

Guidance note on Form No. 48:

Form No. 48 is a report from an accountant to be furnished under Section 172 of the Income-tax Act, 2025 by the person entered into international transactions and/or specified domestic transactions with associated enterprises.

Frequency & Due Dates:

Form No. 48 is filed annually on or before the date one month before the due date for furnishing the return of income under section 263 (1) for the relevant tax year, as per Section 172 r.w.s. 173 of the Income-tax Act, 2025.

Filing Count:

Approx 44,000 annually.

Structure of Form No. 48:

1. The Form has six parts, namely Part-A to F.

Part- A contains the particulars of the assessee.

Part-B contains the aggregate amount of the international and specified domestic transactions, which is auto-populated.

Part-C contains the details of the international transactions and associated enterprises/ persons with whom these transactions have been undertaken. Further, this part also contains the details of international transactions for which advance pricing agreement has been entered.

Part-D contains the details of the specified domestic transactions and associated enterprises with whom these transactions have been undertaken.

Part-E contains information regarding the determination of arm's length price and the amount of adjustment, if any, required.

Part-F contains information in the cases where the amount of international transaction and/or specified domestic transaction exceeds the specified amount.

Flow of filing Form No. 48:

Step 1: In Part- A the particulars of the assessee namely- name, address, Permanent Account Number (PAN) are to be filled.

Step 2: In Part-C the details of all the associated enterprises with whom the assessee has entered into international transactions are to be filled, namely-

- a) Name
- b) Address
- c) Country or territory of residence
- d) PAN/ TIN or other unique identifier
- e) Nature of relationship with the AE as referred to in Section 162(1)- A drop-down facility shall be provided for filling up this column based on the note 5 of the Form. Multiple options shall be selected in the appropriate cases.

Each AE shall be given the AE ID, which is a unique system generated ID, generated based on the information provided for AE.

If the assessee has undertaken deemed international transactions, details of the persons with whom the assessee has entered into the deemed international transactions are to be filled, namely-

- a) Name
- b) Address
- c) Country or territory of residence
- d) PAN/ TIN or other unique identifier

And each such person shall also be given unique system generated ID as Person ID.

Step 3: The assessee is then required to provide the details of international transactions including the deemed international transactions. A drop-down facility will be provided for filling up the types of transaction based on the note 6 of the Form. The assessee shall choose the AE IDs /Person IDs (from column 5 and 6) and provide the amount of each transaction in respect of each AE ID/ Person ID. Additional information is being captured only in certain types of transaction, and is as per the list provided in the note 7 of the Form. Each transaction shall be given a transaction ID, which is a unique system generated ID, generated based on the details given for transaction in other columns of Part- C.

For example, if an assessee has undertaken the transaction of provision of services (T1) with three AEs (AE1, AE2, AE3) then the transaction IDs shall be given as under

T1 AE1

TI AE2

TI AE3

Once the complete details of all the transactions for the same transaction type have been filled, the aggregate amount shall get auto-populated.

The amount of adjustment, if any, and arm's length price shall be auto-populated from Part-E of the Form.

Step 4: If the assessee is a signatory to any advance pricing agreement(s) (APA), the assessee is required to provide the details of the agreement(s), namely-

- a) Date of agreement
- b) Acknowledgement number of application(s)
- c) Details of the transaction IDs which have been covered under APA clearly specifying the total amount of the transaction and amount of transaction covered under APA.

If the assessee has signed more than one APA, the details of each agreement are to be furnished separately in row 8 of Part-C.

Step 5: In Part-D, the details of all the associated enterprises with whom the assessee has entered into specified domestic transactions are to be filled in the same manner as mentioned in step 2 for the associated enterprises with whom the assessee has entered into international transactions. Each AE shall be given the DAE ID, which is a unique system generated ID, generated based on the information provided for AE in other columns of Part-D.

Step 6: The assessee is then required to provide the details of specified domestic transactions. A drop-down facility will be provided for filling up the types of transaction based on note 9 of the Form. The assessee shall choose the DAE IDs (from column 9) and provide the description of the transaction and amount of each transaction.

Step 7: The details for the determination of arm's length price are then to be filled up for each transaction except the transactions which are covered under APA and reported in row 8 of Part-C.

In case, the closely linked transactions have been aggregated, the assessee is required to choose the transaction IDs, which have been aggregated together with other closely linked transactions, from the list of transaction IDs and then provide the total amount of the transaction, amount which has been considered for aggregation and the balance amount. If the assessee has partly aggregated the transactions, the assessee has to provide the details of the amount which have been aggregated and for subsequent aggregation of the transaction, the balance amount which is not aggregated shall be considered as the total amount.

The next step is to choose the most appropriate method, from note 11 of the Form, for determining the arm's length price of the aggregated transactions. Then details are to be provided for the determination of arm's length price. The assessee is required to provide in 11(2)(i) of the Form whether any of the transaction, which are not included or partially included in 11(1)(i)(a), have been aggregated with other closely linked transaction(s) for determination of arm's length price or not. If 'yes' in 11(2)(i), then the details of the aggregated transactions and details for the determination of arm's length price are to be provided. If 'no' in 11(2)(i), the assessee shall proceed for the determination of arm's length price for each of the remaining transactions.

Depending upon the method chosen, the following details are to be provided-

1. RPM/CPM/TNMM

- a) No. of comparable,
- b) Margin of comparable
- c) Arm's length price (as computed in note 13)
- d) Additional details (as asked in note 14)
- e) Whether any of the aggregated transaction has been separately benchmarked or not

2. CUP

- a) No of comparable
- b) Price paid/charged
- c) Arm's length price (as computed in note 13)

3. PSM/Other Method

- a) Details of determination of arm's length price
- b) Arm's length price

c) Amount of adjustment

Step 8:

Part F is the certification from the accountant regarding the maintenance of the information and documents by the assessee, which it has been required to keep and maintain in accordance with section 171 of the Income-tax Act, 2025.

Challenges and Solutions:

The Form No. 48 aims to address the lack of standardisation in the existing form and enhances the quality and usability of transfer pricing information by shifting from the narrative disclosures towards structured, transaction wise reporting. Dropdowns and standardised categories have been provided so as to make the form more tax-payer friendly.

Further, the new Form captures key elements of the economic analysis, instead of limiting the disclosure to the most appropriate method alone, thereby addressing the information gaps at the reporting stage. Availability of such data enables early closure of low-risk and compliant cases, thereby reducing unnecessary compliance burden.