An Introduction to International Taxation & Taxation of E-Commerce

P.SELVAGANESH, IRS

PRINCIPAL COMMISSIONER

INCOME TAX, CHENNAI

Disclaimer:

Views expressed are personal and not official.

Examples & illustrations have been sourced only from public domain and not from official sources.

The illustrations are purely for the purpose of academic explanation and not for accusatory or other intent.

International Taxation – Introduction

- The Gamut of legal provisions of different countries that covers the tax aspects of cross border transactions
- International taxation encompasses global tax rules that apply to transaction/s between two or more countries.
- Three basic rules of Taxation:
  - Source rule;
  - Residence rule; and
  - Citizenship rule

The Overview

Three Limbs of International Taxation

- **Domestic Tax Law Provisions**
  - Income Tax Act, 1961
- **Tax Treaty Provisions**
  - India Singapore DTAA
- **Foreign Country's Tax Law Provisions**
  - Singapore Tax Laws

International Taxation primarily involves the following provisions of the Income Tax Act, 1961

REFERENCE UNDER IT ACT	PROVISION
Section 4 Section 2(31)	Charging Section Definition of a Person
Section 5	Scope of Total Income
Section 6	Residence in India
Section 9 Section 44B to 44BBB & 44C to 44DA	Income deemed to accrue or arise in India Presumptive Tax
Section 90	Agreement with foreign countries or specified territories
Section 90A	Adoption by Central Government of agreement between specified associations for Double Taxation Relief
Section 91	Countries with which no agreement exists
Section 115A to 115BBA & 115C to 115F	Provisions relating to Non - Residents
Section 195	WHT obligation for payment to Non Resident
Section 195A	Income payable 'Net of Tax'

RESIDENTIAL STATUS – INDIVIDUALS
(A Snapshot)

Basic conditions for Resident:
An individual who stays in India for:
- 182 days or more; or
- 60 days or more in a year and 365 days or more during preceding 4 years

Additional Conditions for Ordinarily Resident:
- Resident in India for at least 2 out of preceding 10 years or
- Stays in India for an aggregate period of 730 days or more in the preceding 7 years

Category	Resident and Ordinarily Resident	Resident but not Ordinarily Resident	Non Resident
Basic Condition	Either of the basic conditions	Either of the basic conditions	None of the basic conditions
Additional Condition	Both the additional Conditions	Either or None of the additional Conditions	Not Applicable

Section 5 – Scope of Total Income

- Income is classified as
  - Income accrue or arise or deemed to accrue or arise in India
  - Income received or is deemed to be received in India

Income Which		Resident & Ordinarily Resident (ROR)	Resident, Not Ordinarily Resident (RNOR)	Non Resident (NR)
Accrues & Arises In India				
Is Deemed to Accrue or Arise in India		✓	✓	✓
Does not Accrue or Arise In India	Is Received/ Deemed to be Received in India	✓	✓	✓
	Is Not Received/ Deemed to be Received in India	✓ ✓	✓ ✗	✓ ✗

Principles of Taxation

- Residence based taxation – Section 5(1).
- Source based taxation – Section 5(2) / Section 9.
- Taxation of Non-residents.

  - Income accruing or rising in India.

  - Income deemed to accrue or arise in India.

  - Income received in India or deemed to be received in India.
- Territorial Nexus.

Income Deemed to Accrue or Arise in India

Section	Description
9(1)(i)	Income from a business connection in India or through or from any property or capital asset or source of income or transfer of capital asset situated in India.
9(1)(ii)	Salaries for services rendered in India.
9(1)(iii)	Salaries by Govt. for services outside India.
9(1)(iv)	Dividend paid by an Indian company outside India (Exempt, if Dividend Distribution tax has been paid)
9(1)(v)	Interest by Govt. or by a resident (unless for a business or source outside India) or by a NR
9(1)(vi)	'Royalty' by Govt. or a resident (unless for a business or a source outside India).
9(1)(vii)	'Fees for Technical Services (FTS)' by Govt. or a resident (unless for a business or a source outside India).

