

## INCOME-TAX RULES, 1962

*FORM NO. 3CEAD*

[See rule 10DB]

## COUNTRY-BY-COUNTRY REPORT

*Report by a parent entity or an alternate reporting entity or any other constituent entity, resident in India, for the purposes of sub-section (2) or sub-section (4) of section 286 of the Income-tax Act, 1961*

|                                                                                     |  |
|-------------------------------------------------------------------------------------|--|
| <i>Name of the reporting entity</i>                                                 |  |
| <i>PAN of the reporting entity</i>                                                  |  |
| <i>Address of the reporting entity</i>                                              |  |
| <i>Whether the reporting entity is the parent entity of the international group</i> |  |

**PART A: OVERVIEW OF ALLOCATION OF INCOME, TAXES AND BUSINESS ACTIVITIES BY TAX JURISDICTION**

[illegible]

**PART B: LIST OF ALL THE CONSTITUENT ENTITIES OF THE MULTINATIONAL ENTERPRISES GROUP INCLUDED IN EACH AGGREGATION PER TAX JURISDICTION**

[illegible]

|  |    |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
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|  | 3. |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
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|  | 2. |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
|  | 3. |  |  |  |  |  |  |  |  |  |  |  |  |  |  |

**PART C: ADDITIONAL INFORMATION**

|                                                                                                                                                                                                                               |
|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <b>Name of the Multinational Enterprises group:</b><br><b>Reportable accounting year :</b>                                                                                                                                    |
| <i>Please include any further brief information or explanation that is considered necessary or that would facilitate the understanding of the compulsory information provided in Part A and Part B. (e.g. Source of Data)</i> |

I ..... son/daughter/wife\* of Shri ..... hereby declare that I am furnishing the information in my capacity as ..... (designation) of .....(name of the assessee) and I am competent to furnish the said information and verify it.

Place: .....

.....

*Signature\*\**

Date: .....

.....

*Address of the declarant*

.....

*PAN of the declarant*

**Note 1:** \*Strike off whichever is not applicable

\*\*This form has to be signed by the person competent to verify the return of income under section 140.

**Note 2: Specific instructions**

**Part A**

1. In the column titled "Tax Jurisdiction", the Reporting multi-national enterprise (MNE) should list all of the tax jurisdictions in which Constituent Entities of the MNE group are resident for tax purposes. A tax jurisdiction is defined as a State as well as a non-State jurisdiction which has fiscal autonomy. A separate line should be included for all Constituent Entities in the MNE group deemed by the Reporting MNE not to be resident in any tax jurisdiction for tax purposes. Where a Constituent Entity is resident in more than one tax jurisdiction, the applicable tax treaty tie breaker should be applied to determine the tax jurisdiction of residence. Where no applicable tax treaty exists, the Constituent Entity should be reported in the tax jurisdiction of the Constituent Entity's place of effective management.

2. In the three columns of the template under the heading “Revenues”, the Reporting MNE should report the following information: (i) the sum of revenues of all the Constituent Entities of the MNE group in the relevant tax jurisdiction generated from transactions with associated enterprises; (ii) the sum of revenues of all the Constituent Entities of the MNE group in the relevant tax jurisdiction generated from transactions with independent parties; and (iii) the total of (i) and (ii). Revenues should include revenues from sales of inventory and properties, services, royalties, interest, premiums and any other amounts. Revenues should exclude payments received from other Constituent Entities that are treated as dividends in the payer’s tax jurisdiction.

3. Under the column titled “Profit (Loss) before Income Tax”, the Reporting MNE should report the sum of the profit (loss) before income tax for all Constituent Entities resident for tax purposes in the relevant tax jurisdiction. The profit (loss) before income tax should include all extraordinary income and expense items.

4. Under the column titled “Income Tax Paid (on Cash Basis)”, the Reporting MNE should report the total amount of income tax actually paid during the relevant fiscal year by all Constituent Entities resident for tax purposes in the relevant tax jurisdiction. Taxes paid should include cash taxes paid by the Constituent Entity to the residence tax jurisdiction and to all other tax jurisdictions. Taxes paid should include withholding taxes paid by other entities (associated enterprises and independent enterprises) with respect to payments to the Constituent Entity. Thus, if company A resident in tax jurisdiction A earns interest in tax jurisdiction B, the tax withheld in tax jurisdiction B should be reported by company A.

5. Under the column titled “Income Tax Accrued – Reportable Accounting Year”, the Reporting MNE should report the sum of the accrued tax expense recorded on taxable profits or losses of the year of reporting of all Constituent Entities resident for tax purposes in the relevant tax jurisdiction. The tax expense should reflect only operations in the reportable accounting year and should not include deferred taxes or provisions for uncertain tax liabilities.

6. Under the column titled “Stated Capital”, the Reporting MNE should report the sum of the stated capital of all Constituent Entities resident for tax purposes in the relevant tax jurisdiction. With regard to permanent establishments, the stated capital should be reported by the legal entity of which it is a permanent establishment unless there is a defined capital requirement in the permanent establishment tax jurisdiction for regulatory purposes.

7. Under the column titled “Accumulated Earnings”, the Reporting MNE should report the sum of the total accumulated earnings of all Constituent Entities resident for tax purposes in the relevant tax jurisdiction as of the end of the year. With regard to permanent establishments, accumulated earnings should be reported by the legal entity of which it is a permanent establishment.

8. Under the column titled “Number of Employees”, the Reporting MNE should report the total number of employees on a full-time equivalent (FTE) basis of all Constituent Entities resident for tax purposes in the relevant tax jurisdiction. The number of employees may be reported as of the year-end, on the basis of average employment levels for the year, or on any other basis consistently applied across tax jurisdictions and from year to year. For this purpose, independent contractors participating in the ordinary operating activities of the Constituent Entity may be reported as employees. Reasonable rounding or approximation of the number of employees is permissible, providing that such rounding or approximation does not materially distort the relative distribution of employees across the various tax jurisdictions. Consistent approaches should be applied from year to year and across entities.

9. Under the column titled “Tangible Assets other than Cash and Cash Equivalents”, the Reporting MNE should report the sum of the net book values of tangible assets of all Constituent Entities resident for tax purposes in the relevant tax jurisdiction. With regard to permanent establishments, assets should be reported by reference to the tax jurisdiction in which the permanent establishment is situated. Tangible assets for this purpose do not include cash or cash equivalents, intangibles, or financial assets.

## **Part B**

10. Under the column titled “Constituent Entities Resident in the Tax Jurisdiction”, the Reporting MNE should list, on a tax jurisdiction-by-tax jurisdiction basis and by legal entity name, all the Constituent Entities of the MNE group which are resident for tax purposes in the relevant tax jurisdiction. As stated above with regard to permanent establishments, however, the permanent establishment should be listed by reference to the tax jurisdiction in which it is situated. The legal entity of which it is a permanent establishment should be noted (e.g. XYZ Corp – Tax Jurisdiction A PE).

11. Under the column titled “Tax Jurisdiction of Organization or Incorporation if different from Tax Jurisdiction of Residence”, the Reporting MNE should report the name of the tax jurisdiction under whose laws the Constituent Entity of the MNE is organised or incorporated if it is different from the tax jurisdiction of residence.

12. Under the column titled “Main Business Activity(-ies)”, the Reporting MNE should determine the nature of the main business activity(ies) carried out by the Constituent Entity in the relevant tax jurisdiction, by ticking one or more of the appropriate boxes. In this column, if the Reporting MNE chooses the option ‘Other’, then it shall be required to specify the nature of the activity of the Constituent Entity in the “Part C: Additional Information” section.