shah - Shareholder:**
- Finally, my number has come, and I am very happy with Mr.Kamath. Sir, I have already sent you the mail. MD's speech was excellent, and it gave a real picture of the company which a balance sheet cannot give. What he said is that in the last 3 quarters if you just see we are improving – December, March, and this June. So really the company is doing very well from last 3 quarters. Another thing what he mentioned is that we have exposure to the world. Yes, definitely India has exposure to the world whether it is China, Germany or any other country and we have got presence in the world. And that is why BASF is in India because we have got presence in the world. Another thing Sir, my views are basically that any chemical company, any electronic company make more profit than the engineering company. So please keep this in mind hereafter and see that our profits are increasing. And another thing that I observed is that at least this year my employment cost is equal to the PAT, so always see that the employment cost remains lower than my PAT. So that it looks like the company is run for shareholders and not for employees. Then people spoke about dividend, I don't think dividend is very important. What is important in a company is its earning, share price. Because now my earnings per share is 93/- that is why my price is 2,500/-. I still remember when company share was roaring at 700 – 800. So, if you see that whether you give dividends or you don't give dividends it is not very important. But see that your earning per share is higher so the market price of the share is always higher. And people talk about the splitting of share and other things or bonus, I don't feel that is necessary. If the company feels that is necessary, you can definitely do that. But the rest of the things what I have observed is that in last 3 years are not doing really well. So, please look into this aspect and see that...And I'm a very old shareholder of this company and really I enjoy to interact with BASF people from the beginning, so see whether you perform well or you don't perform well it's not an issue to me. Basically, you give me an opportunity to speak is very important. Only thing what my request is to Mr. Kamath is that, I wanted to attend a meeting of Bombay Circle which was at 4o'clock and I'm sitting in this meeting from

30'clock, so if you give me a serial number of the shareholder, it becomes very easy to attend other meeting also and simultaneously switch to this meeting also and keep all companies happy. That is also important, Sir. Thank you very much for giving me opportunity. Thank you very much, Sir.

- **Moderator:**

- Thank you, Sir. The 26<sup>th</sup> speaker of the day, Mr. Harshad L. Sawani is back.

- **Mr. Harshad L. Sawani – Shareholder:**

- Hello? Can you listen to me, Sir?

- **Moderator:**

- Yes, Sir, we can. Harshad Sir, go ahead.

- **Interviewer:**

- Chairman, Board of Directors and my fellow shareholders, my name is Harshad Sawani. Sir, I received the Balance Sheet. It is very nice. It contains everything which is required by the Companies Act. Now, Sir, coming to the Annual Report. Sir, our book value is ₹628 and earnings per share is ₹93. It is very nice. But, Sir, ₹8 dividend is very less. Why I am telling you. Sir, in last 8 years, our average if you total the dividend, it is coming ₹4.63 because sometimes you paid ₹1, sometimes you paid ₹3. So, it is coming ₹4.66. So, Sir, it is very less. Secondly, Sir, earlier you were paying this dividend that was tax free to us but now we have to pay 30% tax. Sir, so now on this ₹8 if you count 30% tax, then in our hand it is less than ₹6. Sir, so, it is very less to me. So, next, at least if you want to maintain the share price over ₹4000 then you should at least pay ₹15-₹20 dividend. Otherwise, the share price won't go up. Secondly, Sir, it is my suggestion that in spite of splitting, we should give bonus shares because next year it is 80<sup>th</sup> year. So, it is a good chance to give bonus and it will automatic perks we will get. Sir, our export is ₹307 crores and our import is more. So, Sir, our foreign exchange earnings is ₹307 crores and spending is ₹318 crores. So, Sir, we should try to increase our export and earn more foreign exchange. Sir, now coming to the Balance Sheet. Our inventories, last year it was ₹1,942 crores, Sir, and now this year it is ₹2217 crores. It has gone up 14%. And our Sundry debtors, last year it was ₹2621 crores, it has come down to ₹2344 crores. It is a very good thing, Sir. We could have reduced the Sundry debtors. But, Sir, I couldn't understand why our cash and bank balance has gone up. Last year sir, it was ₹125 crores, it has gone to ₹366 crores. Why are we keeping so much idle funds? Sir, our equity is ₹43 crores, Sir, so now there's my suggestion that in the last page financial summary, I'm giving you some suggestions. We should write Share Capital, Reserve and Surplus separately and book value and the number of shareholders so that shareholders can easily understand. Sir, now coming on 'Other expenses', page 122. Foreign exchange

loss is ₹74 crores, last year it was ₹50 crores, Sir. How can we reduce the Foreign exchange loss, Sir? Freight expense, last year it was ₹82 crores and it has gone to ₹110 crores. Sales promotion has also gone from ₹68 crores to ₹93 crores and traveling expense has been doubled from ₹14 crores to ₹27 crores. So, Sir, we should try to control these expenses. And, Sir, I have noted that both our revenue has increased by 4.2% but our Profit Before Tax has reduced by 29.31%. So, Sir, we should try to increase this more. Thank you, Sir.

