



We create chemistry

BASF India Limited, Mumbai - 400 051, India

August 2, 2018

The Market Operations Department
BSE Limited,
Phiroze Jeejeebhoy Towers
Dalal Street, Mumbai 400 001.

Name of the Company : **BASF INDIA LIMITED**
Security Code No. : **500042**

Dear Sir/Madam,

Re: Analyst Meeting of BASF India Limited.

Further to our letter dated July 30, 2018 on the above-mentioned subject, we enclose herewith the presentation made by the Company at the Analysts' meeting held today.

Kindly treat the above as intimation under Regulation 30 and Part A of Schedule III of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

Thanking you,

Yours faithfully,
For BASF India Limited

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

Pankaj Bahl
Manager- Company Secretarial

Encl: a.a.

cc: The Assistant Manager Listing.
The National Stock Exchange of India Ltd
Exchange Plaza, 5th floor
Plot No.C/1, G Block
Bandra – Kurla Complex
Bandra (East), Mumbai – 400 051

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

Tel.: +91 22 6278 5600

CIN - L33112MH1943FLC003972

www.basf.com/in



BASF India Limited Analysts' Meeting

Narendranath Baliga
Chief Financial Officer, BASF India Ltd.

August 2, 2018

Cautionary note

Forward looking statements

- Only matters in the public domain can be subject matter of discussion in this meeting
- As a matter of policy, we do not provide any prognosis about the future business situation
- We do not comment or give guidance on future results or business outlook

