
Transfer Pricing as a Management Tool for Value Addition

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ABSTRACT

In the globalised world, where the things change very fast the transfer pricing is one of the emerging issues for the MNC's. A rapid rise in business activities and changing business environments make it difficult to manage transfer pricing activities. Stringent norms of international trade and focus on transfer pricing regime may lead to cross border trade more difficult. Transfer pricing wings are beyond maximising income. It addresses the important methods of transfer pricing with its application, the evolution of transfer pricing in India, a mechanism to reduce transfer pricing disputes and various provisions for the same. This paper explores the transfer pricing as a management tool for value addition.

KEYWORDS: Transfer pricing, Methods, Provision, Mechanism.

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