Income deemed to accrue or arise in India

- Business connection.
- Property in India.
- Asset or source of income in India.
- Transfer of capital asset situated in India.
- Salary earned in India.
- Dividend paid by an Indian Co.
- Interest payable by a resident to a non-resident if money borrowed or utilized in India.
- Royalty or Fee for technical services, if used or utilized in India.

Sec. 9(1)(i) – Income through or from business connection in India

- Income is deemed to accrue or arise in India if it accrues, directly or indirectly through or from any business connection in India or through or from any property in India or through or from any asset or source of income in India or through the transfer of a capital asset situated in India

Tax Treaties and their Objectives

- Agreement to regulate matters concerning taxation – provide certainty.
- Sharing of revenues.
- Avoidance of Double Taxation.
- Prevention of fiscal evasion.
- Promotion of trade and investment
- Diplomatic considerations.

Tax Treaty and Domestic Law

- Charge of tax created by domestic law – from unlimited rights to a limited right.
- Treaty negotiated under authority of domestic law – Section 90.
- Relief in tax payable under domestic law – Section 91.
- Treaty overrides domestic law – Section 90(2).

Constraints of international tax regime

- **Practical Issue**

  Enforcement requires connection of taxpayer or transaction with country

- **conflict of laws/ Tax Competition**

  Most countries have a domestic law rule that they will not directly or indirectly enforce the revenue laws of other countries

- **Public international law**

  International consensus developed by League of Nations, OECD and United Nation

- **Political**

  Risk of retaliation for departure from international consensus

- **Economic**

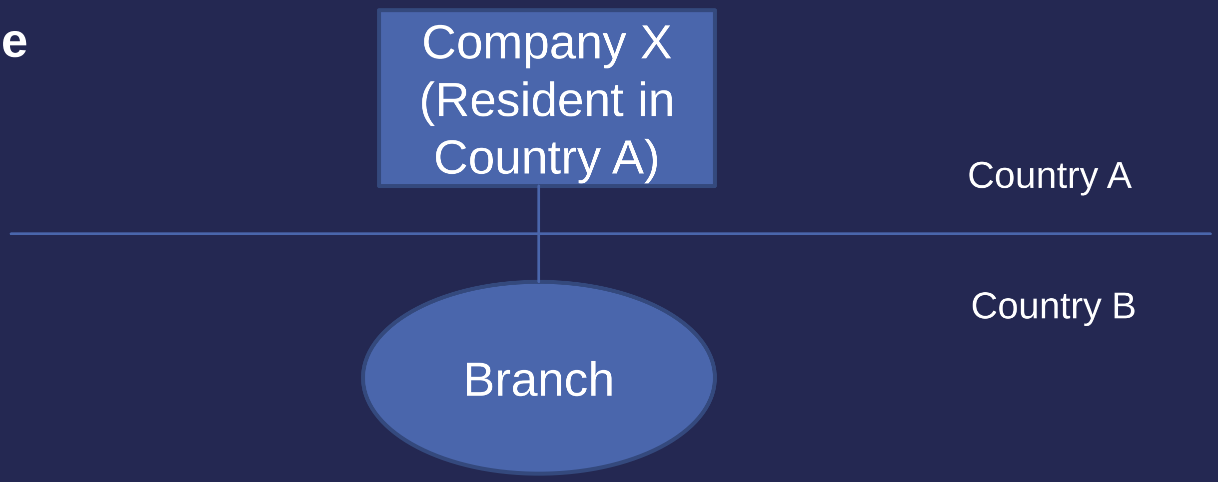
  Influences investment decisions

Juridical and Economic double taxations

Juridical double taxation

- Same legal entity is subject to tax, on same income, in two (or more) countries
- Arises because most countries:
  - tax residents on global income (i.e. regardless of source); and
  - tax non-residents on domestic-source income.

