LETTER OF OFFER

THIS DOCUMENT IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION

This Letter of Offer is sent to you as Shareholders/beneficial owners of BASF India Limited **("BASF India"/ "Target Company")**. If you require any clarifications about the action to be taken, you should consult your stock-broker or investment consultant or the Manager to the Offer / Registrar to the Offer. In case you have recently sold your Equity Shares in the Target Company, please hand over this Letter of Offer and the accompanying Form of Acceptance, Form of Withdrawal and Transfer Deed (in case of Shares in physical form) to the member of the Stock Exchange through whom the said sale was effected

CASH OFFER OF Rs. 274 (Rupees Two Hundred Seventy Four only) PER FULLY PAID UP EQUITY SHARE OF Rs. 10 EACH (the **"Offer Price"**)

Pursuant to Regulation 11(1) of the Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 1997 and subsequent amendments thereto

TO ACQUIRE

Up to 6,289,591 fully paid up Equity Shares of face value Rs. 10/- each, representing 22.31% of the Voting Capital **("Offer")**

OF

BASF India Limited

having its registered office at

R.B.C. Mahindra Towers, 1st Floor, 'A' Wing, Dr. G.M. Bhosale Marg, Worli, Mumbai: 400018. Tel: +91-22 -66618000, Fax: +91-22-24950512

BY

BASF SE ("BASF"/ "Acquirer")

having its registered office at

67056 Ludwigshafen, Germany, Tel.: +49-621-60-0, Fax: +49-621-60-42525

MANAGER TO THE OFFER	REGISTRAR TO THE OFFER
JM FINANCIAL **JM Financial Consultants Private Limited** 141, Maker Chamber III Nariman Point Mumbai 400 021 Tel: +91 22 6630 3030 Fax: +91 22 2204 7185 Website: www.jmfinancial.in Email: basfindia.openoffer@jmfinancial.in Contact Person: Mr. Rohit Pareek / Ms. Mamta Joshi SEBI Registration Number: INM000010361	SHAREPRO SERVICES **Sharepro Services (India) Private Limited** 3rd Floor, Satam Estate Chakala, Andheri (East) Mumbai 400 099 Tel:+91 22 6772 0300/400 Fax: +91 22 2837 5646 Website: www.shareproservices.com Email: basfindia.offer@shareproservices.com Contact Person: Mr.V Kumaresan SEBI Registration Number: INR000001476
OFFER OPENS ON: WEDNESDAY, JULY 09, 2008	**OFFER CLOSES ON: MONDAY, JULY 28, 2008**

1 **ATTENTION:**

There has been no competitive bid.

This Offer is not subject to any minimum level of acceptance by the Shareholders.

Shareholders who have accepted the Offer by tendering the requisite documents, in accordance with the terms of the Public Announcement and the Letter of Offer, shall have the option to withdraw acceptance tendered by them up to three (3) working days prior to the date of closing of the Offer, in terms of regulation 22(5A) of the SEBI (SAST) Regulations i.e. by July 23, 2008.

In terms of Regulation 25(6) of the SEBI (SAST) Regulations, the Acquirer can revise the Offer Price upwards up to seven (7) working days prior to the closing of the Offer (i.e. by July 17, 2008). If there is any upward revision in the Offer Price by the Acquirer until the last date of revision i.e., by July 17, 2008, the same will be informed by way of a public announcement in the same newspapers in which the Public Announcement has appeared. The Acquirer would pay such revised price for all the Equity Shares validly tendered any time during the Offer and accepted under the Offer.

The Offer is subject to the receipt of approval from the Reserve Bank of India (**"RBI"**) for acquiring Shares from non-resident Indians ("**NRIs**") and overseas corporate bodies ("**OCBs**"), who validly tender their Shares under this Offer ("**RBI Approval**"). Such approval will not be required for Foreign Institutional Investors ("**FIIs**") registered with SEBI, who validly tender their Shares under this Offer. The Acquirer will make the necessary applications to and filings with the various authorities to obtain the statutory approval described above.

As of the date of the Public Announcement, there are no other statutory approvals required to implement the Offer other than that specified above. If any other statutory approvals become applicable prior to the completion of the Offer, the Offer would also be subject to such other statutory approvals. In the event any of the statutory approvals that are required are refused, the relevant provisions of Regulation 27 of the SEBI (SAST) Regulations would be applicable. However, Regulation 27 of the SEBI (SAST) Regulations will not apply to the aforesaid RBI Approval.

The Acquirer will accept Equity Shares from resident Shareholders and non resident Shareholders in respect of whom no RBI Approval is required and not accept Equity Shares from non resident Shareholders in respect of whom prior RBI Approval is required in the event that the aforesaid RBI Approval is refused.

In case of delay in the RBI Approval, the Acquirer will first make payment to the resident Shareholders and non resident Shareholders in respect of whom no RBI Approval is required who have validly tendered their Equity Shares in the Offer as per the basis of acceptance, if any. Also, in the event the Offer is oversubscribed, the Registrar to the Offer will hold in trust the Equity Shares/Equity Share Certificates or Equity Shares held in credit of the special depository account for the resident Shareholders and non resident Shareholders in respect of whom no RBI Approval is required until the approval from RBI is received for acquiring Equity Shares from non-resident Shareholders in respect of whom prior RBI Approval is required.

After the receipt of RBI Approval, the payment shall be made to the non-resident Shareholders in respect of whom prior RBI Approval is required in accordance with the provisions of the SEBI (SAST) Regulations. However, in the event that the RBI Approval is refused for one or more Shareholders and if the Offer is oversubscribed, the basis of acceptance will be revised and additional Equity Shares will be accepted by the Acquirer from resident Shareholders and such other non resident Shareholders, in respect of whom no prior RBI Approval is required and such non resident Shareholders in respect of whom RBI Approval is received and further consideration shall be paid for such accepted shares.

In case of delay in receipt of any statutory approval(s), SEBI has the power to grant an extension of time to the Acquirer for payment of consideration to the Shareholders, subject to the Acquirer agreeing to pay interest for the delayed period if directed by SEBI in terms of regulation 22(12) of the SEBI (SAST)Regulations. Further, if the delay occurs on account of the willful default or neglect or inaction or non-action by the Acquirer in obtaining the requisite approval(s), the amount held in the escrow account shall be subject to forfeiture under Regulation 22(13) of the SEBI (SAST) Regulations and be dealt with in the manner provided in Regulation 28(12) of the SEBI (SAST) Regulations.

The Acquirer does not require any approvals from financial institutions or banks for the Offer.

Form of Acceptance and Form of Withdrawal are also enclosed with this Letter of Offer.

The Public Announcement and this Letter of Offer, Form of Acceptance and Form of Withdrawal would also be available on SEBI's website (www.sebi.gov.in) from the Offer opening date viz. **July 09, 2008.**

In this Letter of Offer, all references to "Euro" or "€" are to "Euro", the legal currency of the European Monetary Union. Certain financial details contained herein are denominated in Euro. The Rupee equivalent quoted in each case is calculated in accordance with the RBI Reference rates as of May 13, 2008, namely 1 Euro = Rs. 65.54 (Source: www.rbi.org.in). In this Letter of Offer, any discrepancy in any table between the total and sums of the amount listed are due to rounding.

A schedule of the activities pertaining to the Offer is given below:-

Activity	**Date & Day**
Public Announcement	May 15, 2008 (Thursday)
Specified Date*	May 30, 2008 (Friday)
Last date for a competitive bid	June 05, 2008 (Thursday)
Date by which Letter of Offer to be dispatched to Shareholders	June 27, 2008 (Friday)
Date of opening of the Offer	July 09, 2008 (Wednesday)
Last date for upward revision of the Offer Price / number of Shares	July 17, 2008 (Thursday)
Last date for withdrawing acceptance of the Offer	July 23, 2008 (Wednesday)
Date of closing of the Offer	July 28, 2008 (Monday)
Last date of communicating rejection/acceptance and payment of consideration for accepted tenders and/or the unaccepted Equity Shares/ share certificates will be dispatched/credited	August 11, 2008 (Monday)

* Specified date is only for the purpose of determining the names of the Shareholders as on such date to whom the Letter of Offer would be sent. All owners (registered or unregistered) of the Shares (except Acquirer) are eligible to participate in the Offer any time before the closing of the Offer.

RISK FACTORS

Risks relating to the Offer

- The Offer is subject to the receipt of approval from the Reserve Bank of India (**"RBI"**) under the Foreign Exchange Management Act, 1999 and the rules, regulations and guidelines thereunder, as amended from time to time ("FEMA") for acquiring Shares from NRIs and OCBs, who validly tender their Shares under this Offer.
- The Acquirer will accept Equity Shares from resident Shareholders and non resident Shareholders in respect of whom no RBI Approval is required and not accept Equity Shares from such non resident Shareholders in respect of whom prior RBI Approval is required in the event of the aforesaid RBI Approval being refused. Further, in case of non receipt of RBI approval and if the Offer is oversubscribed, the Acquirer will reject acceptance of the Shares tendered by the non resident Shareholders in respect of whom prior RBI Approval is required and acquire additional Shares from the resident Shareholders and the non resident Shareholders with respect to whom no prior RBI Approval is required. To facilitate this, the Registrar to the Offer will hold in trust the Shares/Share Certificates or Equity Shares held in credit of the special depository account for the resident Shareholders and non resident Shareholders in respect of whom no RBI Approval is required until the approval from RBI is received for acquiring Shares from non-resident Shareholders in respect of whom prior RBI Approval is required.
- In the event of regulatory approvals not being received in a timely manner or litigation leading to a stay on the Offer, or SEBI instructing that the Offer should not proceed, the Offer process may be delayed beyond the schedule indicated in this Letter of Offer. Consequently, the payment of consideration to the Shareholders whose Shares have been accepted in the Offer as well as the return of the Shares not accepted by the Acquirer may be delayed.

- The Acquirer makes no assurance with respect to the market price of the Shares during / after the Offer.
- The Offer is for consolidation of shareholding by the Acquirer in the Target Company and it is made in accordance with Regulation 11(1) of the SEBI (SAST) Regulations. There is no assurance with respect to the continuation of the past trend in the financial performance of the Target Company.
- The Shares tendered in the Offer will be held in trust by the Registrar to the Offer till the completion of the Offer formalities, and the Shareholders will not be able to trade such Shares. During such period there may be fluctuations in the market price of the Shares. Accordingly, the Acquirer makes no assurance with respect to the market price of the Shares both during the Offer period and upon the completion of the Offer, and disclaims any responsibility with respect to any decision by any Shareholder on whether to participate or not to participate in the Offer.
- In the event of oversubscription to the Offer, the acceptance of the Shares tendered will be on a proportionate basis and will be contingent upon the level of subscription. However, in the event that the RBI Approval is refused for one or more NRIs or OCBs in respect of whom prior RBI Approval is required, the basis of acceptance will be revised and additional Equity Shares will be accepted by the Acquirer from resident Shareholders and such non resident Shareholders in respect of whom no prior RBI Approval is required or non resident Shareholders in respect of whom RBI Approval is received and further consideration shall be paid for such accepted shares.

The risk factors set forth above are not intended to cover a complete analysis of all risks as perceived in relation to the Offer or in association with the Acquirer, but are only indicative. They do not relate to the present or future business or operations of the Target Company or any other related matters, and are neither exhaustive nor intended to constitute a complete analysis of the risks involved in the participation by a Shareholder in the Offer. The Shareholders are advised to consult their stockbroker, investment consultant or tax advisor, if any, for further risks with respect to their participation in the Offer.

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DEFINITIONS

Acquirer/the Acquirer/BASF	BASF SE, a listed company incorporated in 67056 Ludwigshafen in Germany on January 30, 1952 with its registered office located at 67056 Ludwigshafen, Germany
Act	The Companies Act, 1956 as amended from time to time
BSE	Bombay Stock Exchange Limited
CDSL	Central Depository Services Limited
DP	Depository Participant
Existing Holding	14,853,020 Equity Shares of the Target Company held by the Acquirer constituting 52.69% of the Voting Capital as on date of the Public Announcement.
FEMA	Foreign Exchange Management Act
Fiscal	Financial Year ended March 31 or December 31 as the case may be
Form of Acceptance	Form of Acceptance cum Acknowledgement
INR or Rs	Indian Rupees
Manager to the Offer/JM Financial	JM Financial Consultants Private Limited
NSE	National Stock Exchange of India Limited
NSDL	National Securities Depository Limited
OCB	Overseas Corporate Body
Offer/Open Offer	Open Offer to acquire 6,289,591 Equity Shares being 22.31% of the Voting Capital of the Target Company pursuant to Regulation 11(1) of the SEBI (SAST) Regulations, at a price of Rs 274 per fully paid up Equity Share
Offer Price	Rs 274 per fully paid up Equity Share of face value Rs 10 each
Person(s) eligible to participate in the Offer	All owners (registered and unregistered) of Equity Shares of BASF India Limited anytime before the closure of the Offer except the Acquirer
Public Announcement/ "PA"	Public announcement of the Offer made by the Acquirer on May 15, 2008
RBI	Reserve Bank of India
Registrar to the Offer/Sharepro	Sharepro Services (India) Private Limited
SEBI	Securities and Exchange Board of India
SEBI Act	Securities and Exchange Board of India Act, 1992 and subsequent amendments thereto
SEBI (SAST) Regulations	Securities and Exchange Board of India (Substantial Acquisitions of Shares and Takeovers), 1997 and subsequent amendments thereto
Equity Share (s)/ Share (s)	Outstanding equity shares of face value Rs. 10 each of BASF India Limited
Shareholders	All owners (registered and unregistered) of Equity Shares of the Target Company
Specified Date	May 30, 2008
BASF India / Target Company / Company	BASF India Limited, a public limited company with its registered office located at R.B.C. Mahindra Towers, 1st Floor, 'A' Wing, Dr. G.M. Bhosale Marg, Worli, Mumbai 400018
Voting Capital	28,190,148 outstanding Equity Shares of the Target Company of a face value of Rs. 10 each (including 682 shares held in abeyance) as on August 12, 2008 i.e. 15 days post closure of the Offer

2. DISCLAIMER

AS REQUIRED, A COPY OF THE DRAFT LETTER OF OFFER HAS BEEN SUBMITTED TO SEBI. IT IS TO BE DISTINCTLY UNDERSTOOD THAT FILING OF THE DRAFT LETTER OF OFFER WITH SEBI SHOULD NOT IN ANY WAY BE DEEMED OR CONSTRUED THAT THE SAME HAS BEEN CLEARED, VETTED OR APPROVED BY SEBI. THE DRAFT LETTER OF OFFER HAS BEEN SUBMITTED TO SEBI FOR A LIMITED PURPOSE OF OVERSEEING WHETHER THE DISCLOSURES CONTAINED THEREIN ARE GENERALLY ADEQUATE AND ARE IN CONFORMITY WITH THE SEBI (SAST) REGULATIONS. THIS REQUIREMENT IS TO FACILITATE THE SHAREHOLDERS OF BASF INDIA TO TAKE AN INFORMED DECISION WITH REGARD TO THE OFFER. SEBI DOES NOT TAKE ANY RESPONSIBILITY EITHER FOR FINANCIAL SOUNDNESS OF THE ACQUIRER OR THE COMPANY WHOSE SHARES/CONTROL ARE PROPOSED TO BE ACQUIRED OR FOR THE CORRECTNESS OF THE STATEMENTS MADE OR OPINIONS EXPRESSED IN THE DRAFT LETTER OF OFFER. IT SHOULD ALSO BE CLEARLY UNDERSTOOD THAT THE ACQUIRER IS PRIMARILY RESPONSIBLE FOR THE CORRECTNESS, ADEQUACY AND DISCLOSURE OF ALL RELEVANT INFORMATION IN THE DRAFT LETTER OF OFFER. THE MANAGER TO THE OFFER IS EXPECTED TO EXERCISE DUE DILIGENCE TO ENSURE THAT THE ACQUIRER DULY DISCHARGES ITS RESPONSIBILITIES ADEQUATELY IN THIS BEHALF, AND TOWARDS THIS PURPOSE, THE MANAGER JM FINANCIAL CONSULTANTS PRIVATE LIMITED HAS SUBMITTED A DUE-DILIGENCE CERTIFICATE DATED MAY 22, 2008 TO SEBI IN ACCORDANCE WITH THE SEBI (SAST) REGULATIONS. THE FILING OF THE DRAFT LETTER OF OFFER DOES NOT, HOWEVER, ABSOLVE THE ACQUIRER FROM THE REQUIREMENT OF OBTAINING SUCH STATUTORY CLEARANCES AS MAY BE REQUIRED FOR THE PURPOSE OF THE OFFER.

3. DETAILS OF THE OFFER

3.1 Background to the Offer

3.1.1 The Acquirer is a listed company incorporated in 67056 Ludwigshafen in Germany on January 30, 1952 with its registered office located at 67056 Ludwigshafen, Germany. The Acquirer is making a voluntary offer to the public shareholders of BASF India Limited to consolidate its holding in the Target Company by acquiring up to 6,289,591 fully paid-up Equity Shares of the Target Company (the “Offer Size”) constituting 22.31% of the Voting Capital of the Target Company at a price of Rs. 274 per Equity Share.

3.1.2 The Acquirer currently holds 14,853,020 Equity Shares of the Target Company constituting 52.69% of the issued and paid up Equity Share capital of the Target Company. The Acquirer is the Promoter of the Target Company.

3.1.3 Upon completion of the Offer, assuming full acceptances and taking into account the Existing Holding, the Acquirer will hold 75% of the Voting Capital in the Target Company.

3.1.4 The Manager to the Offer does not hold any Equity Shares of the Target Company as on the date of the Public Announcement. In terms of Regulation 24(5A) of the SEBI (SAST) Regulations, the Manager to the Offer shall not deal in the Equity Shares of the Target Company during the period commencing from the date of its appointment in terms of Regulation 13 of the SEBI (SAST) Regulations till the expiry of fifteen days from the date of closure of the Offer.

3.1.5 There are no “persons acting in concert” (“PACs”) with the Acquirer for the purpose of this Offer within the meaning of Regulation 2(1) (e) of the SEBI (SAST) Regulations.

3.1.6 Neither the Acquirer nor the Target Company has been prohibited by SEBI from dealing in securities, in terms of direction issued under section 11B or any other regulations made under the Securities and Exchange Board of India Act, 1992 and subsequent amendments thereto.

3.1.7 No action has been taken by SEBI against the Acquirer, its promoters, its directors or the Target Company, its promoters and directors under the SEBI Act or any regulations framed thereunder.

3.2 Details of the proposed Offer

3.2.1 The Public Announcement was made on May 15, 2008 in the following newspapers, in accordance with Regulation 15 of the SEBI (SAST) Regulations.

Publications	**Editions**
Business Standard	Mumbai, Ahmedabad, Delhi, Bangalore, Chennai, Kolkata, Hyderabad
Pratahkaal	Mumbai, Delhi, Jaipur, Udaipur
Navshakti	Mumbai

(The Public Announcement is also available at the SEBI website: www.sebi.gov.in)

3.2.2 As of the date of the Public Announcement, the Voting Capital of the Target Company is Rs. 281,901,480 divided into 28,190,148 outstanding Equity Shares of a face value of Rs. 10 each (including 682 shares held in abeyance). There are no outstanding partly paid up shares or any other instruments convertible into Equity Shares of the Target Company at a future date.

3.2.3 The Acquirer currently holds 14,853,020 Equity Shares of the Target Company constituting 52.69% of the issued and paid up Equity Share capital of the Target Company. The Acquirer is the Promoter of the Target Company. Upon completion of the Offer, assuming full acceptances and taking into account the Existing Holding, the Acquirer will hold 75% of the Voting Capital in the Target Company.

