ONE NUMBER.
ONE DEAL STRUCTURE.

50%

The asset-value line that decides how a cross-border restructuring is taxed.

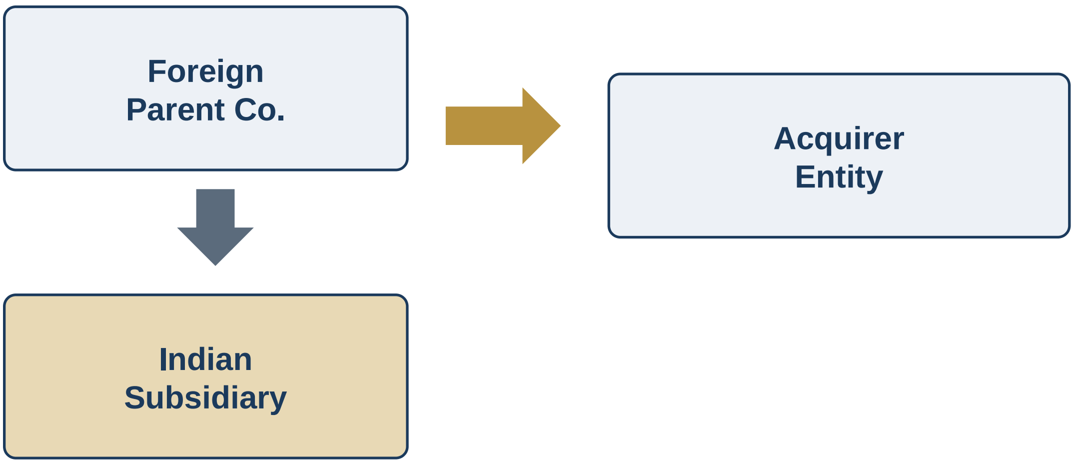
ILLUSTRATIVE CASE STUDY

CA Pratik Mehta | FCA | DISA (ICAI) | Registered Valuer (S&FA) | AI Level 2 (ICAI)

THE PROBLEM

Same Goal. Four Routes.

A foreign parent owns an Indian subsidiary.
The parent is being acquired.
The buyer wants the Indian entity too.



Four ways to get there.
Only one number decides which are even available.

WHY IT MATTERS

Get the Structure Wrong, and...

- **Extra tax exposure may apply**
- **Reporting obligations can multiply**
- **Exemptions you assumed were available may not be**

All from one valuation number.

THE KEY INSIGHT

Four Routes. One Filter.

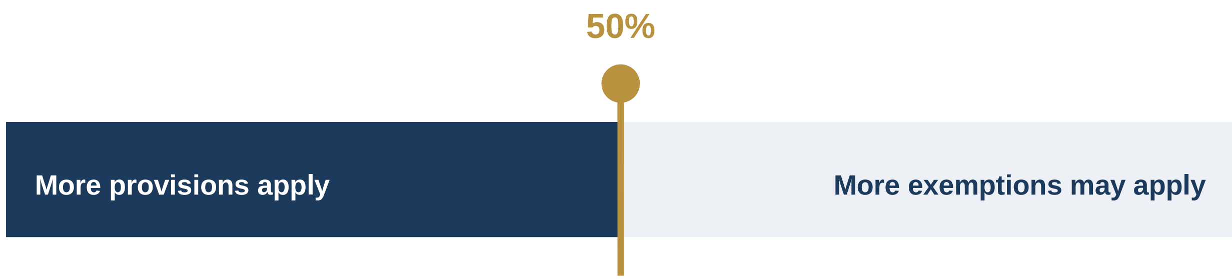
Four structuring routes exist:

1	2	3	4
Wind-Up	Fresh Start	Merger	Direct Sale

The 50% test can rule some out before you've compared a single cost.

THE COMMON MISTAKE

“It's a Merger” Isn't “It's Not a Transfer”



The mistake: assuming a merger is automatically “not a transfer.”

It often still is.

The structuring decision can't be made before the valuation — and it can't be undone after.

LESSONS LEARNED

Save This.

1

Value before you structure

2

A merger can still be a transfer

3

Tax ≠ FEMA
Check both

4

Cheapest on paper ≠ cheapest in practice

Which one have you seen catch a deal team off guard?

LET'S TALK

Cross-border restructuring is rarely a tax question alone.

Tax. FEMA. Valuation. Execution.

All four need to work together.

CA Pratik Mehta

FCA | DISA (ICAI) | Registered Valuer (S&FA) | AI Level 2 (ICAI)

Founder, P Mehta & Jain

Chartered Accountants | Ahmedabad, Gujarat, India