

Deloitte Haskins & Sells LLP



JB Nagar CPE Study Circle

Transfer Pricing - Overview & Recent Amendment

CA Rakesh Alshi and CA Nisha Karkera - 20 October 2019

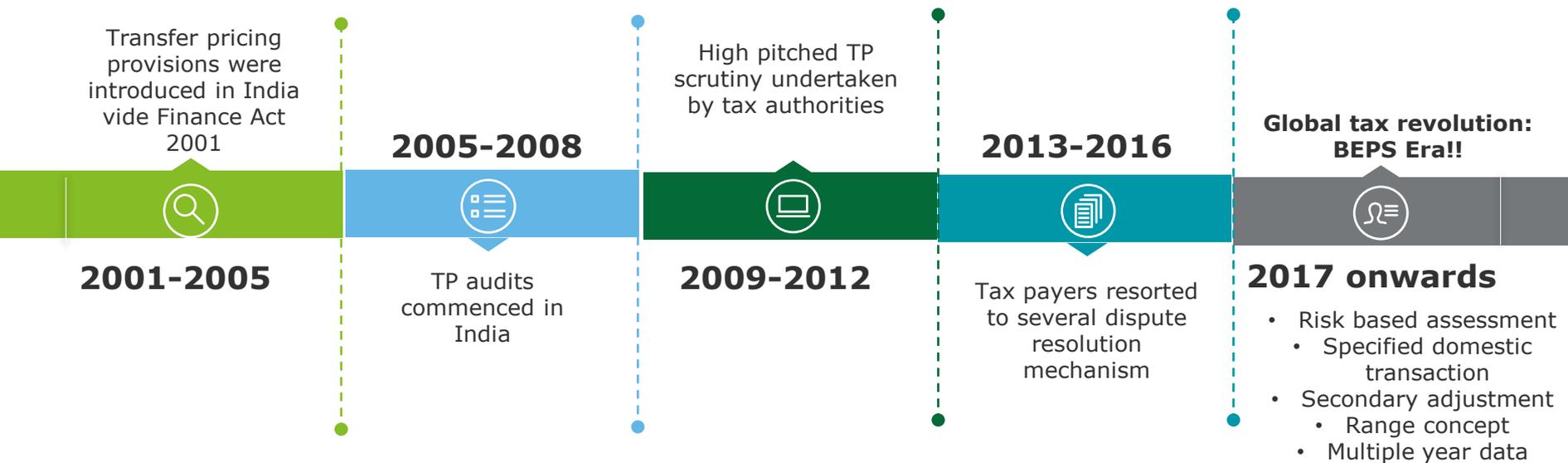
Agenda

- Evolution of Transfer Pricing in India
- Associated enterprise
- International transaction
- Arm's length price
- Transfer pricing methods
- Country-by-Country Report and Master File
- Indian TP documentation
- Developments in Transfer Pricing
- Annexures



Evolution of Transfer Pricing ('TP') in India

Story so far....





Concept

Concept



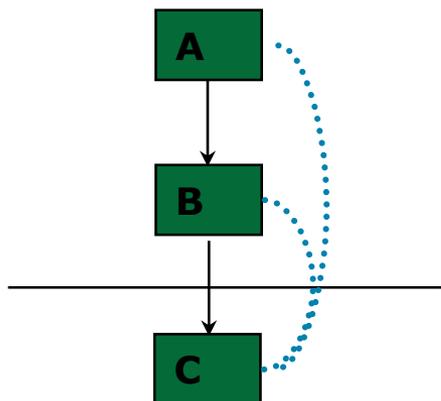
Concept



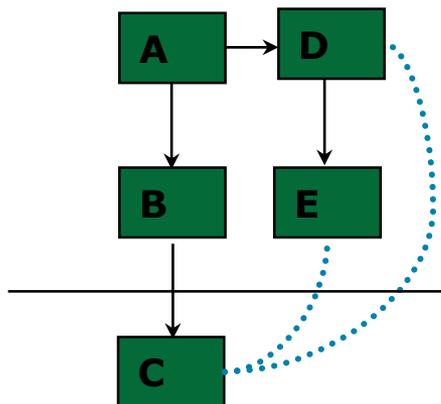


Associated enterprise

Meaning of Associated enterprises ('AE') (Sec 92A)



Both A and B are associated enterprises of C



D and E are also associated enterprises of C since they have a common ultimate parent (A)

- Direct or indirect participation (through one or more intermediaries) in management, control or capital
- As per ICAI guidance notes:
 - Capital: Refers to the amount invested in an enterprise by its owners
 - Management/Control: Individual along with his relative has power to control to make crucial decisions regarding the enterprise i.e. a proactive and not reactive power
- If any condition is satisfied then it will be associated enterprise for the whole year.

Associated Enterprises – Sec 92A of the Act – Secondary Association

Enterprises deemed to be AEs [Section 92A(2)]:

- one has direct or indirect share holding carrying not less than 26% voting power in the other
- common parent / person holds 26% of voting power in both enterprises
- one advances loan constituting not less than 51% of book value of total assets of the other enterprise
- one provides guarantees of not less than 10% of total borrowings of the other enterprise
- Appoints more than half of board of directors of one enterprise or one or more executive directors are appointed by the other enterprise
- Appoints more than half of the board of directors of both enterprises are appointed by the same person or persons
- one enterprise is wholly dependent on use of IPRs of the other enterprise for manufacturing
- At least 90% of raw materials and consumables required by a enterprise are supplied by the other enterprise, or by persons specified by the other enterprise, and prices and conditions relating to supply are influenced by such other enterprise

Associated Enterprises – Sec 92A of the Act – Secondary Association

Enterprises deemed to be AEs [Section 92A(2)]:

- Goods or articles manufactured or processed by one enterprise, are sold to the other enterprise or to persons specified by the other enterprise, and prices and conditions relating thereto are influenced by such other enterprise
- Both enterprises controlled by same the same individual singly or jointly with relatives
- One enterprise controlled by HUF and other controlled by member of HUF or his relative or jointly
- One enterprise being a firm, association of persons or body of individuals, the other enterprise holds not less than 10% interest therein
- There exists between the two enterprises, any relationship of mutual interest, as may be prescribed

