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BASF India Limited, Mumbai - 400 051, India

20th July 2023

The Market Operations Department
BSE Limited
P.J. Towers,
Dalal Street, Mumbai 400 001.

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

Dear Sir/Madam,

Re: Advance Pricing Agreement with Central Board of Direct Taxes for the period FY 2011-12 to FY 2019-20

BASF India Limited ('BIL' or 'the Company') has a Cost Sharing Agreement ('CSA') with BASF SE, its ultimate holding company, and other BASF Group companies, ('Pool Partners'), whereby costs associated with the performance of the various activities are borne jointly by respective Pool Partners, based on common allocation keys.

The Company had claimed deduction of the CSA charges in its return of income for FY 2011-12 to FY 2019-20. The Income-tax Authorities had taken a view that the said CSA charges were not in accordance with the arm's length principles as per the transfer pricing regulations and accordingly, the same were disallowed. This has been appealed by the Company before the Appellate Authorities.

As the disallowance of CSA charges has been a recurring issue, the Company had filed an application in March 2015 for an Advance Pricing Agreement ('APA') with the Central Board of Direct Taxes ('CBDT') for determining the arm's length price in line with deductions claimed by the Company.

We wish to inform you that the CBDT has substantially accepted the Company's position of CSA charges being at arm's length. Accordingly, an APA has been signed between BIL and CBDT on 20 July 2023 leading to settlement of outstanding litigations in respect of CSA charges as below:

FY	Assessment status	CSA Claimed		Disallowance covered by APA		Relief by APA	
		€ Mio	Rs. Cr	€ Mio	Rs. Cr	€ Mio	Rs. Cr
2011-12 to 2017-18	Pending before Appellate Authorities	18.2	133.98	18.0	132.80	17.87	131.77
2018-19	Assessment not initiated (Refer Note below)	3.4	27.70	3.4	27.70	2.58	21.02
2019-20	Disallowance made in Transfer Pricing Order – Corporate Tax Assessment ongoing	2.6	20.49	2.6	20.50	2.58	20.33
Total		24.2	182.17	24.0	181.00	23.03	173.12

Note - FY 2018-19 – Disallowance anticipated post filing of modified return of income upon signing of APA

Please treat the above information as intimation under Regulation 30 of the Securities & Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

Thanking You,

Yours faithfully,
For BASF India Limited

Manohar Kamath
Director – Legal, General Counsel (India)
& Company Secretary

Pankaj Bahl
Manager- Company Secretarial

Cc: Listing Compliance,
National Stock Exchange of India Limited, Exchange Plaza, C-1, Block-G, Bandra Kurla Complex, Bandra – (East), Mumbai-400051.

Registered Office
BASF India Limited
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