

→ Linde India Limited.



Making our world more productive

Linde India Limited.

Postal Ballot Notice.

Postal Ballot Notice

(Pursuant to Section 110 of the Companies Act, 2013 read with Rule 22 of the Companies (Management and Administration Rules, 2014)

To the Members,

NOTICE is hereby given pursuant to the provisions of Section 110, 108 and all other applicable provisions, if any, of the Companies Act, 2013 ("Act") read with Rule 20 and Rule 22 of the Companies (Management and Administration) Rules, 2014 (the "Rules") (including any statutory modification(s), amendment(s) or re-enactment(s) thereof for the time being in force), Regulation 44 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended from time to time (the "SEBI Listing Regulations") and other applicable laws and regulations, for seeking consent/approval of the Members of the Company to the proposal contained in the Resolution as set out in this Notice, through Postal Ballot/ electronic voting (e-voting).

SPECIAL BUSINESS:

1. Divestment of the "Belloxy Divestment Business of the Company" as per the Order of the Competition Commission of India (CCI):

To consider and, if thought fit, to pass, with or without modification(s), the following resolution as a Special Resolution:

"RESOLVED THAT pursuant to the provisions of Section 180 (1) (a) of the Companies Act, 2013 and other applicable provisions, if any, of the Companies Act, 2013, (including any statutory modification(s), amendment(s) or re-enactment thereof, for the time being in force), the provisions of the Memorandum and Articles of Association of the Company, SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended from time to time ('SEBI Listing Regulations') and subject to such other approvals, consents, permissions and sanctions as may be necessary and/or required from the concerned statutory/ regulatory authorities including from the Competition Commission of India, as well as under all applicable laws for the time being in force to the extent applicable and necessary, and subject to such terms, conditions, and/or modifications, if any, as may be stipulated by any such authority, while granting such approvals, consents, permissions and sanctions and which may be agreed to by the Board of Directors of the Company, (hereinafter referred to as the "Board" which term shall be deemed to include any Committee, which the Board may have constituted or hereinafter constitute from time to time to exercise its powers including the power conferred by this resolution), the consent of the Members be and is hereby accorded to sell, transfer and divest the "Company's Belloxy Divestment Business" comprising of the business of distributing and selling liquid oxygen, liquid nitrogen & liquid argon purchased from Bellary Oxygen Company Private Limited and conducted from the Bellary Trading Office along with 15,000,000 equity shares of Rs.10 each fully paid up, being 50% of the total issued and paid up equity share capital of Bellary Oxygen

Company Private Limited (CIN No. U40200KA2005PTC036482), a company incorporated under the Companies Act, 1956, owning and operating an 855 tonnes per day Air Separation Unit for sale of gases to JSW Steel Ltd.'s steel works at Bellary in India under the Gas Supply Agreement entered into by it with JSW Steel Ltd. as more fully described in Schedule III of the CCI Order with all related assets and liabilities including but not limited to staff, contracts, licenses, permits consents, approvals, whatsoever, all on a "slump-sale" and "as is where is basis" to Inox Air Products Private Ltd., a company incorporated under the Companies Act, 1956 for a sale consideration of Rs. 549 million (Rupees Five Hundred Forty Nine million) only subject to any adjustments as per the Business Transfer Agreement to be executed between the Company and the aforesaid Inox Air Products Private Limited.

RESOLVED FURTHER THAT for the purpose of giving effect to the above resolution, the Board of Directors of the Company be and is hereby authorised to do and/or to delegate such acts, deeds, matters, things as may be necessary or expedient including determining all terms and conditions in relation to the above sale/transfer/divestment, finalizing and executing the necessary assignment/conveyance/contracts /agreements and to seek registration thereof with the concerned authorities, settle all questions, difficulties or doubts that may arise in this regard and in complying with the requisite regulations, as it may in its absolute discretion deem fit, without being required to seek any further consent or approval of the Members or otherwise to the end and intent that the Members shall be deemed to have given their approval thereto expressly by the authority of this resolution.

