

**Government of India
Ministry of Finance
Department of Revenue
Central Board of Direct Taxes**

New Delhi, 31st March, 2022

PRESS RELEASE

Signing of 62 Advance Pricing Agreements by CBDT in FY 2021-22

The Central Board of Direct Taxes (CBDT) has entered into 62 Advance Pricing Agreements (APA) in FY 2021-22 with Indian taxpayers. This includes 13 Bilateral APAs (consequent to Mutual Agreement between India and its treaty partners) and 49 Unilateral APAs. With this, the total number of APAs since inception of the APA program has gone up to 421.

Despite severe economic and social disruption caused by the CoVID-19 pandemic in first part of the financial year, the number of APAs signed compares very well with the APAs signed in the preceding two years (31 APAs in FY 2020-21 and 57 APAs in FY 2019-20).

The APA Scheme endeavours to provide certainty to taxpayers in the domain of transfer pricing by specifying the methods of pricing and determining the arm's length price of international transactions in advance for the maximum of five future years. Further, the taxpayer has the option to rollback the APA for four preceding years, as a result of which, total nine years of tax certainty is provided.

The progress of the APA scheme strengthens the Government's resolve of fostering a non-adversarial tax regime and increasing the ease of doing business in India. CBDT appreciates the cooperative and transparent attitude of taxpayers in this regard.

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