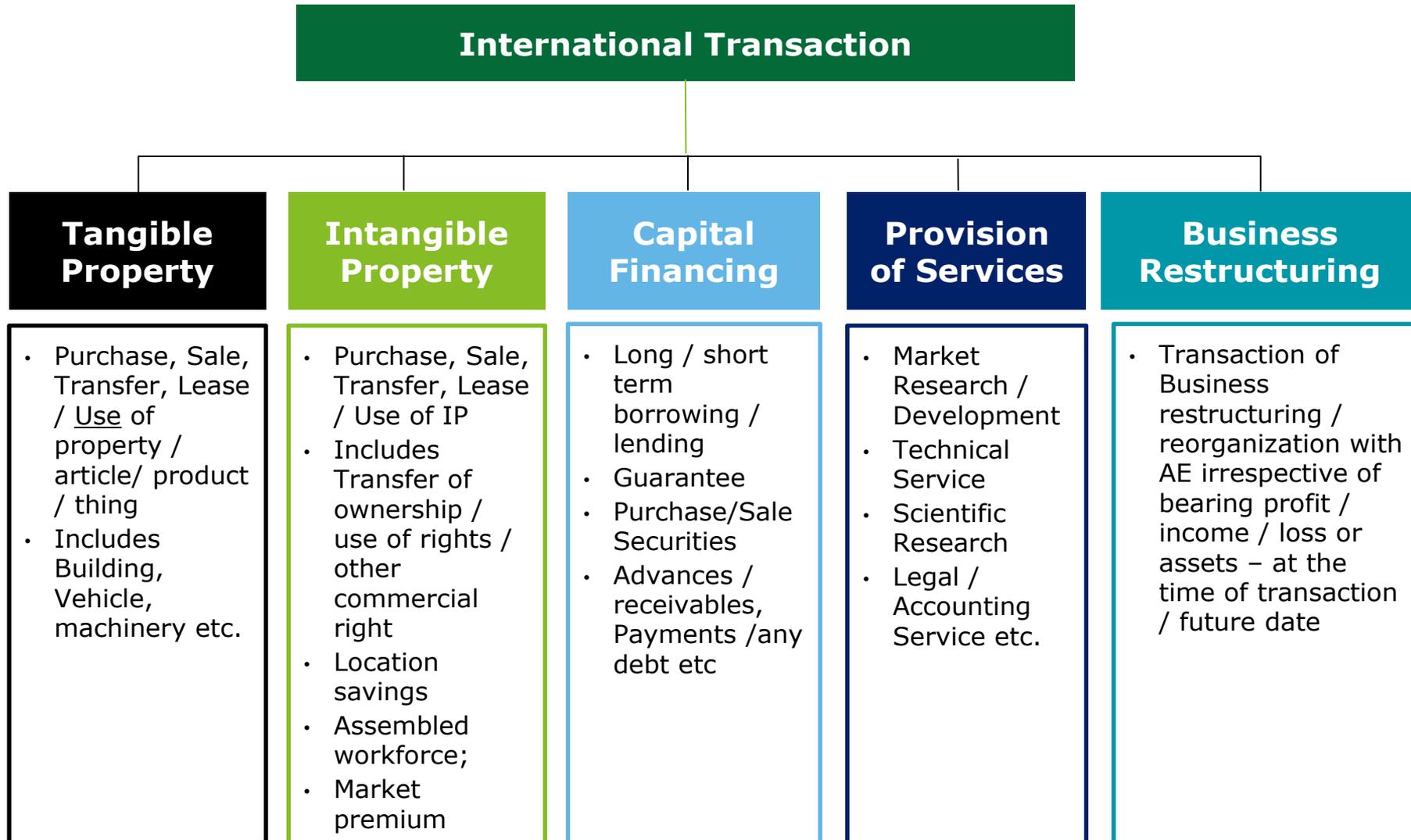


International transaction

Meaning of International Transactions (Sec 92B)

- Transaction between two or more associated enterprises,
- Either or both of whom are non-residents
- **Definition of transaction u/s 92f(v)**
 - transaction” includes an arrangement, understanding or action in concert –
 - (A) formal or in writing or
 - (B) whether or not enforceable by legal proceeding

Enhanced definition of International Transaction (w.e.f. 1 April 2002)



Provision of Services (1/2)

No definition as per Income Tax Act, 1961.

- **As per OECD guidelines**

- Test is whether the activity provide the respective group member with economic or commercial value which enhances its commercial position
- Whether any independent party would be willing to pay for the services rendered
- Whether the entity would have performed the activity in house itself

- **Shareholder Services**

- Shareholder services are those that are incurred to protect the shareholders' interest in its investments
- Also relates to activities concerning the legal structure of parent company, reporting requirements, and costs mobilization.
- Transfer Pricing Officers disallow these expenses they are not value adding.

- **Management Services**

- These are in nature of administrative, financial, legal, commercial, management, co-ordination and control functions.
- Imperative to establish benefit test – appropriate allocation keys, strong documentation, documentary evidences etc.

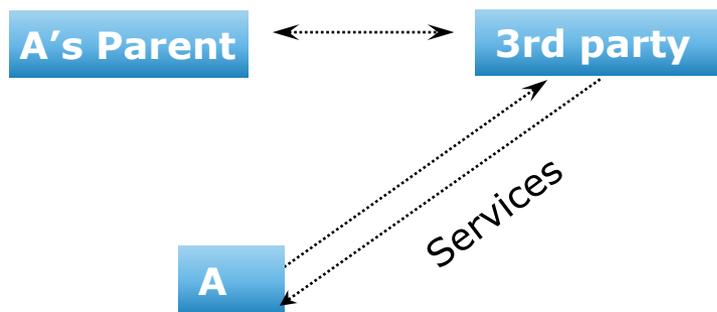
Provision of Services (2/2)

- **Low Value Added Intra-group Services**

As per OECD (Para 7.45)	As per Safe Harbour regulations
<p>Nature of service</p> <ul style="list-style-type: none">- Are supportive in nature- Are not part of the core business of the MNE group- do not lead to creation / use of unique and valuable intangibles- do not involve the assumption / control / creation of substantial or significant risk <p>Profit Mark-up</p> <ul style="list-style-type: none">- Shall be applied on all costs in the pool with the exception of any pass-through costs- The mark-up shall be equal to 5% of the relevant cost	<p>Nature of service</p> <ul style="list-style-type: none">- In nature of support service- Not part of the core business of the MNE group- <i>Not in nature of shareholder services or duplicate services</i>- Do not lead to creation / use of unique and valuable intangibles- Do not involve the assumption / control / creation of substantial or significant risk- <i>Do not have reliable external comparables to determine ALP</i> <p>Profit Mark-up</p> <ul style="list-style-type: none">- Shall be applied on all costs in the pool with the exception of any pass-through costs- The mark-up shall be equal to 5% of the relevant cost

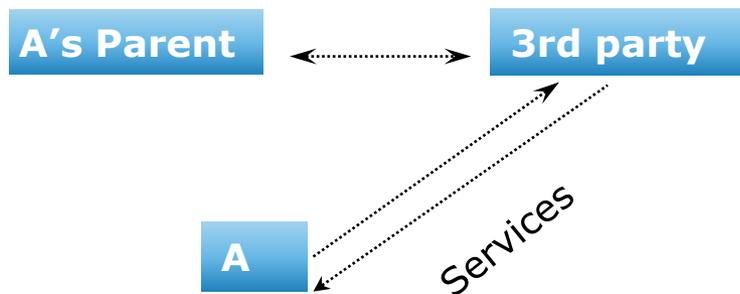
Deemed International Transaction- Sec 92B(2)

Prior agreement



- A transaction with an unrelated company (resident or non-resident) is deemed to be an international transaction and subject to transfer pricing regulations if
 - a **prior agreement** exists between A's AE and unrelated party in relation to services rendered by A to the 3rd party; or
 - **terms of transaction** are determined in substance by A's AE and 3rd party
- Amendment in Finance Act, 2014.

