

Source: [sooperkanoon.com/act/5492](http://sooperkanoon.com/act/5492)

**Finance Act 1999**

**Section 25 - Amendment of Section 42**

---

In section 42 of the Income-tax Act, in sub-section (2), in clause (c), for the proviso, the following proviso shall be substituted with effect from the 1st day of April, 2000, namely :-

"Provided that where in a scheme of amalgamation or demerger, the amalgamating or the demerged company sells or otherwise transfers the business to the amalgamated or the resulting company (being an Indian company), the provisions of this sub-section -

(i) shall not apply in the case of the amalgamating or the demerged company; and

(ii) shall, as far as may be, apply to the amalgamated or the resulting company as they would have applied to the amalgamating or the demerged company if the latter had not transferred the business or interest in the business."

---

---