

**Finance Act, 1983**

**Section 35 - Amendment of Section 115a**

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In section 115A of the Income-tax Act, in sub-section (1), with effect from the 1st day of June, 1983, -

(a) after clause (a), the following clause shall be inserted, namely :-

"(aa) interest received from Government or an Indian concern on moneys borrowed or debt incurred by Government or the Indian concern in foreign currency; or";

(b) for clause (b), the following clause shall be substituted, namely :-

"(b) royalty or fees for technical services received from Government or an Indian concern in pursuance of an agreement made by the foreign company with Government or the Indian concern after 31st day of March, 1976, and where such agreement is with an Indian concern, such agreement is approved by the Central Government,";

(c) after clause (i), the following clause shall be inserted, namely :-

"(ia) the amount of income-tax calculated on the income by way of interest referred to in clause (aa), if any, included in the total income, at the rate of twenty-five per cent.,";

(d) in clause (iv), for the words, brackets and letters 'and clause (b)', the words, brackets and letters "clause (aa) and clause (b)" shall be substituted;

(e) in the Explanation, after clause (b), the following clause shall be inserted, namely :-

'(bb) "foreign currency" shall have the same meaning as in the Explanation below item (g) of sub-clause (iv) of clause (15) of section 10;'.  

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