

Virtual Symposium on  
litigation and dispute  
resolution for the ERI sector

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# Background

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## Ease of doing business

1

India has been ranked overall at 63 (from a list of 190 countries) in the World Bank's Report on the Ease of Doing Business (EODB), 2020.

It still ranks above 100 on three of the 11 indicators used to compute the overall rank of countries in the EODB report. These are enforcing contracts (163), registering property (154), and paying taxes (115).

Enforcing contracts and paying taxes are areas where a weak dispute resolution procedure weighs heavily on the business environment in India.

2

As per CAG report no. 11 of 2020, around 3.39 lac cases were pending disposal at the end of FY 2018-19 at the CIT(A) level and around 0.92 lac cases at ITAT Level

3

The Finance minister's speech for budget 2020 highlighted that pending cases had increased and there were around 4,83,000 cases pending at various forums

The direct tax dispute resolution scheme 'Vivad se Vishwas' has received more than 1.32 lac applications, wherein around 1.46 lacs cases have been settled and the CBDT has received around 54000 crores as per press release in August 2021

The Government is further making attempt to reduce litigation and improve on ease of doing business.

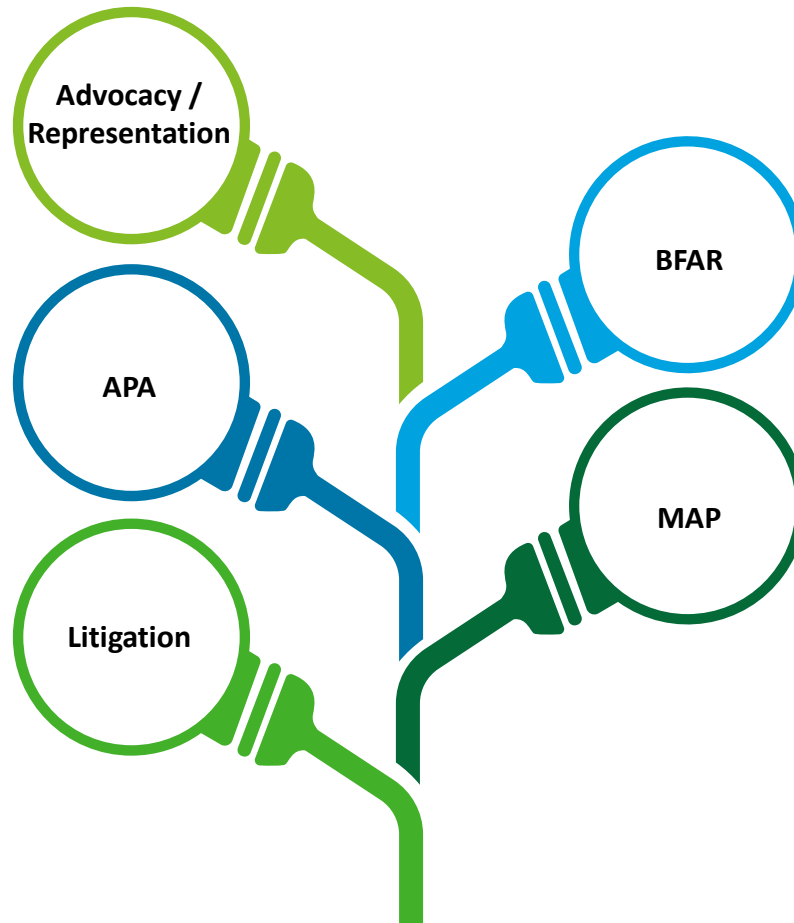
# Dispute Resolution Mechanism

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Industry representation should be made to sought relief on recurring tax issues.

Companies having ongoing APA negotiations, may revisit their positions and negotiate with authorities considering the current economic realities. Unilateral APA may be converted into Bilateral APA so as to protect the group from double taxation. Though earlier APA caught momentum, currently APA are staggered.

For last 18 months, Tribunals and High Court have tried to deliver justice inspite of Covid-19 Pandemic. The Tribunals and Court started with online /virtual hearings. Currently Bombay High Court has started physical hearing whereas Mumbai Tribunal is following Hybrid approach wherein 2 benches are conducting physical hearings.



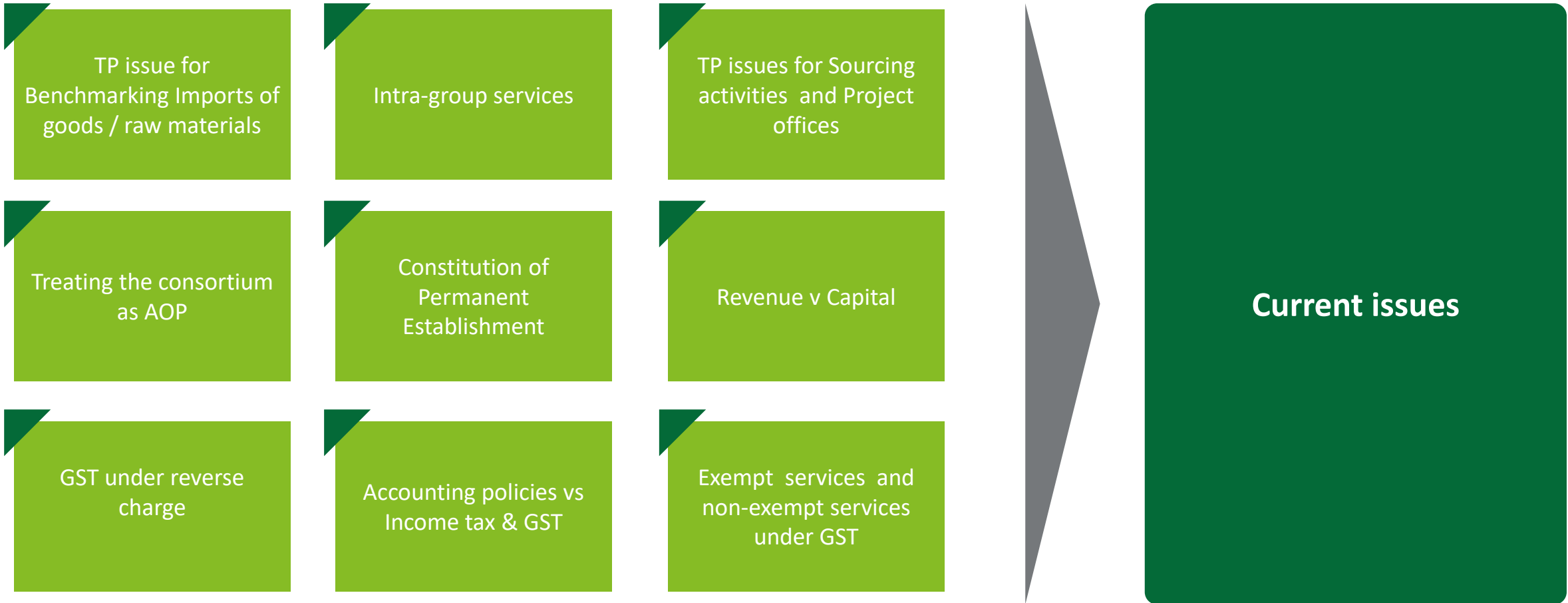
AAR has been revamped to BFAR. Order of BFAR is now appealable making it an alternative appellate mechanism rather than an Advance ruling.

Post Assessment scenario, the companies may opt for filing MAP to resolve their disputes. However, MAP also takes its own time and hence is not a preferable route.

## Dispute Resolution Mechanism

# Key tax issues in ERI

# Key tax issues





# Key tax issues





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