Determination of terms

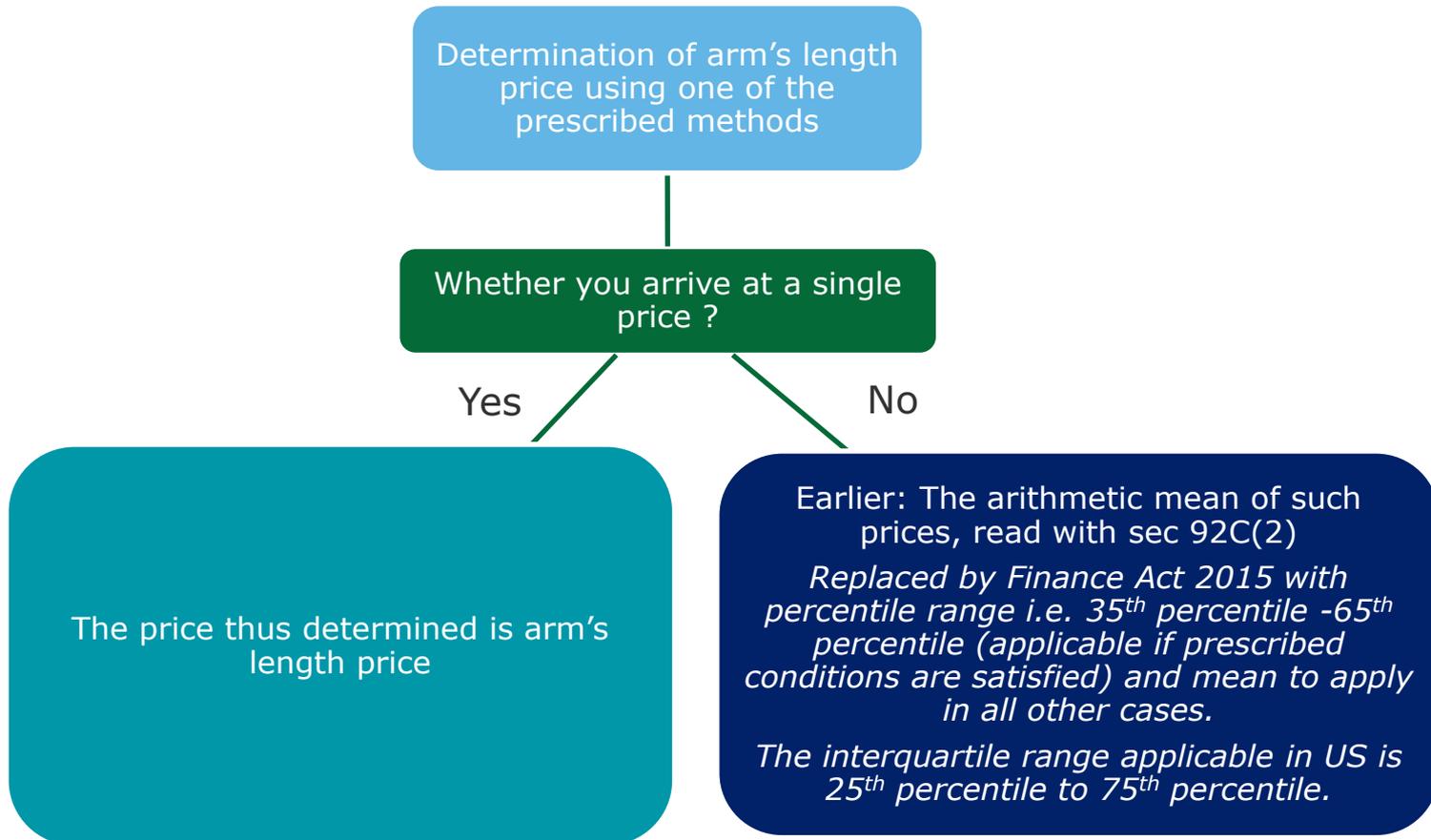




Arm's length price

Arm's Length Price ('ALP')

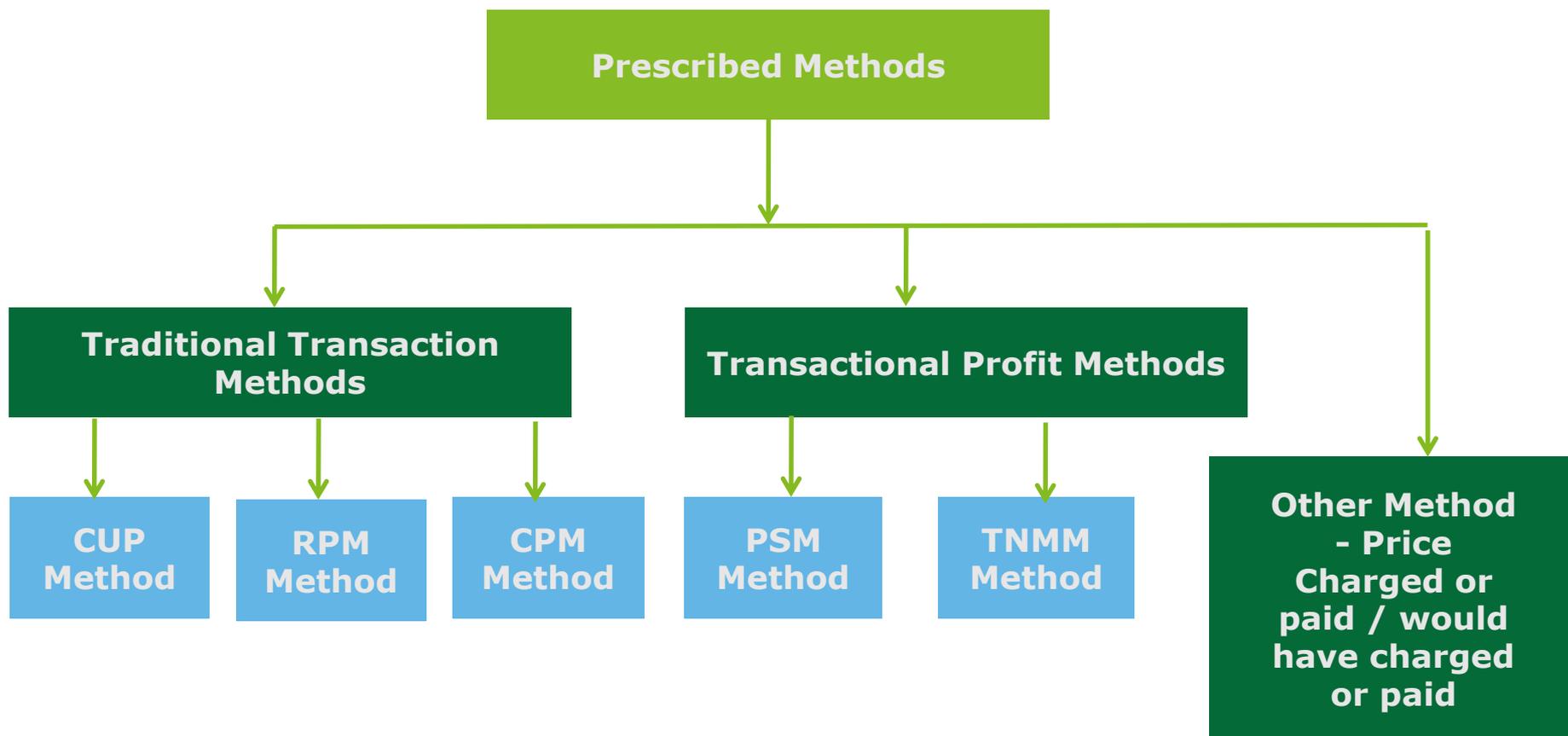
Price applied or proposed to be applied in a transaction between persons other than AEs, in uncontrolled conditions