– **Mr. Alexander Gerding - Managing Director, BASF India Ltd:**

– Thank you.

– **Moderator:**

– Thank you, Sir. The 28<sup>th</sup> speaker of the day, Mr. Hasmukh T. Vora. Hasmukhlal T. Vora, you're on screen. Sir, you are placed in the meeting. Hasmukhlal Sir, please, ask your question.

– Sir, with your due permission, we move on to the 31<sup>st</sup> speaker of the day, Kirti Shah. Yes, sir, you're placed in the meeting.

– **Mr. Kirti Shah – Shareholder:**

– Yes, Sir.

– **Moderator:**

– Please go ahead. Thank you.

– **Mr. Kirti Shah – Shareholder:**

– Chairman Sir, I wrote an email to you but I didn't receive 100% reply for that. So, going forward you should please reply to the pending email and will duly follow corporate governance.

– Chairman Sir, your secretarial department has worked very hard for this AGM and to ensure that shareholders are able to attend the same smoothly. There are 4 AGMs today and still my speak shareholder number is 31 and you are listening patiently, that's really a good thing.

– Chairman Sir, you told about your working and that's going in the right direction. In June quarter you made a good profit also of ₹113 crores as compared to ₹82 crores in March quarter. That's really good. How will current quarter be, if you can highlight on that and

what steps you are taking? Is there any expansion pending in Dahej or it is completely done, if you can highlight that?

- Chairman Sir, our PE is so high, so what is the inner value of that? Industry PE is 16 and our PE is 36, so what is the reason for the same and what is the inner value added to that? Kindly highlight that.
- Chairman Sir, face value of the shares is ₹10, so there's a need to spilt. So, do think on those lines. Other than this, you have to reply to my email. Wish you all the best. Thank you very much.

- **Mr. Alexander Gerding - Managing Director, BASF India Ltd:**

- Thank you.

- **Moderator:**

- Thank you, Sir. The 32<sup>nd</sup> speaker of the day is Rajesh Kewalram Chainani.

- **Mr. Rajesh Kewalram Chainani – Shareholder:**

- Hello, am I audible?

- **Moderator:**

- Yes, Sir. Go ahead.

- **CS:**

- Yes-yes.

- **Mr. Rajesh Kewalram Chainani – Shareholder:**

- Yeah. Respected Chairman, Mr. Pradip Shah ji, MD Mr. Alexandra Gerding, I welcome you on the board and, Sir, a very nice presentation by you and I thank our very handsome, young, energetic Company Secretary Manohar Kamath ji for sending me the physical Annual Report copy very well on time. His and Vidhya Suvarnan, the secretary team has done a very good job. A very nice Balance Sheet prepared, Sir, with all the facts and figures in place. The Page Number 2, all the Board of Directors are smiling and as a shareholder, Sir, I'm also very happy and smiling with a good corporate governance followed by the company also. The CSR work done by the company is always good, Sir, from years the BASF has been doing very good work in CSR activity and I thank you also for the dividend of ₹8. No matter what, Sir, in this scenario this is also very good. Sir, at

least it is being maintained. Sir, the price of the share was ₹2195 low, high was ₹3525 and today it is ₹2600. Sir, this is not a very big price believe me because the German company Bayer Crops is 5600 trading, Siemens face value ₹2 is trading at ₹3800. So, Sir, ₹2600 is nothing until-until under your leadership of Mr. Pradip Shah ji and Alexander ji, until the company touches the figure of five, then only you can think of splitting, Sir. So, at least it should be 10,000 plus. This is ₹2600. Because the new IPOs which are coming, Sir, today at the face value of ₹1 they are charging ₹1500 and ₹800. So, the new IPOs and unknown companies are, you know, charging like ₹8000-₹8000. So, I won't suggest you for stock split or bonus at the moment, Sir.

