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असाधारण

EXTRAORDINARY

भाग II—खण्ड 3—उपखण्ड (i)

PART II—Section 3—Sub-section (i)

प्राधिकार से प्रकाशित

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इस भाग में भिन्न पृष्ठ संख्या दी जाती हैं जिससे कि यह अलग संकलन के रूप में रखा जा सके।

Separate paging is given to this Part in order that it may be filed  
as a separate compilation

DEPARTMENT OF REVENUE AND BANKING

(Revenue Wing)

NOTIFICATION

INCOME-TAX

New Delhi, the 23rd December 1976

**G.S.R. 943(E).**—Whereas the annexed Agreement between the Government of India and the Union of Soviet Socialist Republics on Merchant Shipping has been concluded:

And whereas Article 15 of the said Agreement provides for the avoidance of double taxation in respect of taxes on income derived from the carriage of cargo;

Now, therefore, in exercise of the powers conferred by section 90 of the Income-tax Act, 1961 (43 of 1961) and section 24A of the Companies (Profits) Surtax Act, 1964 (7 of 1964), the Central Government hereby directs that the provisions of the said Article of the said Agreement shall be given effect to in the Union of India.

ANNEXURE  
AGREEMENTBETWEEN THE GOVERNMENT OF THE REPUBLIC OF INDIA AND THE  
GOVERNMENT OF THE UNION OF SOVIET SOCIALIST REPUBLICS ON  
MERCHANT SHIPPING

The Government of the Republic of India and the Government of the Union of Soviet Socialist Republics,

Being guided by the provisions of the Treaty of Peace, Friendship and Co-operation between the Republic of India and the Union of Soviet Socialist Republics dated August 9, 1971,

Proceeding from the common aspiration for all possible expansion and deepening of mutually beneficial economic and trade cooperation between the two countries as envisaged in the Agreement on the further Development of Economic and Trade Cooperation dated November 29, 1973, and

Desirous of developing merchant shipping of the two countries,

Have agreed as follows:

*Article 1*

For the purposes of this Agreement:

1. The term "vessel" of the Contracting Party shall mean any merchant vessel plying under the national flag of the Party in accordance with its legislation. This definition excludes warships and fishing vessels from the sphere of application of this Agreement.

2. The term "member of the crew" shall mean the master and any other person actually employed for duties on board during a voyage in the working or service of a vessel and included in the crew list.

*Article 2*

The Contracting Parties shall grant all possible assistance to the vessels of the two countries and shall refrain from taking any action which might cause harm to the development of merchant shipping.

*Article 3*

The Contracting Parties shall continue their efforts to maintain and develop effective working relationships between the authorities responsible for maritime affairs in their countries. In particular, the Contracting Parties agree to carry on mutual consultations and reciprocal exchange of information between these authorities and to encourage the development of contacts between their respective shipping organizations or enterprises.

*Article 4*

1. The Contracting Parties agree to promote the participation of their vessels in the carriage of all commercial cargoes between the ports of the two countries on the principles of parity in cargo liftings and freight earnings and equality in all other respects. In the calculations of parity, the shipments to and from all ports situated in the territory of the Contracting Parties shall be taken into account.

2. In case the shipping companies of one of the Contracting Parties are not able to undertake the carriage in accordance with the provisions of paragraph 1, such carriage will be offered to the vessels of the other Contracting Party. If the required tonnage is not available with the other Contracting Party, the shipping companies of the first mentioned Contracting Party may use chartered vessels from third countries for the carriage of the share of cargo of that Contracting Party.

*Article 5*

The Contracting Parties shall respect the right of each Party to utilise its merchant fleet to the maximum in entering to its trades with third countries. They further agreed that the national shipping companies of one Party will cooperate with the national shipping companies of the other Party in the field of the most efficient employment of their merchant vessels.

## Article 6

Each Contracting Party shall grant to the other Contracting Party and its vessels the most-favoured-nation treatment in all matters concerning merchant shipping unless otherwise provided for in this Agreement.