Transfer pricing methods

ALP Computation - Overview of Methods



No hierarchy or preference of methods prescribed under the Act

Comparable Uncontrolled Method

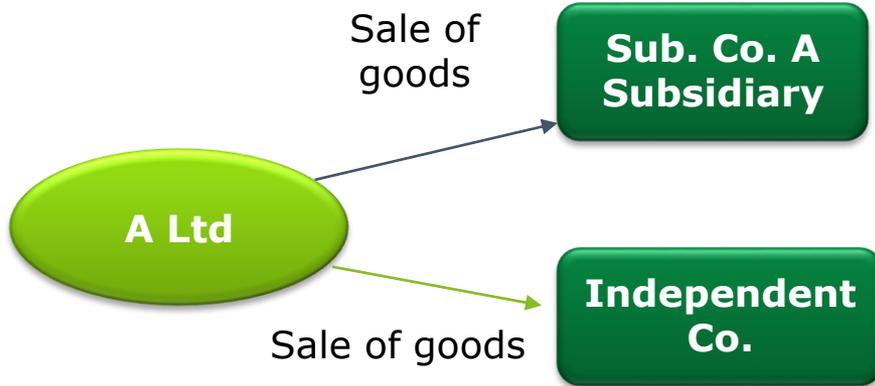
- Comparison of controlled transaction with the uncontrolled transaction(s)
- High degree of comparability of products or services
- Direct and reliable
- Comparability Factors
 - Similarity of products and services
 - Geography of markets
 - Functions performed, Assets deployed and Risks borne
 - Contractual terms
 - Economic Circumstances
 - Business strategies

Computation of ALP as per Rule 10(B)

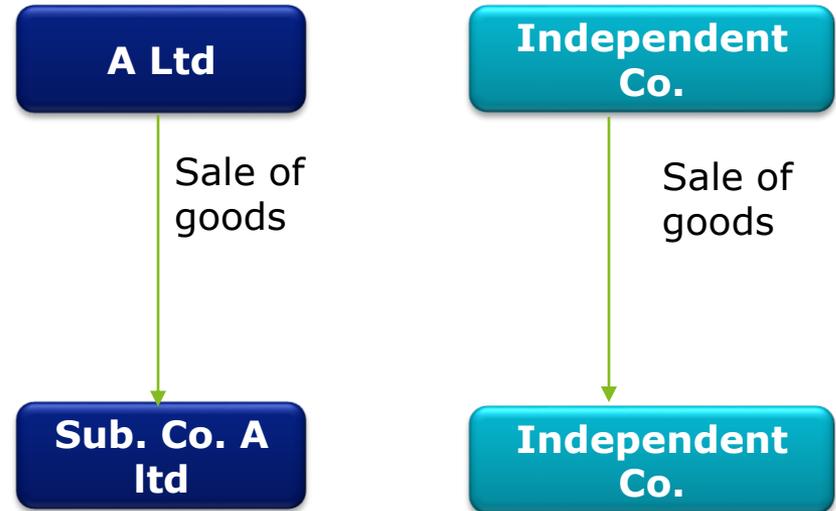
Price of Comparable transaction	xxx
+/- Adjustments in respect of material differences pertaining to comparable transactions	xxx
+/- Adjustments in respect of material differences between both enterprises	xxx
ALP as per CUP method	xxx

CUP Method - Examples

Internal CUP



External CUP



Internal CUP is preferable

Resale Price Method ('RPM')

- Measures the value of functions performed.
- Ordinarily used in cases involving the purchase and resale of tangible property
- Reseller has not added substantial value
- Packaging, labeling, or minor assembly are acceptable
- Reseller does not apply intangible assets to add substantial value
- More reliable if internal comparables are present

Computation of ALP as per Rule 10(B)

Resale price charged to unrelated enterprise in resale of property purchased from Associated Enterprise	xxx
Less: Normal Gross profit margin on same/similar property in comparable uncontrolled transaction	xxx
Less: Expenses in connection with purchase of property	xxx
+/- Adjustments of opening and closing stock purchased / functional or other differences	xxx
ALP as per RPM method	xxx

RPM – Case Study

Particulars	3 rd party transaction	Related party transaction
Sale price of Desktops (A)	950	1150
Purchase Price from 3 rd party (B)	750	
Margin earned (C=B-A)	200	
Resale Margin (C/A)	21%	21%
ALP (A - A*21.05%)		909
Purchase price from related party		1000

Is the transaction at Arm's Length?

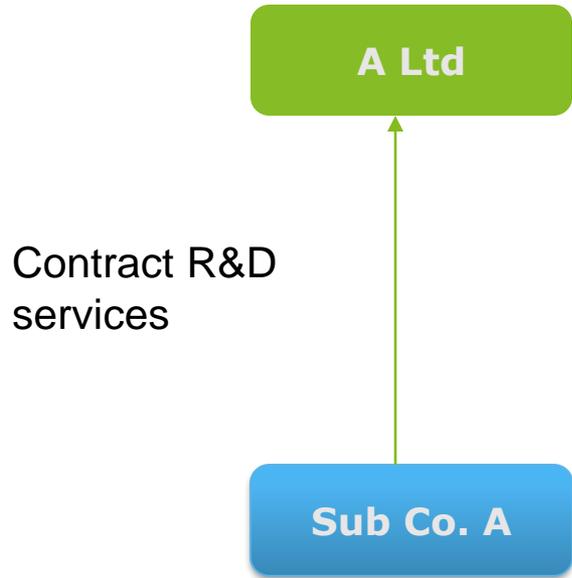
Cost Plus Method ('CPM')

- Similarity of products/services transferred – not a prerequisite
- Similarity of functions is a prerequisite for applying CPM
- Gross margins are more sensitive to difference in functions and risks
- Most useful method where, inter alia, related parties undertake transaction in respect of:
 - Sale of semi-finished goods
 - Joint facility agreements
 - Long term buy and supply arrangements
 - Provisions of services on contract basis

Computation of ALP as per Rule 10(B)

Direct and Indirect costs incurred by the enterprise in respect of property transferred	xxx
Add: Normal Gross profit margin on same/similar property in comparable uncontrolled transaction	xxx
+/- Functional / other differences	xxx
ALP as per CPM method	xxx

CPM – Example



- **A Ltd Provides directions for the manner in which research has to be carried out**
- **A Ltd assumes all risks associated with Research**
- **A Ltd also owns all intangibles developed through Research**
- **Sub Co. A agrees to carry-out Contract Research**

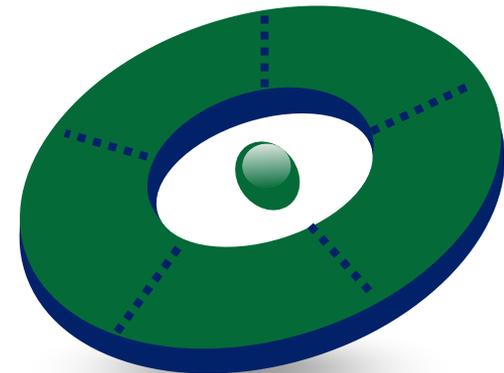
All costs for Research is compensated alongwith mark up

Profit Split Method ('PSM')

- The PSM is typically applied in complex situations when other available methods (such as the CUP or the TNMM) are not sufficient to price the functions performed
- Profit split methods are usually appropriate when:
 - Transactions are very interrelated it might be that they cannot be evaluated on a separate basis.
 - Valuable, non-routine intangibles exist in transactions and profit arising to the group cannot be assigned to one of the entities of the group
 - Adequate comparables are unavailable to set margins for all the entities.

Computation of ALP as per Rule 10(B)

Single stage Allocation	Allocation of whole profits on basis on allocation keys determined
Two stage allocation	Assign basic return to each entity
	Allocation of remaining profits on basis on allocation keys determined



PSM is contribution analysis, rather than comparability analysis

How to apply Residual Profit Split Method?

