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' with 3 companies

:s is to form a joint venture with
ftware and Westbridge Capital. This
ed to create a new company which
solutions, Infosys said in a
bay Stock Exchange here. — PTI

'h Jalva Media

Media have announced a
de a complete end-to-end content
: media and entertainment
awan Sharma, country manager,
ie goal was to provide customers
nagement solutions. Through this
me the only company in India to
nagement solution, he said.

nda profile

d its Mirinda profile of fruit
ationally popular Mirinda apple
1. To start with the product has
nd in Chennai. According to Mr.
president, PepsiCo India Holdings,
hing this product soon in other
several highly successful fruit
and emerged as a big brand

T Kids summer camp

omputer education for children,
:amps conducted from April to
was a big success. The camp was
ie, according to Mr. V. Narayan,
n participated from across the

V solution centre

:ems has set up a SAN solution
an initiative to help customers
in their computing
y how their storage needs could
jointly with IBM, showcases
ons. The centre - IBM total
a host of solution
:nt and consultancy services to

ised ASP product

Stress on transfer pricing documentation

By Our Special Correspondent

CHENNAI, JUNE 5. Attention to basic requirements like explaining the nature of the business concerned to the tax authorities "in a language they understand" and maintenance of prescribed documentation is important if businesses having international transactions are to avoid severe penalties under the new regime regarding transfer pricing assessment, according to experts.

The newly-introduced Sections (92 to 92F) under Chapter X of the Income-tax Act, and the related draft rules, though based by and large on the OECD (Organisation for Economic Cooperation and Development) model law and India's double taxation avoidance agreements with leading trade partners, still need to be amended in some respects, professionals from Deloitte Haskins and Sells, international consultants, said.

Addressing a workshop organised by the consultancy here on Monday for chartered accountants (who have a role by way of authentication of disclosures relating to transfer pricing), the professionals said even "diagrammising" of business operations and their relations with other enterprises could be resorted to, to avoid risks of the business "stories" being challenged by tax authorities as a result of misconstruction or inconsistency.

Similarly, companies having aggregate international transactions exceeding Rs. 1 crore annually should prepare the elaborate documentation as prescribed, keeping in mind that the documentation was meant almost wholly for purposes of tax assessment and might not be otherwise relevant to the business. (For transactions below Rs. 1 crore, the firm may choose its own method of documentation, but in a manner that would serve the purpose of objective assessment by the tax authorities).

Mr. Peter Blackwood, a member of the Global Transfer Pricing Task Force and head of the Transfer Pricing Practice (Asia-Pacific) of Deloitte Touche Tohmatsu, described as absurd the provision (Sec. 92C) that where more than one arm's length price may be determined by the most appropriate method, "the arm's length price shall be taken to be the arithmetical mean of such prices". He said this needed to be scrapped and brought on a par with internationally accepted regulations.

Despite the difficulties of obtaining data on "comparable transactions", especially in Indian conditions, it would be inadvisable for assessees to enter into an "isolated transaction" with unrelated entities merely to be used for comparison purposes since it would be unacceptable to the tax authorities, the experts from Deloitte, including Mr. Samir Gandhi and Mr. Viswanath Kane, said.

Mr. Gandhi criticised the linking of adjustments (Sec. 92C) made by an assessing official to denial of tax reliefs under Sec. 10A and 10B and Chapter VI-A of the Income-tax Act.

He said the mention of a preference by the draft rules in favour of three out of five methods for arriving at the arm's length price was in tune with laws of most countries.

However, the provision in the rules that in cases where more than one method was the "most appropriate method" (MAM), another method providing a result consistent with the two (or more) MAMs should be adopted was possibly a mistake.

What should have been provided for was confirming of the result of application of one of the MAMs with another of the MAMs and not resort to a non-MAM.

Participants in the workshop expressed concern that Indian tax authorities might harass the assessees in the context of the reported dumping of low-priced Chinese goods and the need for assessees to provide data on comparable transactions.

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By Our Staff Re

HYDERABAD, JUNE 5. Th
Surgical Informatio
(SIS) has opened its n
development centre
Hyderabad, involving
ment of $1 million wit
ates (employees) as o

Addressing a press
here on Tuesday, Mr.
Vice-President, SIS (U.
Himanshu Ubale, Ge
ager of SIS India, said t
ft. facility located at Va
Park in Madhapur, n
City, would be dedicat
development, research
ity testing of the comp
ware product.

The company offers
ating room (OR)' inform
tem, which had been i
100 of the top 800 hosp
U.S., they said. It was l
more space to grow
strength by May 2002 i
bad, and expected to i
other $1 million in th
months, they said.

Ashok Leyland to focus on industrial engines

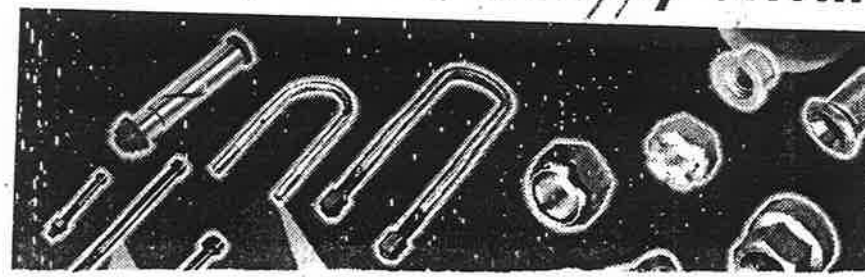
By K. T. Jagannathan

CHENNAI, JUNE 5. In a significant strategy shift, truck major Ashok Leyland has decided to look at the manufacture of industrial engines as an independent business proposition.

The Hinduja flagship company will "look at industrial engines with lot more focus" by drawing up a "separate growth plan", says Mr. R. Seshasayee, Managing Di

lower end, it may add 15-20 kVA engines to its portfolio. At the upper segment, it may go up to 400-500 kVA engines.

Mr. Seshasayee has made it clear that "we are trying to define it (industrial engine business) as a profit centre. It has a growth plan. It is looking for range improvement. It will have a bottomline-driven kind of approach".

The Leyland and Hino engines

A quality that's already drivin