



Indruj Singh Rai

Partner

Max Towers
7th & 8th Floors
Sector 16B, Noida
Uttar Pradesh 201 301
India
M: +91 98201 61582
E: indruj.rai@khaitanco.com

Practices:

Direct Tax
Private Client Practice

Education:

LL.M., King's College London,
United Kingdom (2009)

B.S.L, LL.B., Symbiosis
Law School , Pune (2006)

Professional Affiliations:

Bar Council of Punjab and
Haryana

Indruj Singh Rai is a Partner in the Direct Tax practice group in the Delhi NCR office. Indruj has over 15 years of experience in direct tax and private client practice.

Indruj specialises in Direct Tax advisory, tax litigation and Private Client matters. Indruj has vast experience in advising clients on varied issues including on investments into and from India and on restructuring of businesses. Indruj also advises on tax efficient and seamless succession planning. In addition, Indruj has also successfully represented domestic and international clients at several litigation forums including Supreme Court of India, High Courts and Tax tribunals.

Representative Matters:

In his areas of expertise, Indruj has represented and advised the following clients:

- **Rolls-Royce Marine India Private Ltd** on tax implications in respect of the separation and sale of Rolls Royce's commercial marine business, as part of the global transaction which involved separation and sale, of the commercial marine business;
- **SMC Power Generation Limited** tax advice on acquisition of the Jharsuguda manufacturing unit of Concast Steel and Power, in liquidation, in accordance with the provisions of the Insolvency and Bankruptcy Code 2016. This was a first of its kind deal in India where a business was acquired under liquidation under the IBC;
- **Foreign fund participating in a bid** on a foreign fund submitting a bid to take over control and shares of a large highway construction company, having toll collection rights. The foreign fund, as part of the bid, was also buying loans of various banks. The tax advice included advice on tax structure, mitigating tax on account of waiver of liabilities and ensuring carry forward of business losses and unabsorbed depreciation;
- **Birlasoft (India) Ltd** on the tax structuring of a complex two-tier transaction involving the merger of Birlasoft with KPIT Technologies Limited into a merged USD 700 million entity and the subsequent demerger into Birlasoft and KPIT Engineering Limited;
- **Advent International** provided end-to-end transaction tax related advice including negotiating on tax indemnity



provisions on Advent's acquisition of a controlling stake in Manjushree Technopack Limited, India's largest PET manufacturers, for USD 343 million. This was the second largest buyout in the Indian packaging space;

- **A US based hedge fund** which acts as the investment manager to a Luxembourg based fund, which is also a part of the hedge fund's group structure. The Luxembourg fund invested in security receipts issued by Assets Care and Reconstruction Enterprise Limited upon acquiring exposures of Indian banks such as Bank of India, Karur Vyasa Bank and EXIM Bank in the debtor, and later sold part of the exposure to Deutsche Bank. Negotiated robust tax protections with the ARC, which have since become market standard. Total value of debt restructured was USD 391 million;
- **Premier Football Group** on tax advice with respect to acquisition of 65% stake in the franchise of the Indian Super League, by an International premier football group;
- **Vodafone** on several foreign companies on the complex provisions of indirect transfer tax; on sale of stock of foreign companies deriving substantial value from Indian assets.
- **Angel tax litigation** represented several clients before tax authorities in angel tax additions made by the tax department on investments received by Start-ups;
- **Foreign companies** on mitigation of exposure of being treated as a permanent establishment, in India, under the Double Tax Avoidance Agreement (DTAA), especially under joint venture agreements, execution of buds through SPVs and setting up GCC in India. Regularly advises foreign companies on tax implications and structuring of Indian leg of global deals;
- **Murjani Group** on tax structuring of a transaction with Tommy Hilfiger Group regarding transfer of shares and termination of licence to intellectual property and represented the client before the Authority for Advance Rulings (AAR), Delhi in connection to the said transaction;
- **Offshore funds** on tax efficient structures with respect to return of income and exit of investment under Income-tax Act and DTAA's;
- **Insurance Companies** on several foreign insurance companies on eligibility of tax treaty benefits of insured including PE investors seeking treaty exemption on exit from India via Mauritius, Singapore, Netherlands etc.
- **Real Estate Investment Trusts (REIT)** on tax implications in the hands of the REIT, SPV, Sponsors, Managers and Unit Holders in both structures where the assets are held directly by the REIT and are held through an SPV;
- **A Real Estate Development Management Company and Pune based HNIs and Other Companies** on tax implications of redevelopment of large parcels of land involving capital gains of over INR 15 billion and successfully advised in deferring the point of taxation to a stage of adequate income generation from the project;
- **A Solar Power Company** on claiming of accelerated depreciation and tax efficient manner of restructuring its



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businesses via amalgamations, de-mergers, reverse-mergers, slump-sale etc. The advice included positions with respect to carry forward of losses, unabsorbed depreciation and MAT credits;

- **Listed and Unlisted Companies** on tax structuring of employee incentive plans (either by the company or by setting up an employee trust) such as ESOP, sweat equity, phantom stock options, share appreciation rights etc.;
- **McKinsey Group** on income-tax appeals filed by the department at the High Court of Bombay with respect to taxation of fee for advisory services as 'business income' vis-à-vis fee for 'technical services' under respective DTAA's;
- **Katrina Kaif and her agents, Matrix India Entertainment Solutions Pvt. Ltd.,** on income-tax appeals before the Mumbai bench of Income-tax Appellate Tribunal (ITAT) with respect to alleged additions based on search and seizure at residence and offices of the client;
- **Jindal Drugs Limited** on a Writ Petition before the High Court of Bombay with respect to interest on delayed credit of customs duty paid under the passbook scheme of the Foreign Trade Policy; and
- **High Net Worth Individual's (HNI)** on tax efficient estate planning and seamless succession planning including the use of Trust Structure and Private Trustee Companies.