3.2.4 The Acquirer will acquire all Equity Shares tendered in valid form in terms of this Offer up to a maximum of 6,289,591 Equity Shares (representing 22.31% of the Voting Capital as on August 12, 2008 being the date which is 15 days from the date of closure of the Offer).

3.2.5 Acquirer can revise the Offer Price and/or Offer Size upwards up to seven (7) working days prior to the closing of the Offer (i.e., July 17, 2008). If there is any upward revision in the Offer Price and/or Offer Size by Acquirer until the last date of revision i.e., July 17, 2008, the same will be informed by way of a public announcement in the same newspapers in which the Public Announcement was made. The Acquirer would pay such revised price for all the Equity Shares validly tendered any time during the Offer and accepted under the Offer.

3.2.6 This is not a competitive bid and there has not been any competitive bid in respect of this Offer.

3.2.7 The Offer is not conditional on any minimum level of acceptance by the Shareholders.

3.2.8 Save as disclosed in this Letter of Offer, the Acquirer has not made any other acquisitions in the Target Company.

3.2.9 Equity Shares that are subject to any charge, lien or encumbrance, any court order/any other attachment/ dispute are liable to be rejected in the Offer. Applications in respect of Equity Shares of the Target Company that are subject matter of litigation wherein the public Shareholders of the Target Company may be prohibited from transferring the Equity Shares during the pendency of the said litigation are liable to be rejected if the directions / orders regarding these Equity Shares are not received together with the Equity Shares tendered under the Offer. The Acquirer will acquire the Equity Shares together with all rights attached thereto, including the rights to all dividends (except as clarified under Clause 3.2.10 hereunder), bonus and rights subsequently declared. The tender by any Shareholder of any Equity Shares in the Offer must be absolute, unconditional and unqualified.

3.2.10 As mentioned in this Letter of Offer, the Offer will close on July 28, 2008. The record date for determining the Shareholders entitled for payment of dividend for the financial year ended March 31, 2008 in respect of Equity Shares held in electronic form is as on the closure of business hours on August 1, 2008 and in respect of Equity Shares held in physical form as on August 12, 2008. The Equity Shareholders who tender their Equity Shares in the Open Offer on or before July 28, 2008 would also be eligible for receipt of dividend declared for the financial year ended March 31, 2008 subject to other applicable conditions for the same.

3.3 Objects of the acquisition/Offer and future plans

3.3.1 The Acquirer as the Promoter of BASF India holds 52.69% of the Voting Capital of BASF India as on the date of Public Announcement. The Acquirer wishes to further consolidate its holding by making this voluntary Offer to public Shareholders of BASF India in accordance with Regulation 11(1) of the SEBI (SAST) Regulations. The Acquirer plans to extend its market position in the growing Indian chemical sector. To this extent, a larger shareholding in BASF India will support the Acquirer's efforts in developing the businesses effectively.

3.3.2 As a part of its ongoing business strategy, the Acquirer constantly monitors and evaluates its product portfolio in various regions of its operations and based on such evaluation, may decide to enter into or discontinue certain product lines. Such decisions, if any, taken at the global or regional levels may affect the business composition of BASF India. The Board of Directors of the Acquirer or its authorized persons are responsible for taking decisions in these matters, as per the requirements of business and in line with opportunities or changes in the economic scenario, from time to time.

3.3.3 As on the date of the Public Announcement, the Acquirer does not have any plans to make any major change to the existing lines of business of BASF India or to dispose of or otherwise encumber any assets of BASF India in the next 24 months, except in the ordinary course of business of BASF India and its subsidiaries and except to the extent if deemed necessary for the purpose of restructuring and/or rationalization of business, assets, investments, liabilities or otherwise of BASF India for commercial reasons, operational efficiencies or otherwise, including the activity referred to in para 3.3.2 above. It will be for the Board of Directors of BASF India to take appropriate decisions in these matters as per the requirements of the business. Such steps relating to sale or encumbrance, if any, of the substantial asset of BASF India and restructuring as aforesaid will be governed by the applicable provisions of regulations, Companies Act, 1956, and/or other applicable laws at the relevant time.

In line with the practice followed globally by the Polyurethanes business group, and with a view to impart greater focus to Polyurethanes system ("PU") business in India, the Target Company's wholly owned subsidiary BASF Polyurethanes India Ltd ("BPIL") was incorporated on April 6, 2005, to establish a system house to manufacture PU products. The activity of indenting and trading in PU products of the Target Company was transferred to BPIL effective 1st July 2006. In the event of synergies with the existing operations of the Target Company not materializing, the Acquirer or its affiliates have the discretion to acquire the Target Company's holding in BPIL in 2008 on the basis of a fair valuation of the shares of BPIL carried out by an independent valuer. In any event, the value of the said shares of BPIL shall not be lower than the original investment value, appearing in the books of the Target Company.

3.3.4 Other than the aforesaid, the Acquirer undertakes that it shall only sell, dispose of or otherwise encumber any substantial asset of BASF India with the prior approval of the shareholders of BASF India to the extent such approval is required by applicable laws.

3.3.5 The Acquirer does not have any intention to change the Board of Directors of BASF India except in the ordinary course.

4. BACKGROUND OF THE ACQUIRER

4.1 BASF SE – Acquirer

4.1.1 BASF SE is a listed company incorporated in 67056 Ludwigshafen in Germany on January 30, 1952, with its registered office located at 67056 Ludwigshafen, Germany.

4.1.2 BASF SE is a publicly listed and widely held company and there is no Promoter or person who is in control of BASF SE.

4.1.3 BASF is the world's leading chemical company – The Chemical Company. With over 95,000 employees as well as close to 100 large and a multitude of smaller production sites worldwide, the BASF Group serves customers and partners in almost all countries of the world. Its portfolio ranges from chemicals, plastics, performance products, functional solutions, agricultural solutions to crude oil and natural gas. As a reliable partner, BASF helps customers to be more successful. In the year ended December 2007, BASF Group posted sales of € 57,951 million (Rs. 37,981,282 lacs) and income from operations (earnings before interest and taxes) of € 7,316 million (Rs. 4,794,906 lacs).

BASF Group's brief history is as follows:

Period	**Event**
1865 – 1901: Founding of BASF, the age of dyes	Friedrich Engelhorn founds Badische Anilin & Soda Fabrik to produce coal tar dyes. Soon thereafter, the company gains a leading position in the world dyes market with methylene blue, alizarin and indigo.
1901– 1925: The age of fertilizers	The synthesis of ammonia by the Haber-Bosch process paves the way for the production of synthetic nitrogen fertilizers.
1925 – 1945: New high-pressure syntheses	BASF becomes part of IG Farbenindustrie AG. Advances in high-pressure technology enable the production of synthetic gasoline and rubber and products from acetylene.
1945 – 1953: Reconstruction new beginning	Reconstruction after the severe damage during the Second World and War takes a number of years. BASF is reestablished as an independent company in 1952.
1953 – 1965: The beginning of the plastics age	Germany's economic miracle paves the way for the plastics era. BASF expands into markets with products such as polystyrene, Styropor®, nylon and polyethylene.
1965 – 2004: From Ludwigshafen to the world	BASF develops into a transnational company with production sites in Europe, North and South America and Asia.
Since 2005: The Chemical Company	BASF is the world's leading chemical company: The Chemical Company. Its goal is to use products and services to successfully shape the future of its customers, business partners and employees.

BASF Group operates in six product segments: Chemicals, Plastics, Performance Products, Functional Solutions, Agricultural Solutions and Oil & Gas. It has a presence in the following regions: Germany and Rest of Europe, North America (NAFTA), South America, Africa & Middle East and Asia Pacific.

4.1.4 As on December 31 2007, the paid in capital of BASF is Euro 4,397.3 million (Rs. 2,881,990.4 lacs) based on the RBI Reference rate as on May 13, 2008, namely € 1 = Rs. 65.54 (Source: www.rbi.org.in) consisting of subscribed capital of Euro 1,224.2million (478.185 million shares each of a face value of Euro 2.56) plus capital surplus of Euro 3,173.1 million. The audited consolidated financial highlights of BASF Group as on and for the years ended December 31, 2005, December 31, 2006 and December 31, 2007 are as given below:

(Amount in Euro million and Rs. lacs unless otherwise specified, except per share data)

Profit & Loss Statement	**Year ended December 2005**		**Year ended December 2006**		**Year ended December 2007**	
	Euro (in Million)	**Rs. (in Lacs)**	**Euro (in Million)**	**Rs. (in Lacs)**	**Euro (in Million)**	**Rs. (in Lacs)**
Sales	42,744.9	28,015,007.5	52,609.7	34,480,397.4	57,951.3	37,981,282.0
Other Operating Income	600.2	393,371.1	934.1	612,209.1	1,053.0	690,136.2
Total Revenues	43,345.1	28,408,378.5	53,543.8	35,092,606.5	59,004.3	38,671,418.2
Total Operating Expenses (2)	36,915.4	24,194,353.2	45,859.8	30,056,512.9	51,688.0	33,876,315.2

Profit & Loss Statement	Year ended December 2005		Year ended December 2006		Year ended December 2007	
	Euro (in Million)	Rs. (in Lacs)	Euro (in Million)	Rs. (in Lacs)	Euro (in Million)	Rs. (in Lacs)
Profit Before Depreciation Interest and Tax	8,233.0	5,395,908.2	9,723.0	6,372,454.2	10,225.0	6,701,465.0
Depreciation & Amortization	2,426.6	1,590,393.6	2,993.6	1,962,005.4	2,947.3	1,931,660.4
Interest Result	(170.0)	(111,418.0)	(371.9)	(243,743.3)	(471.8)	(309,217.7)
Profit Before Tax & Minority Interests	5,925.6	3,883,638.2	6,526.7	4,277,599.2	6,935.4	4,545,461.2
Income Tax	2,758.1	1,807,658.7	3,060.6	2,005,917.2	2,609.9	1,710,528.5
Profit After Tax	3,006.7	1,970,591.2	3,215.2	2,107,242.1	4,065.5	2,664,528.7
Paid in share capital	4,417.0	2,894,901.8	4,420.2	2,896,999.1	4,397.3	2,881,990.4
Retained Earnings (excluding revaluation reserves)	11,928.0	7,817,611.2	13,301.9	8,718,065.3	14,555.6	9,539,740.2
Net worth (excluding other comprehensive income & minority interests)	16,345.0	10,712,513.0	17,722.1	11,615,064.3	18,952.9	12,421,730.7
Minority interests and other comprehensive income	1,178.5	772,388.9	856.0	561,022.4	1,145.0	750,433.0
Total Stockholders' Equity	**17,523.5**	**11,484,901.9**	**18,578.1**	**12,176,086.7**	**20,097.9**	**13,172,163.7**
Long-term loans	3,681.7	2,412,986.2	5,788.2	3,793,586.3	6,953.8	4,557,520.5
Short-term loans	259.3	169,945.2	3,694.9	2,421,637.5	3,147.7	2,063,002.6
Other long-term liabilities	6,079.9	3,984,766.5	6,944.4	4,551,359.8	7,268.7	4,763,906.0
Other short-term liabilities	8,125.7	5,325,583.8	10,285.4	6,741,051.2	9,334.0	6,117,503.6
Total stockholders' equity and liabilities	**35,670.1**	**23,378,183.5**	**45,291.0**	**29,683,721.4**	**46,802.1**	**30,674,096.3**

Balance Sheet Statement	Year ended December 2005		Year ended December 2006		Year ended December 2007	
	Euro (in Million)	Rs. (in Lacs)	Euro (in Million)	Rs. (in Lacs)	Euro (in Million)	Rs. (in Lacs)
Uses of funds						
Net fixed assets (3)	13,986.9	9,167,014.3	14,901.5	9,766,443.1	14,215.1	9,316,576.5
Investments accounted for using the equity method	244.3	160,114.2	650.5	426,337.7	834.6	546,996.8
Short-term assets	15,127.6	9,914,629.0	18,392.5	12,054,444.5	18,907.7	12,392,106.6
Other assets	6,311.3	4,136,426.0	11,346.5	7,436,496.1	12,844.7	8,418,416.4
Total miscellaneous expenditure not written off	-	-	-	-	-	-
Total assets	**35,670.1**	**23,378,183.5**	**45,291.0**	**29,683,721.4**	**46,802.1**	**30,674,096.3**

Other Financial Data	As on or for the year ended December 2005		As on or for the year ended December 2006		As on or for the year ended December 31, 2007	
	Euro	**Rs.**	**Euro**	**Rs.**	**Euro**	**Rs.**
Dividend (%)[1]	78.13	78.13	117.19	117.19	152.34	152.34
Earning Per Share	5.73	375.5	6.37	417.5	8.32	545.3
Return on Equity after Taxes (%)	18.6	18.6	19.2	19.2	22.4	22.4
Book Value Per Share	34.07	2,232.9	37.18	2,436.8	42.03	2,754.6

1) *Computed as dividend per share divided by face value of € 2.56 per share*

2) *Total Operating Expenses have been computed as Total Revenues less Earnings Before Interest and Taxation*

3) *Fixed Assets are defined as Property, Plant and Equipment*

Note: The Rupee equivalent quoted in each case is calculated in accordance with the RBI Reference rates as on May 13, 2008, namely € 1 = Rs. 65.54 (Source: www.rbi.org.in)

Primary reasons for the increase in total revenues and net profit of BASF Group are as under:

Year Ended December, 2007 compared to Year Ended December, 2006

a) Sales

Sales in 2007 rose by 10.2% compared with the previous year to € 57,951 Million. The change in sales was due to the following factors:

Factors influencing sales:

Million €	**2007**	**Contribution to sales growth (in %)**
Volumes	2,557	4.9
Prices	1,321	2.5
Currencies	(1,989)	(3.8)
Acquisitions and additions to the scope of consolidation	3,598	6.9
Divestitures	(146)	(0.3)
Total change	**5,341**	**10.2**

BASF posted higher sales volumes in almost all areas of the portfolio. In many businesses this was connected with increases in sales prices due to continued strong demand and higher raw material costs.

Acquisitions, especially the businesses acquired in mid-2006 contributed € 3,580 million to the sales increase. Additions to the scope of consolidation contributed €18 Million to sales.

Divestitures reduced sales by €146 Million. This was due in particular to portfolio measures in Fine Chemicals division.

Currency effects reduced sales by 3.8%, or €1,989 million. In 2007 the average euro/dollar exchange rate was $1.37 per euro compared with $1.26 in 2006.

b) Net Income

Net income increased by € 850 million, or 26.4% to € 4,065 million. The tax rate decreased significantly from 46.9% in 2006 to 37.6%. As a result of the reduction of the average overall corporate tax rate to 29% as part of the German Corporate Tax Reform 2008, deferred tax assets and liabilities needed to be reassessed. This resulted in a non-recurring, non-cash income of € 229 million because there are predominately deferred tax liabilities in Germany. Noncompensable foreign income taxes on oil production amounted to € 1,302 million compared with € 1,282 million in 2006.

Minority interests amounted to € 260 million. As in 2006, they primarily related to BASF's partners in the natural gas trading companies, in the steam cracker in Port Arthur, Texas, and in the Verbund site in Kuantan, Malaysia.

BASF increased earnings per share by € 1.95 to a record high of € 8.32.

Year Ended December 2006 compared to Year Ended December 2005

Sales

Sales in 2006 rose by 23.1% to € 52,610 million compared with the previous year at € 42,745 million. The sales growth was due to the following factors:

Factors influencing sales:

Million €	**2006**	**Contribution to sales growth (in %)**
Volumes	2,358	5.5
Prices	3,530	8.3
Currencies	(96)	(0.2)
Acquisitions and additions to the scope of consolidation	4,240	9.9
Divestitures	(167)	(0.4)
Total change	**9,865**	**23.1**

Higher sales volumes were achieved in almost all areas of the portfolio, in many businesses this was connected with increases in sales prices due to higher raw materials costs. In the Oil & Gas segment sales increased due to higher crude oil and natural gas prices.

At € 4,230 million, acquisitions significantly contributed to the increase in sales. Important acquisitions were:

- Engelhard Corp., acquired on June 6, 2006
- The construction chemicals business of Degussa AG, acquired on July 1, 2006
- Johnson Polymer, which was also acquired on July 1, 2006

Additions to the scope of consolidation contributed € 10 million to the increase in sales.

Divestitures reduced sales by € 167 million, particularly as the result of the sale of parts of the business with generic crop protection products in North America (NAFTA) in 2006 and the divestiture of the polystyrene business in the United States and Canada in 2005.

Net Income

In 2006, BASF Group achieved a net income of € 3,215 million. This is an increase of € 208 million, or 6.9%, compared with the previous year. Minority interests in the amount of € 251 million belonged primarily, as in the previous year, to the partners in natural gas trading companies and in the steam cracker in Port Arthur, Texas.

At 46.9%, the tax rate remained approximately at the same level as in 2005. The noncompensable foreign income taxes on oil production increased from €1,072 million to €1,282 million. The capitalization of the remaining corporate income tax credit in Germany lowered income taxes. In 2005, the tax-free gains from the sale of stake in Basell, N.V. contributed to the reduced tax rate.

4.1.5 **Significant Accounting Policies:**

- Basis of presentation

  The Consolidated Financial Statements of BASF SE were prepared based on BASF's accounting principles in accordance with IFRS and section 315 (1) of the German Commercial Code (HGB).

- Scope and principles of consolidation

  The Consolidated Financial Statements include BASF SE, the parent company, as well as all the material subsidiaries in which BASF SE directly or indirectly exercises a majority of the voting rights. Material, jointly operated companies are included on a proportional consolidation basis. Affiliated companies not consolidated due to immateriality; non-proportionally consolidated joint ventures, as well as the remaining significant associated companies are accounted for using the equity method. Under the equity method, investments are initially recorded at cost and the carrying values are adjusted annually for dividends and other changes in stockholders' equity. Capital consolidation is based on the purchase method. All intercompany accounts and transactions are eliminated in consolidation.

- Revenue Recognition

  Revenues from the sale of goods or rendering of services are recognized upon the transfer of ownership and risk to the buyer. Allowances are made for possible rebates and trade discounts. Provisions are made to cover probable risks arising from return of products, estimated future warranty obligations and other claims. In cases, where a declaration of acceptance is required, revenues are recognized after customer acceptance occurs. Payments relating to the sale or licensing of technologies or technological expertise are recognized in income according to the contractually agreed transfer of the rights and obligations.

- Translation of foreign currency financial statements

  The translation method depends on the functional currencies of the consolidated companies. Translation takes place using the current rate method if the functional currency of a foreign subsidiary is not Euro. The differences in equity due to the use of the current rate method are shown as a component of the other comprehensive income in equity and are recognized in profit or loss only upon the disposal of a company. The temporal method is used for companies with Euro as functional currency. Asset and foreign exchange gains or losses resulting from the conversion process are taken to profit or loss and shown in other operating expenses or income.

- Intangible assets including goodwill

  Intangible assets with determinate useful lives are valuated at cost less regularly scheduled straight-line amortization. Impairment losses are recognized when the recoverable amount of the asset is lower than the carrying value. The recoverable amount is the higher of fair value less selling costs and value-in-use (determined by using the discounted cash-flow method). Reversals (of impairment losses) are made if the reasons for the previous years' impairment losses no longer exist. Intangible assets with indeterminate useful lives and goodwill will be tested for impairment annually or if there is an indication of impairment. The goodwill impairment test is based on cash-generating units and compares the recoverable amount of the unit with the respective book value.

- Property, plant and equipment

  Property, plant and equipment are stated at acquisition or production cost less scheduled straight-line depreciation over their estimated useful life. The revaluation model is not used. The cost of self-constructed plants includes direct costs, appropriate allocations of material and manufacturing overheads and an appropriate share of administration costs. Expected costs involved in the regularly scheduled shutdown of important plants are capitalized as part of the asset and depreciated using the straight-line method over the period to the next planned shutdown. Impairment losses are made whenever events or changes in circumstances indicate that the carrying value of an asset may not be recoverable.