Particulars	Amount in INR	
Combined Group Profits		100
Assign basic return to each entity		
• Entity A	30	
• Entity B	20	
• Entity C	10	60
Residual profit		40
Contribution analysis (based on relative contribution of the entities)		
• Entity A		30
• Entity B		10

Contribution Analysis – Element of subjectivity

Transactional Net Margin Method ('TNMM')

- Most practical and widely used method
- Broad level of similarity of Functions, Assets and Risks
- TNMM can be applied as internal TNMM as well as external TNMM
- Comparison is at net operating margin with the application of appropriate Profit Level Indicators ('PLIs')



Profit Level Indicators

Method	PLI	Formula	Typically used for
TNMM	Return on Total Costs	Operating profit / Total Costs	Contract Manufacturer / Toll Manufacturer / Service Provider
	Return on Sales	Operating Profit / Sales	Manufacturer / Distributor
	Return on Assets	Operating Profit / Operating assets	Manufacturer / Asset Intensive business
	Return on Capital Employed	Operating Profit / Capital Employed	Financial Transactions
	Return on Value Added Expenses	Operating Profit / Value Added Expenses	Agents

TNMM – Example

Segmental – AE and Non AE business

Particulars	AE	Non – AE	Total
Sales	110	100	210
Purchases	85	80	165
Other Administrative Expenses	12	10	22
Interest	5	-	5
Operating Profit	8	10	18
OP/Sales	7.27%	10%	8.57%
Add: Interest	5	-	5
OP/Sales	11.81%	10%	10.95%

Comparability when:

- Internal comparability exists - Internal TNMM
- No internal comparability exists - External TNMM



Other Method – An insight

- With the introduction of Rule 10AB(2), it is possible to use “any method” which takes into account
 - the price which has been charged or paid, or
 - would have been charged or paid for the same or similar uncontrolled transactions, with or between non-associated enterprises, under similar circumstances, considering all the relevant facts
- Data which may be used for comparability purposes could be:
 - Third party quotations
 - Valuation reports
 - Tender/Bid documents
 - Documents relating to negotiations
 - Standard rate cards
 - Commercial and economic business models

**Notification No. 18 of 2012 dated 23rd May
2012 effective AY 2012-13**



Country-by-Country Report and Master File

Base Erosion and Profit Shifting

Action 13 - Three tier documentation

- **Three tier documentation introduced by Action 13 of the BEPS**
 - CbC Reporting – where the annual turnover of the Group is above 750 million Euro - Key financial information on all group members on an aggregate country basis for each member
 - Master file - Key information about the group's global operations including a high-level overview of a company's business operations along with important information on a company's global transfer pricing policies with respect to intangibles and financing
 - Local file - Information and support of the intercompany transactions that the local company engages in with related parties
- CbC Reporting to be used as a risk assessment tool by tax authorities worldwide
- Local file has additional requirements as compared to the TP documentation maintained by the companies in India

CbC Report

Contents of Form No. 3CEAC – Similar to Action 13 template

Part A: Information included in CbC for each tax jurisdiction

Revenues
(related,
unrelated,
total)

Profit/loss
before income
tax

Income tax
paid (on cash
basis)

Income tax
accrued
(Reportable
accounting
year)

Stated capital

Accumulated
earnings

Number of
employees

Tangible assets
other than cash
and cash
equivalents

Part B: Information included in CbC – for each tax jurisdiction

Tax Jurisdiction of organization or
incorporation if different

Main business activity of each of the entity

Main business activity(ies)

- Research and development
- Holding or managing intellectual property
- Purchasing or procurement,
- Manufacturing or production
- Sales, marketing or distribution
- Provision of services to unrelated parties
- Internal Group Finance
- Regulated Financial Services
- Insurance
- Holding shares or other Equity instruments,
- Dormant
- Others

Part C:

To include any further brief information or explanation that taxpayer may consider necessary or that would facilitate the understanding of the compulsory information provided in the CbC Report.

Master File requirements

Contents of Form No. 3CEAA - Part B of the Master File

Organizational Chart

- List of all the entities of the IG with their addresses
- Legal status of the constituent entities and ownership structure of the entire IG

Description of Company's Business

- Important drivers of business profit
- Supply chain chart for the five largest products and service offerings plus other products or services amounting to more than 5% of IG's revenue
- Information regarding important service arrangements and transfer pricing policies for intra-group services
- Description of the capabilities of main service providers within the IG
- Major geographical markets for products and services of the IG
- FAR analysis of group entities contributing at least 10% of the IG's revenue or assets or profits;
- Description of important business restructuring, acquisitions and divestments

Company's Intangible property

- IG's strategy for the development, ownership and exploitation of intangible property, including location of principal R&D facilities and location of R&D management
- Details (name and address) of entities engaged in development and management of intangible property
- List of all important intangible property and name and addresses of group entities legally owning such intangible property
- Description of transfer pricing policies of the IG
- Description of important transfers of interest in intangible property within the IG including names and address and compensation involved

Inter-Company Financial Instruments

- Details of financing arrangements of IG
- Names and addresses of top ten unrelated lenders
- List of group entities providing central financing functions including their address of operation and place of effective management
- Description of transfer pricing policies related to financing arrangements

Financial & Tax Positions

- IG's annual consolidated financial statement
- List and brief description on existing unilateral APAs and other tax rulings of the IG relating to allocation of income among countries

Penalties for non-compliance

Sr. No	Particulars	Default	Penalty
CbC report (Section 271GB of the Income-tax Act, 1961)			
1.	Non-furnishing of CbC report by Indian parent or the alternate reporting entity resident in India	Each day up to a month from due date	₹ 5,000 per day
		Beyond a month from due date	₹ 15,000 per day
		Continuing default beyond service of penalty order	₹ 50,000 per day
2.	Non-submission of information	Beyond expiry of the period for furnishing information	₹ 5,000 per day
		Continuing default beyond service of penalty order	₹ 50,000 per day from date of service of penalty order
3.	Provision of inaccurate information in CbC report	Knowledge of inaccuracy at time of furnishing the report but fails to inform the prescribed authority	₹ 500,000
		Inaccuracy discovered after filing and fails to inform and furnish correct report within fifteen days of such discovery	
		Furnishing of inaccurate information or document in response to notice issued	
Master File (Section 271AA of the Income-tax Act, 1961)			
1.	Non-furnishing of information and documentation	Failure to furnish the information and document to the prescribed authority	₹ 500,000

Local File

- Contains information traditionally found in TP documentation
- New requirements
 - Description of management structure, local organization chart and description of individuals, to whom local management reports and their country of offices
 - Details on I/C transactions and financial information
 - Search for comparable companies needs to be refreshed once in every three years, if the functional profile of the company has not changed
 - Use of local rather than regional comparables, if available and appropriate
 - Disclosure of bilateral APAs and rulings

Key issue for the future is whether local countries will impose additional requirements for the local file that will require additional costs to prepare locally tailored documentation reports.

