

Definition of “High Court”

269. In this Chapter,—

“High Court” means—

- (i) in relation to any State, the High Court for that State ;
- ³³[(ii) in relation to the Union territory of Delhi, the High Court of Delhi ;
- (ia) ³⁴[* * *]]
- (ii) ³⁵[* * *]]
- (iv) in relation to the Union territory of the Andaman and Nicobar Islands, the High Court at Calcutta ;
- (v) in relation to the Union territory of ³⁶[Lakshadweep], the High Court of Kerala ;
- ³⁷[(va) in relation to the Union territory of Chandigarh, the High Court of Punjab and Haryana ;]
- ³⁸[(vi) in relation to the Union territories of Dadra and Nagar Haveli and ³⁹[* * *] Daman and Diu, the High Court at Bombay ; and
- (vii) in relation to the Union territory of Pondicherry, the High Court at Madras.]

⁴⁰[**CHAPTER XX-A**

**ACQUISITION OF IMMOVABLE PROPERTIES IN CERTAIN CASES OF
TRANSFER TO COUNTERACT EVASION OF TAX**

Definitions.

269A. In this Chapter, unless the context otherwise requires,—

(a) ⁴¹[“apparent consideration”,—

(I) in relation to any immovable property transferred, being

- 33. Substituted for clause (ii) by the Punjab Reorganisation and Delhi High Court (Adaptation of Laws on Union Subjects) Order, 1968, with retrospective effect from 1-11-1966.
- 34. Omitted by the State of Himachal Pradesh (Adaptation of Laws on Union Subjects) Order, 1973, with retrospective effect from 25-1-1971.
- 35. Clause (iii) omitted by the Finance Act, 1994, w.e.f. 1-4-1995. Prior to omission, clause (iii), as substituted by the North-Eastern Areas (Reorganisation) (Adaptation of Laws on Union Subjects) Order, 1974, with retrospective effect from 21-1-1972, read as under :
“(iii) in relation to the Union territories of Arunachal Pradesh and Mizoram, the Gauhati High Court (the High Court of Assam, Nagaland, Meghalaya, Manipur and Tripura);”
- 36. Substituted for “the Laccadive, Minicoy and Amindivi Islands” by the Laccadive, Minicoy and Amindivi Islands (Alteration of Name) Adaptation of Laws Order, 1974, with retrospective effect from 1-11-1973.
- 37. Inserted by the Punjab Reorganisation and Delhi High Court (Adaptation of Laws on Union Subjects) Order, 1968, with retrospective effect from 1-11-1966.
- 38. Inserted by the Taxation Laws (Extension to Union Territories) Regulation, 1963, w.e.f. 1-4-1963.
- 39. Word “Goa” omitted by the Finance Act, 1994, w.e.f. 1-4-1995.
- 40. Chapter XX-A, consisting of sections 269A to 269S, inserted by the Taxation Laws (Amendment) Act, 1972, w.e.f. 15-11-1972 and ceased to operate in respect of transfer of immovable property made after 30-9-1986.
- 41. Substituted for ‘ “apparent consideration”, in relation to any immovable property transferred, means,—’ by the Income-tax (Amendment) Act, 1981, w.e.f. 1-7-1982.

immovable property of the nature referred to in sub-clause (i) of clause (e), means,—]

- (i) if the transfer is by way of sale, the consideration for such transfer as specified in the instrument of transfer ;
- (ii) if the transfer is by way of exchange,—
 - (A) in a case where the consideration for the transfer consists of a thing or things only, the price that such thing or things would ordinarily fetch on sale in the open market on the date of execution of the instrument of transfer ;
 - (B) in a case where the consideration for the transfer consists of a thing or things and a sum of money, the aggregate of the price that such thing or things would ordinarily fetch on sale in the open market on the date of execution of the instrument of transfer and such sum ;
- ⁴²[(iii) if the transfer is by way of lease,—
 - (A) in a case where the consideration for the transfer consists of premium only, the amount of premium as specified in the instrument of transfer ;
 - (B) in a case where the consideration for the transfer consists of rent only, the aggregate of the moneys (if any) payable by way of rent and the amounts for the service or things forming part of or constituting the rent, as specified in the instrument of transfer ;
 - (C) in a case where the consideration for the transfer consists of premium and rent, the aggregate of the amount of the premium, the moneys (if any) payable by way of rent and the amounts for the service or things forming part of or constituting the rent, as specified in the instrument of transfer,

and where the whole or any part of the consideration for such transfer is payable on any date or dates falling after the date of such transfer, the value of the consideration payable after such date shall be deemed to be the discounted value of such consideration, as on the date of such transfer, determined by adopting the rate of interest at eight per cent per annum ;

42. Inserted by the Income-tax (Amendment) Act, 1981, w.e.f. 1-7-1982.

(2) in relation to any immovable property transferred, being immovable property of the nature referred to in sub-clause (ii) of clause (e), means,—

(i) in a case where the consideration for the transfer consists of a sum of money only, such sum ;

(ii) in a case where the consideration for the transfer consists of a thing or things only, the price that such thing or things would ordinarily fetch on sale in the open market on the date of the transfer ;

(iii) in a case where the consideration for the transfer consists of a thing or things and a sum of money, the aggregate of the price that such thing or things would ordinarily fetch on sale in the open market on the date of the transfer and such sum, and where the whole or any part of the consideration for such transfer is payable on any date or dates falling after the date of such transfer, the value of the consideration payable after such date shall be deemed to be the discounted value of such consideration, as on the date of such transfer, determined by adopting the rate of interest at eight per cent per annum ;]

(b) “competent authority” means ⁴³[a ⁴⁴[Joint] Commissioner] authorised by the Central Government under section 269B to perform the functions of a competent authority under this Chapter ;

(c) “court” means a principal civil court of original jurisdiction unless the Central Government has appointed (as it is hereby authorised to do) any special judicial officer within any specified local limits to perform the functions of the court under this Chapter ;

⁴⁵[(d) “fair market value”,—

(i) in relation to any immovable property transferred by way of sale or exchange, being immovable property of the nature referred to in sub-clause (i) of clause (e), means the price that the immovable property would ordinarily fetch on sale in the open market on the date of execution of the instrument of transfer of such property ;

43. Substituted for “an Assistant Commissioner of Income-tax” by the Direct Tax Laws (Amendment) Act, 1989, w.r.e.f. 1-4-1988.

44. Substituted for “Deputy” by the Finance (No. 2) Act, 1998, w.e.f. 1-10-1998.

45. Substituted for the following by the Income-tax (Amendment) Act, 1981, w.e.f. 1-7-1982 :

‘(d) “fair market value”, in relation to any immovable property transferred, means the price that the immovable property would ordinarily fetch on sale in the open market on the date of execution of the instrument of transfer of such property;’

(ii) in relation to any immovable property transferred by way of lease, being immovable property of the nature referred to in sub-clause (i) of clause (e), means the premium that such transfer would ordinarily fetch in the open market on the date of execution of the instrument of transfer of such property, if the consideration for such transfer had been by way of premium only ;

(iii) in relation to any immovable property transferred, being immovable property of the nature referred to in sub-clause (ii) of clause (e), means the consideration in the form of money that such transfer would ordinarily fetch in the open market on the date of the transfer, if such transfer had been made only for consideration in money ;]

(e) ⁴⁶[“immovable property” means,—

(i) any land or any building] or part of a building, and includes, where any land or any building or part of a building is transferred together with any machinery, plant, furniture, fittings or other things, such machinery, plant, furniture, fittings or other things also.