- Leasing

  Leasing contracts are classified as either financing or operating leases. Assets subject to operating leases are not capitalized, leasing payments are charged to income in the year they are incurred. A lease is classified as a finance lease if it transfers substantially all of the risks and rewards coincidental to its ownership. Assets subject to finance lease are recorded at the lower of the fair value of the leased property or the present value of the minimum lease payments. Depreciation takes place over the shorter of the useful life of the asset or the period of the lease.

- Financial instruments

  Financial assets and liabilities are recorded on the balance sheet when BASF Group becomes a party to a financial instrument. Standard purchases and sales of financial instruments are accounted for using the settlement date and precious metals using the day of trading. Financial instruments include primary instruments such as accounts receivable and accounts payable, investments and equity instruments. Financial instruments also include derivatives, which are matched to underlying primary financial instruments and used to hedge risks, such as those arising from changes in currency exchange and interest rates. Financial assets and liabilities are divided into five valuation categories: Financial assets and liabilities that are measured at fair value and taken to profit or loss, Loans and receivables, Financial liabilities, Held-to-maturity and Available-for-sale financial instruments.

- Deferred tax assets and liabilities

  Deferred tax assets and liabilities are recorded for taxable temporary differences between the valuation of assets and liabilities in the financial statements of the consolidated companies and the carrying amounts for tax purposes. In addition, deferred taxes are recorded for tax loss carryforwards to the extent that it is probable that future taxable profit will be available against which the tax loss carryforwards can be utilized.

- Inventories

  Inventories are carried at acquisition costs or production costs. Write-downs are made if the net realizable value is lower than the carrying value. The net realizable value is based on proceeds achievable under normal business conditions less the directly attributable costs. Cost of sales include direct costs and an appropriate allocation of production overhead cost based on normal utilization rates of the production plants.

- Pension provisions

  Pension provisions are based on actuarial computations made according to the projected unit credit method. Actuarial profits and losses are offset against other comprehensive income. The calculation of pension provisions is based on actuarial reports. Pension provisions are influenced by assumptions covering the future development of wages and salaries, future pension payments, interest rates and the value of plan assets.

- Other provisions

  Other provisions are made when there is a present obligation as a result of a past event and when there is a probable outflow of resources whose amount can be reliably estimated. The amount of the provision is the probable amount required to settle the obligation. Provisions for German income tax and similar income taxes in other countries are made in the amount necessary to meet the expected payment obligation. Provision are established for certain environmental protection measures and risks if the measures are likely necessary as a result of legal or regulatory obligations or other events, and these measures are not capitalized. In addition, provisions are made for expected severance payments or similar personnel expenses as well as for demolition expenses and other charges related to the closing down of operations. Long-term obligations are discounted if the effect of discounting is material.

4.1.6 As on December 31 2007, the contingent liabilities and other financial obligations of the Acquirer are as under:

a) Contingent liabilities:

	Year ended Dec 31, 2007 (€ MM)	Year ended Dec 31, 2007 (Rs. Lakhs)
Bills of Exchange	12.8	8,389.1
Thereof to affiliated companies	-	-
Guarantees	373.9	245,054.1
Thereof to affiliated companies	60.1	39,389.5
Warranties	67.7	44,370.6
Granting collateral of behalf of third party liabilities	20.1	13,173.5
Total	**474.5**	**310,987.3**

b) Other financial obligations:

	Year ended Dec 31, 2007 (€ MM)	Year ended Dec 31, 2007 (Rs. Lakhs)
Construction in progress	4,973.5	3,259,631.9
Thereof purchase commitments	983.2	644,389.3
Thereof for the purchase of intangible assets	23.6	15,467.4
Obligation arising from long-term leases (excluding financing leases)	1,272.0	833,668.8
Payment and loan commitments and other financial obligations	6.7	4,391.2
Total	**6,252.2**	**4,097,691.9**

c) Obligations from long-term rental and lease contracts (excluding financing leases):

	Year ended Dec 31, 2007 (€ MM)	Year ended Dec 31, 2007 (Rs. Lakhs)
2008	292.2	191,507.9
2009	192.5	126,164.5
2010	130.7	85,660.8
2011	102.2	66,981.9
2012	79.6	52,169.8
2013 and thereafter	474.8	311,183.9
Total	**1,272.00**	**833,668.8**

Note: The Rupee equivalent quoted in each case is calculated in accordance with the RBI Reference rates as on May 13, 2008, namely € 1 = Rs. 65.54 (Source: www.rbi.org.in)

Property, plant and equipment used under long-term leases primarily concern buildings and IT infrastructure.

d) Purchase commitments for raw materials and natural gas from long-term contracts

BASF has entered into long-term purchase contracts for natural gas, which are subject to continual price adjustments. These obligations to purchase relate to long-term supply contracts with customers with terms between one and 13 years.

BASF purchases raw materials, both on the basis of long-term contracts and on spot markets. The fixed purchase obligations of long-term purchase contracts with a remaining term of more than one year as of December 31, 2007, are as follows:

	Year ended Dec 31, 2007 (€ MM)	Year ended Dec 31, 2007 (Rs. Lakhs)
2008	12,620.6	8,271,541.2
2009	10,218.7	6,697,336.0
2010	7,119.1	4,665,858.1
2011	5,575.2	3,653,986.1
2012	5,127.6	3,360,629.0
2013 and thereafter	32,379.5	21,221,524.3
Total	**73,040.7**	**47,870,874.8**

Note: The Rupee equivalent quoted in each case is calculated in accordance with the RBI Reference rates as on May 13, 2008, namely € 1 = Rs. 65.54 (Source: www.rbi.org.in)

4.1.7 Current status of Corporate Governance:

The Board of Executive Directors of BASF SE is responsible for the management of the company and represents or has represented according to its by-laws BASF SE in all business undertakings with third parties. Its activities and decisions are aligned to the company's interests, and it is dedicated to the goal of increasing the company's value in the long term. The Board of Executive Directors reports to the Supervisory Board regularly, comprehensively and in a timely manner on all material matters concerning the company with regard to strategic planning, business development, risk issues and risk management. Furthermore, they agree on corporate strategy. Where required by the Articles of Association of BASF SE, the Board of Executive Directors must have the approval of the Supervisory Board for certain transactions before they are concluded.

The Supervisory Board of BASF SE appoints the members of the Board of Executive Directors and monitors and advises the Board of Executive Directors on management issues. The Supervisory Board of BASF SE comprises 12 members and in accordance with the German Act on the Involvement of Employees in a European Company, consists in equal parts of shareholder representatives - elected by shareholders at the Annual Meeting - and employee representatives.

The Supervisory Board has established three committees with equal representation from shareholders and employee representatives: the Nomination Committee, the Audit Committee; and the Personnel Committee.

BASF accords good corporate governance great importance. BASF SE therefore supports the German Corporate Governance Code and follows the recommendations of the German Governance Code in its revised version of July 2007 with few exceptions. In the same manner, BASF also fulfils most of the non-obligatory proposals of the German Corporate Governance Code.

4.1.8 **Pending litigations involving the Acquirer:**

Administrative Proceedings and Litigation Relating to Vitamins:

Further proceedings relating to the Vitamins Cartel are still pending in Brazil.

Further claims for damages have been filed in the United Kingdom.

For these proceedings, BASF has established provisions that it anticipates to be sufficient based on its current state of knowledge.

Other Proceedings:

In 2005, several class action lawsuits against BASF SE and BASF Corporation were filed at U.S. courts. It was alleged that sales of TDI, MDI and polyether polyols had violated antitrust laws. BASF is defending itself against these lawsuits.

In February 2006, the U.S Department of Justice served a Grand Jury Subpoena upon BASF Corporation requesting the presentation of documents relating to the sale of TDI, MDI and polyether polyols and related systems during the period of 1999 through the present. BASF Corporation is cooperating with the U.S. Department of Justice in this regard. On December 14, 2007 the U.S. Department of Justice informed BASF Corporation that they had ceased these proceedings.

BASF Corporation, Bayer Corporation and Bayer CropScience Corporation have been sued by a number of plaintiffs for damages because of alleged price fixing in the distribution of the termiticides Premise ® (Bayer) and Termidor ® (BASF) in the United States. The plaintiffs contend that BASF Corporation and Bayer have each engaged in unlawful resale price maintenance resulting in overcharges to plaintiff purchasers who are professionals in termite control. The plaintiffs are suing for trebled damages of $600 million. BASF maintains that its pricing was lawful because its sales were through agency agreements rather than through distributors and therefore the claims are without merit. The Court dismissed the action on July 13, 2007. The plaintiffs have appealed against this decision.

In addition, BASF SE and its affiliated companies are defendants in or parties to further judicial and arbitral proceedings. Based on the current state of knowledge, these proceedings will have no material influence on the economic situation of BASF.

4.1.9 The Acquirer has complied with the applicable provisions of Chapter II of the SEBI (SAST) Regulations as under:

Sr. No.	**Regulation / Sub-regulation**	**Due date for compliance as mentioned in the Regulations**	**Actual date of compliance**	**Delay, if any (in no. of days) Col4-Col.3**	**Remarks**
1	**2**	**3**	**4**	**5**	**6**
1	6(3)	20.04.1997	25.02.2003	-	There was no change in the Shareholding during the years 1997-2000. The Disclosures were made in terms of SEBI Regularization Scheme 2002.
2	8(2)	29.08.1997	25.02.2003	-	
3	8(2)	21.04.1998	25.02.2003	-	
4	8(2)	28.08.1998	25.02.2003	-	
5	8(2)	21.04.1999	25.02.2003	-	
6	8(2)	26.08.1999	25.02.2003	-	
7	8(2)	21.04.2000	25.02.2003	-	
8	8(2)	16.05.2000	25.02.2003	-	
9	8(2)	21.04.2001	09.04.2001	-	-
10	8(2)	20.09.2001	31.08.2001	-	-
11	8(2)	21.04.2002	19.04.2002	-	-
12	7(1)	27.04.2002	25.04.2002	-	-

Sr. No.	Regulation / Sub-regulation	Due date for compliance as mentioned in the Regulations	Actual date of compliance	Delay, if any (in no. of days) Col4-Col.3	Remarks
13	8(2)	23.08.2002	02.08.2002	-	-
14	8(2)	21.04.2003	31.03.2003	-	-
15	8(2)	28.08.2003	07.08.2003	-	-
16	8(2)	21.04.2004	12.03.2004	-	-
17	8(2)	26.08.2004	05.08.2004	-	-
18	8(2)	21.04.2005	31.03.2005	-	-
19	8(2)	26.08.2005	05.08.2005	-	-
20	8(2)	21.04.2006	31.03.2006	-	-
21	8(2)	31.08.2006	10.08.2006	-	-
22.	8(2)	21.04.2007	03.04.2007	-	-
23	8(2)	20.08.2007	03.08.2007	-	-
24	8(2)	21.04.2008	03.04.2008	-	-

4.1.10 BASF is a widely held company with 100% public shareholding, including holding by institutional and private investors.

4.1.11 Find below the names, addresses, experience and qualifications of the Executive Board of Directors of the Acquirer. As on the date hereof, no such Director is on the Board of Directors of the Target Company.

Name of the Director	Designation & Appointment Date	Qualification	Residential Address
Dr. Jürgen Hambrecht	Chairman , May 6, 2003 Board Member, May 15, 1997	He studied chemistry in Tübingen and was awarded his doctorate in organic chemistry in 1975.	An der Froschlache 7 67063 Ludwigshafen Germany
Dr. John Feldmann	Board Member, January 1, 2000	He started studying chemistry in Hamburg in 1969. From 1978 until 1980, when he received his doctorate, he conducted research at the Institute of Organic Chemistry and Biochemistry.	Londoner Ring 66 67069 Ludwigshafen Germany
Dr. Kurt Bock	Board Member, January 1, 2003	From 1977 to 1982, he studied business administration at the universities of Münster and Cologne as well as at Pennsylvania State University. After three years in research, he received his doctorate in economics from the University of Bonn in 1985.	Prager Straße 23 67069 Ludwigshafen Germany

Name of the Director	Designation & Appointment Date	Qualification	Residential Address
Dr. Stefan Marcinowski	Board Member, May 15, 1997	From 1971 to 1976, he studied chemistry at the Universities of Stuttgart and Freiburg. He obtained his doctorate under Professor Grisebach in 1978 and stayed as an assistant at the Biochemical Institute in Freiburg until 1979.	Georg-Herwegh-Straße 36 67061 Ludwigshafen Germany
Dr. Martin Brudermüller	Board Member, January 1, 2006	He studied chemistry at the University of Karlsruhe. After taking his doctorate and spending a postdoc period at the University of California, Berkeley, Brudermüller started work in BASF's Ammonia Laboratory in 1988.	House No. 2, Barker Road The Peak Hong Kong
Dr. Andreas Kreimeyer	Board Member, January 1, 2003	He studied biology at the Universities of Hanover and Hamburg. After being awarded his doctorate, he joined BASF's Main Laboratory in 1986.	Ludwig-Börne-Straße 6 67061 Ludwigshafen Germany
Dr. Harald Schwager	Member, January 1, 2008	He studied chemistry at the University of Karlsruhe. He received his doctorate from the Max-Planck-Institut in Muelheim an der Ruhr in 1986. After a sabbatical year in the United States, he joined BASF in 1988.	Taubenstr. 34 67063 Ludwigshafen Germany
Dr. Hans-Ulrich Engel	Member, March 4, 2008	He studied law at Goettingen and Freiburg Universities from 1977-1983. He completed in-service training from 1984-1987 at the Higher Regional Court, Oldenburg, Germany, before earning his doctorate at Goettingen University. He joined the Legal Department of BASF in 1988.	Saarlandstr. 56 67061 Ludwigshafen Germany

Details of responsibility and experience of Directors of the Executive Board

1) Dr. Jürgen Hambrecht, Chairman of the Executive Board of Directors:

Currently Dr. Jürgen Hambrecht coordinates Board activities as Chairman, and is responsible for Legal, Taxes & Insurance; Strategic Planning & Controlling; Executive Management & Development;

Communications BASF Group; Investor Relations, Chief Compliance Officer.

Professional career:

1976	Joined BASF Aktiengesellschaft, responsible for polystyrene, styrenic copolymers and polyphenylene ethers
1997	Appointed member of the Board of Executive Directors
2003	Chairman of the Board of Executive Directors of BASF Aktiengesellschaft (BASF SE since January 14, 2008)

2) Dr. John Feldmann, Member of the Executive Board of Directors

Currently, Dr. John Feldmann is responsible for Construction Chemicals; Acrylic & Dispersions; Care Chemicals; Performance Chemicals; Styrenics; Polymer Research Division.

Professional career:

1988	Joined BASF Aktiengesellschaft as product manager for detergent additives
1990	Group Leader, Strategic Planning
1993	Vice President, Strategic Planning department
1996	President, South East Asia/Australia division headquartered in Singapore
1999	Head of cross-divisional negotiating teams, Ludwigshafen
2000	Appointed member of the Board of Executive Directors of BASF Aktiengesellschaft (BASF SE since January 14, 2008)

3) Dr. Kurt Bock, Member of the Executive Board of Directors and Chief Financial Officer

Currently, as the Chief Financial Officer of BASF SE, Dr. Bock is responsible for Finance; Catalysts; Market & Business Development North America; Regional Functions North America; Information Services Corporate Controlling; Corporate Audit.

Professional career:

1985	Joined BASF Aktiengesellschaft, Finance division
1987	Executive assistant to BASF's Chief Financial Officer
1991	Head of Technology, Planning and Controlling, Engineering Plastics division, BASF Aktiengesellschaft
1992	Senior Vice President, Finance, Robert Bosch GmbH, Stuttgart, Germany
1994	Senior Vice President, Finance and Accounting, Robert Bosch GmbH
1996	Managing Director, Robert Bosch Ltda., Campinas, Brazil
1998	Chief Financial Officer, BASF Corporation, Mount Olive, New Jersey, USA
2000	President Logistics & Information Services, BASF Aktiengesellschaft
2003	Member of the Board of Executive Directors and CFO of BASF Aktiengesellschaft (BASF SE since January 14, 2008)
2007	Chairman and Chief Executive Officer of BASF Corporation, New Jersey, USA

4) Dr. Stefan Marcinowski, Member of the Executive Board of Directors

Dr. Stefan Marcinowski is responsible for Crop Protection; Coatings and Specialty Chemicals Research Division and BASF Plant Science. Furthermore he is responsible for the South America Regional

Division.

Professional career:

1979	Joined BASF Aktiengesellschaft's Main Laboratory to work in biotechnological research
1986	Assistant to the Chairman of the Board of Executive Directors
1988	Senior Vice President, Public Relations department
1992	Vice-President Executive BASF S.A., Brazil
1995	President, Plastic Foams & Reaction Resins division
1997	Appointed member of the Board of Executive Directors of BASF Aktiengesellschaft (BASF SE since January 14, 2008)

5) Dr. Martin Brudermüller, Member of the Executive Board of Directors

Dr. Martin Brudermüller is responsible for the Performance Polymers and Polyurethanes Division as well as for the Asia Pacific region. He has been based in Hong Kong since April 2006.

Professional career:

1988	Started work in the Ammonia Laboratory at BASF Aktiengesellschaft
1993	New business development/marketing, Intermediates division
1995	Delegated to BASF Italia Spa, Milan Head of Marketing and Sales Intermediates, pharmaceutical chemicals
1997	Executive assistant to the Vice Chairman of the Board of Executive Directors, Ressort Chemicals
1999	Director, production fat-soluble vitamins, Fine Chemicals operating division
2001	Senior Vice President, Strategic Planning BASF Group
2003	President, Functional Polymers division
2005	Appointed to the Board of Executive Directors of BASF Aktiengesellschaft (BASF SE since January 14, 2008)

6) Dr. Andreas Kreimeyer, Member of the Executive Board of Directors

Dr. Andreas Kreimeyer is responsible for Inorganics; Petrochemicals; Intermediates; Chemicals Research & Engineering; Science Relations & Innovation Management and BASF Future Business. In addition, Dr. Kreimeyer is Research Executive Director.

Professional career:

1986	Joined the Main Laboratory of BASF Aktiengesellschaft and became group leader for biotechnology
1993	Personal assistant to the Chairman of the Board of Executive Directors
1995	Transfer to Singapore, work within the South East Asia/Australia division
1998	President of the Fertilizers division
2000	President of the Dispersions division
2001	President of the Functional Polymers division
2002	Appointed to the Board of Executive Directors effective January 1, 2003
2003	Member of the Board of Executive Directors of BASF Aktiengesellschaft (BASF SE since January 14, 2008)

7) Dr. Harald Schwager, Member of the Executive Board of Directors

Dr. Harald Schwager is responsible for the Competence Centers Human Resources; Environment, Health & Safety; Engineering & Maintenance and Verbund Site Management Europe.

Professional career:

1988	Started work at BASF in polypropylene catalyst research
1990	Technical service for polypropylene
1994	Marketing and sales for polyvinyl chloride
1998	Head of the Polyvinyl Chloride business unit headquartered in Brussels, Belgium
1999	Managing Director of the European companies of Solvin S.A. in Brussels, Belgium
2003	President, Inorganics division BASF Group
2006	President, Verbund Site Manager Ludwigshafen
2007	In addition, Verbund Site Management Europe
2008	Member of the Board of Executive Directors of BASF Aktiengesellschaft (BASF SE since January 14, 2008)

8) Dr. Hans-Ulrich Engel, Member of the Executive Board of Directors

Dr. Hans-Ulrich Engel is responsible for the Oil & Gas Division; the Europe Regional Division and the Global Procurement & Logistics Division.

