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TAX ADVISORS



CASE STUDY

Industry: Chemical & Pharmaceutical

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Firms Role

TransPrice Tax played a pivotal role in providing comprehensive transfer pricing expertise to the client, who is a prominent Indian multinational group engaged in cannabis cultivation and the development of innovative products derived from it.

About the client

The said client is a seaweed company based in India that focuses on cultivating and processing tropical seaweed species. Their innovative technology allows them to farm in deeper waters and withstand harsh weather, giving them a unique edge. The client efficiently transforms this ocean resource into valuable products.



Matter description

- Designed and implemented a comprehensive transfer pricing structure for clients international transactions with Indonesia. This included marketing support, contract manufacturing, distribution, research and development, and royalty.

- Conducted detailed benchmarking analyses to establish fair and arms-length pricing for each transaction, considering the specific functions and risks associated with each entity.

- Optimized clients tax position by taking into account the corporate tax implications.

- Facilitated benchmarking to establish an arms-length interest rate for intercompany loan transactions.

- Drafted intercompany agreements covering all aspects of the transactions, including interest.

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Impact

- TransPrice Tax delved into the intricacies of the cannabis cultivation industry, a unique and evolving space for multinational groups. This niche expertise, combined with our transfer pricing prowess, showcased our adaptability and ability to navigate complex regulatory environments.

- Structuring a web of international transactions, each with distinct functions and risk profiles, demanded a sophisticated approach. TransPrice Tax tackled intricate cross-border issues and ensured their efficient execution.

- The diverse transactions, including intercompany loans, required a novel approach to benchmarking analyses. TransPrice Tax adapted to the unique challenges presented by each transaction within the clients complex structure.

- TransPrice Tax's approach seamlessly integrated corporate tax considerations into the structuring process. This strategic symphony ensured the clients optimal tax position across all relevant jurisdictions, demonstrating our commitment to holistic solutions that go beyond the traditional scope of transfer pricing.



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To know more get in touch with us

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