SUSTAINING PROFITABLE GROWTH



Global and India macro economic drivers



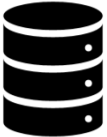
World growth strengthened to **3.8%**



India GDP grew by **6.7%**



GST & Demonetization settled – Most sectors recovered



Climbing **crude oil prices**



Falling value of **Rupee**



RERA – game changer for real estate

Rising inflationary pressures and liquidity are concerns

Demand varied in our focus industries



FMCG

Saw 13% growth

Revival in consumption,
backed by rural growth



CONSTRUCTION

Muted growth at 6%

Demonetization, RERA
impact



AGRICULTURE

Moderate growth at 3 %

Erratic monsoon, higher base
from last year

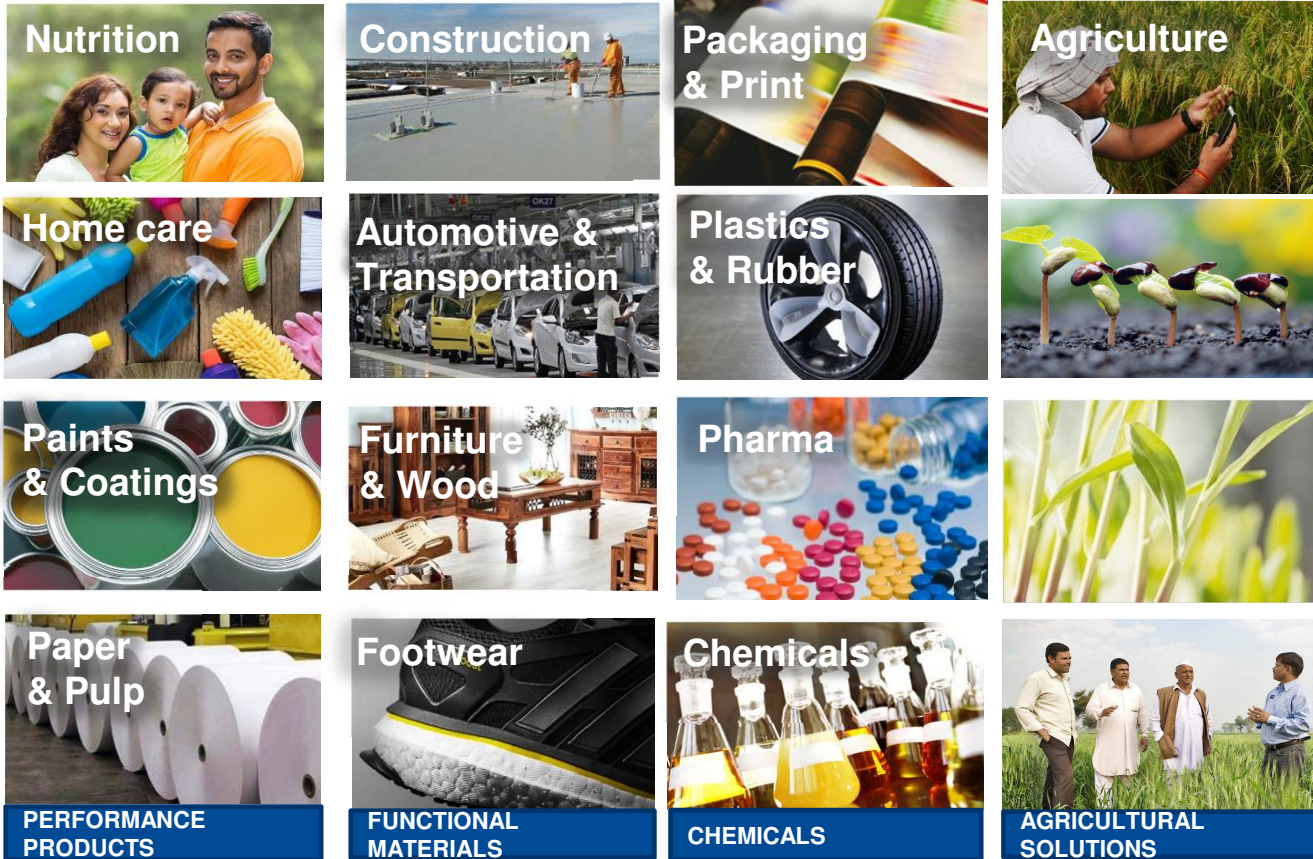


AUTOMOBILE

Four wheelers grew by 7%
Two wheelers by 16%

Improvement in rural economy,
demonetization-influenced low
base

Our segment performance



Segment Revenue

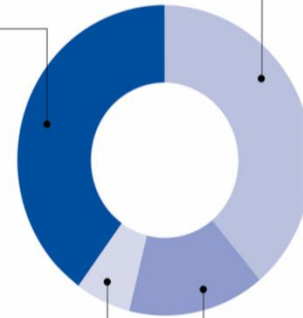
Rs. in million

Performance Products 22,345.9 (39%)

Functional Materials & Solutions 22,720.4 (40%)

Chemicals 3,201.2 (6%)

Agricultural Solutions 8,638.0 (15%)



Our solutions can be found across industries

Optimizing our business portfolio

Divestment and Acquisitions



Completed divestment of
Leather Chemicals
business to **Stahl Group**



Transfer of paper wet-end
and water chemicals
business to **Solenis** in India
initiated



Global acquisition of
selected assets from
Bayer CropScience

IMPROVED OPERATIONAL EFFICIENCY AND RESOURCE OPTIMISATION



#3

Make in India

Top updates from key sites



DAHEJ

Crossed **5 million safe manhours**
Won 1st regional safety award for
Dispersions and Resins team in Asia
Pacific



ANKLESHWAR

Accident-free year for site and plant
certified with ISO 9000 2015
Introduced **new product - Lupasol®** for
paper imaging market

#3

Make in India

Top updates from key sites



MANGALORE

2nd Best Safe Industrial Boiler Award
from DISH

New warehouse for Coatings business
and plant certified for ISO 50001 Energy
Management system



THANE

48000 litres of treated water recycled
every day. Certified for ISO 9000 (2015)

Conducted **awareness program for fire
fighting skills** for NMMC hospital in
Vashi

A photograph showing four men in a field of green plants. One man on the right, wearing a light blue button-down shirt with a 'D-BASF' name tag and blue jeans, is gesturing with his hands as if speaking. He is looking towards three other men on the left. The three men are dressed in light-colored shirts and are looking at the man in the blue shirt. The background is a lush green field with some trees in the distance.