Professional career:

1988	Joined Legal Department of BASF Aktiengesellschaft
1993	Delegation to BASF Corporation in North America
1994	Return to Legal Department of BASF Aktiengesellschaft
1996	Assistant to the Chairman and CEO of BASF Aktiengesellschaft
1997	Managing Director of BASF Schwarzheide GmbH
2000	Executive Vice President and Chief Financial Officer of BASF Corporation in North America and President, Regional Functions North America
2006	Projects
2008	President, Legal, Taxes and Insurance
2008	Member of the Board of Executive Directors of BASF SE

None of the above Directors has any shareholding in BASF India Limited.

4.1.12 The principal trading market for BASF SE shares is the Frankfurt Stock Exchange. BASF SE shares are also traded on the other German stock exchanges namely Berlin, Dusseldorf, Hamburg, Hannover, Munich and Stuttgart. In addition, BASF SE shares are also traded on the London and Swiss stock exchanges. The closing price of equity shares of BASF SE on the Deutsche Börse as on May 13, 2008 was € 91.29 per share (equivalent to Rs. 5,983.15 per share). BASF SE has not been subject to any penal action by the German Stock Exchange (Deutsche Börse), London Stock Exchange and Swiss Stock Exchange and securities regulators of various jurisdictions.

4.1.13 Acquisition, merger, de-merger, spin off (with a consideration of more than € 500 million) involving the Acquirer during the last three years:

BASF SE's material acquisitions/mergers (with a purchase price of € 500 million or more) in the three years ending December 31, 2007 are as follows:

Acquired Company	Acquisition Date	Purchase Price (€ Millions)	Brief Description of the Acquired Company
Engelhard Corp	June 6, 2006	3,844.1	Businesses in particular in the fields of catalysts, precious metals trading and pigments
Construction chemicals business of Degussa AG	July 1, 2006	2,210.0	Construction chemicals business

Payments related to acquisitions by BASF SE were € 535.7 million, € 6,396.7 million and € 635.3 million for the years ended December 31, 2005, 2006 and 2007, respectively. Proceeds from divestitures by BASF SE were € 1,530.8 million, € 156.5 million and € 98.8 million for the years ended December 31, 2005, 2006 and 2007, respectively.

4.1.14 Change in the name of the Acquirer since inception: On June 26, 1973, the Acquirer changed its name from "Badische Anilin- & Soda-Fabrik Aktiengesellschaft" to "BASF Aktiengesellschaft". The name was changed to "BASF SE" on January 14, 2008 upon BASF's conversion into a European Company.

4.1.15 Name and contact details of the Compliance Officer: Chief Compliance Officer of BASF SE: Dr. Eckart Sünner, BASF SE, RES01 – D 100, 67056 Ludwigshafen, Germany, Tel. +49 621 60-49985, Fax: +49 621 60-20540

4.2 **Persons Acting in Concert (PACs) –** There are no "persons acting in concert" ("PACs") with the Acquirer for the purpose of this Offer within the meaning of Regulation 2(1) (e) of the SEBI (SAST) Regulations.

4.3 Morgan Stanley Bank AG, a stock corporation under the laws of Germany with its registered office at Junghofstraße 13-15, 60311 Frankfurt/Main, Germany, who are the Bankers to the Acquirer (the "Bankers") have vide their letter dated May 13, 2008 ("Fund Sufficiency Certificate") confirmed based on the funds available with the Acquirer in its treasury department and an agreement between Acquirer and Morgan Stanley Bank AG relating to such funds and to the Fund Sufficiency Certificate, that Acquirer has sufficient means and financial capability for the purpose of acquiring in cash up to 6,289,591 fully paid up Equity Shares (being 22.31% of the issued share capital of the Target Company) at an Offer Price of Rs. 274 per Equity Share for a total consideration of approximately Rs. 1,723,347,934.

4.4 Sharp & Tannan, Chartered Accountants, having their registered office at Ravindra Annexe, 194, Churchgate Reclamation, Dinshaw Vachchha Road, Mumbai – 400 020, India, have vide their letter dated May 30, 2008 certified on the basis of the funds available with the Acquirer in its treasury department, that Acquirer has sufficient means and financial capability for the purpose of acquiring in cash up to 6,289,591 fully paid up Equity Shares (being 22.31% of the issued share capital of the Target Company) at an Offer Price of Rs. 274 per Equity Share for a total consideration of approximately Rs. 1,723,347,934.

4.5 The future plans of the Acquirer with respect to the Target Company are as disclosed in section 3.3 of the Letter of Offer.

5. OPTION IN TERMS OF REGULATION 21(2)

As per the Listing Agreements with the BSE and NSE and in terms of clause 40A of the Listing Agreement (as amended), the Target Company is required to maintain at least 25% public shareholding for listing on a continuous basis.

Pursuant to successful closure of the Offer and even assuming full acceptances, the public shareholding of the Target Company shall not fall to less than 25% of the Voting Capital of the Target Company. Hence, the Target Company would continue to be listed at the completion of this Offer. Currently the Acquirer/Target Company do not have an intention to delist the Target Company during the next 3 years.

6. BACKGROUND OF THE TARGET COMPANY

6.1 BASF India was incorporated as R.A. Cole Private Limited on May 13, 1943 under the Indian Companies Act, VII of 1913. The name R. A. Cole Limited was changed to Indoplast Limited on January 9, 1963. The name of the Target

Company was thereafter changed to its present name BASF India Limited on September 23, 1967. BASF India Limited is a public limited company with registered office located at R.B.C. Mahindra Towers, 1st Floor, 'A' Wing, Dr. G.M. Bhosale Marg, Worli, Mumbai 400018. Tel +91-22 66618000, Fax +91-22-24950512. BASF India is a subsidiary of BASF SE, which is also the Promoter of BASF India.

6.2 BASF India Limited is presently engaged in the business of manufacturing and marketing of a wide range of chemicals including expandable polystyrene, tanning agents, leather chemicals and auxiliaries, finishing agents and pigments, crop protection chemicals, textile chemicals, dispersions and speciality chemicals. It is also engaged in trading and indenting of chemicals.

The Works (Factories) of the Company are located at: a) Thane-Belapur Road, Turbhe, Navi Mumbai 400705, Maharashtra b) Bala/Thokur Village, Surathkal-Bajpe Road, Mangalore Taluka, Dakshina Kannada District, Karnataka 575030 c) 83/2, Demni Village, Dena Bank Road, Dadra – 396191, Union Territory of Dadra & Nagar Haveli. The Company has branch offices at Ahmedabad, Chennai, Delhi, Kolkata.

6.3 BASF India established a wholly owned subsidiary, BASF Polyurethanes India Limited ("BPIL"), on April 6, 2005 for setting up a system house to manufacture Polyurethanes system products. The business of BASF India relating to Polyurethanes products was transferred by the Target Company to BPIL, effective 1st July 2006.

6.4 Share capital structure of the Target Company as on the date of Public Announcement is as follows:

Paid Up Equity Shares of the Target Company	**No of Shares**		**Voting Rights**	
	No of Shares	**%**	**Voting Rights**	**%**
Fully Paid Up Equity Shares	28,189,466	100%	28,189,466	100%
Partly Paid Up Equity Shares	Nil	Nil	Nil	Nil
Issued shares kept in abeyance	682	Negligible	682	Negligible
Total Equity Shares	**28,190,148**	**100%**	**28,190,148**	**100%**

6.5 Find below the build up of the current capital structure of the Target Company since inception and till the date of the Public Announcement. Also find below the status of compliance with the applicable provisions of the SEBI (SAST) Regulations/ other applicable provisions under the SEBI Act and other applicable statutory requirements.

Date of Allotment	***Number of Equity Shares Issued**	**Cumulative Issued Share Capital**	**Percentage of Shares**	**Cumulative paid up Share Capital**	**Face Value #**	**Mode of Allotment**	**Identity of Allottees (promoters/ ex-promoters/ others)**	**Status of Compliance**
30 Dec 1943	10	1,000	0.000	1,000	100	Cash	Allotment to Individuals	Yes
17 Mar 1944	70	8,000	0.002	8,000	100	Issued pursuant to contract without payment being received in cash	Issued pursuant to Agreement.	Yes
17 Mar 1944	130	21,000	0.005	21,000	100	Cash	Allotment to Individuals	Yes
15 May 1957	390	60,000	0.014	60,000	100	Cash	Allotment to Individuals	Yes
17 Jun 1958	400	100,000	0.014	100,000	100	Cash	Allotment to Individuals	Yes
22 Jun 1961	9000	1,000,000	0.319	1,000,000	100	Cash	Allotment of 5000 shares to BASF Aktienge sellschaft and allotment of 4000 shares to individuals.	Yes

Date of Allotment	*Number of Equity Shares Issued	Cumulative Issued Share Capital	Percentage of Shares	Cumulative paid up Share Capital	Face Value #	Mode of Allotment	Identity of Allottees (promoters/ ex-promoters/ others)	Status of Compliance
16 Feb 1967	10000	2,000,000	0.355	2,000,000	100	Bonus	Bonus Issue in proportion of 1:1	Yes
04 Oct 1967	2500	2,250,000	0.089	2,250,000	100	Cash	Allotment to Individuals	Yes
15 Feb 1968	162500	3,875,000	0.577	3,875,000	10	Cash	Allotment to BASF Aktiengesellschaft on rights basis	Yes
15 Feb 1968	17,500	4,050,000	0.062	4,050,000	10	Cash	Allotment to Individuals	Yes
22 Mar 1968	10,000	4,150,000	0.035	4,150,000	10	Cash	Issued to Employees	Yes
22 Mar 1968	110,000	5,250,000	0.390	5,250,000	10	Cash	Public Issue	Yes
27 Sep 1976	175,000	7,000,000	0.621	7,000,000	10	Bonus	Bonus Issue in proportion of 1:3	Yes
28 Sep 1979	700,000	14,000,000	2.483	14,000,000	10	Bonus	Bonus Issue in proportion of 1:1	Yes
16 Apr 1982	1,440,000	28,400,000	5.108	28,400,000	10	Cash	Rights Issue	Yes
25 Aug 1988	1,420,000	42,600,000	5.037	42,600,000	10	Bonus	Bonus Issue in proportion of 1:2	Yes
11 Jan 1991	2,130,000	63,900,000	7.556	63,900,000	10	Bonus	Bonus Issue in proportion of 1:2	Yes
06 Jan 1993	3,195,000	95,850,000	11.334	95,850,000	10	Bonus	Bonus Issue in proportion of 1:2	Yes
02 Mar 1995	1,917,000	115,020,000	6.800	115,015,680	10	Cash	Right Issue in ratio of 1:5	Yes
16 Oct 1996	4,600,800	161,028,000	16.321	161,021,180	10	Cash	Right Issue in ratio of 2:5	Yes
16 Nov 1998	8,051,400	241,542,000	28.561	241,535,180	10	Bonus	Bonus Issue in proportion of 1:2	Yes
25 Sep 2001	4,035,948	281,901,480	14.317	281,894,660	10	Allotment under scheme of amalgamation	Allotment to members of transferor Company under scheme of amalgamation.	Yes

On 26 December 1967, each equity share of Rs. 100/- each was subdivided into 10 shares of Rs.10/- each

* *Includes 682 Shares held in abeyance*

6.6 As on the date of the Public Announcement, the trading of Shares of the Target Company has not been suspended either on BSE or NSE.

6.7 As on the date of the Public Announcement, there have been no instances of non-listing of some and/or all Shares of the Target Company at any stock exchange(s) as applicable.

6.8 As on the date of the Public Announcement, the Target Company has no outstanding warrants, fully convertible debentures, partly convertible debentures, partly paid up shares or any other instruments convertible into Shares of the Target Company at a future date.

6.9 Please find below the details of compliance with the applicable provisions of Chapter II of SEBI (SAST) Regulations by the Target Company as on the date of the Public Announcement

Sr. No.	Regulation / Sub-regulation	Due date for compliance as mentioned in the Regulations	Actual date of compliance	Delay, if any (in no. of days) Col4-Col.3	Remarks
1	**2**	**3**	**4**	**5**	**6**
1	6(4)	20.05.1997	31.03.2003	-	There was no change in the shareholding of the Promoter, BASF SE during the years 1997-2000. The Disclosures were made in terms of SEBI Regularization Scheme 2002.
2	8(3)	07.09.1997	31.03.2003	-	
3	8(3)	30.04.1998	31.03.2003	-	
4	8(3)	06.09.1998	31.03.2003	-	
5	8(3)	30.04.1999	31.03.2003	-	
6	8(3)	04.09.1999	31.03.2003	-	
7	8(3)	30.04.2000	31.03.2003	-	
8	8(3)	25.05.2000	31.03.2003	-	
9	8(3)	30.04.2001	17.04.2001	-	
10	8(3)	29.09.2001	13.09.2001	-	
11	8(3)	30.04.2002	12.04.2002	-	
12	8(3)	30.04.2002	26.04.2002	-	
13	7(3)	02.05.2002	26.04.2002	-	
14	8(3)	01.09.2002	14.08.2002	-	
15	8(3)	30.04.2003	07.04.2003	-	
16	8(3)	06.09.2003	13.08.2003	-	
17	8(3)	30.04.2004	12.04.2004	-	
18	8(3)	04.09.2004	06.08.2004	-	
19	8(3)	30.04.2005	01.04.2005	-	
20	8(3)	04.09.2005	08.08.2005	-	
21	8(3)	30.04.2006	05.04.2006	-	
22	8(3)	09.09.2006	16.08.2006	-	
23	8(3)	30.04.2007	05.04.2007	-	
24	8(3)	30.08.2007	06.08.2007	-	
25	8(3)	30.04.2008	10.04.2008	-	

As on the date of Public Announcement, the following table details the compliance by BASF SE, being the Promoter of the Target Company, with the provisions of Chapter II of SEBI (SAST) Regulations.

Sr. No.	Regulation / Sub-regulation	Due date for compliance as mentioned in the Regulations	Actual date of compliance	Delay, if any (in no. of days) Col4-Col.3	Remarks
1	2	3	4	5	6
1	6(3)	20.04.1997	25.02.2003	-	There was no change in the shareholding during the years 1997-2000. The Disclosures were made in terms of SEBI Regularization Scheme 2002.
2	8(2)	29.08.1997	25.02.2003	-	
3	8(2)	21.04.1998	25.02.2003	-	
4	8(2)	28.08.1998	25.02.2003	-	
5	8(2)	21.04.1999	25.02.2003	-	
6	8(2)	26.08.1999	25.02.2003	-	
7	8(2)	21.04.2000	25.02.2003	-	
8	8(2)	16.05.2000	25.02.2003	-	
9	8(2)	21.04.2001	09.04.2001	-	-
10	8(2)	20.09.2001	31.08.2001	-	-
11	8(2)	21.04.2002	19.04.2002	-	-
12	7(1)	27.04.2002	25.04.2002	-	-
13	8(2)	23.08.2002	02.08.2002	-	-
14	8(2)	21.04.2003	31.03.2003	-	-
15	8(2)	28.08.2003	07.08.2003	-	-
16	8(2)	21.04.2004	12.03.2004	-	-
17	8(2)	26.08.2004	05.08.2004	-	-
18	8(2)	21.04.2005	31.03.2005	-	-
19	8(2)	26.08.2005	05.08.2005	-	-
20	8(2)	21.04.2006	31.03.2006	-	-
21	8(2)	31.08.2006	10.08.2006	-	-
22	8(2)	21.04.2007	03.04.2007	-	-
23	8(2)	20.08.2007	03.08.2007	-	-
24	8(2)	21.04.2008	03.04.2008	-	-

6.10 BASF India has duly complied with the various requirements of Clause 49 relating to corporate governance under the Listing Agreements with the BSE and NSE from time to time. No penal actions have been initiated by the BSE and NSE against the Target Company till the date of Public Announcement.

Composition of the Board of Directors:

The Company has 8 Directors including the Chairman. Of these, 4 Directors are independent directors. The Chairman of the Board is an Executive Chairman and is also the Managing Director of the Company. The Company has 3 Alternate Directors.

The composition of the Board of Directors of the Company is given below:

Name	Designation	Category
Mr. Prasad Chandran	Chairman & Managing Director	Executive Director
Dr. Rainer Diercks	Director	Non Executive Director
Mr. R. Y. Vaidya	Alternate Director to Dr. Rainer Diercks	Executive Director
Dr. Tilman Krauch	Director	Non Executive Director
Mr. Deepak Thuse	Alternate Director to Dr. Tilman Krauch	Executive Director
Mr. Hermann Althoff	Director	Non Executive Director
Mr. S. Ramnath	Alternate Director to Mr. Hermann Althoff	Executive Director
Mr. K. R. Coorlawala	Director	Independent Director
Mr. R.R. Nair	Director	Independent Director
Mr. Pradip P. Shah	Director	Independent Director
Mr. R. A. Shah	Director	Independent Director

Audit Committee

The composition of the Audit Committee as on the date of the PA is as under:

Mr. R.R. Nair	Chairman
Mr. K. R. Coorlawala	Member
Mr. Pradip P Shah	Member
Mr. R.A. Shah	Member
Mr. S. Ramnath	Permanent Invitee
Mr. M.R. Iyer	Secretary

Shareholders' Grievance Committee

The composition of the Shareholders' Grievance Committee as on the date of the PA is as under**:**

Mr. K.R. Coorlawala	Chairman
Mr. Prasad Chandran	Member
Mr. S. Ramnath	Member
Mr. M. R. Iyer	Compliance Officer

Remuneration (Compensation) Committee

As the Remuneration Committee is non-mandatory, the Board of Directors decided that the formation of the Remuneration Committee be taken at an appropriate time.

Remuneration Policy

The remuneration of the Executive Directors of the Company is decided by the Board of Directors and the Shareholders. The remuneration of non–executive directors is decided by the Board within the limits approved by the members.

General Body Meetings

Location, date and time where last three annual general meetings were held:

Financial Year	Venue	Date	Time
2004-2005	Yashwantrao Chavan Pratishthan Auditorium	August 5, 2005	3.00 pm
2005-2006	Yashwantrao Chavan Pratishthan Auditorium	August 10, 2006	3.00 pm
2006-2007	Yashwantrao Chavan Pratishthan Auditorium	July 31, 2007	3.00 pm

The Auditors of BASF India Limited, vide their letter dated April 16, 2008 certified that BASF India Limited has complied with the conditions of Corporate Governance as stipulated in the Listing Agreement for the year ended March 31, 2008.

6.11 As on the date of the Public Announcement, the Board of Directors of the Target Company comprises of 8 directors: Mr. Prasad Chandran (Chairman & Managing Director), Dr. Tilman Krauch (Non-Executive Director), Dr. Rainer Diercks (Non-Executive Director), Mr. Hermann Althoff (Non-Executive Director), Mr. K. R. Coorlawala (Independent Director), Mr. Pradip P. Shah (Independent Director), Mr. R.A. Shah (Independent Director), Mr. R.R. Nair (Independent Director). Mr. Deepak Thuse is an alternate director to Dr. Tilman Krauch, Mr. S. Ramnath is an alternate director to Mr. Hermann Althoff and Mr. R.Y. Vaidya is an alternate director to Dr. Rainer Diercks.

