

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

PRESS RELEASE

New Delhi, 22 January, 2016

**Sub: Signing of 7 unilateral Advance Pricing Agreements on 22 January 2016-
regarding**

The Central Board of Direct Taxes (CBDT) entered into 7 more unilateral Advance Pricing Agreements (APAs) with taxpayers today (22nd January, 2016). This takes the tally of APAs signed so far to 39 (38 unilateral and one bilateral). In the current fiscal year, which is the third year of APA programme, 30 agreements have been signed so far. Before the end of the financial year, more such agreements are expected to be signed. The 7 APAs signed today pertain to various sectors of the economy like investment advisory services, software development services and IT enabled Services. The agreements signed today also include one of the few agreements to be reached in the manufacturing sector.

The APA Scheme was introduced in the Income-tax Act in 2012 and the “Rollback” provisions were introduced in 2014. The scheme endeavours to provide certainty to taxpayers in the domain of transfer pricing by specifying the methods of pricing and setting the prices of international transactions in advance. Since its inception, the APA scheme has attracted tremendous interest from taxpayers for using this mechanism to achieve tax certainty upto nine years.

The approach of the Income Tax Department to the APAs has been appreciated and acknowledged by the industry in India and abroad. The Income Tax Department is committed to providing a stable and predictable taxation regime and improving the ease of doing business.

**(Shefali Shah)
Pr. Commissioner of Income Tax (OSD)
Official Spokesperson, CBDT**