Explanation.—For the purposes of this ⁴⁷[sub-clause], land, building, part of a building, machinery, plant, furniture, fittings and other things include any rights therein ;

⁴⁸[(ii) any rights of the nature referred to in clause (b) of sub-section (1) of section 269AB ;]

⁴⁹[(f) “instrument of transfer” means the instrument of transfer registered under the Registration Act, 1908 (16 of 1908), or, as the case may be, the statement registered under section 269AB with the competent authority ;]

(g) “person interested”, in relation to any immovable property, includes all persons claiming, or entitled to claim, an interest in the compensation payable on account of the acquisition of that property under this Chapter ;

⁵⁰[(h) “transfer”,—

(i) in relation to any immovable property referred to in sub-clause (i) of clause (e), means transfer of such property by way of sale or exchange or lease for a term of not less than twelve years, and

46. Substituted for ‘ “immovable property” means any land or any building’ by the Income-tax (Amendment) Act, 1981, w.e.f. 1-7-1982.

47. Substituted for “clause” by the Income-tax (Amendment) Act, 1981, w.e.f. 1-7-1982.

48. Inserted, *ibid.*

49. Substituted, *ibid.*, for the following :

‘(f) “instrument of transfer” means the instrument of transfer registered under the Registration Act, 1908 (16 of 1908);’

50. Substituted, *ibid.*, for the following :

‘(h) “transfer”, in relation to any immovable property, means transfer of such property by way of sale or exchange.’

includes allowing the possession of such property to be taken or retained in part performance of a contract of the nature referred to in section 53A⁵¹ of the Transfer of Property Act, 1882 (4 of 1882).

Explanation.—For the purposes of this sub-clause, a lease which provides for the extension of the term thereof by a further term or terms shall be deemed to be a lease for a term of not less than twelve years if the aggregate of the term for which such lease has been granted and the further term or terms for which it can be so extended is not less than twelve years ;

- (ii) in relation to any immovable property of the nature referred to in sub-clause (ii) of clause (e), means the doing of anything (whether by way of transfer of shares in a co-operative society or company or by way of any agreement or arrangement or in any other manner whatsoever) which has the effect of transferring, or enabling the enjoyment of, such property.]

⁵²[**Registration of certain transactions.**

269AB.(1) The following transactions, that is to say,—

- (a) every transaction involving the allowing of the possession of any immovable property to be taken or retained in part performance of a contract of the nature referred to in section 53A⁵³ of the Transfer of Property Act, 1882 (4 of 1882), and
- (b) every transaction (whether by way of becoming a member of, or acquiring shares in, a co-operative society, company or other association of persons or by way of any agreement or any arrangement of whatever nature) whereby a person acquires any rights in or with respect to any building or part of a building (whether or not including any machinery, plant, furniture, fittings or other things therein) which has been constructed or which is to be constructed [not being a transaction by way of sale, exchange or lease of such building or part of a building which is required to be registered under the Registration Act, 1908 (16 of 1908)],

shall be reduced to writing in the form of a statement by each of the parties to such transaction or by any of the parties to such transaction acting on behalf of himself and on behalf of the other parties.

⁵⁴(2) Every statement in respect of a transaction referred to in sub-section (1) shall—

- (a) be in the prescribed form ;
- (b) set forth such particulars as may be prescribed ; and
- (c) be verified in the prescribed manner,

51. For text of section 53A of the Transfer of Property Act, see **Appendix One.**

52. Inserted by the Income-tax (Amendment) Act, 1981, w.e.f. 1-7-1982.

53. For text of section 53A of the Transfer of Property Act, see **Appendix One.**

54. See rule 48DD and Form No. 37EE.

and registered with the competent authority, in such manner and within such time as may be prescribed, by each of the parties to such transaction or by any of the parties to such transaction acting on behalf of himself and on behalf of the other parties.]

⁵⁵**Competent authority.**

269B. ⁵⁶(1) The Central Government may, by general or special order published in the Official Gazette,—

- (a) authorise as many ⁵⁷[⁵⁸[Joint] Commissioners], as it thinks fit, to perform the functions of a competent authority under this Chapter ; and
- (b) define the local limits within which the competent authorities shall perform their functions under this Chapter.

(2) In respect of any function to be performed by a competent authority under any provision of this Chapter in relation to any immovable property referred to in section 269C, the competent authority referred to therein shall,—

- (a) in a case where such property is situate within the local limits of the jurisdiction of only one competent authority, be such competent authority ;
- (b) in a case where such property is situate within the local limits of the jurisdiction of two or more competent authorities, be the competent authority empowered to perform such functions in relation to such property in accordance with rules made in this behalf by the Board under section 295.

⁵⁹[*Explanation.*—For the purposes of this sub-section, immovable property, being rights of the nature referred to in clause (b) of sub-section (1) of section 269AB in, or with respect to, any building or part of a building which has been constructed or which is to be constructed shall be deemed to be situate at the place where the building has been constructed or is to be constructed.]

(3) No person shall be entitled to call in question the jurisdiction of a competent authority in respect of any immovable property after the expiry of thirty days from the date on which such competent authority initiates proceedings under section 269D for the acquisition of such property.

(4) Subject to the provisions of sub-section (3), where the jurisdiction of a competent authority is questioned, the competent authority shall, if satisfied with the correctness of the claim, by order in writing, determine the question accordingly and if he is not so satisfied, he shall refer the question to the Board and the Board shall, by order in writing, determine the question.

55. See rule 48D.

56. For authorisation of Deputy Commissioner of Income-tax to perform functions of competent authority under Chapter XXA, refer Taxmann's Direct Taxes Circulars, 1999 edn., Vol. 3, p. 1.3552.

57. Substituted for "Assistant Commissioners of Income-tax" by the Direct Tax Laws (Amendment) Act, 1989, with retrospective effect from 1-4-1988.

58. Substituted for "Deputy" by the Finance (No. 2) Act, 1998, w.e.f. 1-10-1998.

59. Inserted by the Income-tax (Amendment) Act, 1981, w.e.f. 1-7-1982.

Immovable property in respect of which proceedings for acquisition may be taken.

⁶⁰**269C.** (1) Where the competent authority has reason to believe that any immovable property of a fair market value exceeding ⁶¹[one hundred] thousand rupees has been transferred by a person (hereafter in this Chapter referred to as the transferor) to another person (hereafter in this Chapter referred to as the transferee) for an apparent consideration which is less than the fair market value of the property and that the consideration for such transfer as agreed to between the parties has not been truly stated in the instrument of transfer with the object of—

- (a) facilitating the reduction or evasion of the liability of the transferor to pay tax under this Act in respect of any income arising from the transfer ; or
- (b) facilitating the concealment of any income or any moneys or other assets which have not been or which ought to be disclosed by the transferee for the purposes of the Indian Income-tax Act, 1922 (11 of 1922), or this Act or the Wealth-tax Act, 1957 (27 of 1957),

the competent authority may, subject to the provisions of this Chapter, initiate proceedings for the acquisition of such property under this Chapter :

Provided that before initiating such proceedings, the competent authority shall record his reasons for doing so :

Provided further that no such proceedings shall be initiated unless the competent authority has reason to believe that the fair market value of the property exceeds the apparent consideration therefor by more than fifteen per cent of such apparent consideration.

(2) In any proceedings under this Chapter in respect of any immovable property,—

- (a) where the fair market value of such property exceeds the apparent consideration therefor by more than twenty-five per cent of such apparent consideration, it shall be conclusive proof that the consideration for such transfer as agreed to between the parties has not been truly stated in the instrument of transfer ;
- (b) where the property has been transferred for an apparent consideration which is less than its fair market value, it shall be presumed, unless the contrary is proved, that the consideration for such transfer as agreed to between the parties has not been truly stated in the instrument of transfer with such object as is referred to in clause (a) or clause (b) of sub-section (1).