Example



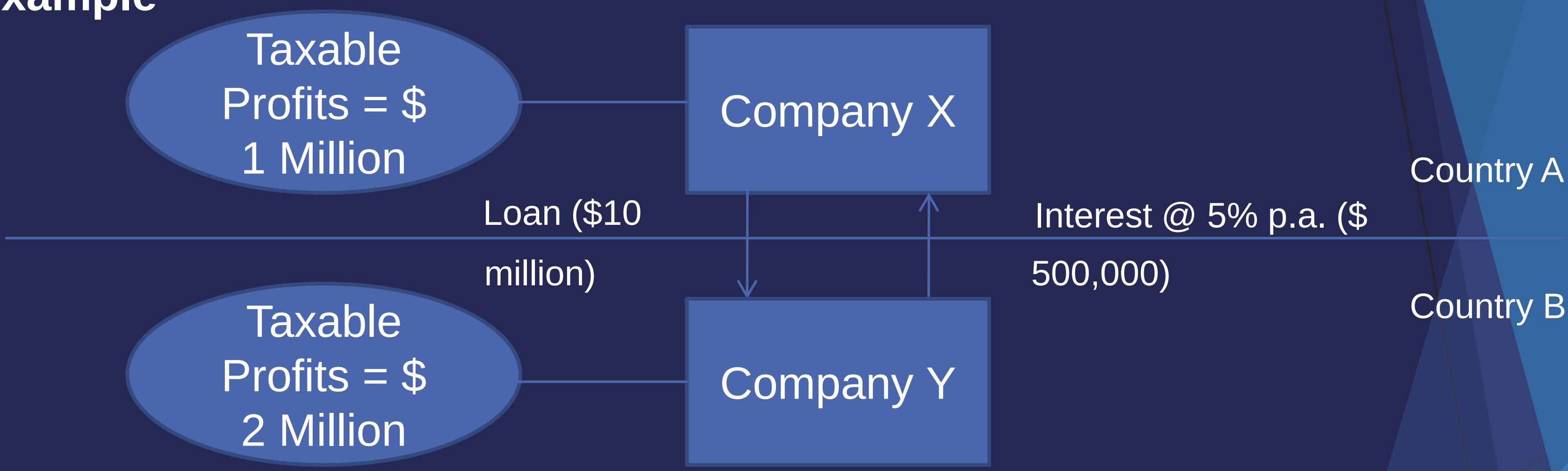
Company X's branch profits are subject to tax in two countries:
(i) in Country A, due to residence; and
(ii) in Country B, due to source.

Juridical and Economic double taxations

Economic double taxation

- Two legal entities are subject to tax, on (economically) the same income, in two (or more) countries.
- Generally arises where one country applies its transfer pricing rules.

Example



If Country B considers that the arm's length rate of interest on the loan should be 4% p.a., it will reduce Company Y's interest deduction by $100,000

- Company Y's taxable profits increase by $ 100,000 to $ 2.1 million
- Unless Country A provides some relief for Company X, economic double taxation will occur in respect of the $ 100,000

Vienna Convention on the Law of Treaties (1980)

It is almost universally accepted that Vienna Convention’s rules for treaty interpretation are declaratory of “customary international law”. The rules therefore apply to all countries, whether or not they are parties to the Convention itself and whether or not treaty being interpreted was entered into before or after the Vienna Convention entered into force

Relevant provisions of the Vienna Convention are Articles 31-33. The key parts are the following:

- Art. 31(1): “A treaty shall be interpreted in good faith in accordance with the ordinary meaning to be given to the terms of the treaty in their context and in the light of its object and purpose.”
- Art. 31(4): “A special meaning shall be given to a term if it is established that the parties so intended.”
- Art. 32: “Recourse may be had to supplementary means of interpretation, including the preparatory work of the treaty and the circumstances of its; conclusion, in order to confirm the meaning resulting from the application of article 31, or to determine the meaning when the interpretation according to article 31:

  (a)leaves the meaning ambiguous or obscure; or

  (b)leads to a result which is manifestly absurd or unreasonable.”

