

PROTOCOL

At the signing of the Agreement between the Government of the People's Republic of China and the Government of the Republic of India for the Avoidance of Double Taxation and the Prevention of Fiscal Evasion with respect to Taxes on Income (hereinafter referred to as "The Agreement") both sides have agreed upon the following provisions which form an integral part of the Agreement:

1. With reference to paragraph 1(d) of Article 3:

It is understood that the term "tax" should not include any penalty imposed for noncompliance of the laws and regulations relating to the taxes to which this Agreement applies.

2. With reference to Article 8, the exemption shall also include:

- (i) in China, the business tax;
- (ii) in India, any, tax similar to the business tax in China which may be imposed in India after signing of the Agreement.

3. With reference to Article 26:

The competent authorities of the Contracting States shall agree from time to time on the information or documents which shall be necessarily furnished on a routine basis.

IN WITNESS WHEREOF, the undersigned, being duly authorized thereto, have signed the present Protocol.

DONE in duplicate at New Delhi on this eighteenth day of July one thousand nine hundred and ninety four in the Chinese, Hindi and English languages, all three texts being equally authentic. In case of any divergence, the English text shall prevail.

**For the Government
of the People's Republic of China**

**For the Government
of the Republic of India**