**CREATING GROWTH
ENGINES –
NEW LAUNCHES, CUSTOMER
CENTRICITY AND
DIGITALIZATION**

Innovation: customized solutions for the market

Construction Chemicals 

Launched **MasterSeal 7000 CCR** for extreme wastewater challenges



Crop Protection 

New products for rice : **Basagran, Adexar, Seltima** established



Dispersions & Resins 

Launched **Acronal S728** for next-generation decorative paints



Health and Nutrition 

Algal DHA for infant nutrition launched



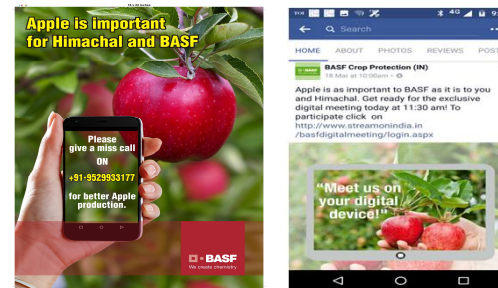
Innovation: enhancing outreach through digitalization



YouTube campaigns for Master EmacoSBR2 & Master Pel 777



Glystantin, a high-performance engine coolant now on Amazon



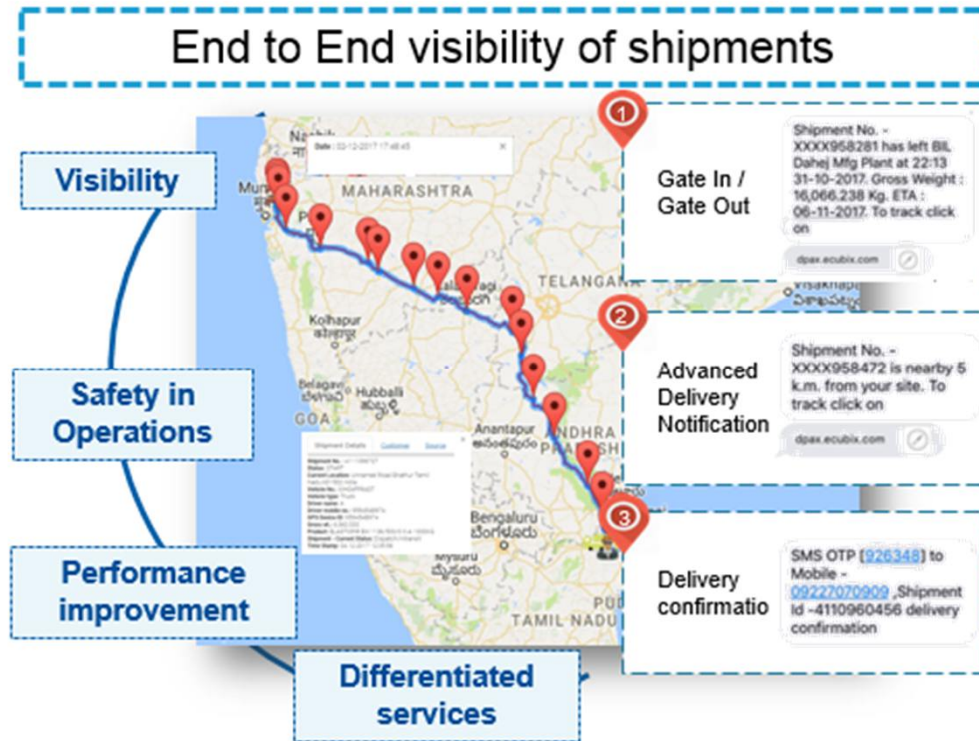
Enhanced digital outreach for Crop Protection



Corporate advertising via Scroll, Future Perfect & social media

#2

Track and Trace



Supply Chain Portal (Transport Tracker)
Powered by GPS

BEYOND THE NUMBERS



Supporting communities

Focus on Water, Sanitation and Hygiene (WASH)



Menstrual hygiene program at Dahej



WASH awareness program at Mangalore



New Sanrakshan kits launched in presence of Govt.



Stationery kit distribution at Ankleshwar

Performance review FY 2017-2018

The year gone by.....