6.12 Find below the details relating to the Board of Directors of the Target Company as on the date of the Public Announcement:

Name of the Director	Appointment Date	Experience	Qualifications	Residential Address
* Mr. Prasad Chandran	April 29, 1996.	34 years	B.Sc (Hons), Diploma in Industrial Chemistry, MBA, Advance Management Education from Institutes in USA, UK and Japan.	16 B, Darbhanga Mansion, Carmichael Road, Mumbai 400026.
* Dr.Tilman Krauch	April 17, 2006.	**18 years	Studied Chemistry at the University of Freiburg, Germany and at ETH Zurich, Switzerland. Done his doctorate and spent his post doctorate period at the Shemiakin Institute, Moscow, Russia and Kyoto University, Japan.	House #8, 2, Barker Road, The Peak, Hong Kong – 588825.
(Alternate : Mr.Deepak	April 17, 2006.	30 years	B.E. (Electricals), DBM	Eden Hall, Flat No.K -1, 11th Floor, Rajni Patel Chowk, Dr.Annie Besant Road, Worli, Mumbai 400018.
* Mr. Hermann Althoff	April 16, 2008.	** 16 years	Business Administration (Betriebswirtschaft) at Mannheim Univeristy, Germany.	6, Hullet Road, #09-02, Singapore - 229159
(Alternate : Mr. S. Ramnath)	April 16, 2008.	26 years.	B. Com; ACA, C.I.A	Flat No.122, Dadar Silver Beach CHS Off Veer Savarkar Marg, Dadar Mumbai 400028.

Name of the Director	Appointment Date	Experience	Qualifications	Residential Address
* Dr. Rainer Diercks	January 23, 2006	** 21 years	Doctorate in Chemistry	AM Schlittwey 8, 67141, Neuhofen, Germany
(Alternate: Mr. R. Y. Vaidya)	April 16, 2008.	34 years	B. Sc., BE	Flat no.92, 9th Floor, Primrose Building, Tata Glendale, Pokhran Road No.2, Thane
Mr. K. R. Coorlawala	February 10, 1975.	69 years	B. Sc.	201, Daisylea 17A, Mount Pleasant Road, Mumbai 400006
Mr. Pradip P. Shah	January 31, 2000.	25 years	B.Com, MBA (Harvard) Chartered Accountant, Cost Accountant.	71, Embassy Apartments, 46 Napean Sea Road, Mumbai 400006
Mr. R.A. Shah	April 25, 1968.	46 years	Advocate & Solicitor	Panorama, 203, Walkeshwar Road, Near Teen Bhatti, Mumbai 400006.
Mr. R.R. Nair	March 30, 2001.	41 years.	Masters degree in Psychology, Post-Master's diploma in Industrial & Personnel Management, Diploma in Advance Personnel Management.	"Aavishkar" 785, 4th Block 5th Cross, Koramangala Bangalore – 560034.

* *Represent BASF SE*

** *Experience in the BASF Group*

The following Directors of BASF India may be deemed to be representing BASF SE: Mr. Prasad Chandran, Dr. Tilman Krauch, Dr. Rainer Diercks and Mr. Hermann Althoff. Therefore, in terms of Regulation 22(9) of the SEBI (SAST) Regulations, these Directors shall recuse themselves and not participate in any matters concerning or relating to the Offer including any preparatory steps leading to the Offer.

Brief details of the background and experience of the Directors of the Target Company are as follows:

1. Mr. Prasad Chandran

Mr. Prasad Chandran, Managing Director, has over 34 years experience and has held senior and responsible positions in marketing, commercial and operational areas.

Prior to his appointment as the Managing Director of the Company w.e.f April 2, 2000, Mr. Chandran was the Executive Director and Chief Executive of the Crop Protection chemicals (Agricultural Products) business of the Company. Mr. Chandran is the Head of BASF South Asia, with Group Companies in Pakistan, Sri Lanka and Bangladesh reporting to him.

Mr. Chandran is the Co-chairman of the National Committee on Chemicals and Petrochemicals of the Confederation of Indian Industries (CII), Managing Committee Member of The Bombay Chamber of Commerce & Industry and a Committee Member of the Indo-German Chamber of Commerce. He is an Executive Committee Member of Federation of Indian Chamber of Commerce and Industry (FICCI), Executive Committee Member of The Energy and Resources Institute (Business Council for Sustainable Development), Member of the Advisory Board of IMA India and an active participant in a number of trade/industry associations and Government Committees.

2. **Mr. Hermann Althoff**

Mr. Althoff has over 16 years experience in the BASF Group. He has studied Business Administration (Betriebswirtschaft) at Mannheim University, Germany. Mr. Althoff joined BASF SE's Fibre Polymers Division in 1992 as Marketing Manager. In 2001, he became Director, Polyamides & Intermediates, Asia Pacific and in 2004, he became Director, Global Supply Chain Management, Polyamides & Intermediates. Presently, Mr. Althoff is the Group Vice President, Engineering Plastics, Asia Pacific. Mr. Althoff has been a Director of the Company since April 16, 2008.

3. **Dr. Tilman Krauch**

Dr.Tilman Krauch has over 18 years experience in the BASF Group. He joined BASF SE's Plastics Laboratory in 1990. He worked as Assistant to the Chairman of the Board of Executive Directors of BASF SE in 1995. In 2001, he became Group Vice President, Fiber Intermediates, Europe, Performance Polymers Division and in 2004, became Group Vice President Global Business Unit, Polyamide and Intermediates, Performance Polymers Division. Presently, Dr. Krauch is the President, Regional Functions and Country Management, Asia Pacific. Dr.Tilman Krauch, has been a Director of the Company since April 17, 2006.

4. **Dr.Rainer Diercks**

Dr. Diercks has over 21 years experience in the BASF Group. He joined BASF SE's Ammonia Laboratory as head of a specialized lab in 1986. In 1990, he became the Head of Formaldehyde Technologies Development in the industrial chemicals division. In 1991, he was appointed as the Manager, Silver Regeneration plant and in 1992 as the Manager, Formaldehyde plant. In 1994, he was appointed as assistant to Board Member in Ressort VI and Director, economic efficiency evaluation. In 1996, he was elevated to Vice President, Strategic Planning Department. In 2001, he was made the President, Inorganics division and in 2003, President of the Chemicals Research & Engineering Division. Dr. Diercks has been a Director of the Company since January 23, 2006.

5. **Mr. Deepak Thuse**

Mr. Thuse, Chief Executive (Plastics) has been in employment of the Company since August 3, 1981 and has valuable experience of over 30 years in the Plastics business.

6. **Mr. S. Ramnath**

Mr. Ramnath, Chief Executive (Finance and Information Technology), has been in the employment of the Company since November 18, 1996 and has valuable experience of over 26 years in finance, accounting and other areas.

7. **Mr. R.Y. Vaidya**

Mr. R. Y. Vaidya, Chief Executive (Manufacturing) has been in employment of the Company since March 14, 1997 and has valuable experience of over 34 years in manufacturing, projects and technical management.

8. **Mr. Pradip P Shah**

Mr. Shah has been a Director on the Board of the Company since January 31, 2000. He is the founder Managing Director of CRISIL, India's first and largest credit rating agency. He has served as a member of various committees of the Government on matters concerning finance. Mr. Shah is the Chairman of IndAsia Fund Advisors Private Ltd, a private equity investment and corporate finance advisory company. Presently, he is Chairman / Director of a number of Public Limited Companies.

9. **Mr. R.R. Nair**

Mr. Nair has been a Director of the Company since March 30, 2001. He was employed as Selection & Training Manager in Hindustan Lever Limited, a subsidiary of Unilever Corp. in 1973. He contributes regularly to teaching efforts at the Indian School of Business, Hyderabad, Indian Institute of management, Bangalore, National University of Singapore and Hindustan Lever Limited's Management Training Centre. He was selected for the National Award by the National Human Resource Department (NHRD) Network for outstanding contribution to the HR profession. He was also conferred the Life-time Achievement award by NHRD. Presently, he is a director of a number of public limited companies in India.

10. Mr. R. A. Shah

Mr. Shah has been a Director on the Board since April 25, 1968. Mr. Shah is a Solicitor and Senior Partner of M/s. Crawford Bayley & Co. a reputed firm of Advocates & Solicitors, Mumbai. He has specialized in a broad spectrum of Corporate Laws in general with special focus on Foreign Investments, Joint Ventures, Technology and License Agreements, Intellectual Property rights, Mergers & Acquisitions, Industrial Licensing, Antitrust and Competition Law. Mr. Shah is a Member in the Managing Committees of various Commerce & Industry Associations such as Bombay Chamber of Commerce and Industry, Indo German Chamber of Commerce and the President of the Society of Indian Law Firms (Western Region). Presently, he is also a director on a number of public limited companies in India.

11. Mr. K. R. Coorlawala

Mr. Coorlawala has been a Director on the Board of the Company since February 10, 1975. Mr. Coorlawala joined the Indian Army as a regular commissioned officer. He thereafter worked as a Wholetime Director in the Associated Cement Companies limited looking after Personnel and Industrial Relations, Marketing and Publicity Divisions. Since 1971, he has been a Trustee of the Breach Candy Hospital, subsequently Chairman and Chairman Emeritus of the Trust.

6.13 Relevant details of any restructuring, merger/de-merger spin off of business during last 3 years involving the Target Company

In line with the practice followed globally by the Polyurethanes business group, and with a view to impart greater focus to Polyurethanes system (“PU”) business in India, the Company’s wholly owned subsidiary BASF Polyurethanes India Ltd (“BPIL”) was incorporated on 6th April 2005, to establish a system house to manufacture PU products. The activity of indenting and trading in PU products of the Company was transferred to BPIL effective 1st July 2006.

In the event of synergies with the existing operations of the Target Company not materializing, BASF SE or its affiliates have the discretion to acquire the Target Company’s holding in BPIL in 2008 on the basis of a fair valuation of the shares of BPIL carried out by an independent valuer. In any event, the value of the said shares of BPIL shall not be lower than the original investment value, appearing in the books of the Company.

6.14 Based on the latest audited annual accounts of the Target Company, the financial highlights of the Target Company are as follows:

(Amounts Rs. in lakhs, except per share data)

Profit & Loss Statement	**Year Ending March 31, 2006**	**Year Ending March 31, 2007**	**Year Ending March 31, 2008**
Net Sales	68,257	84,660	105,364
Other Income	540	247	321
Total Income	**68,797**	**84,907**	**105,685**
Total Operating Expenditure (excluding depreciation)	58,154	76,458	96,024
Profit Before Depreciation Interest and Tax	10,643	8,449	9,661
Depreciation & Amortization	2,205	1,168	1,473
Interest Expense	236	277	36
Increase/(decrease in stocks)	(1,153)	818	1,302
Profit Before Tax	7,049	7,822	9,130
Provision for Tax	2,519	2,817	3,384
Profit After Tax	**4,530**	**5,005**	**5,746**

Balance Sheet Statement	**As on March 31, 2006**	**As on March 31, 2007**	**As on March 31, 2008**
Sources of funds			
Paid up share capital	2,819	2,819	2,819
Reserves and Surplus (excluding revaluation reserves)	24,810	27,506	30,943
Net worth	27,629	30,325	33,762
Secured loans	-	-	-
Unsecured loans	499	3,181	2,727
Deferred tax liabilities (net)	-	-	-
Total	**28,128**	**33,506**	**36,489**
Uses of funds			
Net fixed assets (including WIP and expenditure during construction)	7,997	11,502	13,235
Investments	290	290	290
Deferred tax assets	349	210	236
Net current assets	19,492	21,504	22,728
Total miscellaneous expenditure not written off	-	-	-
Total	**28,128**	**33,506**	**36,489**

Other Financial Data	**As on or for the Year Ending March 31, 2006**	**As on or for the Year Ending March 31, 2007**	**As on or for the Year Ending March 31, 2008**
Dividend (%)	70.00	70.00	70.00
Earning Per Share	16.07	17.75	20.38
Return on Net worth	17.10	17.27	17.93
Book Value Per Share	98.01	107.57	119.77

6.15 The reasons for fall/rise in total income and Profit after Tax for the relevant years are as follows:

Fiscal 2008 compared with Fiscal 2007

The increase in sales and profits are mainly due to higher capacity utilization, improved operating results of Agro products, Textile, Dispersion and Chemical business.

Fiscal 2007 compared with Fiscal 2006

The increase in sales and profits are mainly on account of reduction in interest cost, higher capacity utilization and improved operating results in Performance products and Expandable Polystyrene business.

Fiscal 2006 compared with Fiscal 2005

The increase in sales and profits are mainly on account of reduction in interest cost and improved operating results in Agro products and Chemical business.

6.16 Pre and Post Offer shareholding pattern of the Target Company as per the following table as on May 15, 2008:

	Shareholder's Category	Shareholding & voting rights prior to the agreement/ acquisition and offer		Shares/ voting rights agreed to be acquired which triggered off the Regulations		Shares/ voting rights to be acquired in open offer (Assuming full acceptances)		Shareholding/ voting rights after the acquisition and offer	
		(A)		(B)		(C)		(D) = (A) + (B) + (C)	
		No.	%	No.	%	No.	%	No.	%
(1)	**Promoter #**								
	a. Parties to agreement, if any	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.
	b. Promoters other than (a) above	14,853,020	52.69	n.a.	n.a.	6,289,591	22.31	21,142,611	75.00
	Total 1 (a+b)	**14,853,020**	**52.69**	**n.a.**	**n.a.**	**6,289,591**	**22.31**	**21,142,611**	**75.00**
(2)	**Acquirers**								
	a. Main Acquirer	Same as the Promoter							
	b. PACs	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.
	Total 2 (a+b)								
(3)	**Parties to agreement other than (1)(a) & (2)**	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.
(4)	**Public**								
	a. FIs/ MFs/ Banks/ SFIs/ FII's	4,365,852	15.48						
	b. Others	8,971,276	31.83						
	Total (4) (a+b)	**13.337,128**	**47.31**			**(6,289,591)**	**(22.31)**	**7,047,537**	**25.00**
	GRAND TOTAL (1+2+3+4) *	**28,190,148**	**100.00**						

Promoter is same as the Acquirer since the present Offer is voluntary consolidation of holdings under Regulation 11 of SEBI (SAST) Regulations

* *Includes 682 Equity Shares kept in abeyance*

Further details of the Shareholders in the Public category are as under:

FIs, MFs, Banks, SFIs	**No. of shareholders**	**Total No. of shares**	**% of holding**
Mutual Funds			
Reliance Capital Trustee Co. Ltd A/c. Reliance Long term Equity Fund	1	3,74,411	1.33
Others	9	957	0.00
Financial Institutions/Banks	30	10,54,319	3.74
Central Government/State Government(s)	1	30	0.00
Insurance Companies	5	19,39,871	6.88
Foreign Institutional Investors	13	9,96,264	3.53
Sub Total (Category 4(a) above)	**59**	**43,65,852**	**15.48**

The total number of Shareholders in the non-institutional category (i.e. category 4 (b) above) is 29,670. Taken together with the number of Shareholders in the institutional category, the total number of Shareholders of the Company in the Public category is 29,729.

6.17 Find below the details of the change in shareholding of the Promoter of the Target Company as and when it happened as on date of the Public Announcement:

Sr. No.	**Date of Allotment / Acquisition**	**No. of shares issued**	**Cumulative no. of shares**	**Face value * (Rs.)**	**Reason for change**	**Status of Compliance**
1	22 Jun 1961	5,000	5,000	100	Shares Allotted to BASF Aktiengesellschaft	Yes, all applicable legislations
2	16 Feb 1967	5,000	10,000	100	Bonus Shares Allotted to BASF Aktiengesellschaft	Yes, all applicable legislations
3	15 Feb 1968	1,62,500	2,62,500	10	Issue of Right Shares	Yes, all applicable legislations
4	27 Sep 1976	87,500	3,50,000	10	Issue of Bonus Shares	Yes, all applicable legislations
5	28 Sep 1979	3,50,000	7,00,000	10	Issue of Bonus Shares	Yes, all applicable legislations
6	16 Apr 1982	7,20,000	14,20,000	10	Issue of Right Shares	Yes, all applicable legislations
7	25 Aug 1988	7,10,000	21,30,000	10	Issue of Bonus Shares	Yes, all applicable legislations
8	11 Jan 1991	10,65,000	31,95,000	10	Issue of Bonus Shares	Yes, all applicable legislations
9	06 Jan 1993	15,97,500	47,92,500	10	Issue of Bonus Shares	Yes, all applicable legislations
10	30 Dec 1994	100	47,92,600	10	Facilitate consolidation of Accounts.	Yes, all applicable legislations
11	02 Mar 1995	9,58,520	57,51,120	10	Issue of Right Shares	Yes, all applicable legislations
12	16 Oct 1996	23,00,448	80,51,568	10	Issue of Right Shares	Yes, all applicable legislations
13	16 Nov 1998	40,25,784	1,20,77,352	10	Issue of Bonus Shares	Yes, all applicable legislations
14	25 Apr. 2002	27,75,668	1,48,53,020	10	Vesting of shares pursuant to merger.	Yes, all applicable legislations

** On December 26, 1967 each equity share of face value Rs.100 each was subdivided into 10 Equity Shares of face value Rs.10 each*

BASF SE has complied with applicable provisions of the SEBI (SAST) Regulations/other applicable Regulations under the SEBI Act and other statutory requirements as applicable with regards to the details of the change in shareholding of the promoters as and when it happened in the Target Company.

6.18 Till date, the trading of Shares of the Target Company has not been suspended either on the BSE or NSE. The Target Company has not been prohibited by the SEBI from dealing in securities, in terms of direction issued under Section 11B or any other regulations made under the Securities and Exchange Board of India Act, 1992 and subsequent amendments thereto.

Details of pending litigation in relation to the Target Company as on the date of Public Announcement are as follows:

Pending litigations include claims against the Company not acknowledged as debts:

Rs.259 lacs in respect of which the Company has counter claims of Rs.670 lacs. The Company is a party to various legal proceedings in the normal course of business, including one proceeding concerning acquisition of office premises. The Company does not expect the outcome of these proceedings to have a material adverse effect on the Company's financial conditions, results of operations or cash flows.

6.19 Mr. M. R. Iyer is the Company Secretary and Compliance Officer for the Target Company. Address: BASF India Limited, RBC, Mahindra Towers, 1st Floor 'A' Wing, Mumbai 400 018. Email: ramaswamy.iyer@basf.com. Tel No: +91 22 66618135 ; Fax: +91 22 24950512

7. OFFER PRICE AND FINANCIAL ARRANGMENTS

7.1 Justification of Offer Price

7.1.1 The Shares of the Target Company are listed on the BSE and NSE. Based on the information available, the Shares of the Target Company are frequently traded on the NSE and the BSE (within the meaning of explanation (i) to Regulation 20(5) of the SEBI (SAST) Regulations and most frequently traded on the BSE).

The annualized trading turnover during the preceding 6 calendar months prior to the month in which the Public Announcement is made in terms of number and percentage of total listed Equity Shares in each stock exchange.

Name of Stock Exchange	Total No of shares traded during the 6 calendar months prior to the month in which the PA was made	Total No of Listed Shares	Annualized Trading Turnover (in terms of % to total listed shares)	
NSE	5,043,815	28,190,148	35.78 %	Frequently traded
BSE	10,078,662	28,190,148	71.50 %	Frequently traded

Source: (www.bseindia.com, www.nseindia.com)

7.1.2 The Offer Price of Rs 274 per share is justified, as in terms of Regulation 20(4) of the SEBI (SAST) Regulations, the minimum Offer Price should be the highest of the following:

(a) There is no agreement for acquisition of shares or voting rights in the Target Company by the Acquirer and therefore, there is no negotiated price.

(b) During the 26-week period preceding the date of the Public Announcement, the Acquirer has acquired no Equity Shares of the Target Company.