Model treaties and commentaries

- **OECD model double tax treaty:**

  - The most important document in international tax

  - Almost every comprehensive double tax treaty in the world is based, directly or indirectly, on the OECD model

  - Issued by the Committee on Fiscal Affairs (CFA) of the OECD.

  [The OECD is an association of developed countries. OECD members in Asia Pacific are Australia, New Zealand, Japan and Korea.]

  - First issued in 1963

  - Subsequent editions in 1977 and 1992

  - Since 1992, frequent updates have occurred

Model treaties and commentaries

- **Commentaries on OECD model treaty:**

  - Starting with the 1963 edition, the OECD model treaty has been published with a commentary to each article prepared by the CFA

  - The Commentaries have been referred to as an aid to interpretation by the courts in many OECD countries and in some non-OECD countries (e.g. Malaysia)

  - According to the OECD: A change in the Commentary should be viewed, if possible, as an elaboration of the existing interpretation, rather than a change in interpretation

  - Reservations by member countries:

  A “reservation” by a member country indicates that country does not support a particular provision in the model treaty, and it will want to use an alternative provision in bilateral treaty negotiations

  - Observations by member countries:

  An “observation” by a member country indicates that it disagrees, or at least it does not necessarily agree, with a part of the commentary

  - Non-member countries’ positions:

  Since 1997, the OECD model has included statements of the position of certain non-member countries on the articles in the model treaty and on the commentaries

Model treaties and commentaries

- **UN model treaty**
  - Based on, and very similar to, OECD model treaty.
  - Is focused on double tax treaties between developed and developing countries.
  - Allows greater source country taxation than the OECD model.

- **Commentaries on UN model treaties**
  - Substantially copy OECD model treaty commentaries.
  - Some original commentary.

- **Other international model treaties – e.g.**
  - ASEAN model
  - Andean model

- **Some countries have published their own model treaty – e.g.**
  - US model
  - Netherlands model

Income from immovable property

INCOME TAXABLE IN THE STATE IN WHICH SUCH PROPERTY IS SITUATED.

IMMOVABLE PROPERTY SHALL BE DEFINED IN ACCORDANCE WITH THE LAWS OF THE CONTRACTING STATES IN WHICH THE PROPERTY IS SITUATED.

INCLUDES LIVESTOCK AND EQUIPMENT USED IN AGRICULTURE AND FORESTRY.

Business Income

Profits of an enterprise of a contracting state shall be taxable only in that state – state of Residence,

Unless enterprise carries on business in the other state through a permanent establishment situated therein – state of source.

Profits taxable in the other state but only to the extent directly (or indirectly) attributable to that PE.

PE - What is it?

- A defined concept (in DTAA).
- The key test which determines the right to tax business profits in the source state.
- Simple in theory, difficult in application.

Article 5 - Para 1 - Basic Rule……

- “For the purposes of this Convention, the term “permanent establishment” means a fixed place of business through which the business of an enterprise is wholly or partly carried on.”
- Main Features:-
  - The existence of an enterprise
  - Its carrying on a business
  - Existence of place of business
  - Which if fixed
  - Through which the business is carried on

Article 5(2) - Illustrative list of PEs

“2. The term “permanent establishment” includes especially:

a) a place of management;

b) a branch;

c) an office;

d) a factory;

e) a workshop, and

f) a mine, an oil or gas well, a quarry or any other place of extraction of natural resources.”

As appearing in OECD Model Convention

Article 5(2) - Illustrative list of PEs

Some Judicial precedence:

- In case of Micoperi SPA Milano (82 ITD 369), Mumbai Tribunal held that a project office constitutes a PE since expenses are incurred on account of telex, telephone, postage etc. out of rupee receipts by a project office.
- However, Delhi Tribunal in BKI/HAM VOF (70 TTJ 480) held that a project office does not carry on a business at all and is merely a support office existing solely for the purpose of facilitating the performance of a contract; hence it is not a PE.
- Andhra Pradesh High Court, in case of Vishakhapatnam Port Trust (144 ITR 146), held that a representative office would not constitute a PE.
- In case of Motorola Inc. (95 ITD 269) and Western Union Financial Services Inc. (101 TTJ 56), it was held that a liaison office would not constitute a PE.
- However, In UAE Exchange Centre LLC (268 ITR 9), depending upon the facts of the case, AAR ruled that an Indian liaison office of a foreign enterprise was a PE.