## Article 7

1. Each Contracting Party shall afford to vessels of the other Contracting Party the same treatment as it affords to its own vessels engaged in international trade in respect of free access to ports, use of ports for loading and unloading of cargoes and for embarking and disembarking passengers, payment of tonnage and other ports dues and taxes, use of services intended for navigation and normal commercial operations.

2. The provisions of paragraph 1 of this Article—

- (a) shall not apply to ports not open to the entry of foreign vessels;
- (b) shall not apply to the activities reserved by each of the Contracting Parties for its organizations or enterprises, including, in particular, national cabotage and ocean fishing;
- (c) shall not oblige a Contracting Party to extend to vessels of the other Contracting Party exemptions from compulsory pilotage requirements granted to its own vessels;
- (d) shall not apply to the regulations concerning entry and stay of foreigners.

## Article 8

The Contracting Parties shall adopt, within the limits of their law and port regulations, all appropriate measures to facilitate and expedite maritime traffic, to prevent delays to vessels, and to expedite and simplify as much as possible the carrying out of customs and other formalities applicable in ports.

## Article 9

1. The documents relating to registration of vessels, certificates of tonnage and survey and other ship's documents issued or recognised by one of the Contracting Parties shall be recognised by the other Party.

2. The vessels of each of the Contracting Parties holding legally issued certificates of tonnage shall not be subjected to remeasurement in the ports of the other Party and the net tonnage of the vessels noted in the certificates shall be taken as the basis for calculation of the tonnage dues.

## Article 10

Each of the Contracting Parties shall recognise the seamen's identity documents issued by the competent authorities of the other Contracting Party.

These identity documents are:

- for seamen of the Soviet vessels—a USSR Seaman's Passport;
- for seamen of the Indian vessels—an Indian Seaman's Continuous Discharge Certificate.

## Article 11

Holders of the seamen's identity documents specified in Article 10 of this Agreement shall be permitted in the case of members of the crew of the vessel of the Contracting Party which issued the seamen's identity documents, to land on temporary shore leave without visa during stay of the vessel in port of the other Contracting Party, provided that the master had submitted the crew list to the competent authorities in accordance with the regulations in force in that port.

While landing and returning to the vessel the said persons shall be subject to frontier and customs control in force in that port.

## Article 12

1. Holders of the seamen's identity documents specified in Article 10 of this Agreement shall be permitted to enter by any means of transport the territory of the other Contracting Party or to pass through its territory in transit on the way to their vessel or while going to another vessel, or on the way to their home country, or for travelling for any other reason which will be approved by the authorities of the other Contracting Party.

2. In all the cases specified in paragraph 1 of this Article the seaman must have appropriate visa of the other Contracting Party which shall be granted by the competent authorities within the shortest possible time.

3. If the holder of the seaman's identity document specified in Article 10 of this Agreement is not a citizen of either country, the visa specified in this Article for entry into or transit passage through the territory of the other Contracting Party shall be granted provided that return to the territory of the Contracting Party, which had issued the seaman's identity document, is guaranteed to the holder of such document.

#### Article 13

1. Subject to the provisions of Articles 10 to 12 of this Agreement, the regulations in respect of the entry, stay and departure of foreigners retain their force in the territories of the Contracting Parties.

2. Each of the Contracting Parties reserves the right to deny entry into its territory to any seaman whom it considers undesirable. In that event the competent diplomatic or consular official of the Contracting Party whose seaman has been denied entry shall be informed of the decision.

#### Article 14

The judicial authorities of a Contracting Party shall not entertain proceedings arising out of a contract of service as a member of the crew of a vessel of the other Contracting Party without the consent of the competent diplomatic or consular official of the flag country of the vessel except in cases when the contract of service was concluded within the territory of the former Contracting Party.