⁶²**Preliminary notice.**

269D. (1) The competent authority shall initiate proceedings for the acquisition, under this Chapter, of any immovable property referred to in section 269C by notice to that effect published in the Official Gazette :

60. See also Circular No. 455, dated 16-5-1986.

61. Substituted for “twenty-five” by the Finance Act, 1984, w.e.f. 1-6-1984.

62. See rule 48E.

Provided that no such proceedings shall be initiated in respect of any immovable property after the expiration of a period of ⁶³[nine] months from the end of the month in which the instrument of transfer in respect of such property is registered under the Registration Act, 1908 (16 of 1908), ⁶⁴[or, as the case may be, section 269AB] :

Provided further that—

- (a) in a case where it is determined under sub-section (4) of section 269B by the competent authority who has initiated proceedings for the acquisition of any immovable property under this Chapter or by the Board that such competent authority has no jurisdiction to initiate such proceedings, the competent authority having jurisdiction may initiate such proceedings within—
 - (i) the period of ⁶³[nine] months specified in the foregoing proviso; or
 - (ii) a period of thirty days from the date of such determination, whichever period expires later ;
- (b) in a case where proceedings for the acquisition of any immovable property under this Chapter could not be initiated during any period

63. Substituted for “six” by the Income-tax (Amendment) Act, 1973, with retrospective effect from 15-11-1972. Section 3 of the Amendment Act, 1973 has made the following independent provision :

“*Validation.*—(1) No notice for the initiation of proceedings for the acquisition of any immovable property under Chapter XX-A of the principal Act which was issued by the competent authority before the commencement of this Act for publication in the Official Gazette, in the exercise of or the purported exercise of the powers under section 269D of the principal Act, shall be called in question merely on the ground that such notice was not published in the Official Gazette before the expiration of a period of six months from the end of the month in which the instrument of transfer in respect of such property was registered under the Registration Act, 1908 (16 of 1908), if such notice was either published in the Official Gazette before the expiration of a period of nine months from the end of the month in which the instrument of transfer in respect of such property was registered under the Registration Act, 1908, or could not be so published within the said period of nine months by reason of any injunction or order of any court.

(2) Every notice, which by virtue of the provisions of sub-section (1) shall not be called in question as provided therein, shall be deemed to have been issued in accordance with law and shall, for the purposes of sub-section (1) of section 269D of the principal Act, be deemed to have operated or, where such notice is published in the Official Gazette after the commencement of this Act, to operate to initiate the proceedings for the acquisition of the immovable property to which such notice relates on the date of publication of such notice in the Official Gazette :

Provided that—

- (a) the jurisdiction of a competent authority in respect of any such property may be called in question before the expiry of the period specified in sub-section (3) of section 269B of the principal Act or a period of thirty days from the commencement of this Act, whichever period expires later ;
- (b) objections against the acquisition of any such immovable property may be made under section 269E of the principal Act within the period allowed under that section or a period of forty-five days from the commencement of this Act, whichever period expires later.”

64. Inserted by the Income-tax (Amendment) Act, 1981, w.e.f. 1-7-1982.

of time by reason of any injunction or order of any court prohibiting the initiation of such proceedings or preventing the examination of documents or other materials required to be examined for the purpose of determining whether such proceedings should be initiated, the time of the continuance of the injunction or order, the day on which it was issued or made and the day on which it was withdrawn shall be excluded in computing the period during which such proceedings may be initiated under this sub-section.

(2) The competent authority shall—

- (a) cause a notice under sub-section (1) in respect of any immovable property to be served on the transferor, the transferee, the person in occupation of the property, if the transferee is not in occupation thereof, and on every person whom the competent authority knows to be interested in the property ;
- (b) cause such notice to be published—
 - (i) in his office by affixing a copy thereof to a conspicuous place ;
 - (ii) in the locality in which the immovable property to which it relates is situate, by affixing a copy thereof to a conspicuous part of the property and also by making known in such manner as may be prescribed the substance of such notice at convenient places in the said locality.

⁶⁵[*Explanation.*—The provisions of the *Explanation* to sub-section (2) of section 269B shall apply for the purposes of this sub-section as they apply for the purposes of that sub-section.]

Objections.

269E. (1) Objections against the acquisition of the immovable property in respect of which a notice has been published in the Official Gazette under sub-section (1) of section 269D may be made—

- (a) by the transferor or the transferee or any other person referred to in clause (a) of sub-section (2) of that section, within a period of forty-five days from the date of such publication or a period of thirty days from the date of service of notice on such person under the said clause, whichever period expires later ;
- (b) by any other person interested in such immovable property, within forty-five days from the date of such publication.

(2) Every objection under sub-section (1) shall be made to the competent authority in writing.

(3) For the removal of doubts, it is hereby declared that objection may be made under sub-section (1) that the provisions of clause (a) of sub-section (2) of section 269C do not apply in relation to any immovable property on the ground that the fair market value of such property does not exceed the apparent consideration therefor by more than twenty-five per cent of such apparent consideration.

65. Inserted by the Income-tax (Amendment) Act, 1981, w.e.f. 1-7-1982.

Hearing of objections.

269F. (1) The competent authority shall fix a day and place for the hearing of the objections made under section 269E against the acquisition under this Chapter of any immovable property, and shall give notice of the same to every person who has made such objection :

Provided that such notice shall also be given to the transferee of such property even if he has not made any such objection.

(2) Every person to whom a notice is given under sub-section (1) shall have the right to be heard at the hearing of the objections.

(3) The competent authority shall have the power to adjourn the hearing of the objections from time to time.

(4) The competent authority may, before disposing of the objections, make such further inquiry as he thinks fit.

(5) The decision of the competent authority in respect of the objections heard shall be in writing and shall state the reasons for the decision with respect to each objection.

(6) If after hearing the objections, if any, and after taking into account all the relevant material on record, the competent authority is satisfied that,—

- (a) the immovable property to which the proceedings relate is of a fair market value exceeding ⁶⁶[one hundred] thousand rupees ;
- (b) the fair market value of such property exceeds the apparent consideration therefor by more than fifteen per cent of such apparent consideration ; and
- (c) the consideration for such transfer as agreed to between the parties has not been truly stated in the instrument of transfer with such object as is referred to in clause (a) or clause (b) of sub-section (1) of section 269C,

he may, after obtaining the approval of the Commissioner, make an order for the acquisition of the property under this Chapter.

Explanation.—In this sub-section, “Commissioner”, in relation to a competent authority, means such Commissioner as the Board may, by general or special order in writing, specify in this behalf.

(7) If the competent authority is not satisfied as provided in sub-section (6), he shall, by order in writing, declare that the property will not be acquired under this Chapter.

(8) The competent authority shall serve a copy of his order under sub-section (6) or sub-section (7), as the case may be, on the transferor, the transferee and on every person who has made objections against such acquisition under section 269E.

(9) In any proceedings under this Chapter in respect of any immovable property, no objection shall be entertained on the ground that although the apparent consideration for the property is less than the fair market value of the property on the date of the execution of the instrument of transfer ⁶⁷[or where

66. Substituted for “twenty-five” by the Finance Act, 1984, w.e.f. 1-6-1984.

67. Inserted by the Income-tax (Amendment) Act, 1981, w.e.f. 1-7-1982.

such property is of the nature referred to in sub-clause (ii) of clause (e) of section 269A on the date of the transfer], the consideration as agreed to between the parties has been truly stated in the instrument of transfer because such consideration was agreed to having regard to the price that such property would have ordinarily fetched ⁶⁸[on such transfer in the open market on the date of the conclusion of the agreement to transfer the property], except where such agreement has been registered under the Registration Act, 1908 (16 of 1908).