RESOLVED FURTHER THAT the Managing Director, Chief Financial Officer and the Asst. Vice President and Company Secretary of the Company be and are hereby jointly and/or severally authorised to do all such acts, deeds and things and take all such steps and actions, execute all such deeds, documents and writings and also give such directions and delegations, as they may in their absolute discretion deem fit to give effect to the aforesaid resolution.

RESOLVED FURTHER THAT all acts, deeds, matters and things, already done by the Board for and in the name of the Company in this regard be and hereby approved, ratified and confirmed in all respects."

Registered Office:

Oxygen House
P43, Taratala Road
Kolkata 700088
West Bengal

Kolkata

Date: 14 January 2020

By Order of the Board

For Linde India Limited



Pawan Marda
Membership No. ACS 8625
Asst. Vice President
& Company Secretary

Notes:

1. An explanatory statement as required under Section 102 and other applicable provisions of the Companies Act, 2013 and Rules made thereunder in respect of the business specified above is annexed hereto.
2. The notice is being sent to all the shareholders, whose names appear on the Register of Members/ List of Beneficial Owners as received from the National Securities Depository Limited (NSDL)/ Central Depository Services (India) Limited (CDSL) as on Friday, 03 January 2020. The Postal Ballot Notice is being sent in electronic mode to those Members who have registered their e-mail addresses with the Company or with the Depositories and in physical mode to the other Members along with a self-addressed Business Reply Envelope, on which the postage will be paid and borne by the Company. The Postal Ballot Notice will also be available on the Company's website www.linde.in and on the NSDL's website at www.nsdl.co.in.
3. The Board of Directors has appointed Mr S M Gupta (Membership No. FCS-896) of Messrs S M Gupta & Co., Company Secretaries (C.P. No. 2053), whom failing, Mr P Sarawagi (Membership No. FCS-3381) of Messrs P Sarawagi & Associates, Company Secretaries, (C.P. No. 4882) as the Scrutinizer for conducting the Postal Ballot voting process in accordance with the law and in a fair and transparent manner.
4. In compliance with the provisions of Sections 108 and 110 read with Rule 20 of Companies (Management and Administration) Rules, 2014 and Regulation 44 of the SEBI Listing Regulations, 2015 as amended from time to time, the Company is also offering e-voting facility to all the shareholders. For this purpose, the Company has signed an agreement with NSDL for facilitating e-voting and is pleased to offer e-voting facility as an alternate, for its shareholders to enable them to cast their votes electronically instead of exercising their votes by physical Postal Ballot forms.
5. The shareholders can opt for only one mode of voting, i.e., either by physical ballot or e-voting. In case shareholders cast their votes through both the modes, votes cast through e-voting shall be treated as valid and votes cast through physical Postal Ballot Form will be treated as invalid.
6. The Shareholders desiring to exercise their votes by physical postal ballot are requested to carefully read the instructions printed in the attached Postal Ballot Form. Such shareholders are requested to exercise their voting rights by using the

attached Postal Ballot Form only. No other form or photocopy of the form is permitted. The Postal Ballot form duly completed and signed should be returned in the enclosed self-addressed business reply envelope to the Scrutinizer so as to reach him not later than 5:00 p.m. on Thursday, 20 February 2020. The postage will be borne and paid by the Company if sent in self-addressed business reply envelope. Further, the members can also send Postal Ballot Forms by courier/registered post or any other means at their own expense so as to reach the Scrutinizer not later than 5:00 p.m. on Thursday, 20 February 2020.

7. The Resolutions, if passed by the requisite majority, will be deemed to have been passed on the last date specified for receipt of duly completed Postal Ballot Forms or for e-voting i.e. on 20 February 2020.
8. All material documents referred to in the Notice and accompanying explanatory statement shall be open for inspection at the registered office of the Company between 10:00 a.m. to 5:00 p.m. on all working days from the date of dispatch of the Postal Ballot Notice until the last date for receipt of votes by Postal Ballot/e-voting.

The procedure with respect to e-voting is provided below:

The way to vote electronically on NSDL e-Voting system consists of "Two Steps" which are mentioned below:

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

Step 2: Cast your vote electronically on NSDL e-Voting system.

Details on Step 1 is mentioned below:

How to Log-in to NSDL e-Voting website?

