



# INDIRECT TAX

BDO in India  
2023

# OVERVIEW

## The current indirect tax landscape in India

GST was introduced in India in July 2017. The pan-India subsumption of various Indirect taxes at the Union and State levels brought about significant relief from the challenges associated with the administration and compliance of legacy taxes. GST is not just a tax reform but a far-reaching economic and fiscal policy shift. It has redefined the way business is carried out and obviated the need of aligning business processes for tax arbitrage, as was the case in the past. With GST, technology started playing a critical role in tax administration and compliance. Customs, SEZ law and Foreign Trade Policy-based prescriptions and benefits continue to operate, their interplay with GST is getting sharper, with technology playing a bridge between the two.

## Our Focus

The tax team at BDO in India is focused on providing businesses with end-to-end support on all tax matters. Combining our expertise in taxation and technology, we have developed platforms that not only ensure that clients stay ahead of tax compliance but also ensure optimisation of taxes. While we objectively act as your tax advisor, we also walk alongside to address complex tax issues pragmatically.

## KEY OFFERINGS

At BDO India, we offer a full range of indirect tax services to businesses. Our expertise in Goods & Services Tax, Tax Technology, Custom laws and Foreign Trade Policy Regulation, positions us as a one-stop solution provider to meet diverse client needs.

In addition to providing domestic tax services in India, we leverage our global presence and expertise to offer cross-border indirect tax services for clients looking at global expansion.

Our indirect tax professionals bring together advisory, GST solutions, internal credit control protocols and global indirect tax compliance support backed by various technology-based tools to ensure smooth business functioning that is compliant with the law.



**GST Offerings**



**Litigation Management Services**



**Customs and International Trade**



**Indirect Tax & Technology**



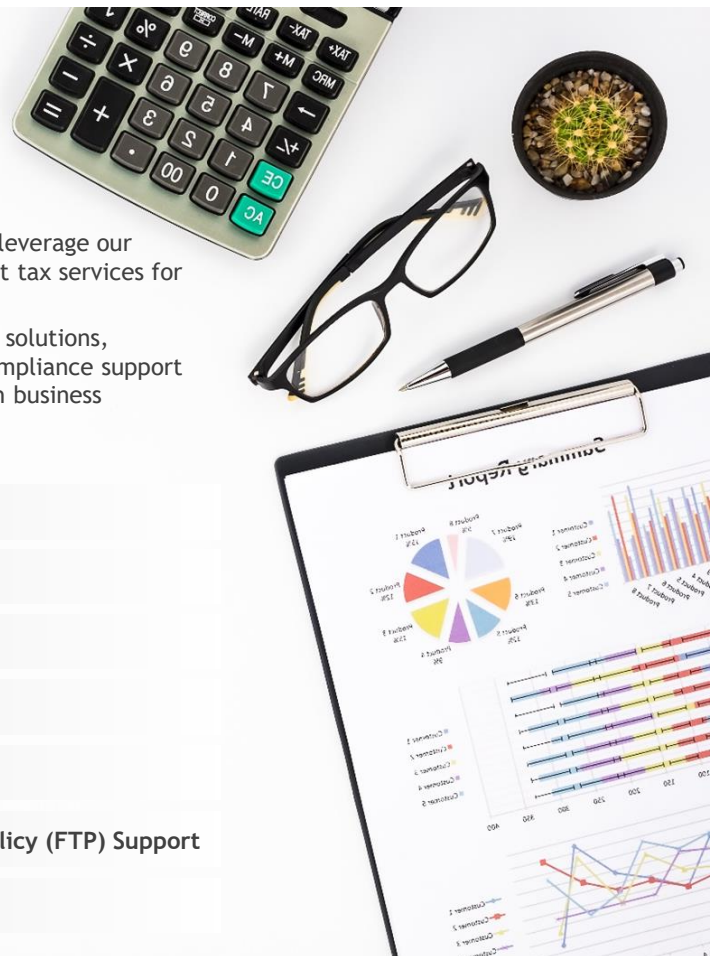
**Central and State Government Incentives**



**Special Economic Zone (SEZ) and Foreign Trade Policy (FTP) Support**



**Other Indirect Tax Services**



## KEY OFFERINGS



### GST Offerings

Our pan-India GST team has assisted diverse set of businesses in migrating to GST seamlessly. We have also supported post-implementation reviews to validate compliance and tax efficiency. Our GST services cover not only credit review exercises, compliance support and refund claims but also extends to the development of suitable costing models under the GST law and suggests pricing strategies compliant with anti-profiteering provisions. We also provide Advance Rulings support by drafting, filing and making representations.