- And, Sir, I would request you to continue with the VC. Sir, there are so many AGMs today and so people are hoping here, hopping in Mahindra & Mahindra. So, at least they're getting the opportunity to attend each and every everywhere, Sir. So, continue with the VC. And our company is an international company, Sir. It's a multinational company where all the shareholders are connected throughout the world, so at least they are getting the opportunity to attend.
- And, Sir, I wish Mr. Rajendra Shah, our Director. I've been connected with him for many, many years. So, I hope you know, his health is very good; R.A. Shah ji. So, Pradip Shah and R.A. Shah are like Narendra Modi and Amit Shah combination, Sir.
- I want to say a few words for you, Mr. Alexander. Whatever our relation is, whatever our relation is, it should be like a diamond. It may look small but it should be expensive and precious.
- So, I support all the resolutions and my very best wishes to the company and the secretarial department for keeping a very good corporate governance, Sir. Thank you very much, Sir. I'm signing off.
- **Mr. Alexander Gerding - Managing Director, BASF India Ltd:**
- Thank you.
- **Moderator:**
- Thank you, Sir. We move on to the 25<sup>th</sup> speaker of the day, Mr. Rajendra D. Joshi.
- **Mr. Rajendraprasad D. Joshi – Shareholder:**
- Hello? Hello?
- **Moderator:**

- Yes, Sir. Go ahead. Go ahead, Sir.
- **Mr. Rajendraprasad D. Joshi – Shareholder:**
- Am I audible?
- **Moderator:**
- Yes, Sir, you are.
- **Mr. Rajendraprasad D. Joshi – Shareholder:**
- Good afternoon, Sir. Our respected Chairman Shri. Pradip ji Shah, Managing Director Alexander Gerding and our Company Secretary Shri. Manohar Kamath, myself Rajendraprasad Joshi attending this AGM from my residence at Mumbai. Sir, at the outset, I would like to express my gratitude to Company Secretary Shri. Manohar Kamath for his continued cooperation. He and his team including Vidhya Suvarna are doing a very good job for the shareholders. Shri. Manohar Kamath is responding our queries instantly and promptly and he serves the shareholders promptly. He is hardworking and talented executive of our company. Sir, keep it up. I wish him to keep it up.
- Sir, this year our financial performance is under pressure. However, we are happy that the Board has recommended high dividend at ₹8 per share as against ₹6 per share in previous year. Sir, very good.
- Sir, I have some few points to say. This year our revenue and profitably have marginally declined. There is little slowdown no doubt but, Sir, I would like to point out one thing that our company has increased their investment in China. So, why should we increase for China when our India is doing well? The future of India, whole world is accepting including the USA that our India's future is now bright and so we should invest more in India than the companies like China.
- Secondly, Sir, we are reducing employees also as a measure of cost rationalization. Sir, see this is a temporary phase of slowdown and if you reduce our employees who are well experienced and our employees are really talented and very efficient and whether we will get them back or not in future if they are thrown out now. So, better they should be kept continued for some time and we should not take such major. So, this point may be taken for our long term benefit.
- Thirdly, Sir, we have opened our Service Centre at Malaysia. Sir, Malaysia, our company India is having a labor cost, very cheap labor cost. Again, it would be even better if such centre can be open in India so the employment in India can be encouraged. So, this is



for just for a consideration; I have just brought to your mind. Sir, what are your views on this? How are you considering these two points to be reasonable or profitable or something advantageous for the company? If you can explain, it would be better.

- Sir, and also I would like to know how is the company managing with the recent rise in interest rates and rising inflation?
- Sir, with this, I thank our Chairman, our Company Secretary for giving this opportunity to speak from this platform. And I also support all the resolutions. Thank you very much, Sir. Thank you, Sir.

- **Moderator:**

- Thank you, Sir. The 33<sup>rd</sup> speaker of the day is Dipankar Purkayastha. Sir, you are placed in the screen.

- **Mr. Dipankar Purkayastha – Shareholder:**

- Good afternoon. Am I audible?

- **Moderator:**

- Yes, Sir.