Article 5(3) - Installation PE

“A building site or construction or installation project constitutes a permanent establishment only <u>if it lasts more than twelve months</u>.”

“Permanent/Fixed Place of Business” element replaced by test of minimum length of time. (Period test)

Article 5(3) – Installation PE

- A building site or construction or installation project" includes:
  - construction of roads, bridges or canals
  - renovation (involving more than mere maintenance or redecoration) of buildings, roads, bridges or canals
  - Laying of pipelines
  - excavating and dredging
  - installation of new equipment in an existing building or outdoors
  - onsite planning and supervision of the construction of a building

[OECD model treaty commentary, para 17]

Article 5(3) – Service PE

UN Model:

- "The term "permanent establishment" also encompasses:

  (*a*) A building site, a construction, assembly or installation project or supervisory activities in connection therewith, but only if such site, project or activities last more than six months;

  (*b*) The furnishing of services, including consultancy services, by an enterprise through employees or other personnel engaged by the enterprise for such purpose, but only if activities of that nature continue (for the same or a connected project) within a Contracting State for a period or periods aggregating more than six months within any twelve-month period." **(A concept of Service PE)**

Article 5(3)(b) – Service PE

UN Model - Para 3(b)

- Not included in O.E.C.D Model convention.
- Deals with furnishing of services including consultancy services
- Services are provided by enterprise/its employees/Personnel engaged by it
- Time Limit of 6 months within any 12 month period
- Service activity should be in the nature of connected project
- Services may be rendered to an associated enterprise of the service provider or a third party service recipient
- The number of days calculation is based on man days
- It is important to evaluate the requirements of Article 12 before examining the service PE clause

Article 5(4) - List of Exceptions

"Notwithstanding the preceding provisions of this Article, the term "permanent establishment" shall be deemed not to include:

a) the use of facilities solely for the purpose of storage, display or <u>delivery of goods</u> or merchandise belonging to the enterprise;

b) the maintenance of a stock of goods or merchandise belonging to the enterprise solely for the purpose of storage, display or <u>delivery</u>;

c) the maintenance of a stock of goods or merchandise belonging to the enterprise solely for the purpose of processing by another enterprise;

Article 5(4) - List of Exceptions

*d) T*he maintenance of a fixed place of business solely for the purpose of purchasing goods or merchandise or of collecting information, for the enterprise;

*e) T*he maintenance of a fixed place of business solely for the purpose of carrying on, for the enterprise, any other activity of a preparatory or auxiliary character;

f) The maintenance of a fixed place of business solely for any combination of activities mentioned in subparagraphs *a*) to *e*), provided that the overall activity of the fixed place of business resulting from this combination is of a preparatory or auxiliary character."

Article 5(5) - Dependent Agency

Generally, a dependent agent will constitute a PE and an independent agent will not result in a PE.

An agent who has and habitually exercises authority to conclude contracts constitutes a permanent establishment

Agent must be dependent

Contracts must relate to the profit making activity of the enterprise - “the business proper of the enterprise

Article 5(6) – Independent Agent

"An enterprise shall not be deemed to have a permanent establishment in a Contracting State merely because it carries on business in that State through a broker, general commission agent or any other <u>agent of an independent status</u>, provided that such persons are acting in the <u>ordinary course of their business</u>."

An agent will not constitute a PE of its principal if he is "an agent of an independent status", i.e.,

- legally and economically, he is independent of the enterprise on whose behalf he acts, and
- When acting on behalf of the enterprise, he acts in the ordinary course of his business.