(c) The Share price data of the Target Company on the BSE where it is most frequently traded, preceding the date of the Public Announcement i.e. May 14, 2008 is as under:

The average of the weekly high and low of the closing price of the Shares of the Target Company during the 26 week period preceding the date of the Public Announcement	Rs 236.70
The average of the daily high and low of the Shares of the Target Company during the 2 week period preceding the date of the Public Announcement	Rs 224.80

Source: (www.bseindia.com)

7.1.3 The 26 weeks average of weekly high and low of BSE closing prices prior to date of the Public Announcement:

Week No	**Week ending**	**Low (Rs)**	**High (Rs)**	**Average (Rs)**	**Volume**
1	May 14, 2008	209.50	253.15	231.33	4,310,096
2	May 7, 2008	211.85	213.50	212.68	51,512
3	April 30, 2008	208.55	213.05	210.80	96,767
4	April 23, 2008	210.65	215.45	213.05	119,788
5	April 16, 2008	198.30	210.15	204.23	312,352]
6	April 9, 2008	184.35	189.80	187.08	56,902
7	April 2, 2008	181.65	194.60	188.13	117,936
8	March 26, 2008	165.20	180.00	172.60	181,840
9	March 19, 2008	182.35	204.05	193.20	116,398
10	March 12, 2008	211.45	213.15	212.30	101,338
11	March 5, 2008	218.90	235.00	226.95	71,835
12	February 27, 2008	225.15	230.25	227.70	36,862
13	February 20, 2008	227.35	231.50	229.43	47,759
14	February 13, 2008	217.25	238.10	227.68	71,265
15	February 6, 2008	235.75	245.35	240.55	74,620
16	January 30, 2008	237.70	247.00	242.35	112,070
17	January 23, 2008	220.15	299.90	260.03	164,598
18	January 16, 2008	285.75	302.65	294.20	242,110
19	January 9, 2008	306.05	329.40	317.73	808,821
20	January 2, 2008	269.30	319.80	294.55	1,587,898
21	December 26, 2007	265.35	269.55	267.45	106,151
22	December 19, 2007	268.00	276.00	272.00	410,427
23	December 12, 2007	257.90	266.60	262.25	253,600
24	December 5, 2007	252.35	268.65	260.50	258,550
25	November 28, 2007	244.75	251.25	248.00	95,930
26	November 21, 2007	249.65	265.10	257.38	271,237

Source: (www.bseindia.com)

The average of the weekly high and low of the closing price of the Shares of the Target Company during the 26 week period preceding the date of the Public Announcement is Rs. 236.70.

The 2 weeks average of daily high and low of BSE daily prices prior to the date of the Public Announcement:

Day	Date	Low (Rs)	High (Rs)	Average (Rs)	Volume
1	May 14, 2008	239.05	251.55	245.30	299,443
2	May 13, 2008	237.20	258.40	247.80	681,226
3	May 12, 2008	225.25	256.90	241.08	1,461,830
4	May 11, 2008	N.A.	N.A.	N.A.	N.A.
5	May 10, 2008	N.A.	N.A.	N.A.	N.A.
6	May 9, 2008	208.20	240.0	224.08	1,851,632
7	May 8, 2008	207.00	213.0	210.00	15,965
8	May 7, 2008	211.00	216.0	213.48	10,661
9	May 6, 2008	209.75	216.9	213.33	13,976

Source: (www.bseindia.com)

The average of the daily high and low of the Shares of the Target Company during the 2 week period preceding the date of the Public Announcement is Rs. 224.80.

7.1.4 The Shares of the Target Company are not infrequently traded on any exchange in terms of Regulation 20(5) of the SEBI (SAST) Regulations.

On the basis of the above, i.e. paragraphs 7.1.1, 7.1.2, 7.1.3, 7.1.4 and 7.1.5, Offer Price of Rs 274 per Share is justified in terms of Regulation 20 of the SEBI (SAST) Regulations.

7.1.5 The Offer Price is in full compliance and is justified in terms of Regulation 20 of the SEBI (SAST) Regulations.

7.1.6 There is no non-compete agreement entered into by the Acquirer with the Target Company.

7.1.7 As per the SEBI (SAST) Regulations, the Acquirer can revise the Offer Price / Offer Size up to 7 (seven) working days prior to the closure of this Offer (i.e. by July 17, 2008), and the revision, if any, would be announced in the same newspapers where the Public Announcement has appeared and the revised price will be paid for all Shares acquired pursuant to this Offer.

7.2 Financial Arrangements

7.2.1 The total funding requirement for the Offer (assuming full acceptances) i.e. for the acquisition of up to 6,289,591 Equity Shares held by Shareholders in the Target Company at Rs. 274 per Equity Share is Rs. 1,723,347,934 (Rupees One Hundred and Seventy Two Crores Thirty Three Lacs Forty Seven Thousand Nine Hundred and Thirty Four only) (the **"Maximum Consideration"**).

7.2.2 The Acquirer, JM Financial, and Deutsche Bank AG, a banking corporation incorporated under the laws of Germany and having one of its branch offices at 222 Kodak House, Fort, Mumbai 400 001, India have entered into an Open Offer Escrow Agreement (the "Escrow Agreement") in accordance with Regulation 28 of the SEBI (SAST) Regulations. Pursuant to the Escrow Agreement, Acquirer has established a bank guarantee dated May 14, 2008 ("Bank Guarantee") through Deutsche Bank AG, Mumbai Branch in favour of JM Financial for an amount of Rs. 322,334,794, which is in excess of 25% of the value of the total consideration up to Rs. 1,000 million and 10% of the value of the total consideration beyond Rs. 1,000 million payable under the Open Offer (assuming full acceptances). JM Financial has been duly authorized to realize the value of the aforesaid Bank Guarantee in terms of the SEBI (SAST) Regulations. The Bank Guarantee shall be valid until May 13, 2009.

7.2.3 The Acquirer has also made a cash deposit ("Security Deposit") of Rs. 18,000,000 (being more than 1% of the Maximum Consideration) in an Escrow Account with Deutsche Bank AG, Mumbai Branch, 222 Kodak House, Fort Mumbai 400 001, India (the "Escrow Account"). JM Financial has been duly authorized to realize the value of the aforesaid Escrow Account in terms of the SEBI (SAST) Regulations.

7.2.4 Morgan Stanley Bank AG, a stock corporation under the laws of Germany with its registered office at Junghofstraße 13-15, 60311 Frankfurt/Main, Germany, who are the Bankers to the Acquirer (the "Bankers") have vide their letter dated May 13, 2008 ("Fund Sufficiency Certificate") confirmed based on the funds available with the Acquirer in its treasury department and an agreement between Acquirer and Morgan Stanley Bank AG relating to such funds and to the Fund Sufficiency Certificate, that Acquirer has sufficient means and financial capability for the purpose of acquiring in cash up to 6,289,591 fully paid up Equity Shares (being 22.31% of the issued share capital of the Target Company) at an Offer Price of Rs. 274 per Equity Share for a total consideration of approximately Rs. 1,723,347,934.

7.2.5 Sharp & Tannan, Chartered Accountants, having their registered office at Ravindra Annexe, 194, Churchgate Reclamation, Dinshaw Vachchha Road, Mumbai – 400 020, India, have vide their letter dated May 30, 2008 certified on the basis of the funds available with the Acquirer in its treasury department, that Acquirer has sufficient means and financial capability for the purpose of acquiring in cash up to 6,289,591 fully paid up Equity Shares (being 22.31% of the issued share capital of the Target Company) at an Offer Price of Rs. 274 per Equity Share for a total consideration of approximately Rs. 1,723,347,934.

7.2.6 JM Financial is satisfied with the ability of Acquirer to implement the Offer in accordance with the SEBI (SAST) Regulations as firm financial arrangements are in place to fulfill the obligations under the SEBI (SAST) Regulations.

8. TERMS AND CONDITIONS OF THE OFFER

8.1 Statutory Approvals required for the Offer

8.1.1 The Offer is subject to the receipt of approval from the Reserve Bank of India ("RBI") for acquiring Equity Shares from non-resident Indians ("**NRIs**") and overseas corporate bodies ("**OCBs**") who validly tender their Equity Shares under this Offer ("**RBI Approval**"). Such approval will not be required for Foreign Institutional Investors ("**FIIs**") registered with SEBI, who validly tender their Equity Shares under this Offer, The Acquirer will make the necessary applications to and filings with the various authorities to obtain the statutory approval described above.

8.1.2 As of the date of the Public Announcement, there are no other statutory approvals required to implement the Offer other than that specified above. If any other statutory approvals become applicable prior to completion of the Offer, the Offer would also be subject to such other statutory approvals. In the event any of the statutory approvals that are required are refused, the relevant provisions of Regulation 27 of the SEBI (SAST) Regulations would be applicable. However, Regulation 27 of the SEBI (SAST) Regulations will not apply to the aforesaid RBI Approval.

8.1.3 In case of delay in receipt of any statutory approval(s), SEBI has the power to grant an extension of time to Acquirer for payment of consideration to Shareholders of the Target Company, subject to Acquirer agreeing to pay interest for the delayed period if directed by SEBI in terms of Regulation 22(12) of the SEBI (SAST) Regulations. Further, if the delay occurs on account of the willful default or neglect or inaction or non-action by Acquirer in obtaining the requisite approvals, the amount held in the Escrow Account shall be subject to forfeiture and be dealt with in the manner provided in Regulation 28(12) of the SEBI (SAST) Regulations.

8.1.4 The Acquirer does not require any approvals from financial institutions or banks for the Offer.

8.2 The Letter of Offer relating to the Offer (the **"Letter of Offer")** together with the Form of Acceptance cum Acknowledgement will be mailed to the Shareholders of the Target Company whose names appear on the Register of Members of the Target Company and to the beneficial owners of the Shares of the Target Company in dematerialized form whose names appear on the beneficial records of the respective Depositories, in either case, at the close of the business on May 30, 2008 (the **"Specified Date").**

8.3 Shareholders of the Target Company having their beneficiary account in CDSL shall use the inter-depository delivery instruction slip for the purpose of crediting their Shares in favor of the special depository account with NSDL.

8.4 The acceptance of the Offer is entirely at the discretion of the Shareholders of the Target Company. The Acquirer will not be responsible in any manner for any loss of Equity Share certificate(s) and offer acceptance documents during transit and the Shareholders of the Target Company are advised to adequately safeguard their interest in this regard.

8.5 Shares that are subject to any charge, lien or encumbrance are liable to be rejected. Applications in respect of Shares of the Target Company that are subject matter of litigation wherein the Shareholders of the Target Company may be prohibited from transferring the Shares during the pendency of the said litigation are liable to be rejected if the directions / orders regarding these Shares are not received together with the Shares tendered under the Offer. The Letter of Offer in some of these cases, wherever possible, will be forwarded to the concerned statutory authorities for further action by such authorities.

The securities transaction tax will not be applicable to the Shares accepted in the Offer.

8.6 A schedule of the activities pertaining to the Offer is given below:-

Activity	**Date & Day**
Public Announcement	Thursday, May 15, 2008
Specified Date*****	Friday, May 30, 2008
Last date for a competitive bid	Thursday, June 05, 2008
Date by which Letter of Offer to be dispatched to shareholders	Friday, June 27, 2008
Date of opening of the Offer	Wednesday, July 09, 2008
Last date for upward revision of the Offer Price / number of Shares	Thursday, July 17, 2008
Last Date for withdrawing acceptance of the Offer	Wednesday, July 23, 2008
Date of closing of the Offer	Monday, July 28, 2008
Last date of communicating rejection/acceptance and payment of consideration for accepted tenders and/or the unaccepted Equity Shares/share certificates will be dispatched/credited	Monday, August 11, 2008

* *Specified date is only for the purpose of determining the names of the Shareholders as on such date to whom the Letter of Offer would be sent and all owners (registered or unregistered) of the Shares of the Target Company (except Acquirer) are eligible to participate in the Offer any time before the closing of the Offer.*

9. PROCEDURE FOR ACCEPTANCE AND SETTLEMENT

9.1 Procedure for accepting the Offer by eligible persons, unregistered Shareholders, owners of Shares who have sent them for transfer or those who did not receive the Letter of Offer

9.1.1 Shareholders of the Target Company, who wish to accept this Offer are free to offer their shareholding in whole or in part and should forward the under mentioned documents to the Registrar to the Offer at their office at Sharepro Services (India) Private Limited, Satam Estate, 3rd floor, above Bank of Baroda, Cardinal Gracious Road, Chakala, Andheri (East), Mumbai - 400 099, India. Telephone Nos.: 022-67720300/400, Fax No: 022-28375646, Email: basfindia.offer@shareproservices.com either by hand delivery on weekdays or by Registered Post, on or before the closure of the Offer, i.e., no later than July 28, 2008 or at the Collection Centres, so as to reach the Registrar to the Offer / Collection Centres on or before the close of business hours, i.e., no later than 4:00 pm on July 28, 2008 in accordance with the instructions specified in this Letter of Offer and in the Form of Acceptance. Shareholders are advised to ensure that the Form of Acceptance and other documents are complete in all respects, otherwise the same is liable to be rejected. In the case of dematerialized Shares, the shareholders are advised to ensure that their Shares are credited in favour of the special depository account before the closure of the Offer. The Form of Acceptance of such dematerialized

Shares, not credited in favour of the special depository account before the closure of the Offer, will be rejected.

9.1.2 **For Shares held in physical form:**

a. Shareholders of the Target Company who are holding Shares in physical form and who wish to tender their Shares will be required to send the Form of Acceptance cum Acknowledgement, original Share Certificate(s) and transfer deed(s) duly signed to the Registrar to the Offer Sharepro Services India (Private) Limited ("Registrar to the Offer"), either by hand delivery on weekdays or by Registered Post, so as to reach on or before the close of the Offer, i.e., no later than July 28, 2008 (by 4:00 pm) in accordance with the instructions specified in this Letter of Offer and in the Form of Acceptance cum Acknowledgement.

b. Unregistered owners can send their application in writing to the Registrar to the Offer, on a plain paper stating the name, address, number of Shares held, number of Shares tendered, distinctive numbers, folio number, together with the original share certificate(s), valid transfer deeds and the original contract notes issued by the broker through whom they acquired their Shares and valid share transfer forms as received from the market. No indemnity is required from the unregistered owners. Unregistered owners should not sign the transfer deed and the transfer deed should be valid for transfer.

9.1.3 **For Shares held in dematerialized form**

a) Beneficial owners (holders of Shares in dematerialized form) who wish to tender their Shares of the Target Company will be required to send their Form of Acceptance cum Acknowledgement along with the photocopy of the delivery instruction in "Off-market" mode or counterfoil of the delivery instructions in "Off-market" mode, duly acknowledged by the Depository Participant ("DP"), in favour of the special depository account to Sharepro Services (India) Private Limited, Satam Estate, 3rd floor, above Bank of Baroda, Cardinal Gracious Road, Chakala, Andheri (East), Mumbai - 400 099, India. Telephone Nos: 022-67720300/400, Fax No: 022-28375646, Email: basfindia.offer@shareproservices.com, either by hand delivery on weekdays or by Registered Post acknowledgement due, so as to reach on or before the close of the Offer, i.e., no later than July 28, 2008, in accordance with the instructions specified in this Letter of Offer and in the Form of Acceptance cum Acknowledgement. For each delivery instruction, the beneficial owner should submit a separate Form of Acceptance. The credit for the delivered shares should be received in the special depository account on or before the close of the Offer, i.e., no later than July 28, 2008.

9.1.4 The Registrar to the Offer has opened a special depository account with National Securities Depository Limited ("NSDL") as Depository, JM Financial Services Private Limited as Depository Participant called "Sharepro Services Escrow Account – BASF India Open Offer". The DP ID is IN302927 and Client ID is 10133362. Shareholders of the Target Company having their beneficiary account in Central Depository Services Limited ("CDSL") shall use the inter-depository delivery instruction slip for the purpose of crediting their Shares in favor of the special depository account with NSDL.

9.1.5 Shares and other relevant documents should not be sent to the Acquirer/Target Company/Manager to the Offer.

9.1.6 In case of non-receipt of the Letter of Offer, the eligible persons may (i) download the Letter of Offer and Form of Acceptance from the SEBI website, (http://www.sebi.gov.in) (ii) obtain a copy of the same by writing to the Registrar to the Offer, or (iii) make an application to the Registrar to the Offer, on a plain paper stating the name, address, number of Shares held, distinctive numbers, folio number, number of Shares offered along with documents as mentioned above so as to reach the Registrar to the Offer on or before the close of the Offer, i.e., no later than July 28, 2008, or in case of beneficial owners, send the application in writing to the Registrar to the Offer, on a plain paper stating the name, address, number of Shares held, number of Shares offered, DP name, DP ID, beneficiary account number and a photocopy of the delivery instruction in "Off-market" mode or counterfoil of the delivery instruction in "Off-market" mode, duly acknowledged by the DP, in favour of the special depository account "Sharepro Services Escrow Account – BASF India Open Offer", so as to reach the Registrar to the Offer, on or before the close of the Offer, i.e., no later than July 28, 2008. Unregistered owners should not sign the transfer deed and the transfer deed should be valid for transfer.

9.1.7 If the aggregate of the valid responses to the Offer exceeds the Offer size of 6,289,591 Equity Shares of the Target Company (representing 22.31% of the Voting Capital), then the Acquirer shall accept the valid applications received on a proportionate basis in accordance with Regulation 21(6) of the SEBI (SAST) Regulations. The Shares of the Target Company are compulsorily traded in dematerialized form, hence the minimum acceptance will be one Share.

9.1.8 Shareholders who have sent their Shares for dematerialization need to ensure that the process of getting their Shares dematerialized is completed in time for the credit in the special depository account to be received on or before the closing date of the Offer, i.e., no later than July 28, 2008, or else their application will be rejected.

9.1.9 **Tax to be deducted at source**

As per the provisions of section 195(1) of the Income Tax Act, any person responsible for paying to a non-resident any sum chargeable to tax is required to deduct tax at source (including surcharge and education cess as applicable).

Since the consideration payable under the Offer would be chargeable to capital gains under section 45 of the Income Tax Act or as business profits as the case may be, Acquirer will need to deduct tax at source (including surcharge and education cess) at the applicable tax rate on the gross consideration payable to the following categories of Shareholders, as given below:

a) Non-resident Indians ("NRI"): The Acquirer will deduct tax at source at the rate of 30% on the Offer Price in case of short-term capital gains or business profits. In case of long-term capital gains, the Acquirer will deduct tax at source at the rate of 10% of the Offer Price if the Shares are acquired or purchased with convertible foreign exchange or otherwise at the rate of 20% on the Offer Price. If an NRI fails to certify in the Form of Acceptance cum Acknowledgement that the Shares are acquired or purchased with convertible foreign currency, tax will be deducted at the rate of 20% in case of long-term capital gains.

   In the event that the aforesaid amount of gross proceeds exceeds Rs.10,00,000/- the aforesaid rate of tax will be increased by a surcharge of 10% in all of the above cases. The amount so arrived at will be further increased by an education cess of 3% of the aggregate of the tax and surcharge to be deducted in all cases.

b) Non-domestic companies: The Acquirer will deduct tax at source at the rate of 40% on the Offer Price in the case of short-term capital gains or business profits, and at the rate of 20% on the Offer Price in the case of long-term capital gains. In the event that the aforesaid amount of gross proceeds exceeds Rs.1,00,00,000/- the aforesaid rate of tax will be increased by a surcharge of 2.5% in all of the above cases. The amount so arrived at will be further increased by an education cess of 3% of the aggregate of the tax and surcharge to be deducted in all cases.

c) Foreign Institutional Investors ("FII"): As per the provisions of section 196D(2) of the Income Tax Act, no deduction of tax at source shall be made from any income by way of capital gains arising from the transfer of securities referred to in section 115AD of the Income Tax Act payable to a FII as defined in Section 115AD of the Income Tax Act. If the FII is a company, tax will be deducted at source at 40% on the Offer Price if the Shares are held on trade account or if the FII fails to certify in the Form of Acceptance cum Acknowledgement that the Shares are held by it on investment/ capital account. In the event that the aforesaid amount of gross proceeds exceeds Rs.1,00,00,000/- the aforesaid rate of tax will be increased by a surcharge of 2.5%.