Appeal against order for acquisition.

⁶⁹**269G.**(1) An appeal may be preferred to the Appellate Tribunal against the order for the acquisition of any immovable property made by the competent authority under section 269F,—

- (a) by the transferor or the transferee or any other person referred to in sub-section (8) of that section, within a period of forty-five days from the date of such order or a period of thirty days from the date of service of a copy of the order on such person under the said sub-section, whichever period expires later ;
- (b) by any other person interested in such immovable property, within forty-five days from the date of such order :

Provided that the Appellate Tribunal may, on an application made in this behalf before the expiry of the said period of forty-five days or, as the case may be, thirty days, permit, by order, the appeal to be presented within such further period as may be specified therein if the applicant satisfies the Appellate Tribunal that he has sufficient cause for not being able to present the appeal within the said period of forty-five days or, as the case may be, thirty days.

⁷⁰(2) Every appeal under this section shall be in the prescribed form and shall be verified in the prescribed manner and shall be accompanied by a fee of ⁷¹[two hundred] rupees.

(3) The Appellate Tribunal shall fix a day and place for the hearing of the appeal and shall give notice of the same to the appellant and to the competent authority.

(4) The Appellate Tribunal may, after giving the appellant and the competent authority an opportunity of being heard, pass such orders thereon as it thinks fit.

(5) The Appellate Tribunal may, at any time within thirty days from the date of the order, with a view to rectifying any mistake apparent from the record, amend any order passed by it under sub-section (4) and shall make such amendment if the mistake is brought to its notice by the appellant or the competent authority :

Provided that if any such amendment is likely to affect any person prejudicially, it shall not be made without giving to such person a reasonable opportunity of being heard.

68. Substituted for “on sale in the open market on the date of the conclusion of the agreement to sell the property” by the Income-tax (Amendment) Act, 1981, w.e.f. 1-7-1982.

69. For notification laying down procedure to be followed by the Tribunal, refer Taxmann’s Direct Taxes Circulars, 1999 edn., Vol. 3, p. 1.3559

70. See rule 48F and Form No. 37F.

71. Substituted for “one hundred and twenty-five” by the Finance Act, 1981, w.e.f. 1-6-1981.

(6) The Appellate Tribunal shall send a copy of any orders passed under this section to the appellant and to the Commissioner.

(7) Save as provided in section 269H, orders passed by the Appellate Tribunal on appeal shall be final.

(8) Every appeal under this section shall be disposed of as expeditiously as possible and endeavour shall be made to dispose of every such appeal within ninety days from the date on which it is presented.

(9) The provisions of section 255 (except sub-section (3) thereof) shall, so far as may be, apply in relation to the powers, functions and proceedings of the Appellate Tribunal under this section as they apply in relation to the powers, functions and proceedings of the Appellate Tribunal under Chapter XX.

Appeal to High Court

269H.(1) The Commissioner or any person aggrieved by any order of the Appellate Tribunal under section 269G may, within sixty days of the date on which he is served with notice of such order under that section, prefer an appeal against such order to the High Court on any question of law :

Provided that the High Court may, on an application made in this behalf before the expiry of the said period of sixty days, permit, by order, the appeal to be presented within such further period as may be specified therein, if the applicant satisfies the High Court that he has sufficient cause for not being able to present the appeal within the said period of sixty days.

(2) An appeal under sub-section (1) shall be heard by a Bench of not less than two Judges of the High Court and the provisions of section 259 shall apply in relation to any such appeal as they apply in relation to a case referred to the High Court under section 256.

(3) The costs of the appeal shall be in the discretion of the High Court.

Vesting of property in Central Government

269-I. (1) As soon as may be after the order for acquisition of any immovable property made under sub-section (6) of section 269F becomes final, the competent authority may, by notice in writing, order any person who may be in possession of the immovable property to surrender or deliver possession thereof to the competent authority or any other person duly authorised in writing by the competent authority in this behalf, within thirty days of the date of the service of the notice.

Explanation.—For the purposes of this sub-section, an order for the acquisition of any immovable property (hereafter in this *Explanation* referred to as the order for acquisition) made under sub-section (6) of section 269F becomes final,—

- (a) in a case where the order for acquisition is not made the subject of an appeal to the Appellate Tribunal under section 269G, upon the expiry of the period during which such appeal may be presented under that section ;
- (b) in a case where the order for acquisition is made the subject of an appeal to the Appellate Tribunal under section 269G,—
 - (i) if the order for acquisition is confirmed by the Appellate Tribunal and the order of the Appellate Tribunal is not made the subject of

an appeal to the High Court under section 269H, upon the expiry of the period during which such appeal may be presented under that section to the High Court ;

- (ii) if the order of the Appellate Tribunal is made the subject of an appeal to the High Court under section 269H, upon the confirmation of the order for acquisition by the High Court.

(2) If any person refuses or fails to comply with the notice under sub-section (1), the competent authority or other person duly authorised by the competent authority under that sub-section may take possession of the immovable property and may, for that purpose, use such force as may be necessary.

(3) Notwithstanding anything contained in sub-section (2), the competent authority may, for the purpose of taking possession of any property referred to in sub-section (1), requisition the services of any police officer to assist him and it shall be the duty of such officer to comply with such requisition.

(4) When the possession of the immovable property is surrendered or delivered under sub-section (1) to the competent authority or a person duly authorised by him in that behalf or, as the case may be, when the possession thereof is taken under sub-section (2) or sub-section (3) by such authority or person, the property shall vest absolutely in the Central Government free from all encumbrances :

Provided that nothing in this sub-section shall operate to discharge the transferee or any other person (not being the Central Government) from liability in respect of such encumbrances and, notwithstanding anything contained in any other law, such liability may be enforced against the transferee or such other person by a suit for damages.

⁷²[(5) Notwithstanding anything contained in sub-section (4) or any other law or any instrument or any agreement for the time being in force, where an order for acquisition of any immovable property, being rights of the nature referred to in clause (b) of sub-section (1) of section 269AB, in or with respect to any building or part of a building which has been constructed or which is to be constructed, has become final, then, such order shall, by its own force, have the effect of—

- (a) vesting such rights in the Central Government, and
- (b) placing the Central Government in the same position in relation to such rights as the person in whom such rights would have continued to vest if such order had not become final,

and the competent authority may issue such directions as he may deem fit to any person concerned for taking the necessary steps for compliance with the provisions of clauses (a) and (b).

(6) In the case of any immovable property, being rights of the nature referred to in clause (b) of sub-section (1) of section 269AB, in or with respect to any building or part of a building, the provisions of sub-sections (1), (2) and (3) shall have effect as if the references to immovable property therein were a reference to such building or, as the case may be, part of such building.]

72. Inserted by the Income-tax (Amendment) Act, 1981, w.e.f. 1-7-1982.

Compensation.

269J. (1) Where any immovable property is acquired under this Chapter, the Central Government shall pay for such acquisition compensation which shall be a sum equal to the aggregate of the amount of the apparent consideration for its transfer and fifteen per cent of the said amount :

⁷³[**Provided** that in a case where, under the agreement between the parties concerned, the whole or any part of the consideration for the transfer of such immovable property is payable on any date or dates falling after the date on which such property is acquired, the compensation payable by the Central Government shall be the aggregate of the following amounts, namely :—

- (i) an amount equal to fifteen per cent of the apparent consideration ;
- (ii) the amount, if any, that has become payable in accordance with such agreement on or before the date on which such property is acquired under this Chapter ; and
- (iii) the amount payable after the date on which such property is acquired under this Chapter.]