1. Visit the e-Voting website of NSDL. Open web browser by typing the following URL: <https://www.evoting.nsdl.com/> either on a Personal Computer or on a mobile.
2. Once the home page of e-Voting system is launched, click on the icon "Login" which is available under 'Shareholders' section.
3. A new screen will open. You will have to enter your User ID, your Password and a Verification Code as shown on the screen.

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

4. Your User ID details are given below:

Manner of holding shares i.e. Demat (NSDL or CDSL) or Physical	Your User ID is:
a) For Members who hold shares in demat account with NSDL.	8 Character DP ID followed by 8 Digit Client ID For example if your DP ID is IN300*** and Client ID is 12***** then your user ID is IN300***12*****.
b) For Members who hold shares in demat account with CDSL.	16 Digit Beneficiary ID For example if your Beneficiary ID is 12***** then your user ID is 12*****.
c) For Members holding shares in Physical Form.	EVEN Number followed by Folio Number registered with the company For example if folio number is 001*** and EVEN is 101456 then user ID is 101456001***

5. Your password details are given below:

- a) If you are already registered for e-Voting, then you can use your existing password to login and cast your vote.
 - b) If you are using NSDL e-Voting system for the first time, you will need to retrieve the 'initial password' which was communicated to you. Once you retrieve your 'initial password', you need to enter the 'initial password' and the system will force you to change your password.
 - c) How to retrieve your 'initial password'?
 - (i) If your email ID is registered in your demat account or with the company, your 'initial password' is communicated to you on your email ID. Trace the email sent to you from NSDL from your mailbox. Open the email and open the attachment i.e. a .pdf file. Open the .pdf file. The password to open the .pdf file is your 8 digit client ID for NSDL account, last 8 digits of client ID for CDSL account or folio number for shares held in physical form. The .pdf file contains your 'User ID' and your 'initial password'.
 - (ii) If your email ID is not registered, your 'initial password' is communicated to you on your postal address.
6. If you are unable to retrieve or have not received the "Initial password" or have forgotten your password:
- a) Click on "Forgot User Details/Password?" (If you are holding

shares in your demat account with NSDL or CDSL) option available on www.evoting.nsdl.com.

- b) "Physical User Reset Password?" (If you are holding shares in physical mode) option available on www.evoting.nsdl.com.
- c) If you are still unable to get the password by aforesaid two options, you can send a request at evoting@nsdl.co.in mentioning your demat account number/folio number, your PAN, your name and your registered address.
- d) Members can also use the OTP (One Time Password) based login for casting the votes on the e-Voting System of NSDL.

7. After entering your password, tick on Agree to "Terms and Conditions" by selecting on the check box.
8. Now, you will have to click on "Login" button.
9. After you click on the "Login" button, Home page of e-Voting will open.

Details on Step 2 is given below:

How to cast your vote electronically on NSDL e-Voting system?

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

General Guidelines for shareholders

1. Corporate and institutional shareholders (i.e. other than individuals, HUF, NRI, etc.) are required to send scanned

copy (PDF/JPG Format) of the relevant Board Resolution/ Authority letter etc. with attested specimen signature of the duly authorized signatory(ies) who are authorized to vote, to the Scrutinizer by e-mail to scrutinizer@linde.com with a copy marked to evoting@nsdl.co.in.

2. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential. Login to the e-voting website will be disabled upon five unsuccessful attempts to key in the correct password. In such an event, you will need to go through the "Forgot User Details/Password?" or "Physical User Reset Password?" option available on www.evoting.nsd.com to reset the password.
3. In case of any queries, you may refer to the Frequently Asked Questions (FAQs) for Shareholders and e-voting user manual for Shareholders available at the download section of www.evoting.nsd.com or call on toll free no.: 1800-222-990 or send a request at evoting@nsdl.co.in or contact the Company's Secretarial Department at its Registered Office at +91 33 6602-1600; email: investor.relations.in@linde.com or contact the Registrars and Transfer Agents at +91 33 4004 9728; email: kolkata@linkintime.co.in.

