

**Finance Act, 1992**

**Section 23 - Amendment of Section 47**

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In section 47 of the Income-tax Act, -

(a) after clause (vi), the following clause shall be inserted, with effect from the 1st day of April, 1993, namely :-

"(via) any transfer, in a scheme of amalgamation, of a capital asset being a share or shares held in an Indian company, by the amalgamating foreign company to the amalgamated foreign company, if -

(a) at least twenty-five per cent. of the shareholders of the amalgamating foreign company continue to remain shareholders of the amalgamated foreign company, and

(b) such transfer does not attract tax on capital gains in the country, in which the amalgamating company is incorporated;"

(b) after clause (vii), the following clause shall be inserted, with effect from the 1st day of June, 1992, namely :-

"(viia) any transfer of a capital asset, being bonds or shares referred to in sub-section (1) of section 115AC, made outside India by a non-resident to another non-resident;"

(c) in clause (x), for the words "conversion of debentures", the words "conversion of bonds or debentures" shall be substituted and shall be deemed to have been substituted with effect from the 1st day of April, 1962.