Business profits

- PE to be treated as distinct and separate enterprise. Arm's length principle.
- Profits indirectly attributable
- Apportionment of the total profits.
- Deduction of the expenses, including executive and general administrative expenses, subject to the limitation of the domestic law – Section 44C.
- Presumptive taxation -44B (Shipping – 7 ½%)

  -44 BB (Mineral Oil – 10%)

  -44BBA (Aircraft – 5%) –

  Inbound Carriage (received)

  Outbound Carriage (payable)

  -44BBB (Civil Construction – 10%)

Ships and Aircraft

Profits derived from the operation of aircraft/ships in international traffic by the enterprise of one of the contracting states shall be taxable only in that state.

Sometimes, income from the use, maintenance or rental of containers is also covered.

Dividends

Dividends paid by a company to the resident of the other contracting state, may be taxed in that other state.

Such dividends may also be taxed in the state of which company paying the dividends is resident and according to laws of that state, but tax so charged shall not exceed (rate 5 to 15)..% of the gross amount of the dividends.

Lower rate of tax, only when the dividends are beneficially owned by residents of other state. (anti-avoidance measure)

Royalties and fee for technical services

- Arising in one state and paid to the resident of other state may be taxed in that other state.
- However, such royalties/ fee for technical services may also be taxed in the state in which they arise and according to law of that state, but if the beneficial owner of the royalties/FTS is a resident of other state, the tax so charged shall not exceed….
- Royalties and FTS generally defined in article.
- Exception for FTS also sometimes given in article.
- Rule for taxation, if royalties/FTS connected with PE.

Capital Gains

- Gains from alienation of immovable property may be taxed in the state in which it is situated.
- Gains from alienation of ships or aircraft operated in international traffic shall be taxable in the state of which alienator is resident.
- Gains from the alienation of shares of the capital stock of a company the property of which consists directly or indirectly principally of immovable property situated in a contracting state may be taxed in that state.
- Gains from alienation of shares ; taxable in some treaties in the state in which the alienator is resident (Mauritius), but in some treaties in the country of residence of company (Austria).

Independent personal services

- Income derived by an individual, resident of a contracting state, in respect of professional services or other independent activities of a similar character shall be taxable only in that state.
- However, may be taxable in other state in the following circumstances:
  - If he has a fixed base regularly available to him in other state for performing activities, or
  - If stay in other state exceeds in aggregate of (183 days-Australia,Austria,canada,France,Germany-120 days, UK-90 days), in the relevant fiscal year.

Dependent personal services

- Subject to the provisions of other articles, salaries, wages and other similar remunerations derived by an individual resident of one of the contracting states, in respect of an employment shall be taxable only in that state, unless the employment is exercised in the other state, if so, it may be taxed in that other state.
- The remuneration is taxable in the state of residence, if

  (i) the recipient is not present in other state for periods

  exceeding 183 days in a year

  (ii) the employer is not the resident of other state and

  (iii) the remuneration is not deductible as expense in other state.
- Different periods in different treaties. Provision of no. of days in any 12 month period commencing or ending in the fiscal year concerned.

Dependent personal services

Remuneration in respect of an employment exercised aboard a ship or aircraft operated in international traffic by a resident of contracting state may be taxed in that state only.

Provisions are similar in most of the treaties, except the number of days of presence in other state.

Other Income

Items of income of a resident of a contracting state, not dealt in the articles of treaty, wherever arising, shall be taxable in that contracting state.

If income connected to PE, then provisions of Art. 7 would apply.

Income arising in other contracting state may be taxed in that other state.

Mutual Agreement Procedure

Competent Authorities under obligation to resolve disputes

- Issues relating to treaty implementation
- Case specific disputes

Remedy concurrent with appellate channel under domestic law.

Resolution has binding effect.