Improving **volumes**,
resource optimisation

Working capital cycle
improved,
borrowings reduced

Business scenario stabilised
post **GST**
- Opening credit utilisation
- Warehouse consolidation

Business portfolio **restructuring**
- Leather carve-out (Sept 2017)
- Cessation of TPU* manufacturing

Measures for faster adoption of
Digitalization – frugal
innovations



FY 2017-18 at a glance

Rs Crores

Business Highlights

- Sales* +10%; Volumes +6%
- Driven by Agro & Dahej BU sales
Dahej Sales: Rs.1,331 Crs (PY Rs.1,014 Crs)
- BIL capacity utilisation @73% (PY 67%)

Capital management

- Borrowings reduced by ~ Rs 400 Crs
- Debt-Equity ratio 0.6 (PY 1.2)

Exceptional Items

Particulars	CY	PY
Apartment sale	27	6
Divestiture of Industrial coatings business to Akzo Nobel	-	11
Divestiture of Leather business to Stahl	156	-
Write down of TPU assets	(24)	-
Total	159	17

* Sales has been adjusted with GST/Excise duty for the relevant periods for coherent comparison

Segmental analysis FY 31st March 2018



Chemicals

Petrochemicals
Monomers
Intermediates



Performance Products

Dispersions & Pigments
Care Chemicals
Nutrition & Health
Performance Chemicals



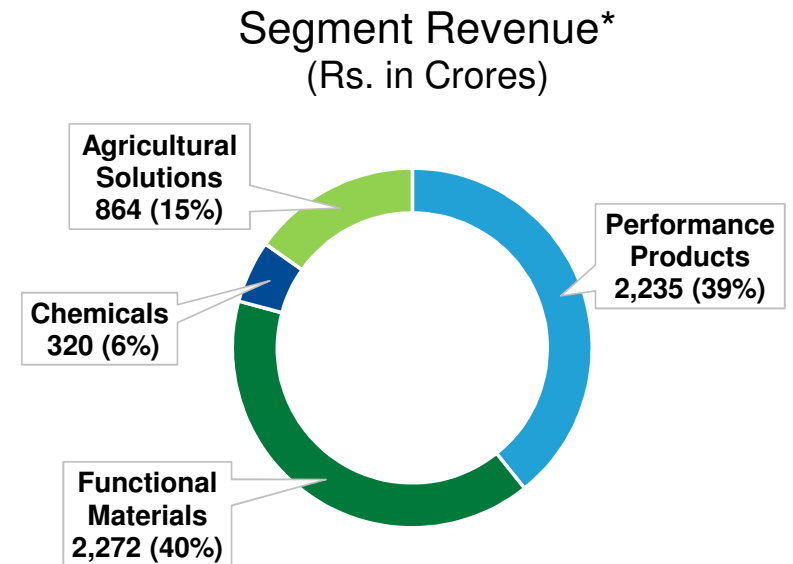
Functional Materials & Solutions

Construction Chemicals
Coatings
Performance Materials



Agricultural Solutions

Crop Protection



* Revenue is not comparable with previous periods due to GST/ Excise duty classification

Segmental analysis

FY 31st March 2018

Agricultural Solutions

Revenue* ↑ 26%
EBIT bEI ↑ 52%



Revenue*

- Erratic monsoon impacted Soybean market
- Strategic efforts on crop diversification
- Sales from new product launches (rice & corn products such as Adexar, Seltima, Basagran, Tynzer etc.)

Result

- Improved profitability from new product launches
- Pressure from generics continues on traditional portfolio

Performance Products

Revenue* ↑ 5%
EBIT bEI ↑ 44%



Revenue*

Dispersions

- Improved volumes as a result of enhanced foot print

Care Chemicals

- Headwinds from demonetisation, GST & volatile feedstock

Result

- Improved profitability from Dispersions / Contract renegotiations improved profitability for care chemicals
- Results impacted due to divesture of leather business

* Revenue has been adjusted with GST/ Excise duty for the relevant periods for coherent comparison

EBITbEI: Earnings before interest & tax before exceptional item

Performance Products includes Dispersions, Pigments, Leather and Care chemicals .