We have been instrumental in identifying and recognising issues that adversely impacted businesses and assisted in drafting representations and suggesting possible solutions to be heard by the GST Council.

The transition to GST has come with a different set of challenges particularly with respect to validation of the business process compliant with the new law, assistance in scrutiny and answering queries from tax authorities. Our advisory services include assessing the fiscal impact of GST on business and product pricing, through evaluation of key parameters, advisory on realigning the operations to ensure tax efficiency, IT functional advisory and customised GST training.



### Litigation Management Services

Facing a major dispute, investigation or litigation can be very challenging for any organisation. It is thus critical to engage credible advisers that businesses can trust. Our experts assist clients that are facing challenges on the litigation front, by identifying disputes that can be settled through alternative dispute resolutions and review of litigations to evaluate the way forward. We also assist in drafting responses (including appeal papers) and making submissions and representations on their behalf, before the concerned authorities.

Our litigation mapping services have been successful for companies that have varied natures of open litigations. We review pending litigations and comment on potential outcomes basis the judicial precedence and legal provision along with the risks involved. We assist clients in maintaining a database wherein litigations are segregated based on issue, forum, etc. for recall, planning and decision-making. We also advise on the possible reliefs that may be available and suggest way forward options and approaches.



## KEY OFFERINGS



### Customs and International Trade

Cross-border trade involves dealing with Customs and the Border Control Authority and understanding the trade policy measures adopted by the Government for the export and import of goods. For traders seeking entry into the Indian market, a good understanding of the Trade Policy and Customs environment is extremely essential for making an informed decision as well as managing risks.

At BDO in India, we not only help business reduce international trade costs but also assist in the efficient management of import/export risks. Our services in Customs & International trade help companies strengthen their global supply chain and unleash their business potential.

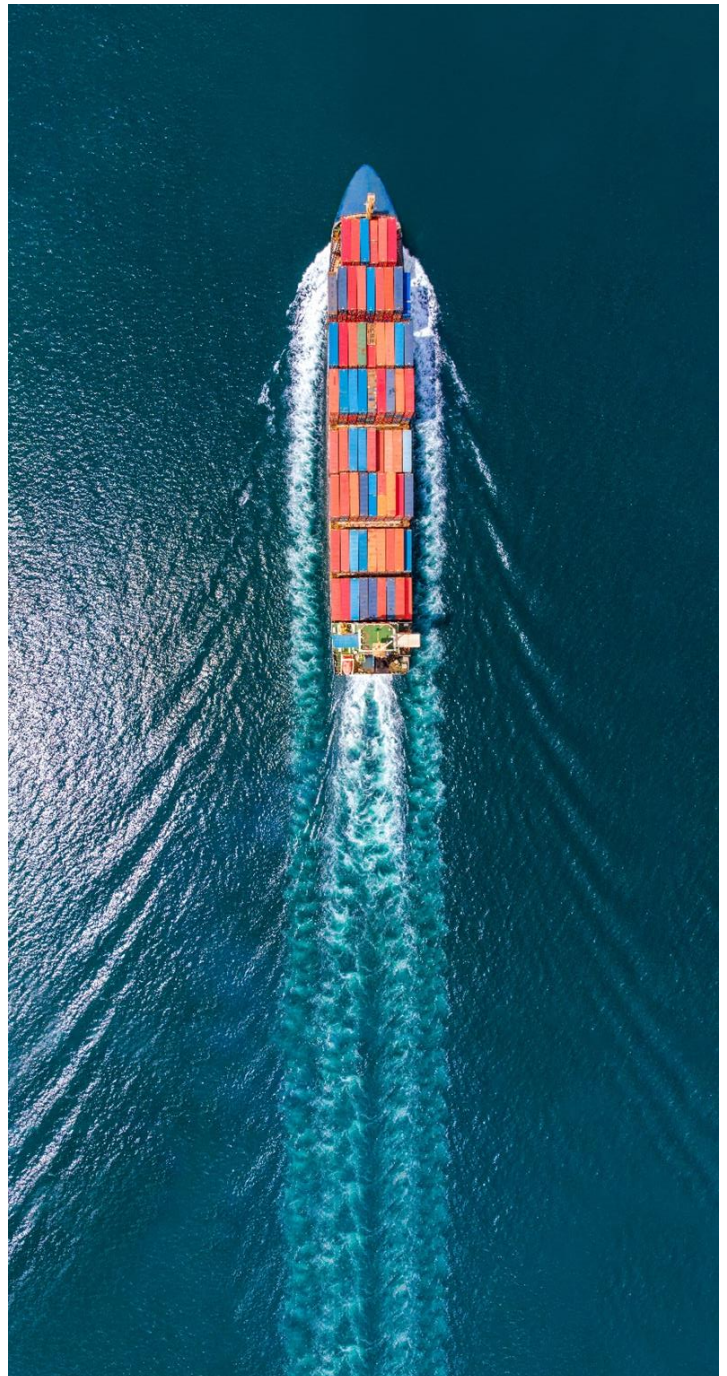
We have a broad and deep understanding of the national customs valuation provisions. Our services on customs classification also covers the study of the HSN and product categorisation from a customs tariff standpoint. We also assist in Advance Ruling as well as interface with customs authorities to clarify any aspects specific to the product category and HSN.