Alternate mechanisms

- Authority for Advance Rulings
- Dispute Resolution Panel
- Safe harbor rules
- Advance Pricing Agreements

- Transfer Pricing

T. P. Regulations – Why?

Emergence of Multinational Enterprises (MNEs)

- Account for 2/3rd of world trade

MNEs adjust pricing to

- create demand in new competitive markets
- centralized/decentralized decision making
- adjust overall cost including tax cost

Shifting of profits to low tax jurisdiction

Growth of tax havens

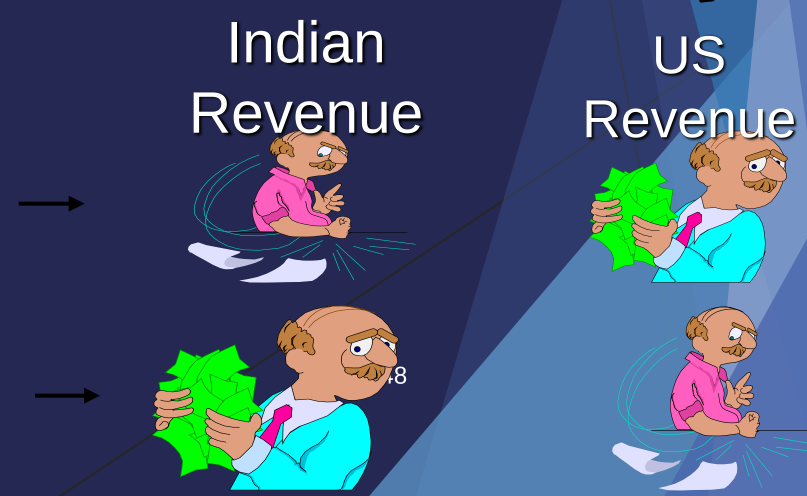
Need to protect the tax base

What is TP ? …

The price at which an enterprise transfers goods or renders services to an enterprise within the same MNE group

If price charged low - Profit shifted to US

If price charged high - Profit shifted to India



Arm's Length Price

Arm's Length Principle

"Where an enterprise enters into transactions with associated enterprises, in order to determine fair profit of that enterprise, the price of the transactions should be compared with those entered into by two independent enterprises under uncontrolled conditions and under similar circumstances."

Basic Components of the TPR

- WHO? – “Associated enterprise”
- What? – “International transaction”
- How? – Arm’s Length Price (ALP)
  - “Comparable” and “method”

Who - Associated Enterprise

- Commonality of control, management over capital
- Wider scope of
  - Capital –
    - Shareholding – 26%
    - Finance – loan – 51%
    - Guarantees – 10%
  - Management
    - Board of Directors – 50% +
    - Executive Director
  - Control
    - Intangible assets – dependent on know how, patent, copyright etc.
    - Productivity/trading - 90% of raw material
- sale of goods
    - Others – HUF, Firm etc.
- Mutual Interest

What - International Transaction

- One of the transacting party is a non resident
- Transaction between associated enterprises
- Transaction having impact on profits or losses, income or assets
- Cost contribution
- Indirect relationship of associated enterprises covered

Methods of determination of ALP

- Traditional Transaction Methods
  - Comparable Uncontrolled Price (CUP) Method
  - Resale Price Method (RPM)
  - Cost Plus Method (CPM)
- Transactional Profit Methods
  - Profit Split Method (PSM)
  - Transactional Net Margin Method (TNMM)

Most Appropriate Method - - Rule 10C

- **Most Appropriate Method is the method best suited to the facts and circumstances of the international transaction**
- **To be selected having regard to the following factors**
  - Nature and class of international transaction
  - Class of AEs, functions performed, assets utilised, risks assumed
  - Availability, coverage and reliability of data
  - Degree of comparability between controlled and uncontrolled transactions
  - Possibility to make reliable and accurate adjustments
  - Nature, extent and reliability of assumptions required

No preference of methods prescribed

Rule 10D - Documentation

- Organisational structure
- Description of International Transaction (s)
- FAR analysis
- Assessment of Comparables
- Selection and application of methodology