- **Mr. Dipankar Purkayastha – Shareholder:**

- Okay. Thank you for the opportunity. This is my first show in the BASF AGM. So, you will excuse me even at the end of such a long session, I still have a number of questions to ask. So, first of all, the EBIT margins or the OPEM or the Operating Profit margins, why are the Operating Profit margins of this company so low? You know, it is at barely 4% to 5% and if I look at the capital market database, there are 85 listed chemical companies in that database of which 81 companies have higher Operating Profit margins than BASF and the four which don't have higher profit margins are either very small or loss making companies or undergoing restructuring. So, if you could explain to me why does this company have such low Operating Profit margins?
- Second issue is the Return on capital employed of this company. It was stuck at low single digits between '2015 to '2020. In the last three years, we are seeing the Return on capital employed at 20% plus level. So, if you could just tell me, is this because of the jump in turnover from '2021 onwards or are there any other structural reasons?
- Your management discussion and analysis states that with regard to chemical segment, the competitiveness of the company's products imported from Europe were adversely

impacted by higher costs from Europe. In view of this, will the company and its parent consider shifting of some production lines in this segment from Europe to India? And if you could tell us how much of the revenues of the company are on account of the sale of traded or imported products?

- Your royalty has gone up by 21% while the revenues have gone up by only 4%-5%, so what is the basis for this increase in royalty?
- You have had a long pending litigation with the Karnataka government on the stock transfers. There is a Karnataka High Court order dated 14<sup>th</sup> October, 22. So, would just like to know whether this order has attained finality or has the Commercial Tax department filed an appeal with the Supreme Court?
- Surface Technology segment of the company comprises of the Catalyst and Coatings division. At the same time, BASF has a private unlisted company in the country known as BASF Catalyst India Private Limited. What is the difference in the activities carried out by these two entities?
- Similarly, there is a chemical segment in the company and another private unlisted company BASF Chemical India Private Limited. So, what is the difference in the activities between these two entities?
- These were my questions. Thank you and before I conclude I would just like to place on record my appreciation of the presentation made by the MD of the company. I attend AGMs regularly, both Indian and MNC, and I have rarely seen a presentation which was so transparent and honest. So, thank you, especially for that presentation. It was very educative and illuminating. Thank you again for the opportunity and good evening.
- **Mr. Alexander Gerding - Managing Director, BASF India Ltd:**
- Thank you.
- **Mr. Manohar Kamath - Director- Legal, General Counsel (India) & Company Secretary - BASF India Ltd:**
- All speakers are done?
- **Mr. Alexander Gerding - Managing Director, BASF India Ltd:**
- Okay. Am I audible? Yes? So, first of all, I would really like to thank all the speaker shareholders for their questions and I noticed some speaker shareholders had their problems connecting. So, if speaker shareholders were not able to ask their questions,

feel free to please send the questions to our Secretary Manohar Kamath and we will make sure to answer them.

- There were a lot of questions on the virtual AGM and we acknowledge all the feedback received from the speaker shareholders on this. Your company has always been complying with the relevant applicable laws. This year, until September 30 2023, the Ministry of Corporate Affairs and Securities and Exchange Board of India had allowed the companies to conduct the shareholders meeting virtually. Accordingly, the Board of Directors of your company decided to convene this Annual General Meeting through video conferencing. As regards the future general meetings, the company will continue to comply with the statutory requirements as may be applicable from time to time and decide on the conduct of the AGM accordingly.
- There were also several questions on the focus areas in the next years to come. Our focus is to grow profitably and sustainably. For that, we need to be close to our customers, especially in times like these with slowing demand. We need to focus on our volume moment and therefore be close to our customers. At the same time, we need to maintain prudent cost control and also prudent control of our working capital, our inventories and accounts receivables. We continue to optimize our asset utilization. We will continue to drive a sustainability roadmap while also ensuring safe and efficient operations at our sites. Employees will continue to be a focus area in the future and we will take steps to fortify our talent pipeline and also continue to promote diversity and inclusion within our organization. Our goal is to continue to grow with India and contribute to India's success.
- There were questions about economic indicators that we look at as we develop our business. There is many, many different indicators that we consider. Some of them are the Purchasing Manager Index as shown in my presentation but also other key KPIs that illustrate the market trends in the different industries that we operate in. We cannot comment on future outlook, which is dynamic and ever changing.
- There were quite a few questions on the dividend. There was a question what is the company doing to assist the shareholders in claiming the dividend amount transferred to IEPF? Your company has been periodically sending reminders to shareholders whose dividend has remained unpaid or unclaimed for over 7 years before the same is transferred to the Investor Education and Protection Fund. To resolve this problem, we are also requesting the shareholders to avail the National Automated Clearing House (NACH) facility offered by your company. Shareholders may apply to the Central Government for claiming the amount of dividend transferred to IEPF for earlier years. Company can support such shareholders with the information required by them in respect of such application.
- There was also a question what is the amount of unpaid dividend and the number of shares transferred by the company during the FY22-23? Unpaid, unclaimed dividend

aggregating to 8,93,436 has been transferred to the Investor Education and Protection Fund (IEPF) for FY2014-15 on 19<sup>th</sup> of September, 2022. Further 7080 equity shares were also transferred to IEPF on 30<sup>th</sup> of September, 2022.