The objective of import under FTA is to facilitate international trade and lower customs duty. The process of claiming and substantiating preferential origin is subject to increasing scrutiny from customs authorities.

At BDO in India, we assist businesses on:

- Advising on the coverage of the Preferential Trade Agreement
- Evaluating the product manufacturing process to advise on its origin as prescribed by the relevant origin rules
- Comparative analysis of duty savings under the FTA to estimate the exact quantum available to a product category

Apart from the above, we also assist clients in securing benefits under the Authorised Economic Operator (AEO) Scheme, establishing the unit under Manufacture and Other Operations in Warehouse Regulation (MOOWR), review of customs risks to the business, review of custom broker's rules and regulations, transit trade and over-all import-export strategy.



## KEY OFFERINGS



### Indirect Tax & Technology

Technology cannot derive its value unless it is thoughtfully and strategically deployed to maximise the efficiency and profitability of the business and tax operations. Our comprehensive tax technology portfolio includes business process review, feasibility studies, implementation, automation, research, training and full technical support.

With domain expertise and functional experience in tax, our specialist teams collaborate with technology experts to provide a comprehensive approach to assist clients to assess and implement sophisticated tax technology frameworks. These frameworks are designed to deliver simplified, automated and timely solutions to the overall tax function, delivering significant value in governance, risk and compliance processes.

The indirect tax technology services provide customised solutions, such as GST invoice generation, performing transaction audit functions to determine internal control of accounts payable and accounts receivable functions, variance mapping of purchase and sale transactions based on analytics performed on business, transactional level data and customised MIS reporting in the interactive dashboard, etc.

#### BDO Enable GST

BDO Enable GST is a cloud-based technology solution providing integrated ASP-GSP services

#### BDO Enable EWB

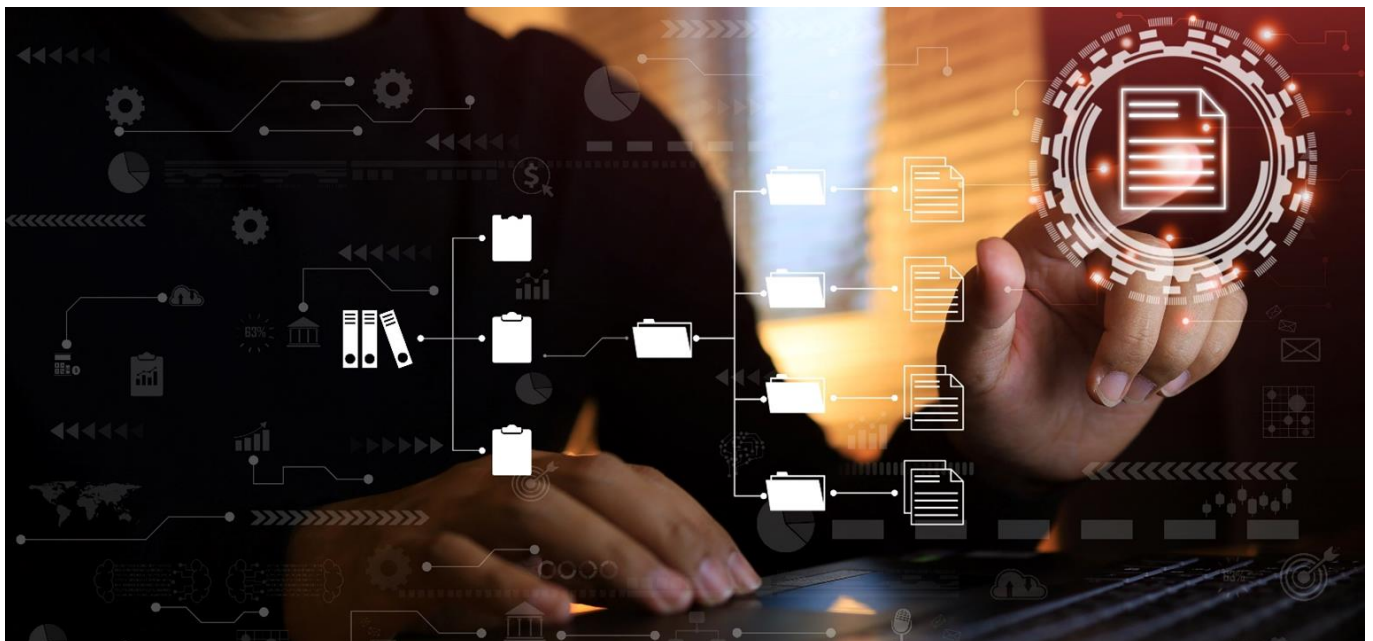
BDO Enable EWB is a cloud-based technology solution that provides a seamless pan-India workflow for the E-way Bill function

