

Finance Act, 1985

Section 4 - Amendment of Section 10

In section 10 of the Income-tax Act :-

(a) in clause (10B), for the portion beginning with the words "at the time of his retrenchment", and ending with the words "whichever is less", the following shall be substituted with effect from the 1st day of April, 1986, namely :-

"at the time of his retrenchment :

Provided that the amount exempt under this clause shall not exceed -

(i) an amount calculated in accordance with the provisions of clause (b) of section 25F of the Industrial Disputes Act, 1947 (14 of 1947); or

(ii) fifty thousand rupees,

whichever is less :

Provided further that the preceding proviso shall not apply in respect of any compensation received by a workman in accordance with any scheme which the Central Government may, having regard to the need for extending special protection to the workmen in the undertaking to which such scheme applies and other relevant circumstances, approve in this behalf.;"

(b) in clause (15), after sub-clause (iii), the following sub-clause shall be inserted, namely :-

'(iiia) interest payable to any bank incorporated in a country outside India and authorised to perform central banking functions in that country on any deposits made by it, with the approval of the Reserve Bank of India, with any schedule bank.

Explanation : For the purposes of this sub-clause, "scheduled bank" shall have the meaning assigned to it in the Explanation to clause (iii) of sub-section (5) of section 11;";

(c) in clause (26A), for the figures, letters and words "1st day of April, 1986", the figures letters and words "1st day of April, 1989" shall be substituted.
