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BASF India Limited, Mumbai - 400 079, India

February 5, 2025

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,

**Sub: Update on Tax Litigation**

We refer to our earlier letter dated 12<sup>th</sup> August 2023 wherein the Company had informed the Stock Exchanges regarding the tax demand of Rs. 27.75 crores along with penalty equivalent to the tax for the period from April 2011 to March 2016. The said demand was due to the definition of 'input services' that was amended w.e.f. 1<sup>st</sup> April 2011 to exclude Service Tax credit in relation to any services used in connection with setting up of manufacturing plant at Dahej. The Company had availed CENVAT credit of Service tax on inputs, input services and capital goods used in the course of setting up of the said plant at Dahej. Further, the Company had also informed that the said demand was set aside by Customs, Excise and Service Tax Appellate Tribunal (CESTAT) & the matter was remanded back to the Original Adjudicating Authority (Commissioner).

We now wish to inform you that Office of the Commissioner, Central GST & Central Excise, Vadodara – II in the remand back proceeding, vide their order dated 30<sup>th</sup> January 2025 (received by the Company on 4<sup>th</sup> February 2025) has confirmed the said demand of Rs. 55.5 crore (Tax Demand: - Rs. 27.75 crore + Penalty:- Rs. 27.75 crore) plus interest, as may be applicable.

Based on the advice of the tax advisors, the Company disagrees with the demand raised and shall initiate appropriate legal remedies, as may be required within the prescribed timelines.

The details as required under Regulation 30 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 are enclosed herewith as an Annexure-A.

Request you to kindly take note of the above information.

Thanking You.

Yours faithfully,  
For BASF India Limited

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

Pankaj Bahl  
Senior Manager – Legal & Secretarial

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

**Registered Office**  
**BASF India Limited**  
Unit No. 10A, 10B, 10C (Part),  
10th Floor, Godrej One, Pirojsha Nagar,  
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[www.basf.com/in](http://www.basf.com/in)

### Annexure-A

**Disclosure under Regulation 30 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015**

Sr.No.	Details of events that need to be provided	Information of such event (s)
1	Name of the authority (s)	Office of the Commissioner, Central GST & Central Excise, Vadodara – II, Central GST Building, Subhanpura, Vadodara, Gujarat- 390023.
2	Nature and details of the action(s)	Tax Demand: - Rs. 27.75 crore, plus interest, as may be applicable Penalty:- Rs. 27.75 crore
3	Date of receipt of direction or order, including any ad-interim or interim orders, or any other communication from the authority;	Order dated 30 <sup>th</sup> January 2025 (received by the Company on 4 <sup>th</sup> February 2025)
4	Details of the violation(s)/contravention(s) committed or alleged to be committed;	The Company had availed CENVAT credit of Service tax on inputs, input services and capital goods used in the course of setting up of manufacturing plant at Dahej. This is due to the definition of 'input services' that was amended w.e.f. 1 <sup>st</sup> April 2011 to exclude Service Tax credit in relation to any services used in connection with setting up of the said plant. Hence, the Department alleges that the Company had wrongfully availed CENVAT credit of service tax on various input services for the purpose of availment of CENVAT credit.
5	Impact on financial, operation or other activities of the listed entity, quantifiable in monetary terms to the extent possible.	Details provided under point no. 2 above.  Based on the advice of the tax advisors, the Company disagrees with the demand raised and shall initiate appropriate legal remedies, as may be required within the prescribed timelines.