- There was a question on the Dividend Payout Ratio. The Dividend Payout Ratio is 9%.
- Why has the company not issued any bonus shares? Your company follows a conservative approach regarding bonus shares. Considering the existing situation, the Board is of the view that this is not an appropriate time to consider the issue of bonus shares to its shareholders.
- Why no interim dividend declared by the Board? Considering increased business operations, Working Capital needs of company have increased. While no interim dividend has been declared, the final dividend declared by the company is higher than the normal dividend of last year.
- Why is such low dividend in spite of higher profits? Considering increased business operations, Working Capital needs of company have increased. The operating profits earned are reinvested in the business with a target to earn maximum returns for our shareholders. Dividend for future periods will depend on the future performance of the company.
- There was a question on dividend advice. Company has sent dividend advice to shareholders on 8<sup>th</sup> of August, 2022. This year, the dividend advice will be sent to shareholders on 8<sup>th</sup> of August, 2023.
- Is the company planning to split its shares? As of now there are no plans to split the shares of the company.
- When was the last issue of bonus shares? The last issue was in '1998.
- There was a question of why we had a high cash balance at year end. Cash balance at year end is mainly due to collections towards the end of the year. There were no loans as on March'23 and hence additional cash balance was parked in time deposits with banks at year end. Also, the company maintains adequate liquidity to repay trade payables, vendors and tax liabilities which are due in initial days of the subsequent month. Working Capital is being efficiently managed.
- There were questions around our Research and Development activities and the expenditure on such. The expenditure on R&D for the year '22'-'23 was ₹3.67 crores. In which areas did the company undertake research during the year? The company undertook research in new organic chemical intermediates for various applications, process development and scaleup, agricultural solutions and other specialty chemicals.

- There were multiple questions around who are the company's competitors in different segments. In the Agrochemical segments, our competitors are, Syngenta, Rallis, PI Industries to name a few. In the Dispersions and Pigment segment, our competitors are Dow, Vision, Apcotex In the Care Chemical segment, Galaxy Surfactants. In the Coatings, Chemicals - Kansai, AkzoNoble. In the Polyurethane – Dow, Covestro, Huntsman. These are some of our competitors in these segments.
- Who are the company's major customers? With the loss or downsizing of a particular major, customer affect the company's sales and earnings. You may note that we have 5 business segments which caters to the needs of various end user industries. Overall, we have approximately more than 5000 customers. Further, these customers are based on end market as well as segment. Some of the top customers of the company are Asian Paint, Hindustan Unilever Limited, Fermentich Aromatics Production, LG Electronics, Pidilite Industries and Reliance Industries.
- There were questions around our export sales. The export sales for the FY22-23 amounted to ₹307 crores. Around 80%-90% of our exports are made to related parties and rest to non-related parties. Our plants mainly cater to demands from Indian market.
- There was a question on the impact of Russia-Ukraine crisis on our business in India. There is no direct impact of the Russia-Ukraine crisis. We have no sourcing dependency on Russia and Ukraine. We do not have third party transactions in Russia and in Ukraine from India. Indirect impact, so with mitigation measures in place we are sourcing from Europe. Volatile input prices, supply chain disruptions, shortage of input materials for Auto industry, credit risk and finance risks and cybersecurity threats.
- There were questions around the contribution of new products launched for the Agricultural Solutions division. We have launched two new products in the Agro division in FY22-23. One is Exponus, an insecticide for the fruits and vegetable segment with approximate revenue of ₹200 crores. The second one is Vesnit Complete, a sugarcane herbicide with a revenue of approximately ₹30 crores.
- Connected to Agricultural divisions, there was also a question about our dependence on top three products in the Agri segment and if we can talk about our pipeline in this segment. Over the past eight years, our Agricultural Solutions business has consistently worked on building a well-diversified product portfolio across crops, across geographies as well as across different segments- herbicides, fungicides and insecticides. Our future pipeline is strong and we continuously review the local demand and interests and opportunities in Indian market that will contribute well to the cause of sustainable Indian agriculture. Our Global Innovation campus at Mumbai and Agricultural Research Station at Pune complements our requirements.

