



IVCA
INDIAN PRIVATE EQUITY
& VENTURE CAPITAL ASSOCIATION

June 29, 2010

To
Shri Pranab Mukherjee
Finance Minister
Ministry of Finance
North Block, New Delhi

Respected Sir,

Re: Revised discussion paper on Direct Taxes Code Bill, 2009 released on June 15, 2010

Ref: Our representation dated 1ST October 2009 filed with your office on same day.

Sub: Suggested changes to key provisions of the Bill relevant to Private Equity / Venture Capital Funds

We refer to the recent Revised discussion paper on The Direct Taxes Code Bill ('DTC') introduced by Government of India on June 15, 2010.

We would like to thank you for considering our representation and proposing suitable amendments to the Direct Taxes Code Bill, 2009. It is very commendable that the Government has sought inputs from various sections and indeed the revised discussion paper resolves many of the key issues.

The revised discussion paper also seeks to solicit response till June 30, 2010 and in this regard, as a responsible industry association, we consider ourselves duty-bound to support the Government of India in this endeavor. Accordingly, we have availed the opportunity given to the general public to provide comments on the discussion paper and have set out a few suggestions on DTC provisions as well as discussion paper for your kind consideration.



We have set out an executive summary providing a snapshot on certain key provisions in **Annexure I**. A detailed discussion on each of the aforesaid issues alongwith others issues are provided in **Annexure II**. **Part A** of **Annexure II** covers those key provisions which have been addressed in the discussion paper but still require further clarity and **Part B** of **Annexure II** covers those key provisions which were unaddressed by the revised discussion paper and need to be considered before finalizing the Direct Taxes Code.

We would be happy to meet and discuss this further in detail.

We thank you for presenting us with this opportunity to provide suggestions on the draft DTC as well as discussion paper.

Yours sincerely,

Mahendra Swarup
President - IVCA