

Finance Act 2007

Section 20 - Amendment of Section 72a

In section 72A of the Income-tax Act, for sub-section (1), the following subsection shall be substituted with effect from the 1st day of April, 2008, namely:--

"(1) Where there has been an amalgamation of--

- (a) a company owning an industrial undertaking or a ship or a hotel with another company; or
- (b) a banking company referred to in clause (c) of section 5 of the Banking Regulation Act, 1949(10 of 1949) with a specified bank; or
- (c) one or more public sector company or companies engaged in the business of operation of aircraft with one or more public sector company or companies engaged in similar business,

then, notwithstanding anything contained in any other provision of this Act, the accumulated loss and the unabsorbed depreciation of the amalgamating company shall be deemed to be the loss or, as the case may be, allowance for unabsorbed depreciation of the amalgamated company for the previous year in which the amalgamation was effected, and other provisions of this Act relating to set off and carry forward of loss and allowance for depreciation shall apply accordingly."