(2) Notwithstanding anything contained in sub-section (1),—

- (a) where, after the transfer to the transferee of the property referred to in that sub-section but before the vesting of the property in the Central Government, the property has been damaged (otherwise than as a result of normal wear and tear), the compensation payable under that sub-section shall be reduced by such amount as the competent authority and the persons entitled to the compensation may agree within fifteen days of the vesting of the property in the Central Government or in default of such agreement as the court may, on a reference made to it in this behalf by the competent authority or by any person duly authorised for the purpose by the competent authority, determine to be the amount that may have to be expended for restoring the property to the condition in which it was at the time of such transfer ;
- (b) where, after the transfer of such property to the transferee but before the date of publication in the Official Gazette of the notice in respect of such property under sub-section (1) of section 269D, any improvements have been made to the property, whether by way of addition or alteration or in any other manner, the compensation payable in respect of such property under sub-section (1) shall be increased by such amount as the competent authority and the persons entitled to the compensation may agree within fifteen days of the vesting of the property in the Central Government or in default of such agreement as the court may, on a reference made to it in this behalf by the competent authority or by any person duly authorised for the purpose by the competent authority, determine to be the amount spent for making such improvements.

(3) Every reference under clause (a) or clause (b) of sub-section (2) shall be made within thirty days of the date on which the immovable property to which it

73. Inserted by the Income-tax (Amendment) Act, 1981, w.e.f. 1-7-1982.

relates becomes vested in the Central Government or within such further period as the court may, on an application made in this behalf before the expiry of the said period and on being satisfied that there is sufficient cause for doing so, allow and such reference shall state clearly the compensation payable under sub-section (1) in respect of the immovable property and the amount by which, according to the estimate of the competent authority, such compensation shall be reduced under clause (a) or, as the case may be, increased under clause (b), of sub-section (2).

(4) The amount by which the compensation payable under sub-section (1) in respect of any immovable property acquired under this Chapter falls short of the amount which would have been payable as compensation if that property had been acquired under the Land Acquisition Act, 1894 (1 of 1894), after the issue of a preliminary notice under section 4 of that Act on the date of publication in the Official Gazette of the notice in respect of the property under sub-section (1) of section 269D, shall be deemed to have been realised by the Central Government as a penalty from the transferee for being a party to a transfer with such object as is referred to in clause (a) or clause (b) of sub-section (1) of section 269C, and no penalty shall be levied for any assessment year on the transferee—

- (a) under clause (iii) of sub-section (1) of section 271, for concealing the particulars or furnishing inaccurate particulars of so much of his income as is utilised by him for paying to the transferor, by way of consideration for the property, any amount in excess of the apparent consideration for the property, notwithstanding that such amount is included in the income of the transferee ;
- (b) under clause (iii) of sub-section (1) of section 18 of the Wealth-tax Act, 1957 (27 of 1957), for concealing the particulars or furnishing inaccurate particulars of so much of his assets as are utilised by him for paying to the transferor, by way of consideration for the property, any amount in excess of the apparent consideration for the property, notwithstanding that such assets are included in the net wealth of the transferee.

Payment or deposit of compensation.

269K.(1) The amount of compensation payable in accordance with the provisions of section 269J for the acquisition of any immovable property shall be tendered to the person or persons entitled thereto, as soon as may be, after the property becomes vested in the Central Government under sub-section (4) of section 269-I :

⁷⁴[**Provided** that in a case falling under the proviso to sub-section (1) of section 269J, the amounts referred to in clause (i) and clause (ii) of that proviso shall be tendered to the person or persons entitled thereto, as soon as may be, after the property becomes vested in the Central Government under section 269-I, and the amount referred to in clause (iii) of the said proviso shall be tendered on the date on which it would be payable in accordance with the agreement between the parties concerned, and where such amount is payable in instalments on different dates, then in such instalments on those dates :]

74. Inserted by the Income-tax (Amendment) Act, 1981, w.e.f. 1-7-1982.

Provided ⁷⁵[further] that in any case where a reference is or has to be made under sub-section (2) of section 269J to the court for the determination of the amount by which the compensation payable under sub-section (1) of that section shall be reduced or increased, the amount of such compensation as reduced or increased by the amount estimated in that behalf by the competent authority for the purposes of such reference shall be tendered as aforesaid.

(2) Notwithstanding anything contained in sub-section (1), if any dispute arises as to the apportionment of the compensation amongst persons claiming to be entitled thereto, the Central Government shall deposit in the court the compensation required to be tendered under sub-section (1) and refer such dispute for the decision of the court and the decision of the court thereon shall be final.

(3) Notwithstanding anything contained in sub-section (1), if the persons entitled to compensation do not consent to receive it, or if there is no person competent to alienate the immovable property, or if there is any dispute as to the title to receive the compensation, the Central Government shall deposit in the court the compensation required to be tendered under sub-section (1) and refer the matter for the decision of the court :

Provided that nothing herein contained shall affect the liability of any person who may receive the whole or any part of the compensation for any immovable property acquired under this Chapter to pay the same to the person lawfully entitled thereto.

(4) If the Central Government fails to tender under sub-section (1) or deposit under sub-section (2) or sub-section (3) the whole or any part of the compensation required to be tendered or deposited thereunder within thirty days of the date on which the immovable property to which the compensation relates becomes vested in the Central Government under sub-section (4) of section 269-I, the Central Government shall be liable to pay simple interest at the rate of ⁷⁶[fifteen] per cent per annum reckoned from the day immediately following the date of expiry of the said period up to the date on which it so tenders or deposits such compensation or, as the case may be, such part of the compensation.

(5) Where any amount of compensation (including interest, if any, thereon) has been deposited in the court under this section, the court may, either of its own motion or on an application made by or on behalf of any party interested or claiming to be interested in such amount, order the same to be invested in such Government or other securities as it may think proper, and may direct the interest or other proceeds of any such investment to be accumulated and paid in such manner as will, in its opinion, give the parties interested therein the same benefit therefrom as they might have had from the immovable property in respect whereof such amount has been deposited or as near thereto as may be.

75. Inserted by the Income-tax (Amendment) Act, 1981, w.e.f. 1-7-1982.

76. Substituted for "twelve" by the Taxation Laws (Amendment) Act, 1984, w.e.f. 1-10-1984 ; section 84 of the Amendment Act has clarified that the increase in the rate of interest will apply in respect of any period falling after 30-9-1984, and also in cases where the interest became chargeable or payable from an earlier date.

Assistance by Valuation Officers.

269L. (1) The competent authority may,—

- (a) for the purpose of initiating proceedings for the acquisition of any immovable property under section 269C or for the purpose of making an order under section 269F in respect of any immovable property, require a Valuation Officer to determine the fair market value of such property and report the same to him ;
- (b) for the purpose of estimating the amount by which the compensation payable under sub-section (1) of section 269J in respect of any immovable property may be reduced or, as the case may be, increased under clause (a) or clause (b) of sub-section (2) of that section, require the Valuation Officer to make such estimate and report the same to him.

(2) The Valuation Officer to whom a reference is made under clause (a) or clause (b) of sub-section (1) shall, for the purpose of dealing with such reference, have all the powers that he has under section 38A of the Wealth-tax Act, 1957 (27 of 1957).

(3) If in an appeal under section 269G against the order for acquisition of any immovable property, the fair market value of such property is in dispute, the Appellate Tribunal shall, on a request being made in this behalf by the competent authority, give an opportunity of being heard to any Valuation Officer nominated for the purpose by the competent authority.