   If the FII is a person other than a company, then tax will be deducted at the rate of 30% and will be further increased by a surcharge as indicated above viz., (1) in the case of an individual or an association of persons in the event the aforesaid amount exceeds Rs.10,00,000/- the aforesaid rate will be increased by a surcharge of 10%; (2) in the case of a firm in the event the aforesaid amount exceeds Rs.1,00,00,000/- the aforesaid rate will be increased by a surcharge of 10%.

In all of the above cases, the amount so arrived at will be further increased by an education cess of 3% of the aggregate of the tax and surcharge to be deducted.

d) Other persons who are not resident in India: The Acquirer will deduct tax at source at the rate of 30% on the Offer Price in the case of short-term capital gains or business profits, and at the rate of 20% on the Offer Price in the case of long-term capital gains. In the case of individuals and associations of persons, in the event that the aforesaid amount exceeds Rs.10,00,000/- the aforesaid rate will be increased by a surcharge of 10%. In the case of firms, in the event that the aforesaid amount exceeds Rs.1,00,00,000/- the aforesaid rate will be increased by a surcharge of 10%. The amount so arrived at will be further increased by an education cess of 3% of the aggregate of the tax and surcharge to be deducted in all cases.

e) NRI / Non-domestic companies / FII / Other persons who are not resident in India should certify in the Form of Acceptance whether the Shares are held by them on investment / capital account or on trade account and whether the investment are held as long-term capital asset or short-term capital asset. If the Shares are held for more than 12 months, they will be considered as long term capital asset, otherwise they will be considered as short term capital asset. If the NRI /Non-domestic companies / FII / Other persons who are not resident in India fail to certify in the Form, then the Acquirer will deduct tax at the rate applicable to business income.

f) For the purpose of determining as to whether the capital gains are short-term or long-term in nature, the Acquirer shall take actions based on the certification submitted by the Shareholders.

g) In the case of any ambiguity, incomplete or conflicting information or the information not being provided to the Acquirer, the capital gain shall be assumed to be short-term in nature.

h) In the event the aforementioned categories of Shareholders require the Acquirer not to deduct tax or to deduct tax at a lower rate or on a lower amount, they would need to obtain a certificate from the Income Tax authorities either under section 195(3) or under section 197 of the Income Tax Act, and submit the same to Acquirer while submitting the Form of Acceptance cum Acknowledgement. In the absence of any such certificate from the Income Tax authorities, the Acquirer will deduct tax as aforesaid, and a certificate in the prescribed form shall be issued to that effect.

i) No tax will be deducted at source for any other category of Shareholders who are residents in India.

9.1.10 In addition to the above-mentioned address of the Registrar to the Offer, the Shareholders of the Target Company who wish to accept the Offer can also deliver the Form of Acceptance cum Acknowledgement along with all of the relevant documents at any of the Collection Centers below in accordance with the procedure as set out in this Letter of Offer. All of the centers of the Registrar to the Offer mentioned herein below will be open as follows:

(Monday to Friday, 10:00 am to 4:00 pm)

No	City	Address of collecting Office	Contact Person	Telephone Number	Fax Number	Mode of Delivery
1	Ahmedabad	Sharepro Services (India) Private Limited, C/o. S S Enterprises, Above Avoji Showroom, Opp. Tailor Point, Zaveri Varna Naka, Relief Road, Ahmedabad - 380001	Mr. Hitesh Mehta	079-65134328 / 9825465963	079-25601636	Hand Delivery

No	City	Address of collecting Office	Contact Person	Telephone Number	Fax Number	Mode of Delivery
2	Chennai	Sharepro Services (India) Private Limited, C/o Skystock Financial, 7/A Laxman Nagar East Main Road Chennai - 600082	Mr. B Srinivas	044-26712611 / 9840109859	044-26712611	Hand Delivery
3	Kolkata	Sharepro Services (India) Private Limited, C/o.Dynamic Financial Consultant, 196 A G Arabinda Sarani, Gouribari, Kolkata - 700004	Mr. Bhaskar Biswas	033-25333706 / 9830050737	033-28250087	Hand Delivery
4	Mumbai	Sharepro Services (India) Private Limited, Satam Estate, 3rd Floor, Above Bank of Baroda, Cardinal Gracious Road, Chakala, Andheri (East), Mumbai - 400 099	Mr. V Kumaresan	022-67720300/ 400	022-28375646	Hand Delivery / Post
5	Mumbai	Sharepro Services (India) Private Limited, 912 Raheja Centre, Free Press Journal Road, Nariman Point, Mumbai - 400 021	Mr. Ravi	022-22881568	022-22825484	Hand Delivery / Post
6	New Delhi	Sharepro Services (India) Private Limited, C/o.Sterling Services, F-75, 1st Floor, Bhagat Singh Market, Near Gol Market, New Delhi - 110001	Mr. Sridhar	011-65058126 / 9313796360	011-23341292	Hand Delivery

9.1.11 Pursuant to Regulation 22(5A) of the SEBI (SAST) Regulations, Shareholders of the Target Company desirous of withdrawing the acceptance tendered by them in the Offer may do so up to three (3) working days prior to the closing date of the Offer. The withdrawal option can be exercised by submitting the documents as per the instructions below, so as to reach the Registrar to the Offer at any of the Collection Centers mentioned above as per the mode of delivery indicated therein on or before July 23, 2008. The withdrawal option can be exercised by submitting the Form of Withdrawal, which is enclosed with the Letter of Offer.

a. For Equity Shares held in demat form:

Beneficial owners should enclose

- Duly signed and completed Form of Withdrawal (enclosed with the Letter of Offer).
- Acknowledgement slip in original / Copy of the submitted Form of Acceptance in case delivered by Registered A.D.
- Photocopy of the delivery instruction in “Off-market” mode or counterfoil of the delivery instruction in “Off-market” mode, duly acknowledged by the DP.

b. **For Equity Shares held in physical form:**

Registered Shareholders should enclose:

– Duly signed and completed Form of Withdrawal (enclosed with the Letter of Offer).

– Acknowledgement slip in original/ Copy of the submitted Form of Acceptance in case delivered by Registered A.D.

c. **In case of partial withdrawal**, valid Share Transfer form(s) duly signed as transferors by all registered Shareholders (in case of joint holdings) in the same order and as per specimen signatures registered with the Target Company and duly witnessed at the appropriate place.

d. **Unregistered owners should enclose:**

– Duly signed and completed Form of Withdrawal (enclosed with the Letter of Offer).

– Acknowledgement slip in original/ Copy of the submitted Form of Acceptance in case delivered by Registered A.D.

e. In case of non receipt of the Form of Withdrawal, the withdrawal option can be exercised by making a plain paper application to the Registrar to the Offer, along with the following details:

i. In case of physical Shares: name, address, distinctive numbers, folio number, number of Shares tendered; and

ii. In case of dematerialized Shares: name, address, number of Shares offered, DP name, DP ID, beneficiary account number and a photocopy of the delivery instruction in "Off-market" mode or counterfoil of the delivery instruction in "Off-market" mode, duly acknowledged by the DP, in favor of the special depository account

f. The withdrawal of Shares will be available only for the Share certificates/ Shares that have been received by the Registrar to the Offer/ special depository account. The intimation of returned Shares to the Shareholders will be at the address through Registered post as per the records of the Target Company/Depository as the case may be. In case of partial withdrawal of Shares tendered in physical form, if the original share certificates are required to be split, the same will be returned on receipt of share certificates from Target Company. Partial withdrawal of tendered Shares can be done only by the registered Shareholders / beneficial owners. In case of partial withdrawal, the earlier Form of Acceptance will stand revised to that effect. Shareholders holding Shares in dematerialized form are requested to issue the necessary standing instruction for receipt of the credit in their DP account.

9.1.12 Payment of consideration will be made by crossed account payee cheque/demand draft and sent by registered post, to those Shareholders/unregistered owners and at their own risk, whose Shares/ share certificates and other documents are found in order and accepted by Acquirer. In case of joint registered holders, cheques/ demand drafts will be drawn in the name of the sole/first named holder/ unregistered owner and will be sent to him. It is desirable that Shareholders provide bank details in the Form of Acceptance cum Acknowledgment, so that same can be incorporated in the cheque/demand draft.

9.1.13 Unaccepted share certificates, transfer forms and other documents, if any, will be returned by Registered Post/Speed Post at the Shareholder's/unregistered owner's sole risk to the sole/first Shareholder. Unaccepted Shares held in dematerialized form will be credited back to the beneficial owners' depository account with the respective depository participant as per the details furnished by the beneficial owner in the Form of Acceptance cum Acknowledgement.

9.1.14 The Registrar to the Offer will hold in trust the Shares/Share certificates, Shares held in credit of the special depository account, Form of Acceptance cum Acknowledgement, if any, and the transfer form(s) on behalf of the Shareholders of the Target Company who have accepted the Offer, until the cheques/drafts for the consideration or the unaccepted Shares/share certificates are dispatched/returned.

9.1.15 The marketable lot of the Shares of the Target Company is one Equity Share.

10. DOCUMENTS FOR INSPECTION

10.1 Material Documents for inspection by the public will be available at BASF India Limited, R.B.C. Mahindra Towers, 1st Floor, 'A' Wing, Dr. G.M. Bhosale Marg, Worli, Mumbai 400018, Tel +91-22 66618000, between 2:00 pm to 4:00 pm on any day except Saturdays, Sundays and the Public Holidays from the Offer opening date till the closure of the Offer.

10.1.1 Certificate of incorporation, memorandum and articles of association of the Acquirer (or their equivalent documents).

10.1.2 A copy of the Fund Sufficiency Certificate certifying the adequacy of financial resources of the Acquirer to fulfill the Open Offer obligations and the agreement between Acquirer and Morgan Stanley Bank AG dated May 14, 2008 relating to the Fund Sufficiency Certificate.

10.1.3 A copy of the letter dated May 30, 2008 provided by Sharp & Tannan, Chartered Accountants, in relation to the sufficiency of funds available with the Acquirer for the purpose of the Open Offer.

10.1.4 Audited annual reports of the Target Company for the last three years.

10.1.5 A letter from Deutsche Bank AG, Mumbai Branch confirming the amount kept in the Escrow Account.

10.1.6 A published copy of the Public Announcement dated May 15, 2008.

10.1.7 A copy of the letter dated June 06, 2008 from SEBI in terms of proviso to Regulation 18(2).

10.1.8 A copy of the Escrow Agreement dated May 14, 2008 entered into by the Acquirer with Deutsche Bank AG, Mumbai Branch and the Manager to the Offer.

10.1.9 A copy of the Bank Guarantee dated May 14, 2008 issued by Deutsche Bank AG, Mumbai Branch marked in favour of JM Financial Consultants Private Limited, the Manager to the Offer.

10.1.10 A copy of the Agreement/engagement letter entered into with a Depository participant for opening a special depository account for the purpose of the Offer.

11. DECLARATION BY THE ACQUIRER

11.1 The Acquirer and its Directors accept full responsibility for the information contained in the Letter of Offer, including the Form of Acceptance and Form of Withdrawal and also for the obligations of the Acquirer as laid down in terms of the SEBI (SAST) Regulations.

11.2 The Acquirer shall be responsible for fulfilling its obligations under the SEBI (SAST) Regulations.

11.3 Mr. Joachim Scholz and Dr. Michael Winter are duly authorized on behalf of BASF SE to sign this Letter of Offer.

For BASF SE (the "Acquirer"),

Sd/-
Mr. Joachim Scholz
Authorized Officer

Sd/-
Dr. Michael Winter
Authorized Officer

PLACE: Ludwigshafen

DATE: June 24, 2008

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THIS DOCUMENT IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION
(Please send this Form with enclosures to the Registrars to the Offer at their address given overleaf)

FORM OF ACCEPTANCE-CUM-ACKNOWLEDGEMENT

(All terms and expressions used herein shall have the same meaning as ascribed thereto in the Letter of Offer dated June 24, 2008)

(*To be filled in by the Shareholder)*

Folio No. / DP ID / Client ID	Sr. No.	No. of Shares held

OFFER SCHEDULE	
OPENS ON	**: JULY 9, 2008**
CLOSES ON	**: JULY 28, 2008**

From :

Name :

Address :

Status : Resident / Non-Resident
Tel. No.___________________ Fax No. _____________________ E-mail :__________________

To,
BASF SE
C/o. Sharepro Services (India) Private Limited,
3rd Floor, Satam Estate, Chakala, Andheri (East),
Mumbai 400 099

Dear Sir / Madam,

Sub.: Cash Open Offer to acquire upto 6,289,591 FULLY PAID UP Equity Shares of Rs. 10/- each representing 22.31% of the Voting Capital of BASF India Limited ("BASF India") ("The Offer") at a price of Rs. 274/- per Share ("Offer Price") in accordance with the above referred Letter of Offer.

I/We refer to the Letter of Offer for acquiring the Equity Shares held by me/us in **BASF India.**
I/We, the undersigned have read the Letter of Offer and understood its contents including the terms and conditions as mentioned therein.

SHARES HELD IN PHYSICAL FORM

I/We hold the following shares in physical form and accept the offer and enclose the original share certificate(s) and duly signed transfer deed(s) in respect of my / our shares as detailed below:

Sr. No.	Folio No.	Certificate No.	Distinctive Nos.		No. of Equity Shares
			From	To	
1.					
2.					
3.					
Total No. of Equity Shares					

(In case of insufficient space, please use an additional sheet and authenticate the same)

SHARES HELD IN DEMAT FORM

I/We hold the following shares in Demat Form and accept the Offer and enclose a photocopy of the Depository Delivery Instruction(s) duly acknowledged by DP in respect of my/our Equity Shares as detailed below:

DP Name	DP ID	Client ID	Name of Beneficiary	Total No. of Shares

I/We have done an off-market transaction for crediting the shares to the Special Depository Account with NSDL, as **"Sharepro Services Escrow Account - BASF India Open Offer"** whose particulars are,

DP Name – JM Financial Services Private Limited	**DP Id : IN302927**	**Client ID : 10133362**

Shareholders having their Beneficiary account with CDSL have to use Inter-Depository Slip for the purpose of crediting their shares in favour of Special Depository Account with NSDL.

Documents enclosed with the Form of Acceptance are stated below
For NRIs/OCBs/FIIs/Foreign Shareholders:
I/We have enclosed the following documents:

☐ No Objection Certificate / Tax Clearance Certificate from Income Tax Authorities.
☐ Copy of Permanent Account Number (PAN) Letter / PAN Card
☐ Previous RBI approvals for holding the shares of BASF India hereby tendered in the Offer.

For FII Shareholders : I/We confirm that the Equity Shares of BASF India are held by me/us on ☐ Investment/Capital Account OR ☐ Trade Account. (✓ whichever is applicable in your case)

In case the shares are held on trade account, kindly enclose a certificate stating that you are a tax resident of your country of residence/ Incorporation and that you do not have a "permanent establishment" in India in terms of the Double Taxation Avoidance Agreement (DTAA) entered into between India and your country of residence.

In order to avail the benefit of lower rate of tax deduction under the DTAA, if any, kindly enclose a certificate stating that you are a tax resident of your country of incorporation in terms of the DTAA entered into between India and your country of residence.

For NRIs/OCBs Shareholders:

1. I/We confirm that the equity shares of BASF India are held by me/us on ☐ Investment/Capital Account OR ☐ Trade Account. ([✓])whichever is applicable in your case)
2. I/We confirm that the equity shares of BASF India are held by me/us as ☐ Long Term Capital Asset OR ☐ Short Term Capital Asset.([✓]) whichever is applicable in your case)

In case the shares are held on trade account, kindly enclose a certificate stating that you are a tax resident of your country of residence/Incorporation and that you do not have a "permanent establishment" in India in terms of the Double Taxation Avoidance Agreement (DTAA) entered into between India and your country of residence.

In order to avail the benefit of lower rate of tax deduction under the DTAA, if any, kindly enclose a certificate stating that you are a tax resident of your country of incorporation in terms of the DTAA entered into between India and your country of residence.

I/We confirm that the Equity Shares of BASF India which are being tendered herewith by me/us under this Offer, are free from liens, charges and encumbrances of any kind whatsoever.

I/We note and understand that the original share certificate(s) and the valid share transfer deed(s) will be held in trust for me/us by the Registrar to the Offer until the Acquirer makes payment of the purchase consideration as mentioned in the Letter of Offer. I/We also note and understand that the Acquirer will pay the consideration only after verification of the documents

I/We note and understand that the Shares would lie in the said A/c. i.e. "**Sharepro Services Escrow Account - BASF India Open Offer**" until the Acquirer makes payment of the purchase consideration as mentioned in the Letter of Offer.

I/We authorize the Acquirer to accept the shares so offered, which they may decide to accept in consultation with the Manager to the Offer and in terms of the Letter of Offer;

I/We confirm that in case of non-receipt of the aforesaid documents, but receipt of the Shares in the Special Depository Escrow Account, the Acquirer may deem the Offer to have been accepted by me/us; and

I/We further authorize the Acquirer to return to me/us, the Equity Share Certificate(s) in respect of which the offer is not found valid / not accepted, specifying the reasons thereof and in the case of dematerialized shares, to the extent not accepted will be released to my Depository Account at my sole risk.

I/We authorize the Acquirer or the Manager to the Offer or the Registrar to the Offer to send by Registered Post / UCP / Speed Post, the draft/cheque, in settlement of the amount to the sole/firstholder at the address mentioned above.

Yours faithfully,

Signed and Delivered Place: Date:

	Full Name(s) of the Holders	**PAN No.**	**Signature(s)**
First / Sole Holder			
Joint Holder 1			
Joint Holder 2			

Note: In case of Joint holdings, all holders much sign. In case of Bodies Corporate a stamp of the Company should be affixed and necessary Board Resolution should be attached.

So as to avoid fraudulent encashment in transit, the shareholder(s) holding shares in physical form may provide details of bank account of the first / sole shareholder and the consideration payment will be drawn accordingly. For shares that are tendered in electronic form, the bank particulars as recorded with the Depository Participant and stated below will be printed on the cheque, demand draft. In case of any change in Bank Details, please indicate below:

	INDICATE CHANGES, IF ANY
Name of the Bank	
Branch	
A/c. No. and Type	

*** Enclosures:**

☐ Power of Attorney

☐ Death Certificate / Succession Certificate

☐ Attested copies of PAN Card of all shareholders

☐ No Objection Certificate and Tax exemption Certificate under Income-Tax Act, 1961, for NRIs/ OCBs/Foreign Shareholders as applicable.

☐ Corporate authorization in case of Companies / FIIs along with Board Resolution and Specimen Signatures of Authorised Signatories

☐ Others (please specify) : ________________________

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Acknowledgement Slip

BASF India Limited – Open Offer

C/o. Sharepro Services (India) Private Limited,

3rd Floor, Satam Estate, Chakala, Andheri (East), Mumbai 400 099,

Contact Person: Mr.V. Kumaresan

FOLIO NO./ DPID / Client ID ________________________________

Sr. No. ____________________

Received from Mr. /Ms. ____

Form of Acceptance along with (Please put tick mark in the box, whichever is applicable)

☐ Physical Form: Certificate for __________ Shares along with Transfer Deed.

☐ Electronic Form : Copy of DP Delivery Instruction Slip

Copy of Inter-Depository Delivery Slip (for beneficiary holders maintaining an account with CDSL).

Signature of official and Date of Receipt	**Stamp of Collection Centre**

Note: All future correspondence, if any, should be addressed to Registrar to the Offer : Sharepro Services (India) Private Limited, 3rd Floor, Satam Estate, Chakala, Andheri (East), Mumbai 400 099, Tel:+91 22 6772 0300/400, Fax: +91 22 2837 5646, Website: www.shareproservices.com, Email: basfindia.offer@shareproservices.com, Contact Person: Mr.V. Kumaresan

INSTRUCTIONS

1. In the case of dematerialized shares, the shareholders are advised to ensure that their shares are credited into the special depository account, before the closure of the Offer. The Form of Acceptance cum Acknowledgement of such demat shares not credited into the special depository account, before the closure of the Offer will be rejected.