Other Instructions:

- I. The remote e-voting period starts on Wednesday, 22 January 2020 at 9.00 a.m. and ends on Thursday, 20 February 2020 at 5.00 p.m. During this period, Members of the Company holding shares either in physical form or in dematerialized form, as on the cut-off date of 10 January 2020, may cast their votes electronically. The remote e-voting module will be disabled by NSDL for voting thereafter. Once the vote on a resolution is cast by the Member, the Member shall not be allowed to change it subsequently. A person who is not a Member as on the cut-off date should treat this Notice for information purposes only.
- II. The voting rights of the Members shall be in proportion to their shares of the paid-up equity share capital of the Company as on the cut-off date. In case of joint holders, only one of the joint holders may cast his/her vote.
- III. The results of the Postal Ballot shall be announced by the Chairman/Managing Director of the Company at the Registered Office of the Company within the stipulated timeline in accordance with the provisions of the Companies Act, 2013 and Rules made thereunder and the SEBI Listing Regulations, 2015 as amended. The declared results along with the Scrutinizer's Report will be available on the Company's website at www.linde.in and on the website of NSDL at www.evoting.nsd.com and will also be displayed on the Notice Board of the Company at its Registered Office. The results will also be forwarded to the Stock Exchanges where the Company's shares are listed.

EXPLANATORY STATEMENT PURSUANT TO SECTION 102 AND 110 OF THE COMPANIES ACT, 2013

Background & Rationale for divestment:

The Members are aware that Linde AG, the ultimate holding company of your Company and Praxair, Inc. had earlier entered into a legally binding Business Combination Agreement, which was successfully completed on 31 October 2018. The aforesaid global merger necessitated obtaining anti-trust/competition approvals from various jurisdictions across the globe. Accordingly, Linde AG and Praxair, Inc. had applied to the Competition Commission of India (CCI) seeking approval of the business combination in India, pursuant to which after multiple hearings, the CCI had issued an order dated 6 September 2018 to Linde AG and Praxair, Inc. approving the global merger subject to divestment of certain assets controlled by them in India.

The Board of Directors of the Company had at its meeting held on 14 September 2018 considered the clearance letter dated 7 September 2018 issued by the CCI as received from Linde AG in response to the joint application made by Linde AG and Praxair, Inc. After detailed deliberations and in view of the various benefits/ synergies resulting to Linde India as a result of the global merger, which included synergies to be derived from integration of people, establishment, supply chain, sales and marketing and other functions, improved access to broader technology, greater financial flexibility, likely optimization of production facilities due to operational excellence programs, etc., the Board subject to the approval of the shareholders of the Company, granted its in-principle approval for initiation of the sale process including in relation to identification of acquirers for divestment of the assets mandated by the CCI. The Board also approved the ring fencing, hold separate commitments and other obligations in relation to the divestment assets vis-a-vis the remaining business of the Company in accordance with the terms of the clearance letter issued by the CCI subject to the final approval of the CCI, which was later reviewed by the Board. The Board also approved appointment of M/s. Rothschild India Pvt. Ltd. as the independent financial advisor for assisting in the sale process of the divestment assets.

As per order of the CCI, Linde India was required to divest the "South Region Divestment Business" (which has already been completed) and "Belloxy Divestment Business" of the Company. The Belloxy Divestment Business of the Company comprises the business of distributing and selling various industrial gases, viz. liquid oxygen, liquid nitrogen and liquid argon purchased from Bellary Oxygen Company Private Ltd. and conducted from the Bellary Trading Office of the Company along with 15,000,000 equity shares of Rs.10 each fully paid up being 50% of the total issued and paid up Equity Share Capital of Bellary Oxygen Company Private Ltd. [CIN : U40200KA2005PTC036482] a Company incorporated under the Companies Act, 1956, owning and operating an 855 tonnes

per day Air Separation Unit for sale of gases to JSW Steel Ltd's steel works at Bellary in India under the Gas Supply Agreement entered into by it with JSW Steel Ltd. As per the CCI order, the "Belloxy Divestment Business" shall include all assets and staff required by the approved purchaser to continue the Company's current industrial and medical gases operations as are necessary to ensure the viability and competitiveness of all elements of the Belloxy Divestment Business as specified in more detail in Schedule III of the Order and includes, but is not limited to all: Tangible and intangible assets (including intellectual property rights); R&D facilities; transferrable licences, permits and authorisations issued by any Government organisation; contracts, leases, commitments and customer orders; company's supplier and customer contracts; customer credits and other records; and personnel including key personnel engaged on the Belloxy Divestment Business.