#### Article 15

1. Shipping companies established in the territory of one Contracting Party shall not be charged by the other Contracting Party any tax on the income derived from the carriage of cargo from the ports of the latter to the ports of the former.

2. Each Contracting Party may levy tax on income derived by the shipping companies established in the territory of the other Contracting Party from the carriage of cargo from its ports to the ports of third countries provided that the tax leviable on such income shall be reduced by an amount equivalent to two-thirds thereof.

#### Article 16

1. If a vessel of one of the Contracting Party suffers shipwreck, runs aground, is cast ashore or suffers any other accident within the national limits of the other Contracting Party, the vessel, the crew, the passengers and the cargo shall receive, in the territory of the latter Party, the same assistance which is accorded by that Party to its national vessel, crew, passengers and cargo.

2. No customs duty shall be levied by one Contracting Party against a shipwrecked vessel, its cargo or stores of the other Contracting Party unless they are delivered for use in the territory of the first mentioned Party.

3. Nothing in the provisions of this Article shall prevent the application of the laws and regulations of the Contracting Parties and their international obligations.

#### Article 17

1. For the purpose of evaluating, supervising and reviewing the overall working of this Agreement and resolving any outstanding issues, the Contracting Parties agree to set up an Intergovernmental Joint Committee on shipping which will meet periodically. The Parties will nominate their representatives to the Joint Committee.

2. The Indo-Soviet Shipping Service Secretariat (called as SOVINDSHIP) Bombay, managed by the Shipping Corporation of India Ltd., Bombay, and JUZHFLOT, Moscow, will attend to matters of normal day to day shipping operations, between the two countries.

Each Party may, if necessary, nominate any other organisation in place of the above by notifying to the other Party.

Article 18

All the previous arrangements and protocols between the two Parties relating to merchant shipping will continue to remain in force so far as they are not inconsistent with the provisions of this Agreement.

Article 19

Each of the Contracting Parties shall notify the other Party about completion of necessary procedures for this Agreement to enter into force. The Agreement shall enter into force after thirty days from the date of the last notification.

This Agreement shall remain in force for a period of five years and thereafter be automatically extended for a one year period at a time unless either of the Contracting Parties expresses its desire to renegotiate the Agreement or any of its provisions by giving a written notice to the other Contracting Party to that effect six months prior to the expiry of any of the above mentioned periods.

In witness whereof, the undersigned duly empowered by their respective Governments, have signed this Agreement.

Done in New Delhi on this the 19th July 1976 in two original copies each in Hindi, Russian and English languages, all texts being equally authentic.

For the Government of the  
Republic of India

Sd./-

(DR. G. S. DHILLON)

For the Government of the Union  
of Soviet Socialist Republics

Sd./-

(T. B. GUZHENKO)

[No. 1538/F. No. 501/1/73-FTD]

S. R. MEHTA, Addl. Secy.

राजस्व और बैंकिंग विभाग

(राजस्व पक्ष)

अधिसूचना

आयकर

नई दिल्ली, 23 दिसम्बर, 1976

सा० का० नि० 943(अ) --यतः भारत सरकार और सोवियत समाजवादी गणतन्त्रीय संघ के बीच वाणिज्यिक जहाजरानी के सम्बन्ध में संलग्न करार कर लिया गया है ;

और यतः नौभार-वहन से प्राप्त आय पर करों के सम्बन्ध में, उक्त करार के अनुच्छेद 15 में, दोहरे कराधान के निवारणार्थ व्यवस्था है ;

अतः, अत्र, आय-कर अधिनियम, 1961 (1961 का 43) की धारा 90 और कम्पनी (लाभ) अधिनियम, 1964 (1964 का 7) द्वारा प्रदत्त शक्तियों का प्रयोग करते हुए, केन्द्रीय सरकार एतद्वारा निदेश देती है कि उक्त करार के उक्त अनुच्छेद के उपबन्ध भारतीय संघ में प्रभावी होंगे ।