- There were questions about a foreign exchange exposure. The foreign exchange cost is primarily towards the hedge cost, typically amounting to an average of 3%-4% of the open forex exposure. These costs represent the expenditure incurred to safeguard against potential adverse situations, mitigating our forex loss exposure.
- There were questions about our share price and the level of our share price. We do not have any control or influence on the share price of the company. It is purely driven by market sentiments.
- There were questions around our capacity utilization of our plants. Overall, the capacity utilization for fiscal year for all the plants of BASF India Limited were around 80%-85%. There were also specific questions about Panoli and Dahej. At Dahej, range is between 75%-80% and at Panoli 65%-70%.
- There were questions around our CapEx plans for the next year. We have routine CapEx expenditure but no major CapEx for this year.
- There were questions around the expansions. We had presented that the expansion of the Ultramid polyamide, Panoli and Sovermol product in Mangalore. The Ultramid polyamide line capitalized in December'2022. The increased capacity would be significantly utilized for localization of merchandise products. The aim is to have better control and supply chain and reduce disturbances due to logistics challenges which crop up intermittently. Sovermol product In Mangalore cater to battery packs and electric vehicle. The scale up will depend on the market demand. The dispersion capacity expansion, as I mentioned in the presentation, we doubled our capacity and we have been able to increase our market share in the north and western part of the country.
- There were also a question about our sales and profitability at Dahej site. Dahej recorded sales of ₹2500 crores for FY22-23.
- There were also questions about the cost of our Annual Report. The cost of our Annual Report is ₹1.38 lakhs.
- There were questions around the headcount, the number of employees in our company. We have, as of March'2023, 1378 employees. The female ratio in this employee group is 10%.
- There were questions about our attrition rate. The attrition rate is around 6%.
- There was a question of why the royalty amount increased during FY22-23 as compared to FY21-22. Royalty is paid to group companies on own manufactured products. For example, the products manufactured in India using the technology provided by BASF

Group companies. As a percentage of our own manufactured product increased by 15%-20% during the FY22-23, the amount of royalty has also increased.

- There were questions around Corporate Social Responsibility (CSR) budget for the FY22-23. The company was required to spend an amount of ₹8.4 crores towards CSR activities based on the three year's average profits. Accordingly, your company has identified long term ongoing projects spanning over 2-3 years and allocated towards these projects in the areas of education, Awash, which is water, sanitation and hygiene and climate protection.
- There was a question around who is on the Board's Compensation Committee and the process there. The Nomination and Remuneration Committee of the company comprises of three independent Directors – Mr. Asha, Mr. Arun Bewoor and Mrs. Shyamala Gopinath. I am invited to the meeting on only on a needs basis as and when required. Further, this committee has a written charter. For example, the terms of reference which have also been included in the Annual Report of the company for FY22-23. Please refer to Page 74 of the Annual Report.
- There was a question about our market share in the Chemical division. Chemicals consist of petrochemicals and intermediates. There are many products which are part of these divisions. Market share would be varying depending on the product group.
- There was also a question around the breakup of our OMP and Merchandise share. So, our Own Manufactured Products share increased to 45% in the last fiscal year and the Merchandise share was accordingly 55%.
- Was a question whether the company has put in place processes to safely reclaim products for reusing, recycling and disposing at the end of their life. Yes, your company's manufacturing sites are governed by the consents to operate and authorization under the Hazardous Waste Management rules. Under these rules and regulations, the company has declared all its waste including plastic packaging. All the waste generated are handed over to State Pollution Control Board, authorized waste disposal service providers. As a part of our Responsible Care initiative, plastic containers are shredded and given to the processors for recycling.
- On the ground there is a lot of thrust around manufacturing in India and that is posing a threat to a lot of companies, especially in the products that are imported in the country. How significant are such headwinds for BASF? BASF acknowledges 'Make in India' and 'Self-reliant India' initiatives and we are well present also locally with own manufactured products. As mentioned before, 45% is own manufactured products. We continuously observe and evaluate opportunities in this space as I presented in the presentation. Sovermol, for example, was previously imported and now it's produced locally. Also in our Agricultural Chemicals divisions, we continuously increase our formulation activities locally in India.

- With that, I would thank again all the speaker shareholders for their questions. May I now request the shareholders who have not yet cast their votes on the resolutions to please do so immediately. The results of the voting on all the resolutions will be declared within two working days after the conclusion of this meeting and it will be intimated to the stock exchanges and posted on company's and NSDL website.
- I now declare that the E-voting period be kept open for 15 minutes to facilitate voting by the shareholders of the company who have not exercised their votes on the resolutions. Thank you very much.

*(E-voting in process)*

**END OF TRANSCRIPT**