

## Definitions

**102.** In this Chapter, unless the context otherwise requires,—

- (1) “arrangement” means any step in, or a part or whole of, any transaction, operation, scheme, agreement or understanding, whether enforceable or not, and includes the alienation of any property in such transaction, operation, scheme, agreement or understanding;
- (2) “asset” includes property, or right, of any kind;
- (3) “benefit” includes a payment of any kind whether in tangible or intangible form;
- (4) “connected person”, means any person who is connected directly or indirectly to another person and includes—
  - (a) any relative of the person, if the person is an individual;
  - (b) any director of the company or any relative of such director, if the person is a company;
  - (c) any partner or member of a firm or association of persons or body of individuals or any relative of such partner or member if the person is a firm or association of persons or body of individuals;
  - (d) any member of the Hindu undivided family or any relative of such member, if the person is a Hindu undivided family;
  - (e) any individual who has a substantial interest in the business of the person or any relative of such individual;
  - (f) a company, firm or an association of persons or a body of individuals, whether incorporated or not, or a Hindu undivided family having a substantial interest in the business of the person or any director, partner, or member of the company, firm or association of persons or body of individuals or family, or any relative of such director, partner or member;
  - (g) a company, firm or association of persons or body of individuals, whether incorporated or not, or a Hindu undivided family, whose director, partner, or member have a substantial interest in the business of the person, or family or any relative of such director, partner or member;
  - (h) any other person who carries on a business, if—
    - (i) the person being an individual, or any relative of such person, has a substantial interest in the business of that other person; or
    - (ii) the person being a company, firm, association of persons, body of individuals, whether incorporated or not, or a Hindu undivided family, or any director, partner or member of such company, firm or association of persons or body of individuals or family, or any relative of such director, partner or member, has a substantial interest in the business of that other person;
- (5) “fund” includes—
  - (a) any cash;
  - (b) cash equivalents; and
  - (c) any right, or obligation, to receive, or pay, the cash or cash equivalent;
- (6) “party” means any person including a permanent establishment which participates or takes

part in an arrangement;

(7) “relative” shall have the meaning assigned to it in the Explanation to clause (vi) of sub-section (2) of section 56;

(8) a person shall be deemed to have a substantial interest in the business, if—

(a) in a case where the business is carried on by a company, such person is, at any time during the financial year, the beneficial owner of equity shares carrying twenty per cent. or more, of the voting power; or

(b) in any other case, such person is, at any time during the financial year, beneficially entitled to twenty per cent. or more, of the profits of such business;

(9) “step” includes a measure or an action, particularly one of a series taken in order to deal with or achieve a particular thing or object in the arrangement;

(10) “tax benefit” means—

(a) a reduction or avoidance or deferral of tax or other amount payable under this Act; or

(b) an increase in a refund of tax or other amount under this Act; or

(c) a reduction or avoidance or deferral of tax or other amount that would be payable under this Act, as a result of a tax treaty; or

(d) an increase in a refund of tax or other amount under this Act as a result of a tax treaty;

Or

(e) a reduction in total income .

(f) an increase in loss

in the relevant previous year or any other previous year

(11) “tax treaty” means an agreement referred to in sub-section (1) of section 90 or sub-section (1) of section 90A.