Bellary Oxygen Company Private Ltd. is a joint venture company of Linde India Ltd. and Inox Air Products Pvt. Ltd. (Inox AP), both of which own and control 50% of its issued and paid up equity share capital. In order to run an unrestricted bidding process for divestment of Linde India's 50% equity share capital in Bellary Oxygen Company Pvt. Ltd. along with the Bellary Trading Office, Linde India sought a waiver of Right Of First Offer (ROFO) by Inox AP during the year 2018 as per the Shareholder Agreement (SHA) entered into between Linde India and Inox AP, which was turned down by Inox AP. This effectively resulted in Linde India to enter into exclusive negotiations with Inox AP for sale of the Belloxy Divestment Business as per the process laid down in the SHA. The shareholders may note that the restrictive covenants of the SHA coupled with limited residual life of the cash flows of Belloxy Divestment Business and conditions laid down in the CCI order were reasonably expected to impact valuation of the Belloxy Divestment Business. In view of the same, Linde India had no option but to negotiate the divestment of Belloxy Divestment Business exclusively with Inox AP with a view to derive the best possible value for this divestment package, which was closed at a negotiated sale consideration of Rs. 549 million subject to any adjustments required as per the Business Transfer Agreement.

The shareholders may note that the Company had appointed Lodha Capital Markets Ltd. for carrying out an independent valuation of the Belloxy Divestment Business. According to a detailed report dated 3 January 2020 submitted by Lodha Capital Markets Ltd., the fair value of the Belloxy Divestment Business on a cash free/ debt free basis as at 15 January 2020 based on the discounted cash flow method is expected to range from Rs. 556 million to Rs. 587 million. The bid of Inox AP is reasonably aligned to the valuation made by M/s. Lodha Capital Markets Ltd. with a discount of about 4% in view of Linde India's inability to run a bidding process as explained

above. The Company has also received a Fairness Opinion Report from Rothschild & Co. India Pvt. Ltd., which states that based on all relevant matters considered by them, the proposed consideration of Rs.549 million offered by Inox AP to Linde India for the proposed sale of Belloxy Divestment Business by the Company is fair from a financial point of view and it is therefore proposed to accept the bid of Inox AP. The Company has signed a Term Sheet with Inox AP in this regard and has taken steps to seek the approval of the CCI for the same.

Pursuant to the provisions of Section 180(1)(a) of the Companies Act, 2013, the Company is seeking approval of its Members for sale/divestment of the Belloxy Divestment Business by means of a Special Resolution.

A copy of the CCI Order, Term Sheet signed by Linde India with Inox AP together with the draft BTA, Valuation Report of Lodha Capital Markets Ltd. and Fairness Opinion given by Rothschild & Co. India Pvt. Ltd. in connection with the Belloxy Divestment Business are available for inspection without any fees payable by the Members at the Registered Office of the Company on all working days of the Company between 10.00 a.m. to 5.00 p.m. up to the date of the closure of the Postal Ballot.

None of the Promoter or Directors or Manager or other Key Managerial Personnel or their relatives holds any shares in Inox Air Products Private Limited. The effect of the said resolution on the interests of the Promoters, Directors, Manager and Key Managerial Personnel and their relatives, is not any different from the effect of the said resolution on other shareholders of the Company.

No Director, Manager, Key Managerial Personnel either directly or through their relatives, is in any way, concerned or interested, whether financially or otherwise, in the proposed Resolution.

The Board therefore, recommends the aforesaid special resolution for your approval.

Registered Office:

Oxygen House
P43, Taratala Road
Kolkata 700088
West Bengal

Kolkata
Date: 14 January 2020

By Order of the Board
For Linde India Limited



Pawan Marda
Membership No. ACS 8625
Asst. Vice President
& Company Secretary

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Linde India Limited

CIN: L40200WB1935PLC008184

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