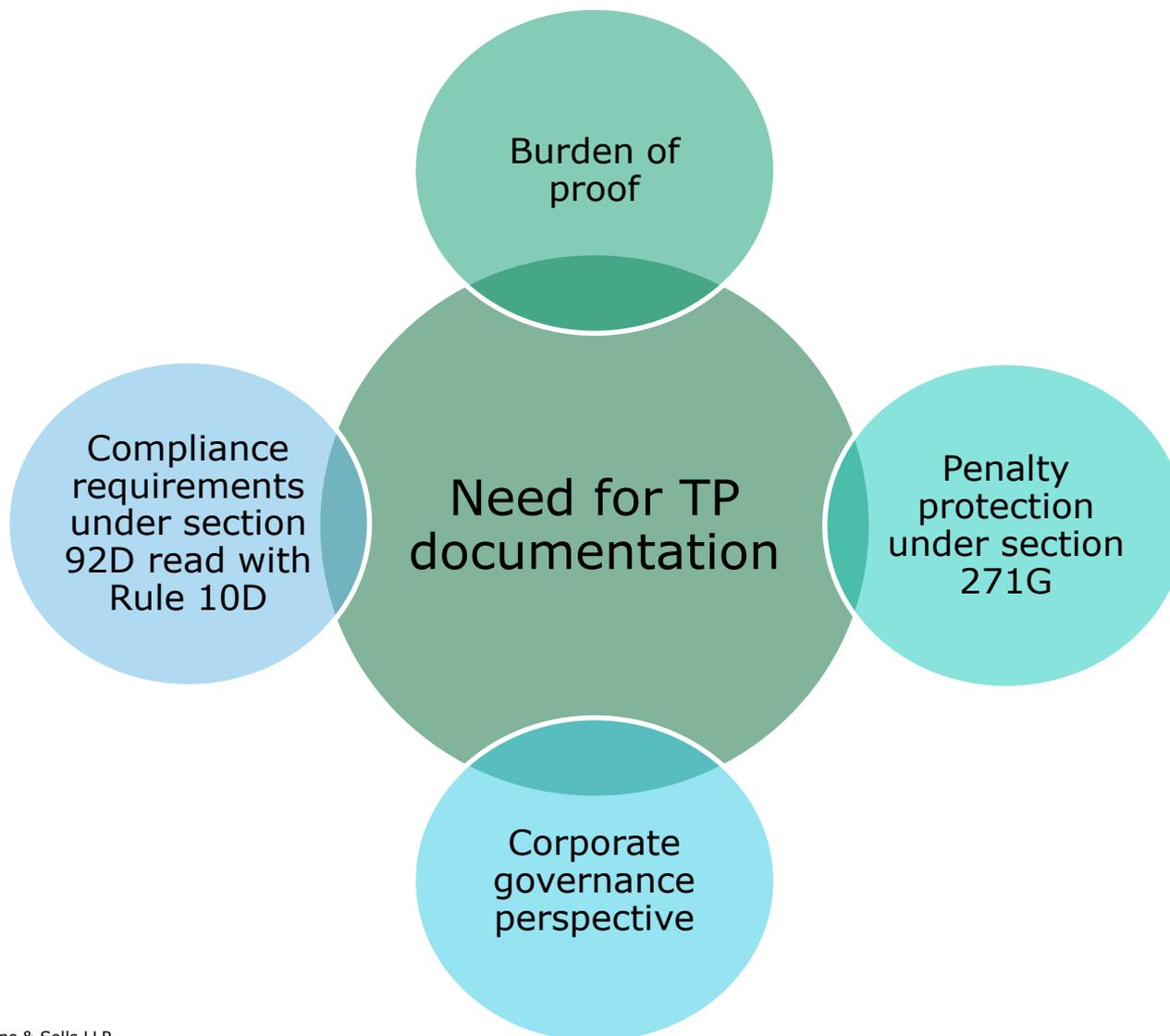
Local File compared with Rule 10D

Constituents of Local File	Presence in Rule 10D
Information relating to local entity	Broadly covered under Rule 10D (1) (a), Rule 10D (1) (b) and Rule 10D (1) (c)
Information relating to controlled transactions of the local entity	Covered under Rule 10D (1) (d) to Rule 10D (1) (m) - except details relating to unilateral/ bilateral APAs and similar rulings
Financial information of the local entity	



Indian Transfer Pricing Documentation

Need for Transfer Pricing Documentation in India



Transfer Pricing Documentation (1/2)

List of mandatory documents as per Rule 10D

Entity related

- Ownership structure
- Profile of multinational group
- Business description / Profile of Industry

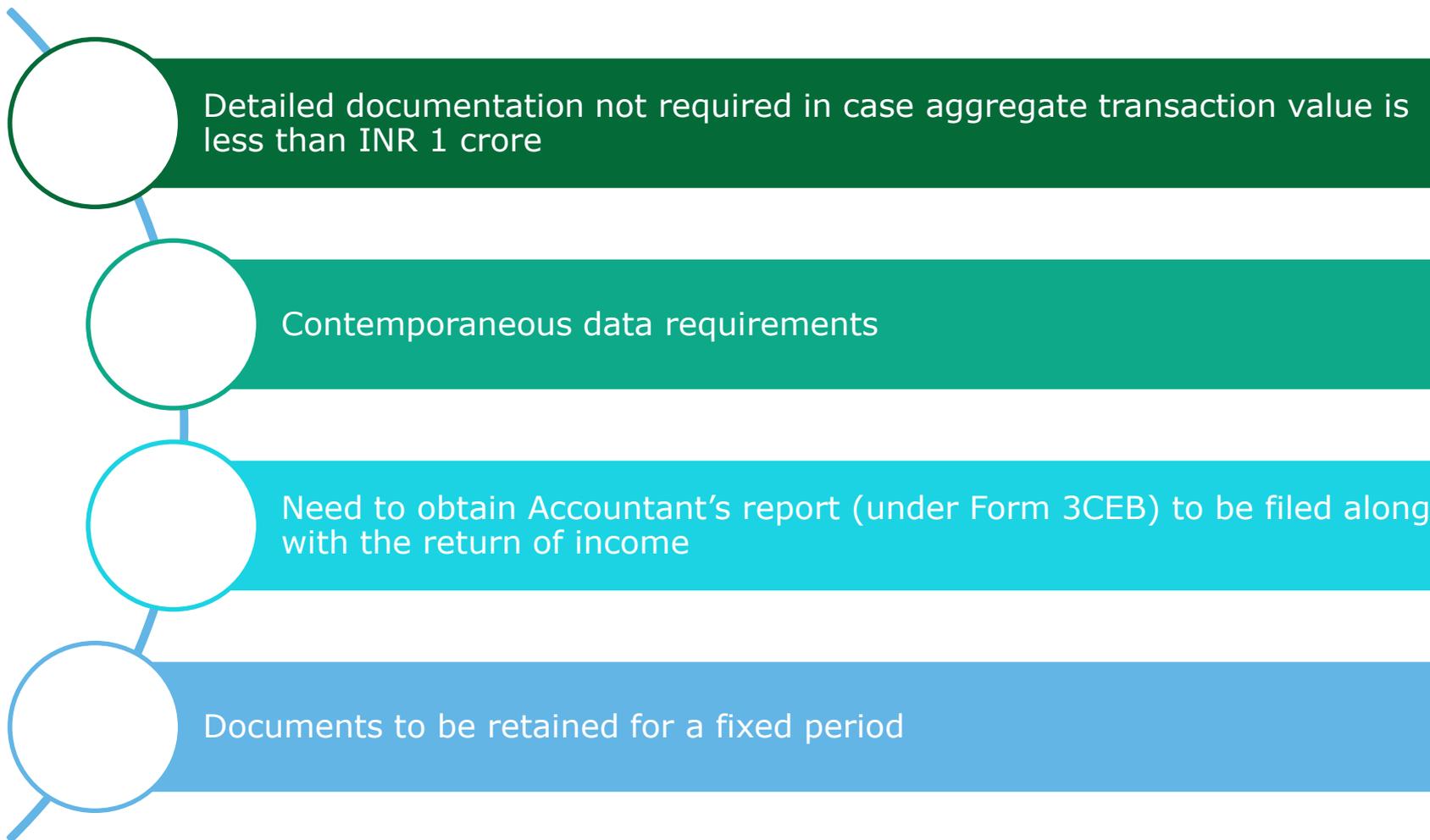
Price related

- Nature and terms (including price) of international transactions
- Description of functions performed, risk assumed and assets employed (functional analysis)
- Records of economic and market analysis (economic analysis)
- Record of budgets, forecasts, financial estimates
- Any other record of analysis (if, any) to evaluate comparability of international transaction with uncontrolled transaction(s)
- Description of method considered with reasons of rejection of other methods
- Details of transfer pricing adjustment(s) made (if, any)

Transaction related

- Any other information e.g. data, documents like invoices, agreements, price related correspondence etc.

