

**PRESS INFORMATION BUREAU  
GOVERNMENT OF INDIA**

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**SCOPE OF THE TERMS OF REFERENCE OF THE EXPERT COMMITTEE  
HEADED BY DR. PARTHASARATHI SHOME ON GAAR EXPANDED TO  
INCLUDE ALL NON-RESIDENT TAX PAYERS INSTEAD OF ONLY FIIS**

**New Delhi: Bhadrapada 10, 1934  
September 1, 2012**

The Standing Committee on Finance has presented its report on Current Economic Situation and Policy Options to Parliament on August 30, 2012. The Committee has *inter alia* found that the investment climate in the country has suffered serious setback and investors confidence has been hit mainly because of the concerns over the impact of retrospective tax laws and new General Anti Avoidance Rules(GAAR).

The Government had constituted an Expert Committee headed by Dr. Parthasarathi Shome on GAAR on July 13, 2012. The Committee has now submitted its draft report, which has been placed in public domain on September 1, 2012 for seeking suggestions/opinion of the various stakeholders.

The Government had earlier on August 6, 2012 also requested the Expert Committee to examine the applicability of the amendment on taxation of non-resident transfer of assets where the underlying asset is in India, in the context of Foreign Institutional Investors (FIIs) operating in India purely for portfolio investment. It has now been decided to expand the scope of the Terms of Reference of the Committee to include all non-resident tax payers instead of only FIIs.

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