Explanation.—In this section, “Valuation Officer” has the same meaning as in clause (r) of section 2 of the Wealth-tax Act, 1957 (27 of 1957).

Powers of competent authority.

269M. The competent authority shall have, for the purposes of this Chapter, all the powers that a Commissioner has, for the purposes of this Act, under section 131.

Rectification of mistakes.

269N. With a view to rectifying any mistake apparent from the record, the competent authority may amend any order made by him under this Chapter at any time before the time for presenting an appeal against such order has expired, either on his own motion or on the mistake being brought to his notice by any person affected by the order :

Provided that if any such amendment is likely to affect any person prejudicially, it shall not be made without giving to such person a reasonable opportunity of being heard.

Appearance by authorised representative or registered valuer.

269-O. Any person who is entitled or required to attend before a competent authority or the Appellate Tribunal in any proceeding under this Chapter, otherwise than when required to attend personally for examination on oath or affirmation, may attend—

- (a) by an authorised representative in connection with any matter ;
- (b) by a registered valuer in connection with any matter relating to the valuation of any immovable property for the purposes of this Chapter

or the estimation of the amount by which the compensation payable under sub-section (1) of section 269J for the acquisition of any immovable property may be reduced or, as the case may be, increased in accordance with the provisions of clause (a) or clause (b) of sub-section (2) of that section.

Explanation.—In this section,—

- (i) “authorised representative” has the same meaning as in section 288 ;
- ⁷⁷(ii) “registered valuer” has the same meaning as in clause (oaa) of section 2 of the Wealth-tax Act, 1957 (27 of 1957).

Statement to be furnished in respect of transfers of immovable property.

269P. ⁷⁸(1) Notwithstanding anything contained in any other law for the time being in force, no registering officer appointed under the Registration Act, 1908 (16 of 1908), shall register any document which purports to transfer any immovable property belonging to any person unless a statement in duplicate in respect of such transfer, in the prescribed form and verified in the prescribed manner and setting forth such particulars as may be prescribed, is furnished to him along with the instrument of transfer :

⁷⁹[**Provided** that the provisions of this sub-section shall not apply in relation to any document which purports to transfer any immovable property for an apparent consideration not exceeding ⁸⁰[fifty] thousand rupees.

Explanation.—For the purposes of this proviso, “apparent consideration” shall have the meaning assigned to it in clause (a) of section 269A subject to the modifications that for the expressions “immovable property transferred” and “instrument of transfer” occurring in that clause, the expressions “immovable property purported to be transferred” and “document purporting to transfer such immovable property” shall, respectively, be substituted.]

(2) The registering officer shall, at the end of every fortnight, forward to the competent authority,—

- (a) one set of the statements received by him under sub-section (1) during the fortnight ; and
- (b) ⁸¹a return in the prescribed form and verified in the prescribed manner and setting forth such particulars as may be prescribed in respect of documents of the nature referred to in sub-section (1) which have been registered by him during the fortnight.

Chapter not to apply to transfers to relatives.

269Q. The provisions of this Chapter shall not apply to or in relation to any transfer of immovable property made by a person to his relative on account of natural love and affection for a consideration which is less than its fair market value if a recital to that effect is made in the instrument of transfer.

77. Expression “registered valuer” has been defined in section 2(oaa) of the Wealth-tax Act, 1957 as under :

‘(oaa) “registered valuer” means a person registered as a valuer under section 34AB;’

78. See rule 48G and Form No. 37G.

79. Inserted by the Income-tax (Amendment) Act, 1973, w.e.f. 1-1-1974.

80. Substituted for “ten” by the Finance Act, 1984, w.e.f. 1-6-1984.

81. See rule 48H and Form No. 37H.

Properties liable for acquisition under this Chapter not to be acquired under other laws.

269R. Notwithstanding anything contained in the Land Acquisition Act, 1894 (1 of 1894), or any corresponding law for the time being in force, no immovable property referred to in section 269C shall be acquired for any purpose of the Union under that Act or such law unless the time for initiation of proceedings for the acquisition of such property under this Chapter has expired without such proceedings having been initiated or unless the competent authority has declared that such property will not be acquired under this Chapter.

⁸²**[Chapter not to apply where transfer of immovable property made after a certain date.**

269RR. The provisions of this Chapter shall not apply to or in relation to the transfer of any immovable property made after the 30th day of September, 1986.]

Chapter not to extend to State of Jammu and Kashmir.

269S. The provisions of this Chapter shall not extend to the State of Jammu and Kashmir.]

⁸³**[CHAPTER XX-B**

REQUIREMENT AS TO MODE OF ⁸⁴[ACCEPTANCE, PAYMENT OR] REPAYMENT IN CERTAIN CASES TO COUNTERACT EVASION OF TAX

⁸⁴**[Mode of taking or accepting certain loans and deposits.**

⁸⁵**269SS.** No person shall, after the 30th day of June, 1984, take or accept from any other person (hereafter in this section referred to as the depositor), any loan or deposit otherwise than by an account payee cheque or account payee bank draft if,—

- (a) the amount of such loan or deposit or the aggregate amount of such loan and deposit ; or
- (b) on the date of taking or accepting such loan or deposit, any loan or deposit taken or accepted earlier by such person from the depositor is remaining unpaid (whether repayment has fallen due or not), the amount or the aggregate amount remaining unpaid ; or
- (c) the amount or the aggregate amount referred to in clause (a) together with the amount or the aggregate amount referred to in clause (b),

is ⁸⁶[twenty] thousand rupees or more :

82. Inserted by the Finance Act, 1986, w.e.f. 1-10-1986.

83. Chapter XX-B inserted by the Income-tax (Second Amendment) Act, 1981, w.e.f. 11-7-1981.

84. Inserted by the Finance Act, 1984, w.e.f. 1-4-1984.

85. See also Circular No. 522, dated 18-8-1988. For details, see Taxmann's Master Guide to Income-tax Act.

86. Substituted for "ten" by the Direct Tax Laws (Amendment) Act, 1987, w.e.f. 1-4-1989.

Provided that the provisions of this section shall not apply to any loan or deposit taken or accepted from, or any loan or deposit taken or accepted by,—

- (a) Government ;
- (b) any banking company, post office savings bank or co-operative bank ;
- (c) any corporation established by a Central, State or Provincial Act ;
- (d) any Government company⁸⁷ as defined in section 617 of the Companies Act, 1956 (1 of 1956) ;
- (e) such other institution, association or body or class of institutions, associations or bodies which the Central Government may, for reasons to be recorded in writing, notify⁸⁸ in this behalf in the Official Gazette :

⁸⁹[**Provided further** that the provisions of this section shall not apply to any loan or deposit where the person from whom the loan or deposit is taken or accepted and the person by whom the loan or deposit is taken or accepted are both having agricultural income and neither of them has any income chargeable to tax under this Act.]

Explanation.—For the purposes of this section,—

- ⁹⁰[(i) “banking company” means a company to which the Banking Regulation Act, 1949 (10 of 1949), applies and includes any bank or banking institution referred to in section 51 of that Act ;]
- (ii) “co-operative bank” shall have the meaning assigned to it in Part V of the Banking Regulation Act, 1949 (10 of 1949) ;
- (iii) “loan or deposit” means loan or deposit of money.]