Transfer Pricing Documentation (2/2)

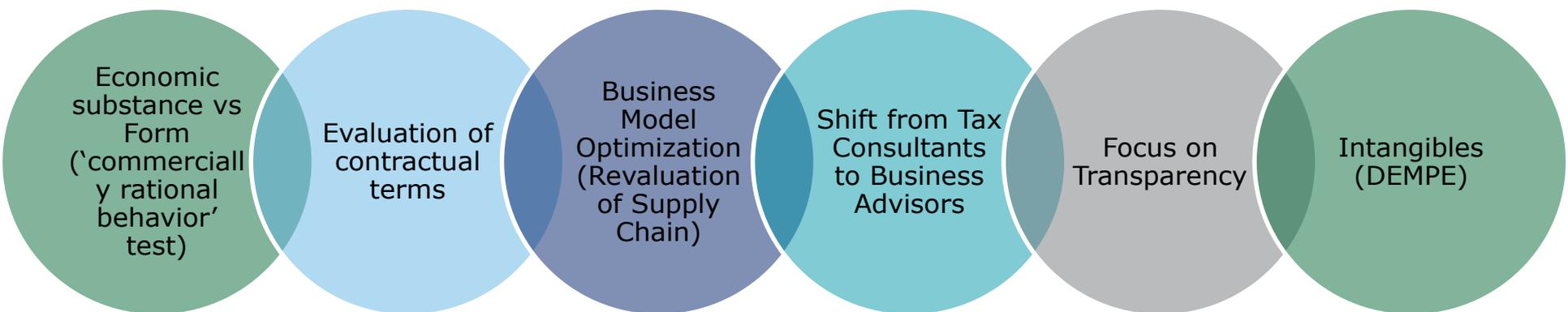




Developments in Transfer Pricing

Way Forward

Re-defining the traditional mindset



Questions & Answers



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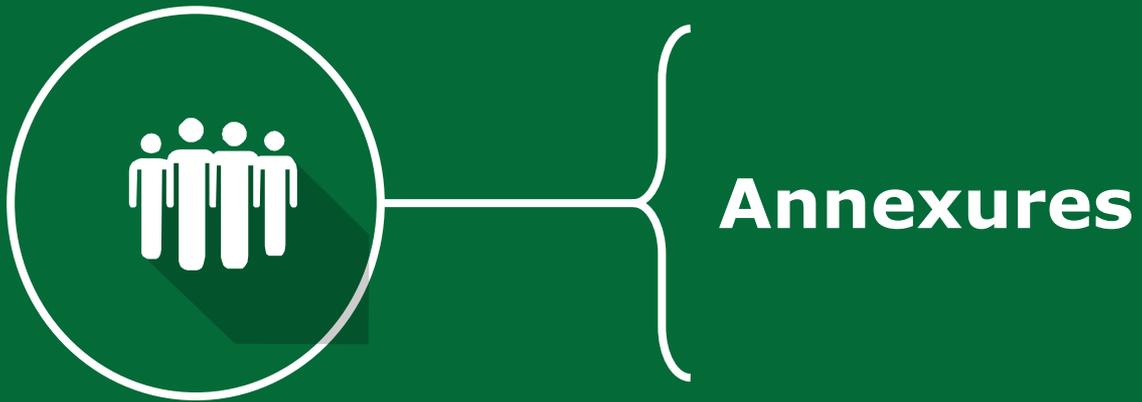
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Thank You





Action 13 : Transfer pricing documentation

Documentation requirements introduced in India



Master file

- Finance Act 2017 has introduced the concept to maintain Master File
- Penalty for non-furnishing of prescribed information and document is ₹ 500,000
- Threshold has been prescribed for Master File requirements in India



CbC Reporting

Requirements	Threshold	Timeline	Penalty
<ul style="list-style-type: none"> • Filing CbC report in India or notification of parent entity • Effective from Financial Year 2016-17 	<ul style="list-style-type: none"> • MNE group having consolidated revenue exceeding € 750 million (in line with BEPS) • Threshold in Indian currency – to be computed based on exchange rate as on the last day of previous year. E.g. threshold for FY 2016-17 - ₹55,000 million 	<ul style="list-style-type: none"> • The due date for filing the CbC report by every parent entity or the alternate reporting entity, resident in India is 12 months from the end of the accounting year i.e. 31 March following the accounting year 	<p>Graded penalty structure from ₹ 5,000 to ₹ 50,000 per day for:</p> <ul style="list-style-type: none"> • Non-furnishing of CbC report • Non- submission of required information <p>Penalty of ₹ 500,000 for:</p> <ul style="list-style-type: none"> • Furnishing of inaccurate particulars • Non-furnishing of master file data



Local file

- Existing local transfer pricing documentation requirements retained
- Possibility of further alignment with BEPS Action 13 resulting in additional disclosures

CbC report notification



CbC report notification

Applicability	Format & manner of filing	Content	Due date
<ul style="list-style-type: none"> Every Indian constituent entity of a foreign IG to file the CbC report notification in India 	<ul style="list-style-type: none"> Electronically file the CbC report notification in Form No. 3CEAC with the Director General of Income-tax (Risk Assessment) 	<p>The information required in the CbC report notification form includes –</p> <ul style="list-style-type: none"> Indian constituent entity : Name, address and permanent account number; Name of the foreign IG; Parent entity: Name, address and country of residency Alternate reporting entity(if applicable): Name, address and country of residence 	<ul style="list-style-type: none"> Two months prior to the due date for the filing the CbC report (i.e. 2 months prior to 31st March following the financial year)

Currently no option provided for filing a consolidated CbC report notification on behalf of all Indian constituent entities of a foreign IG

Forms and due date (1/2)

CbC Report and CbC report notification related forms

Purpose of Form	Form No.	Applicable to	Due date
CbC report notification	3CEAC	Indian constituent entity of foreign IG	2 months prior to the due date for filing CbC report
Filing of CbC Report	3CEAD	<ul style="list-style-type: none"> Indian headquartered IG Indian entity of foreign IG designated as alternate reporting entity Indian constituent entity of foreign IG required to submit CbC report in India under the specified circumstances 	The due date for filing the CbC report by every parent entity or the alternate reporting entity, resident in India is 12 months from the end of the accounting year i.e. 31 March following the accounting year
Intimation of designated Indian constituent entity of foreign IG for filing CbC report in India (under specified circumstances)	3CEAE	Foreign IG required to file CbC report in India under specified circumstances and having multiple constituent entities resident in India	-

