

Finance Act, 2012, (Central)

Section 46 - Amendment of Section 115jb

In section 115JB of the Income-tax Act,--

(A) in sub-section (2), with effect from the 1st day of April, 2013,--

(i) for the portion beginning with the words "Every assessee," and ending with the words and figures "the Companies Act, 1956(1 of 1956):", the following shall be substituted, namely:--

"Every assessee,--

(a) being a company, other than a company referred to in clause (b), shall, for the purposes of this section, prepare its profit and loss account for the relevant previous year in accordance with the provisions of Part II of Schedule VI to the Companies Act, 1956(1 of 1956); or

(b) being a company, to which the proviso to sub-section (2) of section 211 of the Companies Act, 1956(1 of 1956) is applicable, shall, for the purposes of this section, prepare its profit and loss account for the relevant previous year in accordance with the provisions of the Act governing such company:";

(ii) in Explanation 1, after clause (i), for the words, brackets and letters "if any amount referred to in clauses (a) to (i) is debited to the profit and loss account, and as reduced by,--", the following shall be substituted, namely:--

"(j) the amount standing in revaluation reserve relating to revalued asset on the retirement or disposal of such asset, if any amount referred to in clauses (a) to (i) is debited to the profit and loss account or if any amount referred to in clause (j) is not credited to the profit and loss account, and as reduced by,--".

(iii) after Explanation 2, the following Explanation shall be inserted, namely:-

Explanation 3.- For the removal of doubts, it is hereby clarified that for the purposes of this section, the assessee, being a company to which the proviso to sub-section (2) of section 211 of the Companies Act, 1956 is applicable, has, for an assessment year commencing on or before the 1st day of April, 2012, an option to prepare its profit and loss account for the relevant previous year either in accordance with the provisions of Part II and Part III of Schedule VI to the Companies Act, 1956 or in accordance with the provisions of the Act governing such company.

(B) after sub-section (5), the following sub-section shall be inserted and shall be deemed to have been inserted with effect from 1st day of April, 2001, namely:-

"(5A) The provisions of this section shall not apply to any income accruing or arising to a company from life insurance business referred to in section 115B.