

**Speech by Ambassador Nagma M. Mallick at the Seminar on
India-Japan: Tax certainty through Advanced Pricing Agreements (APA)
and Mutual Agreement Procedures (MAP)**

Thursday, 10th September, 2026 | 1600-1730hrs;

Venue: VCC Auditorium

Shri Bhaskar Goswami, Joint Secretary, Ministry of Finance, India

Mr. Sobhan Kar, Mr. Hiroki Yamakawa and other delegates from Deloitte

Distinguished representatives from the Japanese and Indian business industry,
Ladies and gentlemen.

Good afternoon.

It gives me great pleasure to welcome you all to the Embassy of India for today's seminar on **"Tax Certainty through Advance Pricing Agreements and Mutual Agreement Procedures."**

I particularly welcome Mr. Bhaskar Goswami from the Ministry of Finance, Government of India, and thank all our distinguished experts and industry representatives for joining us.

Today's subject is technical, but its importance to business is very simple.

Investment requires confidence, and confidence requires certainty.

A company making a long-term investment needs to know **how the rules will be interpreted, how consistently they will be applied, and whether there is an effective mechanism to resolve disputes** if they arise.

This is particularly important in the India–Japan economic relationship.

Japan has been one of India's most trusted economic partners for decades. Japanese companies have established a significant presence in India across automobiles, infrastructure, electronics, financial services, and many other sectors.

And today, our economic partnership is becoming even more diversified.

Check Against Delivery

India and Japan are working together in areas such as semiconductors, clean energy, resilient supply chains, critical minerals and mobility.

As this relationship deepens, the nature of cross-border transactions also becomes more sophisticated. Therefore, we need mechanism which can aid such sophisticated transactions.

Friends,

The experts in today's panel will go into detail about the mechanisms of **Advance Pricing Agreements, and Mutual Agreement Procedures.**

But let me bring to your attention the bigger picture presently happening in India.

Over the past decade, India has undertaken a **sustained programme of reforms** aimed at making its economy more competitive, transparent, predictable and investment-friendly.

These reforms have covered almost every stage of the business lifecycle — from setting up a company and obtaining approvals, to taxation, dispute resolution and regulatory compliance.

One major area has been the **simplification of regulation and reduction of the compliance burden.**

Over the past decade, **India has reduced over 47,000 compliances, decriminalised more than 3,800 legal provisions**, modernised labour laws, and expanded FDI limits.

This reflects an important change in the philosophy of regulation.

The objective is increasingly to move from a system based primarily on control and enforcement towards one based on **trust, transparency and proportionality**

Another important reform has been the digitalisation of government-to-business interaction.

Check Against Delivery

The **National Single Window System** provides investors with a unified digital platform for obtaining approvals. Rather than navigating multiple departments separately, investors can increasingly access approvals through an integrated interface.

India is also using technology to improve infrastructure planning and logistics. Through **PM GatiShakti**, dozens of Central Ministries and all States are being brought onto an integrated platform for infrastructure and connectivity planning.

Taxation has been another major area of reform.

The introduction of the **Goods and Services Tax** created a unified indirect-tax framework, replacing a complex structure of multiple Central and State taxes.

At the direct-tax level, a particularly important development this year has been the coming into force of the **Income-tax Act, 2025, from 1 April 2026**.

The new Act has modernised India's direct-tax law through clearer language, a simpler structure and easier compliance, without fundamentally changing the underlying tax policy.

India has also worked to improve the other end of the business lifecycle. The **Insolvency and Bankruptcy Code** has created a time-bound framework for insolvency resolution and treatment of stressed assets.

This is important because ease of doing business is not only about how easily a company can enter a market. It is also about whether capital can be reallocated efficiently when a business faces distress.

Friends, India's growth story today is one of scale, stability and opportunity. We remain among the **fastest-growing major economies** with GDP exceeding USD 4 trillion, foreign exchange reserves of over USD 700 billion, controlled inflation and **one of the youngest populations** in the world.

Ladies and Gentlemen,

The India–Japan economic partnership has traditionally been built on

long-term trust.

During **Prime Minister Shri Narendra Modi's visit to Japan in 2025**, the two countries set a target of **JPY 10 trillion** in Japanese private investment in India over the next decade. This July, during the 16th Annual Summit held between PM Modi and the Hon'ble Prime Minister of Japan Ms. TAKAICHI Sanae in New Delhi, this commitment was reaffirmed. **Nearly ¥1.66 trillion has already been invested during the last twelve months alone.** *Japan Week announced.*

Last month, **the HCIM, Mr. Piyush Goyal** visited Japan on a four days business trip with more than 200 senior Indian industry leaders from India. It was the largest Indian business delegation ever to travel overseas.

During the visit, **leadership of major Japanese companies and financial institutions** expressed their growing interests in India. These high-level engagements show the depth of relationship between the two countries.

Friends,

Today's seminar has importance beyond the subject of taxation.

It demonstrates that governments, businesses and tax professionals from India and Japan can sit together, examine practical cases and identify solutions.

This is exactly the kind of institutional dialogue that a mature economic partnership requires.

Ladies and Gentlemen,

With these thoughts, I thank all our distinguished speakers and participants and wish the seminar every success.

Thank you.