

Finance Act, 1988

Section 12 - Amendment of Section 43b

In section 43B of the Income-tax Act [as amended by section 15 of the Direct Tax Laws (Amendment) Act, 1987 (4 of 1988)], with effect from the 1st day of April, 1989, -

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

"(a) any sum payable by the assessee by way of tax, duty, cess or fee, by whatever name called, under any law for the time being in force, or";

(ii) in clause (c), the word "or" shall be inserted at the end;

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

"(d) any sum payable by the assessee as interest on any loan or borrowing from any public financial institution, in accordance with the terms and conditions of the agreement governing such loan or borrowing.";

(iv) in the first proviso, after the word, brackets and letter "clause (c)", the words, brackets and letter "or clause (d)" shall be inserted;

(v) in Explanation 2, after the word, brackets and letter "clause (c)", the words, brackets and letter "or clause (d)" shall be inserted;

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

'Explanation 3 : For the purposes of this section, the expression "public financial institution" shall have the meaning assigned to it section 4A of the Companies Act, 1956 (1 of 1956).'
