

**NOTIFICATION NO. 63/2013 [F. NO. 505/02/1981-FTD-I], DATED 14-8-2013**

Whereas a Protocol (hereinafter referred to as the said Protocol) amending the convention between the Government of the Republic of India and the Government of the Kingdom of Sweden for the avoidance of Double Taxation and the Prevention of Fiscal Evasion with respect to taxes on Income and on Capital, which was signed at New Delhi on the 24th June, 1997, was signed on the 7th February, 2013 in Stockholm ;

And whereas, the date of entry into force of the said Protocol is the 16th day of August, 2013, being the thirtieth day after the receipt of the later of the notifications of the completion of the procedures required by the respective laws for the entry into force of this Protocol, in accordance with Paragraph 2 of Article 3 of the said Protocol;

And whereas, Paragraph 2 of Article 3 of the said Protocol provides that the Amending Protocol shall enter into force on the thirtieth day after the receipt of the later of the notifications and shall thereupon have effect forthwith ;

Now, therefore, in exercise of the powers conferred by section 90 of the Income- tax Act, 1961 (43 of 1961), the Central Government hereby directs that all the provisions of the said Protocol, as set out in the Annexure hereto, shall be given effect to in the Union of India with effect from the 16th August, 2013.

Protocol Amending the Convention between the Government of the Republic of India and The Government of The Kingdom of Sweden for The Avoidance of Double Taxation and The Prevention of fiscal evasion with respect to taxes on income and on capital, which was Signed at New Delhi on 24th June, 1997.

The Government of the Republic of India and the Government of the Kingdom of Sweden;

Desiring to conclude a Protocol (hereinafter referred to as "Amending Protocol") to amend the Convention between the Government of the Republic of India and the Government of the Kingdom of Sweden for the Avoidance of Double Taxation and the Prevention of Fiscal Evasion with respect to taxes on Income and on Capital, which was signed at New Delhi on 24th June, 1997 and which entered into force on 25th December, 1997 (hereinafter referred to as "the Convention").

Have agreed as follows:

**ARTICLE 1**

Article 27 (Exchange of Information) of the Convention shall be deleted and replaced by the following Article:

**"ARTICLE27**

**EXCHANGE OF INFORMATION**

1. The competent authorities of the Contracting States shall exchange such information (including documents or certified copies of the documents) as is foreseeably relevant for carrying out the provisions of this Convention or to the administration or enforcement of the domestic laws concerning taxes of every kind and description imposed on behalf of the Contracting States, or of their political sub-

divisions or local authorities, insofar as the taxation thereunder is not contrary to the Convention. The exchange of information is not restricted by Articles 1 and 2.

2. Any information received under paragraph 1 by a Contracting State shall be treated as secret in the same manner as information obtained under the domestic laws of that State and shall be disclosed only to persons or authorities (including courts and administrative bodies) concerned with the assessment or collection of, the enforcement or prosecution in respect of, the determination of appeals in relation to the taxes referred to in paragraph 1, or the oversight of the above. Such persons or authorities shall use the information only for such purposes. They may disclose the information in public court proceedings or in judicial decisions. Notwithstanding the foregoing, information received by a Contracting State may be used for other purposes when such information may be used for such other purposes under the laws of both States and the competent authority of the supplying State authorises such use.

3. In no case shall the provisions of paragraphs 1 and 2 be construed so as to impose on a Contracting State the obligations:

- (a) to carry out administrative measures at variance with the laws and administrative practice of that or of the other Contracting State;
- (b) to supply information which is not obtainable under the laws or in the normal course of the administration of that or of the other Contracting State;
- (c) to supply information which would disclose any trade, business, industrial, commercial or professional secret or trade process, or information the disclosure of which would be contrary to public policy (*ordre public*).

4. If information is requested by a Contracting State in accordance with this Article, the other Contracting State shall use its information gathering measures to obtain the requested information, even though that other State may not need such information for its own tax purposes. The obligation contained in the preceding sentence is subject to the limitations of paragraph 3 but in no case shall such limitations be construed to permit a Contracting State to decline to supply information solely because it has no domestic interest in such information.

5. In no case shall the provisions of paragraph 3 be construed to permit a Contracting State to decline to supply information solely because the information is held by a bank, other financial institution, nominee or person acting in an agency or a fiduciary capacity or because it relates to ownership interests in a person."

## ARTICLE 2

The following new paragraph shall be added to the Protocol to the Convention after the paragraph titled " With reference to Article 25:"

"With reference to Article 27:

1. A Contracting State may allow representatives of the competent authority of the other Contracting State to enter the territory of the first-mentioned Contracting State to interview individuals and examine records with the written consent of the persons concerned. The competent authority of the second-mentioned Contracting State shall notify the competent authority of the first-mentioned Contracting State of the time and place of the meeting with the individuals concerned.
2. At the request of the competent authority of one Contracting State, the competent authority of the other Contracting State may allow representatives of the competent authority of the first-mentioned Contracting State to be present at the appropriate part of a tax examination in the second-mentioned Contracting State.
3. If the request referred to in paragraph 2 is acceded to, the competent authority of the Contracting State conducting the examination shall, as soon as possible, notify the competent authority of the other Contracting State about the time and place of the examination, the authority or official designated to carry out the examination and the procedures and conditions required by the first-mentioned Contracting State for the conduct of the examination. All decisions with respect to the conduct of the tax examination shall be made by the Contracting State conducting the examination."

### ARTICLE 3

1. Each of the Contracting States shall notify the other, in writing, of the completion of the procedures required by its law for the entry into force of this Amending Protocol.
2. This Amending Protocol shall enter into force on the thirtieth day after the receipt of the later of these notifications and thereupon have effect forthwith.
3. This Amending Protocol shall remain in effect as long as the Convention remains in effect.

In witness whereof the undersigned, duly authorised thereto by their respective Governments, have signed this Amending Protocol.

Done in duplicate at Stockholm this 7th day of Feb, 2013 in the Hindi, Swedish and English languages, all texts being equally authentic. In case of divergence between the texts, the English text shall be the operative one.