



INTRODUCTION 1.1 Digitalization is undoubtedly one of the key economic transformations. It ushered in various challenges. Amongst many of them, significant challenges were faced by the prevailing international tax system. The lawmakers and the academicians are of the belief that the tax challenges have arise because the existing tax laws [and its underlying principles] have not kept pace with the changes in the global business practices due to digitization. The digitalization accordingly triggered a political and academic discussion about how the existing regime can be modified (by taking certain measures) to provide an updated, robust and stable system for taxing the profits arising from a business involving digital models. 1.2 Exchequers across the world (especially in developing countries), experienced the heat of loss of revenue due to inability to tax digital transactions of foreign companies.....