⁹¹[**Mode of repayment of certain deposits.**

⁹²**269T.** (1) No company (including a banking company), co-operative society or firm shall repay to any person any deposit otherwise than by an account payee cheque or account payee bank draft where the amount of the deposit, or where the amount of the deposit is to be repaid together with any interest, the aggregate of the amount of the deposit and such interest, is ten thousand rupees or more :

Provided that where the repayment is by a banking company or co-operative bank, such repayment may also be made by crediting the amount of such deposit to the account (if any) with such company or bank of the person to whom such deposit has to be repaid :

87. For definition of “Government company”, see footnote 18 on p. 1.19.

88. For notification specifying institution, see Taxmann’s Master Guide to Income-tax Act.

89. Inserted by the Direct Tax Laws (Amendment) Act, 1987, w.e.f. 1-4-1989.

90. Clause (i) substituted for the following by the Finance Act, 1985, w.e.f. 1-4-1986 :

‘(i) “banking company” shall have the meaning assigned to it in clause (a) of the *Explanation* to sub-section (8) of section 40A;’

91. Inserted by the Income-tax (Second Amendment) Act, 1981, w.e.f. 11-7-1981.

92. See also Circular No. 479, dated 16-1-1987, Circular No. 522, dated 18-8-1988 and Circular No. 556, dated 23-2-1990. For details, see Taxmann’s Master Guide to Income-tax Act.

Provided further that nothing in this sub-section shall apply to or in relation to the repayment of any deposit on or after the date on which the Income-tax (Second Amendment) Act, 1981, receives the assent of the President.

(2) No branch of a banking company or a co-operative bank and no other company or co-operative society and no firm ⁹³[or other person] shall repay any deposit made with it otherwise than by an account payee cheque or account payee bank draft drawn in the name of the person who has made the deposit if—

- (a) the amount of the deposit together with interest, if any, payable thereon, or
- (b) the aggregate amount of the deposits held by such person with the branch of the banking company or co-operative bank or, as the case may be, the other company or co-operative society or the firm, either in his own name or jointly with any other person on the date of such repayment together with the interest, if any, payable on such deposits,

is ⁹⁴[twenty] thousand rupees or more :

Provided that where the repayment is by a branch of a banking company or co-operative bank, such repayment may also be made by crediting the amount of such deposit to the savings bank account or the current account (if any) with such branch of the person to whom such deposit has to be repaid :

Provided further that nothing in this sub-section shall apply to or in relation to the repayment of any deposit before the date on which the Income-tax (Second Amendment) Act, 1981, receives the assent of the President.

Explanation.—For the purposes of this section,—

⁹⁵[(i) “banking company” shall have the meaning assigned to it in clause (i) of the *Explanation* to section 269SS ;]

⁹⁶[(ia) “co-operative bank” shall have the meaning assigned to it in Part V of the Banking Regulation Act, 1949 (10 of 1949) ;]

⁹⁷[(ii) “deposit” means any deposit of money which is repayable after notice or repayable after a period and, in the case of a person other than a company, includes deposit of any nature.]]

⁹⁸[**Mode of repayment of Special Bearer Bonds, 1991.**

269TT. Notwithstanding anything contained in any other law for the time being in force, the amount payable on redemption of Special Bearer Bonds, 1991, shall be paid only by an account payee cheque or account payee bank draft drawn in the name of the person to whom such payment is to be made.]

93. Inserted by the Direct Tax Laws (Amendment) Act, 1987, w.e.f. 1-4-1989.

94. Substituted for “ten”, *ibid*.

95. Substituted for following clause (i) by the Finance Act, 1985, w.e.f. 1-4-1986 :

‘(i) “banking company” shall have the meaning assigned to it in clause (a) of the *Explanation* to sub-section (8) of section 40A ;’

96. Inserted by the Finance Act, 1984, w.e.f. 1-4-1984.

97. Substituted for following by the Direct Tax Laws (Amendment) Act, 1987, w.e.f. 1-4-1989 :

‘(ii) “deposit” means any deposit of money which is repayable after notice or repayable after a period.’

98. Inserted by the Income-tax (Second Amendment) Act, 1981, w.e.f. 19-9-1981.

⁹⁹[CHAPTER XX-C**PURCHASE BY CENTRAL GOVERNMENT OF IMMOVABLE PROPERTIES IN CERTAIN CASES OF TRANSFER****Commencement of Chapter.**

269U. The provisions of this Chapter shall come into force on such date as the Central Government may, by notification¹ in the Official Gazette, appoint, and different dates may be appointed for different areas.

Definitions.

269UA. In this Chapter, unless the context otherwise requires,—

- (a) “agreement for transfer” means an agreement, whether registered under the Registration Act, 1908 (16 of 1908) or not, for the transfer of any immovable property ;
- (b) “apparent consideration”,—
 - (I) in relation to any immovable property in respect of which an agreement for transfer is made, being immovable property of the nature referred to in sub-clause (i) of clause (d), means,—
 - (i) if the immovable property is to be transferred by way of sale, the consideration for such transfer as specified in the agreement for transfer ;
 - (ii) if the immovable property is to be transferred by way of exchange,—
 - (A) in a case where the consideration for the transfer consists of a thing or things only, the price that such thing or things would ordinarily fetch on sale in the open market on the date on which the agreement for transfer is made ;
 - (B) in a case where the consideration for the transfer consists of a thing or things and a sum of money, the aggregate of the price that such thing or things would ordinarily fetch on sale in the open market on the date on which the agreement for transfer is made, and such sum ;
 - (iii) if the immovable property is to be transferred by way of lease,—
 - (A) in a case where the consideration for the transfer consists of premium only, the amount of premium as specified in the agreement for transfer ;
 - (B) in a case where the consideration for the transfer consists of rent only, the aggregate of the moneys (if

99. Chapter XX-C consisting of sections 269U to 269UO, inserted by the Finance Act, 1986, w.e.f. 1-10-1986, *vide* Notification No. SO 480(E), dated 7-8-1986.

1. For specified areas to which the provisions of this Chapter would apply, *see* footnote No. 8 on page 1.758, *ante*.

any) payable by way of rent and the amounts for the service or things forming part of or constituting the rent, as specified in the agreement for transfer ;

- (C) in a case where the consideration for the transfer consists of premium and rent, the aggregate of the amount of the premium, the moneys (if any) payable by way of rent and the amounts for the service or things forming part of or constituting the rent, as specified in the agreement for transfer,

and where the whole or any part of the consideration for such transfer is payable on any date or dates falling after the date of such agreement for transfer, the value of the consideration payable after such date shall be deemed to be the discounted value² of such consideration, as on the date of such agreement for transfer, determined by adopting such rate of interest as may be prescribed in this behalf ;

- (2) in relation to any immovable property in respect of which an agreement for transfer is made, being immovable property of the nature referred to in sub-clause (ii) of clause (d), means,—
- (i) in a case where the consideration for the transfer consists of a sum of money only, such sum ;
 - (ii) in a case where the consideration for the transfer consists of a thing or things only, the price that such thing or things would ordinarily fetch on sale in the open market on the date on which the agreement for transfer is made ;
 - (iii) in a case where the consideration for the transfer consists of a thing or things and a sum of money, the aggregate of the price that such thing or things would ordinarily fetch on sale in the open market on the date on which the agreement for transfer is made, and such sum,

and where the whole or any part of the consideration for such transfer is payable on any date or dates falling after the date of such agreement for transfer, the value of the consideration payable after such date shall be deemed to be the discounted value³ of such consideration, as on the date of such agreement for transfer, determined by adopting such rate of interest as may be prescribed in this behalf ;

- ⁴(c) “appropriate authority” means an authority constituted under section 269UB to perform the functions of an appropriate authority under this Chapter ;

2. Rate of interest for determination of discounted value is 8 per cent per annum *vide* rule 48-I.

3. *Ibid.*

4. *See* rule 48J.

(d) “immovable property” means—

(i) any land or any building or part of a building, and includes, where any land or any building or part of a building is to be transferred together with any machinery, plant, furniture, fittings or other things, such machinery, plant, furniture, fittings or other things also.