Functional Materials & Solutions includes Performance Materials, Coatings, Construction and Catalysts

Chemicals includes Monomers, Intermediates and Petrochemicals

Segmental analysis

FY ended 31st March 2018

Functional Materials & Solutions

Revenue* ↑ 10%
EBIT bEI ↑ >100%

Revenue*

- **Performance Materials:** Growth in passenger vehicle and consumer industry business
- **Coatings:** Effect of demonetisation and GST in automotive & two wheeler sector
- **Constructions:** Marginal improvement in sales prices



Results

- Better margins in Performance Materials due to increased capacity utilisation at Dahej

Chemicals

Revenue* ↑ 41%
EBIT bEI ↑ 47%

Revenue*

- **Monomers:** Strong market conditions in construction, footwear, packaging etc.
- **Intermediates:** Better realisation due to market shortages



Results

- Price increase from key customers in Intermediates

* Revenue has been adjusted with GST/ Excise duty for the relevant periods for coherent comparison

EBITbEI: Earnings before interest & tax before exceptional item

Performance Products includes Dispersions, Pigments Leather and Care chemicals

Functional Materials & Solutions includes Performance Materials, Coatings, Construction and Catalysts

Chemicals includes Monomers, Intermediates and Petrochemicals

Financial Summary

FY ended 31st March 2018

Rs Crores

	Apr to Mar 18	Apr to Mar 17	
Description	Total	Total	Δ %
Income (as per publication)	5,746	5,531	4%
Revenue incl. other income * (adjusted for GST/ Excise)	5,606	5,090	10%
Material cost *	4,055	3,693	10%
% to Net sales	72.3%	72.5%	
Personnel cost & Operating expenses	1,182	1,116	6%
EBITDA	369	281	31%
Depreciation	154	169	
EBIT (before exceptional items)	215	112	90%
Interest	113	141	
PBT (before exceptional items)	102	(29)	
Exceptional items (net)	159	17	
PBT (after exceptional items)	261	(12)	
Income tax (including DTA & MAT)	15	2	
PAT (after exceptional Items)	246	(14)	
Earnings per share (EPS)	56.9	(3.3)	
Earnings per share before Exceptional Items (EPSbEI)	22.4	(7.7)	
Dividend %	30%	10%	

* Adjusted with GST/Excise duty for the relevant periods for coherent comparison

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Key Balance Sheet No's & Ratios

Rs Crores

	March 2018	March 2017		FY 17-18	FY 16-17
Equity	1,344	1,102	Debt Equity (times)	0.6	1.2
Borrowings (LT & ST)	868	1,275	Equity vs total assets (%)	34.9%	28.4%
Trade Receivables	1,092	1,069	Current ratio (times)	1.2	1.3
Inventory	1,019	920	EBITbEI to Sales (%)	3.8%	2.2%
Trade Payables	1,274	1,183	ROCE* (%)	9.7%	4.7%
Cash flow From Operations	290	221			

EBIT before exceptional items; Capital employed = Equity + Total borrowings

* ROCE: Return on Capital Employed = EBITbSI/(Equity + Borrowings)

Performance review

Q1 June 2018

Quarter at a glance



'Normal' monsoon



Improvement in Dahej utilization



Volatility in Crude MDI prices



Optimisation of borrowings

Financial Summary

Quarter ended June 30, 2018

Rs Crores

Description	Apr-Jun18	Apr-Jun17	Δ %
Income (as per publication)	1,629	1,650	-1%
Revenue incl other income *	1,629	1,510	8%
Material cost *	1,218	1,119	9%
% to Net sales	74.8%	74.1%	
Personnel cost & Operating exp.	315	321	-2%
EBITDA	96	70	37%
Depreciation	37	39	
EBIT (before exceptional items)	59	31	90%
Interest	24	30	
PBT (before exceptional items)	35	1	
Exceptional items income	-	-	
PBT (after exceptional items)	35	1	
Income tax (including DTA utilised & MAT)	11	-	
PAT (after exceptional Items)	24	1	

Our priorities for FY19



Continue to drive profitable growth



Improve efficiency and optimize working capital



Leverage digitalization



Drive customer centricity and innovate to meet market demands

**Thank you for your trust and
continued support!**

**BASF**

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