Accountant’s Report (Form 3CEB)

- Section 92E requires every person entering into an international transaction to obtain an accountant’s report
  - To be submitted on or before the due date for filing tax return
- Form 3CEB prescribed (Rule 10E)
  - Declaration by the accountant about examination of accounts and records of assessee to review international transactions
  - Opinion as to whether proper information and documents prescribed by Rule 10D are maintained by the assessee
  - Opinion whether particulars given in Annexure to Form 3CEB are true and correct
- Guidance Note issued by the ICAI
  - Provides guidance to accountants in discharging their responsibilities under Section 92E of the Act

Adjustment by the Department

- Stage 1 : A. O. to refer the computation of the arm's length price of an international transaction to the TPO;
- Stage 2 : The TPO to pass order after
  - Hearing evidence produced by the assessee, including specified information or documentation; and
  - Considering all relevant material collected by him.
- Stage 3 : AO to adopt the price determined by the TPO.
- Stage 4 : Rectification to be carried out by the TPO

Enforcement

- Section 271AA prescribes for imposition of penalty equal to 2% of the value of each international transaction on account of failure to maintain I&D
- Section 271G prescribes for imposition of penalty of 2% of the value of international transaction for each failure to produce I&D requisitioned by Tax Authorities
- Section 271BA provides for levy of penalty equal to Rs.100,000 for failure to furnish a Report from an accountant as required by section 92E
- Section 271(1)(C) provides for levy of penalty ranging between 100 - 300% of the tax on adjusted transfer price. However, it allows exemption if assessee can show good faith and diligence in showing price on international transaction as per Section 92.

- **E-COMMERCE**

E-COMMERCE

Cross-border Ecommerce

Legal issues in Ecommerce

- Identity Management
- Jurisdiction
- Privacy and Data Protection
- Taxation
- Contract
- Intellectual Property Rights
- Online Advertisement
- Consumer Protection
- Liability

Way Forward

CROS-BORDER e-Commerce

- … ......international online trade
- sale or purchase of products via online shops across national borders.
- Buyer and seller not located in the same country
- not ruled by the same jurisdiction,
- use different currencies, and
- speak different languages.

Hence, it can be characterized as follows:

- Online ordering, sale, communication and, if applicable, payment,
- Cross-border transactions/shipments,
- Physical (tangible) goods, and
- Destined to consumer/buyer (commercial and non-commercial).

TAXATION ISSUES

- Difficulties in taxing e-commerce transactions:
- Determination of economic activity (to avoid double taxation)
- Identification of the existence of permanent establishment
- Tracing commencing and end point of transaction
- Lack of documentation to know the nature of the contract.
- The Indirect tax laws needs to be evolved and re-designed to consider the changing business dynamics of e-Commerce since the activities involve high volume and low-value supplies.

- peculiarity of e-commerce businesses
- earning millions of revenues without any physical presence
- A matter of concern for countries with large customer or user base.
- Base Erosion and Profit Shifting action plan

- equalisation levy introduced in 2016, enhanced in 2020
- an independent levy under a separate legislation
- levy is not a levy on income rather, it is a levy on certain specified services and transactions.
- not under the Income Tax law
- the non-resident e-commerce operators might be denied tax credits for the same

Equalisation

- Levy of 2% on aggregate receipts exceeding ₹ 2 crores
- i. An Indian Resident;
- ii. A person using Indian IP Address for buying such supplies or services;
- iii. Non-resident - only in the following cases:
- iv. Sale of advertisement - targeting an Indian Resident or Indian IP User
- v. Sale of data - collected from an Indian Resident or Indian IP User

Significant Economic Presence

- The concept of SEP the outcome of the BEPS OECD study.
- The objective is to develop a nexus for taxing non-residents who do not have any physical presence in the countries where customer or users are situated.
- Revenue, digital presence, and number of users.

- Profit Attribution related measures
- Income attributable to indian operations
- Profit attribution rules (yet to be finalised)

Thank You