Forms and due date (2/2)

- The due date for furnishing of the CbC report under specified circumstances (section 286(4)) is as under:

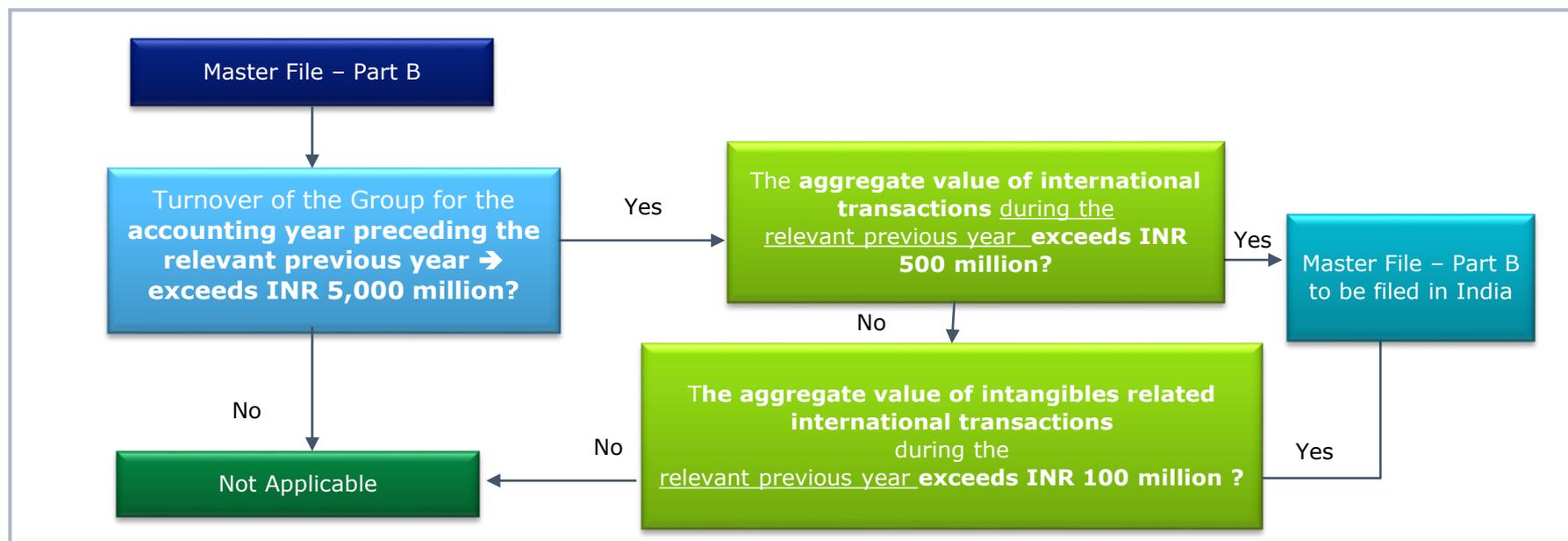
Specified circumstances	Time limit
Where there is no obligation to file the CbC report in the jurisdiction of parent entity	within 12 months from the end of the reporting accounting year
Where the parent entity is resident of a country or territory with which India does not have an agreement for exchange of CbC reports;	
Where there has been a systemic failure of the country or territory in which the parent entity is resident and the failure has been intimated to such constituent entity.	

- In order to remove genuine hardship to the taxpayer, the government has as a one-time measure, extended the period for furnishing CbC report by the CE resident in India u/s 286(4) in respect of accounting years ending up to Feb 28,2018 to March 31,2019.

Master File requirement

Applicability and threshold

Part	Applicable to	Threshold
Part A	Every constituent entity of an IG having international transactions/specified domestic transactions	None
Part B	Every constituent entity of an IG that meets the threshold / criteria	<ul style="list-style-type: none"> • In the preceding year, consolidated group revenue > INR 5,000 million; and • The aggregate value of international transactions, as per books of accounts, for the reporting year : <ul style="list-style-type: none"> - exceeds INR 500 million, or - In relation to intangibles exceeds INR 100 million



Master File requirements

Contents of Form No. 3CEAA - Part A of the Master File

Comprises of basic information relating to the IG and constituent entities of the IG operating in India:

Particulars	Information required
International Group	Name and address
All the constituent entities of the IG operating in India	Name, permanent account number and address
Constituent entity filing Master File in India	Name, permanent account number and address
Accounting year	Accounting year for which the report is submitted

Forms and due date

Master File related forms

Purpose of Form	Form No.	Applicable to	Due date
Filing of the Master File	3CEAA	<p>Part A of Form No. 3CEAA – Every constituent entity of an IG having international transaction/specified domestic – no threshold applies</p> <p>Part B of Form No. 3CEAA – Every constituent entity of an IG meeting the prescribed threshold limit</p>	By income-tax return filing due date i.e. 30 November.
Intimation of designated Indian Constituent entity of a IG	3CEAB	Indian Headquartered and Foreign IGs required to file Master File in Form No. 3CEAA and having multiple constituent entities resident in India	30 days prior to the due date for filing Master File.

Master File requirements

Contents of Form No. 3CEBA - Part B of the Master File

Master File Requirement	Summary of OECD BEPS Requirement	Additional requirements as per Indian rules
Organization structure	<ul style="list-style-type: none"> Chart illustrating IG's legal and ownership structure and geographical location of operating entities 	<ul style="list-style-type: none"> Addresses of all operating entities of the IG
Description of IG's business	<ul style="list-style-type: none"> Description of important drivers of business profit Description of supply chain for the specified category of products Functional analysis of the principal contributors to value creation 	<ul style="list-style-type: none"> Functions, assets and risk analysis of entities contributing at least 10% of the IG's revenue / assets / profits
IG's Intangibles	<ul style="list-style-type: none"> IG's strategy for ownership, development and exploitation of intangibles List of important intangibles with ownership Important agreements and corresponding transfer pricing policies in relation to R&D and intangibles 	<ul style="list-style-type: none"> Names and addresses of all entities of the IG engaged in development and management of intangibles Addresses of entities legally owning important intangibles and entities involved in important transfers of interest in intangibles
IG's intercompany financial activities	<ul style="list-style-type: none"> Description of how the IG is financed, including identification of important financing arrangements with unrelated lenders Identification of entities performing central financing function including their place of operation and effective management 	<ul style="list-style-type: none"> Names and addresses of top ten unrelated lenders Names and addresses of entities providing central financing functions including their place of operation and effective management

Contents of Master File are largely consistent with the BEPS Action 13 requirements - Few important additional data requirements introduced requiring IGs to customize their Master File for India

Systems and safeguards

- **Signatory to Forms**

- All prescribed Forms (Form Nos 3CEAA, 3CEAB, 3CEAC, 3CEAD and 3CEAE) have to signed by the person competent to verify the return of income

- **Procedure for filing**

- All the prescribed Forms have to be filed electronically
- These forms are required to be filed with the Director General of Income-tax (Risk Assessment)
- The procedure for filing shall be specified subsequently

- **Systems and adequate safeguards for confidentiality**

- Adequate safeguards to be implemented to protect the confidential (trade secrets, scientific secrets, etc.) and other commercially sensitive information received by way of the CbC report and the Master File
- Appropriate security, archival and retrieval policies in relation to information furnished to be implemented by Principal Director General of Income-tax (Systems) or Director General of Income-tax (Systems)