#### BDO Enable Analytics

BDO Enable Analytics is a solution that gives deeper insights into data that enables a smarter tax function

#### BDO E-Invoice

BDO E-Invoice solution provides a seamless interface to manage GST compliance mandates with efficiency, ease and accuracy, in a timely manner



## KEY OFFERINGS



### Special Economic Zone (SEZ) and Foreign Trade Policy (FTP) Support

At BDO in India, we focus on understanding diverse and intricate business insights. A comprehensive understanding enables us to identify optimal structure that may best serve the client, under SEZ law, Foreign Trade Policy (FTP), etc. The Government seeks to incentivise export of goods by way of benefits like Merchandise Exports from India Scheme (MEIS), Export Promotion of Capital Goods (EPCG) & Services Exports from India Scheme (SEIS) for service exporters.

Our team of professionals have deep insights into the policy and the procedures that could derive value and help achieve the desired objectives. We are not only abreast with the intricacies of the current law, but also stay ahead of the recent trends and the policy shifts that the Government is contemplating/could propose.

Right from obtaining of Import-Export Code (IEC), to suggesting the procedure to be adopted for applying for specified schemes/benefits available under the policy, we provide end-to-end assistance in setting up SEZs, EOUs and FTWZs including drafting the letter of approvals and ensuring compliances in a timely and accurate manner.

We offer assistance in securing the incentives under the Foreign Trade Policy in all the major port cities in India. Our assistance includes preparing of application forms, collating supporting documents and making the application under the client's needs, which may involve rigorous follow-ups with authorities at locational, regional or central offices.



### Central/ State Government Incentives

With a view to encourage domestic business, create global competencies and employment opportunities, the Central and State governments have been working in tandem to incentivise new businesses. The incentives include fiscal and non-fiscal benefits such as capital subsidies, reimbursement of GST, waiver of stamp and electricity duty, concessional power tariff, infrastructure developments, skill development assistance, single window clearance, etc.

Our team is well poised to assist businesses in:

- Evaluation of incentive schemes pan-India to identify the best-suited location
- Preparation and validation of the project reports
- Selection of entity type
- Advocacy support and interface with the Government
- Handholding for materialising benefits
- Documentation and follow-ups



### Other Indirect Tax Services

In addition to the services above, we also support businesses in:

- Undertaking diagnostic reviews
- Compliance support and assistance
- Policy advocacy
- Tax-efficient supply chain management
- Advise on the interplay between GST & non-GST taxes



## WHY US

At BDO in India, we understand that our clients' needs are unique and continue to evolve with changing regulations. Combining our expertise in tax and technology, we aim to deliver solutions to our clients that are bespoke and ensure compliance with the ever-evolving environment.

