

**PRESS INFORMATION BUREAU  
GOVERNMENT OF INDIA**

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**CENTRAL BOARD OF DIRECT TAXES (CBDT) SIGNS 11 MORE UNILATERAL  
ADVANCE PRICING AGREEMENTS (APAS)**

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**Agrahayana 6, 1937**

It has been the endeavor of the Government to foster an environment of co-operation in matters of taxation through predictability of laws and reduced litigation. In a major push towards providing certainty to foreign investors in the arena of transfer pricing, the Central Board of Direct Taxes (CBDT) has entered into 11 more unilateral Advance Pricing Agreements (APAs). These APAs were signed with Indian subsidiaries of foreign companies operating in various segments of the economy like investment advisory services, engineering design services, marine products, contract R&D, software development services, IT enabled services, cargo handling support services, etc.

While seven (7) of these APAs have rollback provisions contained in them, the other four (4) are Agreements for future five years. APAs with rollback provisions can cover a maximum period of 9 years in total. With this round of signing, CBDT has so far entered into 31 APAs (30 unilateral and one bilateral).

The APA Programme was introduced in the Income-tax Act, 1961 in 2012 vide the Finance Act, 2012. Five (5) APAs were concluded in the first year and four (4) APAs got signed in the second year. The pace of negotiations has picked-up in the current year. This year has already witnessed the conclusion of 22 APAs. It is the aim of the CBDT to finalise another 30 to 40 APAs before the end of this fiscal to provide stability and confidence to foreign enterprises operating in India.

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