



Tax avoidance is a global issue faced by almost all the countries in the world. Tax avoidance refers to measures employed to reduce one's tax liability within the boundaries of law, but in a manner that is not encouraged by the law. This leads to erosion of domestic tax base of the countries. Taxpayers enter in international, complex and multi layered artificial arrangement with their Conduits from Tax heaven jurisdiction to avail tax benefits. In order to curtail and curb the rampant abuse of the Tax treaty, countries have formally incorporated anti abuse provisions in their domestic tax statute. The Anti-Abuse Rules serve as a regulatory mechanism designed to mitigate aggressive tax avoidance practices that exploit existing loopholes within tax legislation. These rules aim to uphold the integrity of the tax system by preventing taxpayers from engaging in artificial arrangements that are primarily intended to reduce tax liab.....