We are focused on providing the adept solutions through:



A nationally integrated team



Bespoke solutions



Scalable services offerings



Regular discussions with the client



In-depth understanding of various operations and revenue streams of the client



Deep understanding of domestic and cross-border ecosystems

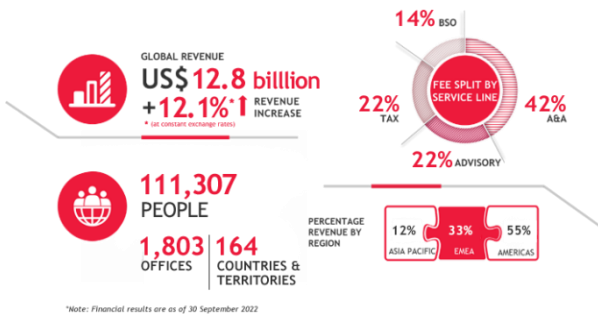


Value-driven services



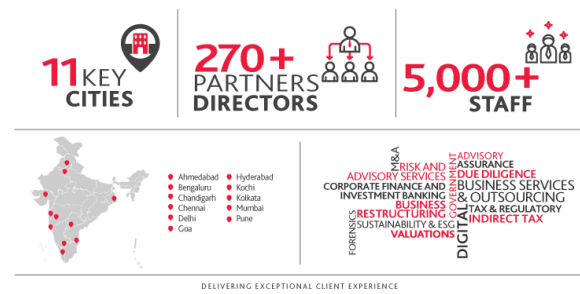
## ABOUT BDO GLOBAL

BDO is a leading professional services organisation and are global leaders of the mid-tier, with a presence in 160+ countries and over 111,300 people working out of more than 1,800 offices. We endeavor to deliver an exceptional client experience through a tailored solutions approach, while partnering with our employees and clients globally.



## ABOUT BDO IN INDIA

BDO in India offers Assurance, Tax, Advisory, Business Services & Outsourcing and Digital Services for both domestic and international clients across industries. The team at BDO in India consists of over 5,000 professionals led by more than 270 partners and directors operating out of 15 offices, across 11 key cities.



## Contact Us

For any content related queries, you may kindly write in to [taxadvisory@bdo.in](mailto:taxadvisory@bdo.in) or get in touch with,

### GUNJAN PRABHAKARAN

Partner & Leader

Indirect Tax

[gunjanprabhakaran@bdo.in](mailto:gunjanprabhakaran@bdo.in)

For any other queries or feedback, kindly write to us at [marketing@bdo.in](mailto:marketing@bdo.in)

## BDO in India

### Ahmedabad

The First, Block C - 907  
 Behind ITC Narmada, Keshavbaug  
 Vastrapur, Ahmedabad 380015, INDIA

### Bengaluru - Office 1

Prestige Nebula, 3rd Floor,  
 Infantry Road,  
 Bengaluru 560095, INDIA

### Bengaluru - Office 2

SV Tower, No. 27, Floor 4  
 80 Feet Road, 6th Block, Koramangala  
 Bengaluru 560095, INDIA

### Chandigarh

Plot no. 55, Floor 5,  
 Industrial & Business Park,  
 Phase 1, Chandigarh 160002, INDIA

### Chennai

No. 443 & 445, Floor 5, Main Building  
 Guna Complex, Mount Road, Teynampet  
 Chennai 600018, INDIA

### Delhi NCR - Office 1

The Palm Springs Plaza  
 Office No. 1501-10, Sector-54,  
 Golf Course Road, Gurugram 122001, INDIA

### Delhi NCR - Office 2

Windsor IT Park, Plot No: A-1  
 Floor 2, Tower-B, Sector-125  
 Noida 201301, INDIA

### Goa

701, Kamat Towers  
 9, EDC Complex, Patto Plaza  
 Panaji, Goa 403001, INDIA

### Hyderabad

1101/B, Manjeera Trinity Corporate  
 JNTU-Hitech City Road, Kukatpally  
 Hyderabad 500072, INDIA

### Kochi

XL/215 A, Krishna Kripa  
 Layam Road, Ernakulam  
 Kochi 682011, INDIA

### Kolkata

Floor 4, Duckback House  
 41, Shakespeare Sarani  
 Kolkata 700017, INDIA

### Mumbai - Office 1

The Ruby, Level 9, North West Wing  
 Senapati Bapat Marg, Dadar (W)  
 Mumbai 400028, INDIA

### Mumbai - Office 2

601, Floor 6, Raheja Titanium, Western  
 Express Highway, Geetanjali, Railway  
 Colony, Ram Nagar, Goregaon (E), Mumbai  
 400063, INDIA

### Pune - Office 1

Floor 6, Building No. 1  
 Cerebrum IT Park, Kalyani Nagar  
 Pune 411014, INDIA

### Pune - Office 2

Floor 2 & 4, Mantri Sterling, Deep Bungalow,  
 Chowk, Model Colony, Shivaji Nagar  
 Pune 411016, INDIA

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