

# India

1. India was reviewed as part of the 2017/2018 and the 2018/2019 peer reviews. This report is supplementary to those previous reports (OECD, 2019<sup>[1]</sup>) (OECD, 2018<sup>[2]</sup>).
2. The first filing obligation for a CbC report in India commences in respect of financial years beginning on or after 1 April 2016.

## Summary of key findings

3. India's implementation of Action 13 minimum standard meets all applicable terms of reference (OECD, 2017<sup>[3]</sup>) relating to the domestic legal and administrative framework, with the following exception:
  - It is recommended that India amend or otherwise clarify that the annual consolidated group revenue threshold calculation rule applies in a manner consistent with the OECD guidance on currency fluctuations in respect of an MNE Group whose Ultimate Parent Entity is located in a jurisdiction other than India. This recommendation remains unchanged since the 2017/2018 peer review.
  - It is recommended that India amend its legislation or otherwise takes steps to ensure that local filing is only required in the circumstances contained in the terms of reference. This recommendation remains unchanged since the 2017/2018 peer review.
4. India does not yet have in place all the necessary processes and written procedures to ensure that the exchange of information is conducted in a manner consistent with the terms of reference relating to the exchange of information framework. It is recommended that India take steps to implement such processes and written procedures as soon as possible. This recommendation remains unchanged since the 2018/2019 peer review.

## Part A: The domestic legal and administrative framework

5. India has legislation in place to implement the BEPS Action 13 minimum standard.

### ***(a) Parent entity filing obligation***

6. It is recommended that India amend or otherwise clarify that the annual consolidated group revenue threshold calculation rule applies in a manner consistent with the OECD guidance on currency fluctuations in respect of an MNE Group whose Ultimate Parent Entity is located in a jurisdiction other than India. This recommendation remains in place since the 2017/2018 peer review.

### ***(b) Scope and timing of parent entity filing***

7. No changes were identified.

### ***(c) Limitation on local filing obligation***

8. It is recommended that India amend its legislation or otherwise takes steps to ensure that local filing is only required in the circumstances contained in the terms of reference. This recommendation remains unchanged since the 2017/2018 peer review.

***(d) Limitation on local filing in case of surrogate filing***

9. No changes were identified.

***(e) Effective implementation***

10. No changes were identified.

***Conclusion***

11. It is recommended that India amend or otherwise clarify that the annual consolidated group revenue threshold calculation rule applies in a manner consistent with the OECD guidance on currency fluctuations in respect of an MNE Group whose Ultimate Parent Entity is located in a jurisdiction other than India. This recommendation remains unchanged since the 2017/2018 peer review.

12. It is recommended that India amend its legislation or otherwise takes steps to ensure that local filing is only required in the circumstances contained in the terms of reference. This recommendation remains unchanged since the 2017/2018 peer review.

**Part B: The exchange of information framework*****(a) Exchange of information framework***

13. As at 31 March 2020, India has 71 bilateral relationships activated under the CbC MCAA. Within the context of its international exchange of information agreements that allow automatic exchange of information, India has taken steps to have qualifying competent authority agreements in effect with jurisdictions of the Inclusive Framework that meet the confidentiality, consistency and appropriate use conditions.<sup>1</sup> Regarding India's exchange of information framework, no inconsistencies with the terms of reference were identified.

***(b) Content of information exchanged***

14. No changes were identified.

***(c) Completeness of exchanges***

15. No changes were identified.

***(d) Timeliness of exchange***

16. No changes were identified.

***(e) Temporary suspension of exchange or termination of QCAA***

17. No changes were identified.

***(f) Consultation with other Competent Authority before determining systemic failure or significant non-compliance***

18. No changes were identified.

***(g) Format for information exchange***

19. No changes were identified.

**(h) Method for transmission**

20. No changes were identified.

**Conclusion**

21. It is recommended that India take steps to implement such processes and written procedures as soon as possible.

**Part C: Appropriate use****Appropriate use**

22. No changes were identified.

**Conclusion**

23. India meets all the terms of reference relating to appropriate use of CbC reports.

**Summary of recommendations on the implementation of Country-by-Country Reporting**

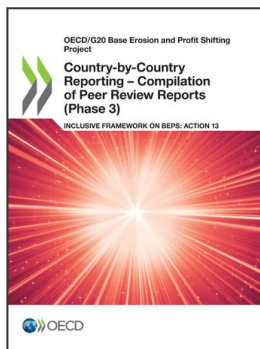
Aspect of the implementation that should be improved		Recommendation for improvement
Part A	Domestic legal and administrative framework	It is recommended that India amend or otherwise clarify that the annual consolidated group revenue threshold calculation rule applies in a manner consistent with the OECD guidance on currency fluctuations in respect of an MNE Group whose Ultimate Parent Entity is located in a jurisdiction other than India. This recommendation remains unchanged since the 2017/2018 peer review.
Part A	Domestic legal and administrative framework	It is recommended that India amend its legislation or otherwise take steps to ensure that local filing is only required in the circumstances contained in the terms of reference.
Part B	Exchange of information framework	It is recommended that India take steps to implement the necessary processes or written procedures to ensure that the exchange of information is conducted in a manner consistent with the terms of reference relating to the exchange of information framework.
Part C	Appropriate Use	-

**References**

- OECD (2019), *Country-by-Country Reporting – Compilation of Peer Review Reports (Phase 2): Inclusive Framework on BEPS: Action 13*, OECD/G20 Base Erosion and Profit Shifting Project, OECD Publishing, Paris, <https://dx.doi.org/10.1787/f9bf1157-en>. [1]
- OECD (2018), *Country-by-Country Reporting – Compilation of Peer Review Reports (Phase 1): Inclusive Framework on BEPS: Action 13*, OECD/G20 Base Erosion and Profit Shifting Project, OECD Publishing, Paris, <https://dx.doi.org/10.1787/9789264300057-en>. [2]
- OECD (2017), *Terms of reference for the conduct of peer review of the Action 13 minimum standard on country-by-country reporting*, OECD Publishing, <https://www.oecd.org/tax/beps/beps-action-13-on-country-by-country-reporting-peer-review-documents.pdf>. [3]

## Note

<sup>1</sup> No inconsistency with the terms of reference will be identified where a QCAA is not in effect with one or more jurisdictions of the Inclusive Framework that meet the confidentiality, consistency and appropriate use conditions, but this is due to circumstances that are not under the control of the reviewed jurisdiction. This may include, for example, where the other jurisdiction intends to exchange CbC reports using the MCAA but it does not have the Convention in effect for the relevant fiscal period, or where the other jurisdiction has declined to have a QCAA in effect with the reviewed jurisdiction.



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