2. Shareholders should enclose the following :

   I. All shareholders, besides providing their PAN No. in the Form of Acceptance, should also enclose a self attested copy of their PAN Cards in their applications.

   II. For Equity Shares held in demat form :- Beneficial owners should enclose :

   - Form of Acceptance-cum-Acknowledgement duly completed and signed in accordance with the instructions contained therein.
   - Photocopy of the delivery instruction in "Off-Market" mode or counterfoil of the delivery instruction in "Off-market" mode, duly acknowledged by the DP.
     a. Photocopy of the interdepository delivery instruction slip if the beneficiary holders having an account with Central Depository Services (India) Ltd
   - For each Delivery instruction, the beneficial owner should submit separate Form of Acceptance

   In case of non-receipt of the aforesaid documents, but receipt of the shares in the special depository account, the Offer shall be deemed to be accepted

   III. For Equity Shares held in physical form :-

   a) Registered Shareholders should enclose :

   - **Form of Acceptance-cum-Acknowledgement** duly completed and signed in accordance with the instructions contained therein, by all shareholders whose names appear on the share certificate(s).
   - **Original Share Certificate(s).**
   - **Valid Share Transfer Form(s)** duly signed as transferors by all registered shareholders (in case of joint holdings) in the same order and as per specimen signatures registered with BASF India and duly witnessed at the appropriate place. A blank Share Transfer form is enclosed along with the Letter of Offer.
   - Attestation, where required (thumb impressions, signature difference, etc.) should be done by a Magistrate, Notary Public or Special Executive Magistrate or a similar authority holding a Public Office and authorized to use the seal of his office or a member of a recognized stock exchange under their seal of office and membership number or manager of the transferor's bank.

     In case of registered shareholder, non-receipt of the aforesaid documents, but receipt of the share certificates along with the duly completed transfer form, the Offer shall be deemed to be accepted.

   b) Unregistered owners should enclose :

   - **Form of Acceptance-cum-Acknowledgement** duly completed and signed in accordance with the instructions contained therein.
   - **Original Share Certificate(s).**
   - **Original broker contract note.**
   - **Valid Share Transfer form(s)** as received from the market, duly stamped and executed as the proposed transferee(s) along with blank transfer form duly signed as transferor(s) by the said proposed transferee(s) and witnessed at the appropriate place. The details should be left blank. The details of the Acquirer as transferee will be filled by the Acquirer upon verification of the Form of Acceptance and the same being found valid. All other requirements for valid transfer will be precondition for acceptance.

3. The share certificate(s) share transfer form(s) and the Form of Acceptance-cum-Acknowledgement should be sent only to the Registrar to the Offer and not to the Manager to the Offer or the Acquirer or BASF India.

4. Shareholders having their beneficiary account in CDSL have to use "INTER DEPOSITORY DELIVERY INSTRUCTION SLIP" for the purpose of crediting their shares in the favour of the special depository account with NSDL.

5. Non-Resident shareholders should enclose a copy of the permission received from RBI for the Equity Shares held by them in BASF India. If, the shares are held under General Permission of RBI, the non-resident shareholder should furnish a copy of the relevant notification/ circular pursuant to which the shares are held and state whether the shares are held on repatriable or non-repatriable basis.

6. NRIs, OCBs and foreign shareholders are required to furnish Bankers Certificates certifying inward remittance of funds for acquisition of shares of BASF India.

7. Non-resident shareholders should enclose No Objection Certificate / Exemption Certificate from the Income Tax Authorities under Income Tax Act, 1961, indicating the tax to be deducted, if any, by the Acquirer before remittance of consideration. Otherwise tax will be deducted, at maximum marginal rate as may be applicable to the category and status of the shareholder, on the full consideration payable by the Acquirer. For more details, please see the Letter of Offer.

8. FIIs are requested to enclose the SEBI Registration Letter; OCBs are requested to enclose Form OAC of the current year.

9. **Table featuring details of collection centers is given below.**

City	Address of collecting Office	Contact Person	Telephone Number	Fax Number	Mode of Delivery
Ahmedabad	Sharepro Services (India) Private Limited, C/o. S S Enterprises, Above Avoji Showroom,Opp. Tailor Point, Zaveri Varna Naka, Relief Road, Ahmedabad - 380001	Mr. Hitesh Mehta	079-65134328 / 9825465963	079-25601636	Hand Delivery
Chennai	Sharepro Services (India) Private Limited, C/o Skystock Financial, 7/A Laxman Nagar East Main Road, Chennai - 600082	Mr. B Srinivas	044-26712611 / 9840109859	044-26712611	Hand Delivery
Kolkata	Sharepro Services (India) Private Limited, C/o.Dynamic Financial Consultant, 196 A G Arabinda Sarani, Gouribari, Kolkata - 700004	Mr. Bhaskar Biswas	033-25333706 / 9830050737	033-28250087	Hand Delivery
Mumbai	Sharepro Services (India) Private Limited, Satam Estate, 3rd Floor, Above Bank of Baroda, Cardinal Gracious Road, Chakala, Andheri (East), Mumbai - 400 099	Mr.V. Kumaresan	022-67720300/ 400	022-28375646	Hand Delivery / Post
Mumbai	Sharepro Services (India) Private Limited, 912 Raheja Centre, Free Press Journal Road, Nariman Point, Mumbai - 400 021	Mr. Ravi	022-22881568	022-22825484	Hand Delivery / Post
New Delhi	Sharepro Services (India) Private Limited, C/o.Sterling Services, F-75, 1st Floor, Bhagat Singh Market, Near Gol Market, New Delhi - 110001	Mr. Sridhar	011-65058126 / 9313796360	011-23341292	Hand Delivery

Collection Timings for all the locations mentioned above will be 10 a.m. to 1 p.m. & 2 p.m. to 4.00 p.m. for Monday to Friday and excluding public holidays

Applicants who cannot hand deliver their documents, at the Collection Centres, may send their documents only by Registered Post, at their own risk, to the Registrars **: Sharepro Services (India) Private Limited,** 3rd Floor, Satam Estate, Chakala, Andheri (East), Mumbai 400 099, Tel:+91 22 6772 0300/400, Fax: +91 22 2837 5646, Website: www.shareproservices.com, Email: basfindia.offer@shareproservices.com, Contact Person: Mr.V. Kumaresan so as to reach the Registrars on or before the closure of the Offer.

Checklist of Documents to be submitted by the Shareholders
(to be read along with Letter of Offer)

I. Physical Form

- Registered ShareholdersForm of Acceptance duly completed and signed
- Original Share Certificate(s)
- Valid Share Transfer Deed(s) duly signed as transferors by all shareholder(s) and duly witnessed.
- Self attested copy of PAN Card of the accountholders

Unregistered Shareholders

- Form of Acceptance duly completed and signed and
- Valid Share Transfer form(s) as received from the market duly stamped and executed in their favour as proposed transferee along with another valid transfer form duly signed as transferor(s) by the said purposed transferee and witnessed.
- Original Share Certificate(s)
- Original broker contract note, if any
- Photocopy of the acknowledgement of lodgement or receipt by the Registrars.

II. Dematerialised Form

- Form of Acceptance duly completed and signed
- Photocopy of the Delivery Instructions or counterfoil of the Delivery Instructions in "Off-Market" mode, duly acknowledged by the DP.
- Photocopy of the Interdepository Delivery Instruction Slip (for beneficiary owners maintaining an account with CDSL)
- Self attested copy of the PAN card of the accountholders

Self attested copy of the PAN card of the proposed transferees

III. Non-Resident Shareholders

- RBI approval
- Bankers Certificate Certifying Inward Remittance
- No objection certificate / Tax exemption certificate from ITO
- For FIIs, SEBI Registration Letter
- For OCBs, Form OAC of the Current year.
- Self attested copy of the PAN card of the accountholders

Tear along this line

All queries in this regard to be addressed to the Registrar to the Offer
at the following address quoting your Reference Folio No. / DPID / Client Id

Sharepro Services (India) Private Limited,

3rd Floor, Satam Estate, Chakala, Andheri (East), Mumbai 400 099, Tel:+91 22 6772 0300/400, Fax: +91 22 2837 5646, Website: www.shareproservices.com, Email: basfindia.offer@shareproservices.com, Contact Person: Mr.V. Kumaresan

Tear along this line

THIS DOCUMENT IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION

(Please send this Form with enclosures to the Registrars to the Offer at their address given overleaf)

FORM OF WITHDRAWAL

(*To be filled in by the Shareholder)*

From :

Name :

Address :

Tel : **Fax :**

Email :

BASF INDIA LIMITED – OPEN OFFER	
OPENS ON	July 9, 2008
LAST DATE OF WITHDRAWAL	July 23, 2008
CLOSES ON	July 28, 2008
THIS FORM SHOULD BE USED BY THE SHAREHOLDERS ONLY FOR EXERCISING THE WITHDRAWAL OPTION AS PROIVDED IN THE LETTER OF OFFER.	

To,
BASF SE
C/o. Sharepro Services (India) Private Limited,
3rd Floor, Satam Estate, Chakala, Andheri (East),
Mumbai 400 099

Dear Sir,

Sub.: Cash Open Offer to acquire upto 6,289,591 FULLY PAID UP Equity Shares of Rs. 10/- each representing 22.31% of the Voting Capital of BASF India Limited ("BASF India") ("The Offer") at a price of Rs. 274/- per Share ("Offer Price") in accordance with the Letter of Offer — **Withdrawal of the shares tendered in the Offer**

I/We refer to the Letter of Offer dated June 24, 2008, for acquiring the Shares held by me/us in **BASF India Limited.**

I/We, the undersigned have read the Letter of Offer, understood its content and unconditionally accept the terms and conditions and procedure as mentioned therein.

I/We, the undersigned, have read the procedure for withdrawal of equity shares tendered by me/us in the offer as mentioned in the Letter of Offer an unconditionally agree to the terms and conditions mentioned therein.

I/We hereby consent unconditionally and irrevocably to withdraw my/our Shares from the Offer and I/We further authorise the Acquirer to return to me/us, the tendered equity share certificate(s)/ share(s) at my/our sole risk.

I/We note that upon withdrawal of my/our Shares from the Offer, no claim or liability shall lie against the Acquirer/Manager to the Offer/Registrar to the Offer.

I/We note that this Form of Withdrawal should reach the Registrar to the Offer at any of the collection centers mentioned in the Letter of Offer or below as per the mode of delivery indicated therein on or before the last date of withdrawal i.e., no later than 4:00 pm on July 23, 2008.

I/We note that the Acquirer/Manager to the Offer/Registrar to the Offer shall not be liable for any postal delay/loss in transit of the Shares held in physical form and also for the non-receipt of Shares held in the dematerialised form in the Depository account due to inaccurate/incomplete particulars/instructions.

I/We also note and understand that the Acquirer will return the original share certificate(s), share transfer deed(s) and Shares only on completion of verification of the documents, signatures and beneficiary position as available from the Depository from time to time.

The particulars of the tendered Share(s) that I/We wish to withdraw are detailed below:

Sr. No.	Folio No.	Certificate No.	Distinctive Nos.		No. of Shares
			From	To	
		TENDERED			
1.					
2.					
3.					
		WITHDRAWN			
1					
2.					
3.					
				Total	

(In case of insufficient space, please use an additional sheet and authenticate the same).

I/We hold the following Shares in dematerialised Form and have tendered the shares in the Offer and had done an off-market transaction for crediting the Shares to the special depository account **"Sharepro Services Escrow Account - BASF India Open Offer"** as per the following particulars:

DP Name – JM Financial Services Private Limited	**DP Id : IN302927**	**Client ID : 10133362**

Please find enclosed a photocopy of the Depository Delivery Instruction(s) (TIFD) duly acknowledged by the Depository Participant. The particulars of the account from which my/our Shares have been tendered that I/We wish to withdraw ,are as detailed below:

DP Name	**DP ID**	**Client ID**	**No of Shares Tendered**
Name of the Beneficiary		**No of Shares to be withdrawn**	

I/We note that the Shares will be credited back only to that Depository Account, from which the Shares have been tendered and necessary standing instructions have been issued in this regard.

I/We confirm that the particulars given above are true and correct.

In case of dematerialised Shares, I/We confirm that the signatures have been verified by the DP as per their records and the same have been duly attested.

Yours faithfully,

Signed and delivered

	FULL NAME(S) OF THE HOLDERS	**SIGNATURE(S)**	**VERIFIED AND ATTESTED BY US. PLEASE AFFIX THE STAMP OF DP (IN CASE OF DEMAT SHARES) / BANK (IN CASE OF PHYSICAL SHARES)**
First/Sole Shareholder			
Joint Holder 1			
Joint Holder 2			

Note: In case of joint holdings, all holders must sign. A Corporation must affix its rubber stamp and necessary Board Resolution should be attached.

Place :

Date :

.... **Tear along this line** ....

FOLIO NO./
DP ID / Client ID _______________

BASF India Limited – Open Offer
C/o. Sharepro Services (India) Private Limited,
3rd Floor, Satam Estate, Chakala, Andheri (East), Mumbai 400 099,
Contact Person: Mr.V. Kumaresan

Acknowledgement Slip

Received from Mr. /Ms. ____

Form of Withdrawal alongwith Acknowledgement / Delivery Instructions / Copy of Form of Acceptance

☐ For Physical Form –

Physical Shares -

No. of Shares tendered_________________ / Withdrawal request for ___________ shares

Fresh Transfer Form for _______________shares (in case of partial withdrawal)

☐ Demat Form –

Demat Shares

No. of Shares tendered_________________ / Withdrawal request for ___________ shares

Signature of official and Date of Receipt	**Stamp of Collection Centre**

Note : All future correspondence, if any, in connection with this Offer, should be addressed to the Registrar to the Offer. **Sharepro Services (India) Private Limited,** 3rd Floor, Satam Estate, Chakala, Andheri (East), Mumbai 400 099, Tel: +91 22 6772 0300/400, Fax: +91 22 2837 5646, Website: www.shareproservices.com, Email: basfindia.offer@shareproservices.com, Contact Person: Mr.V. Kumaresan

INSTRUCTIONS

1. **Shareholders are advised to ensure that the Form of Withdrawal should reach the Registrar to the Offer at any of the Collection Centers mentioned in the Letter of Offer as per the mode of delivery indicated therein on or before the last date of withdrawal i.e. no later than 4:00 pm on July 23, 2008.**

2. Shareholders should enclose the following:-

   i. For Equity Shares held in demat form: - Beneficial owners should enclose

   - ❑ Duly signed and completed Form of Withdrawal.
   - ❑ Acknowledgement slip in original/ Copy of the submitted Form of Acceptance-cum-Acknowledgement in case delivered by Registered A.D.
   - ❑ Photocopy of the delivery instruction in "Off-market" mode or counterfoil of the delivery instruction (TIFD) in "Off-market" mode, duly acknowledged by the DP.

   ii. For Equity Shares held in physical form: - Registered Shareholders should enclose:

   - ❑ Duly signed and completed Form of Withdrawal.
   - ❑ Acknowledgement slip in original/ Copy of the submitted Form of Acceptance-cum-Acknowledgement in case delivered by Registered A.D.
   - ❑ In case of partial withdrawal, Valid Share Transfer form(s) for the remaining equity shares (i.e. shares not withdrawn) duly signed as transferors by all registered shareholders (in case of joint holdings) in the same order and as per specimen signatures registered with **BASF India Limited** and duly witnessed at the appropriate place.

   iii. Unregistered owners should enclose:

   - ❑ Duly signed and completed Form of Withdrawal.
   - ❑ Acknowledgement slip in original/ Copy of the submitted Form of Acceptance-cum-Acknowledgement in case delivered by Registered A.D.

3. The withdrawal of Shares will be available only for the Share certificates/the Shares that have been received by the Registrar to the Offer/ Special Depository Escrow Account.

4. The intimation of returned Shares to the Shareholders will be at the address as per the records of the Target Company/ Depository as the case may be.

5. The Form of Withdrawal should be sent only to the Registrar to the Offer.

6. Request for withdrawal from unregistered shareholders can be considered to the extent the shares tendered an received are found to be valid

7. Separate Request for withdrawal should be submitted for each Folio / DP Id Client Id

8. In case of partial withdrawal of Shares tendered in physical form, if the original share certificates are required to be split, the same will be returned on receipt of share certificates from the Target Company. The facility of partial withdrawal is available only to registered shareholders.

9. Shareholders holding Shares in dematerialised form are requested to issue the necessary standing instruction for receipt of the credit in their DP account.

10. The Form of Withdrawal and other related documents should be submitted at any of the Collection Centers of **Sharepro Services (India) Private Limited as stated overleaf**.

11. Applicants who cannot hand deliver their documents at the Collection Centers, may send their documents only by Registered Post, at their own risk, to the Registrar to the Offer at **Sharepro Services (India) Private Limited,** 3rd Floor, Satam Estate, Chakala, Andheri (East), Mumbai 400 099, Tel:+91 22 6772 0300/400, Fax: +91 22 2837 5646, Website: www.shareproservices.com, Email: basfindia.offer@shareproservices.com, **Contact Person: Mr.V. Kumaresan** SEBI Registration Number: INR000001476**,** so as to reach the Registrars on or before the last date of withdrawal i.e. **no later than 4:00 pm on July 23, 2008.**

12. **Table featuring details of collection centers is given below.**

City	Address of collecting Office	Contact Person	Telephone Number	Fax Number	Mode of Delivery
Ahmedabad	Sharepro Services (India) Private Limited, C/o. S S Enterprises, Above Avoji Showroom,Opp. Tailor Point, Zaveri Varna Naka, Relief Road, Ahmedabad - 380001	Mr. Hitesh Mehta	079-65134328 / 9825465963	079-25601636	Hand Delivery
Chennai	Sharepro Services (India) Private Limited, C/o Skystock Financial, 7/A Laxman Nagar East Main Road Chennai - 600082	Mr. B Srinivas	044-26712611 / 9840109859	044-26712611	Hand Delivery
Kolkata	Sharepro Services (India) Private Limited, C/o.Dynamic Financial Consultant, 196 A G Arabinda Sarani, Gouribari, Kolkata - 700004	Mr. Bhaskar Biswas	033-25333706 / 9830050737	033-28250087	Hand Delivery
Mumbai	Sharepro Services (India) Private Limited, Satam Estate, 3rd Floor, Above Bank of Baroda, Cardinal Gracious Road, Chakala, Andheri (East), Mumbai - 400 099	Mr.V. Kumaresan	022-67720300/ 400	022-28375646	Hand Delivery / Post
Mumbai	Sharepro Services (India) Private Limited, 912 Raheja Centre, Free Press Journal Road, Nariman Point, Mumbai - 400 021	Mr. Ravi	022-22881568	022-22825484	Hand Delivery / Post
New Delhi	Sharepro Services (India) Private Limited, C/o.Sterling Services, F-75, 1st Floor, Bhagat Singh Market, Near Gol Market, New Delhi - 110001	Mr. Sridhar	011-65058126 / 9313796360	011-23341292	Hand Delivery

Collection Timings for all the locations mentioned above will be 10 a.m. to 1 p.m. & 2 p.m. to 4.00 p.m. for Monday to Friday only and excluding public holidays

Tear along this line

All queries in this regard to be addressed to the Registrar to the Offer
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3rd Floor, Satam Estate, Chakala, Andheri (East),
Mumbai 400 099, Tel: +91 22 6772 0300/400,
Fax: +91 22 2837 5646,
Website: www.shareproservices.com,
Email: basfindia.offer@shareproservices.com,
Contact Person: Mr.V. Kumaresan