

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

**PRESS RELEASE**

**21<sup>st</sup> May, 2015**

**Subject: - Draft scheme of the proposed rules for computation of Arm's Length Price (ALP) of an International Transaction or Specified Domestic Transaction undertaken on or after 01.04.2014.**

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The Finance (No. 2) Act, 2014 had amended the provision of Income-tax Act relating to transfer pricing regime. The purpose of amendment of section 92C (2) of the Act was to facilitate introduction of "range" concept for determination of Arm's Length Price of an international transaction or a specified domestic transaction. Further, use of multiple year data for comparability analysis for the purpose of transfer pricing was also to be incorporated.

2. The use of multiple year data and "range" concept in transfer pricing regime is proposed to be incorporated through amendments to be made to Income-tax Rules, 1962.

3. In this regard draft outlines of the new regime to be incorporated in the rules has been formulated and has been uploaded on the Finance Ministry website ([www.finmin.nic.in](http://www.finmin.nic.in)) and website of the Income-tax Department ([www.incometaxindia.gov.in](http://www.incometaxindia.gov.in)) for comments from stakeholders and general public.

4. The comments and suggestions on the draft regime may be submitted by 31<sup>st</sup> May, 2015 at the email address ([dirtpl1@nic.in](mailto:dirtpl1@nic.in)) or by post at the following address with "Comments on draft transfer pricing rules" written on the envelope:

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