Explanation.—For the purposes of this sub-clause, “land, building, part of a building, machinery, plant, furniture, fittings and other things” include any rights therein ;

(ii) any rights in or with respect to any land or any building or a part of a building (whether or not including any machinery, plant, furniture, fittings or other things therein) which has been constructed or which is to be constructed, accruing or arising from any transaction (whether by way of becoming a member of, or acquiring shares in, a co-operative society, company or other association of persons or by way of any agreement or any arrangement of whatever nature), not being a transaction by way of sale, exchange or lease of such land, building or part of a building ;

(e) “person interested”, in relation to any immovable property, includes all persons claiming, or entitled to claim, an interest in the consideration payable on account of the vesting of that property in the Central Government under this Chapter ;

(f) “transfer”,—

(i) in relation to any immovable property referred to in sub-clause (i) of clause (d), means transfer of such property by way of sale or exchange or lease for a term of not less than twelve years, and includes allowing the possession of such property to be taken or retained in part performance of a contract of the nature referred to in section 53A⁵ of the Transfer of Property Act, 1882 (4 of 1882).

Explanation.—For the purposes of this sub-clause, a lease which provides for the extension of the term thereof by a further term or terms shall be deemed to be a lease for a term of not less than twelve years, if the aggregate of the term for which such lease is to be granted and the further term or terms for which it can be so extended is not less than twelve years ;

(ii) in relation to any immovable property of the nature referred to in sub-clause (ii) of clause (d), means the doing of anything (whether by way of admitting as a member of or by way of transfer of shares in a co-operative society or company or other association of persons or by way of any agreement or arrangement or in any other manner whatsoever) which has the effect of transferring, or enabling the enjoyment of, such property.

5. For text of section 53A of the Transfer of Property Act, see **Appendix One**.

Appropriate authority.

269UB.(1) The Central Government may, by order, publish in the Official Gazette,—

- (a) constitute as many appropriate authorities, as it thinks fit, to perform the functions of an appropriate authority under this Chapter ; and
- (b) define the local limits within which the appropriate authorities shall perform their functions under this Chapter.

(2) An appropriate authority shall consist of three persons, two of whom shall be members of the Indian Income-tax Service, Group A, holding the post of Commissioner of Income-tax or any equivalent or higher post, and one shall be a member of the Central Engineering Service, Group A, holding the post of Chief Engineer or any equivalent or higher post.

(3) In respect of any function to be performed by an appropriate authority under any provision of this Chapter in relation to any immovable property referred to in section 269UC, the appropriate authority referred to therein shall,—

- (a) in a case where such property is situate within the local limits of the jurisdiction of only one appropriate authority, be such appropriate authority ;
- (b) in a case where such property is situate within the local limits of the jurisdiction of two or more appropriate authorities, be the appropriate authority empowered to perform such functions in relation to such property in accordance with the rules⁶ made in this behalf by the Board under section 295.

Explanation.—For the purposes of this sub-section, immovable property being rights of the nature referred to in sub-clause (ii) of clause (d) of section 269UA in, or with respect to, any land or any building or part of a building which has been constructed or which is to be constructed shall be deemed to be situate at the place where the land is situate or, as the case may be, where the building has been constructed or is to be constructed.

Restrictions on transfer of immovable property.

269UC. (1) Notwithstanding anything contained in the Transfer of Property Act, 1882 (4 of 1882), or in any other law for the time being in force, ⁷[no transfer of any immovable property in such area and of such value exceeding five lakh rupees, as may be prescribed⁸], shall be effected except after an

6. See rule 48J.

7. Substituted for “no transfer of any immovable property of such value exceeding five lakh rupees as may be prescribed” by the Finance Act, 1995, w.e.f. 1-7-1995.

8. Rule 48K provides that the value of any immovable property for the purposes of section 269UC(1) shall be, where the agreement for transfer prescribed under the said sub-section—

- (a) is entered into on or before 31-7-1995, the apparent consideration of that property exceeding Rs. 10 lakhs ;
- (b) is entered into after 31-7-1995, the apparent consideration of the property exceeding the amounts given in Table on next page :

(Contd. on p. 1.759)

agreement for transfer is entered into between the person who intends transferring the immovable property (hereinafter referred to as the transferor) and the person to whom it is proposed to be transferred (hereinafter referred to as the transferee) in accordance with the provisions of sub-section (2) at least ⁹[four] months before the intended date of transfer.

(2) The agreement referred to in sub-section (1) shall be reduced to writing in the form of a statement by each of the parties to such transfer or by any of the parties to such transfer acting on behalf of himself and on behalf of the other parties.

¹⁰(3) Every statement referred to in sub-section (2) shall,—

- (i) be in the prescribed form ;
- (ii) set forth such particulars as may be prescribed ; and
- (iii) be verified in the prescribed manner,

and shall be furnished to the appropriate authority in such manner and within such time as may be prescribed, by each of the parties to such transaction or by any of the parties to such transaction acting on behalf of himself and on behalf of the other parties.

¹¹[(4) Where it is found that the statement referred to in sub-section (2) is defective, the appropriate authority may intimate the defect to the parties concerned and give them an opportunity to rectify the defect within a period of fifteen days from the date of such intimation or within such further period which, on an application made in this behalf, the appropriate authority may, in its discretion, allow and if the defect is not rectified within the said period of fifteen days, or as the case may be, the further period so allowed, then, notwithstanding anything contained in any other provision of this Chapter, the statement shall be deemed never to have been furnished.]

(Contd. from p. 1.758)

<i>Area within which the appropriate authorities shall perform their function</i>	<i>Value of any immovable property exceeds</i>
Area comprised in Greater Bombay	Rs. 75 lakhs
Area comprised in Union Territory of Delhi	Rs. 50 lakhs
Areas comprised in—	
Calcutta Metropolitan Area & Madras Metropolitan area	Rs. 25 lakhs
Bangalore Metropolitan Region, Ahmedabad Urban Development Area and City of Ahmedabad	Rs. 25 lakhs
City of Pune	Rs. 25 lakhs
Other notified areas (Chandigarh, Jaipur, Trivandrum, Cochin, Nagpur, Patna, Bhopal, Indore, Cuttack, Bhubaneswar, Hyderabad, Kanpur, Lucknow, Coimbatore, Madurai, Surat, Gurgaon, Faridabad, Baroda, Ghaziabad and Noida)	Rs. 20 lakhs

9. Substituted for “three” by the Finance Act, 1993, w.e.f. 1-6-1993.

10. See rule 48L and Form No. 37-I for form of statement to be furnished to the appropriate authority. The statement shall be furnished in duplicate, before expiry of 15 days from the date on which agreement for transfer is entered into.

11. Inserted by the Finance Act, 1995, w.e.f. 1-7-1995.

Order by appropriate authority for purchase by Central Government of immovable property.

269UD. (1) ¹²[Subject to the provisions of sub-sections (1A) and (1B), the appropriate authority], after the receipt of the statement under sub-section (3) of section 269UC in respect of any immovable property, may, notwithstanding anything contained in any other law or any instrument or any agreement for the time being in force, ¹³[* * *] make an order for the purchase by the Central Government of such immovable property at an amount equal to the amount of apparent consideration :

Provided that no such order shall be made in respect of any immovable property after the expiration of a period of two months from the end of the month in which the statement referred to in section 269UC in respect of such property is received by the appropriate authority :

¹⁴[**Provided further** that where the statement referred to in section 269UC in respect of any immovable property is received by the appropriate authority on or after the 1st day of June, 1993, the provisions of the first proviso shall have effect as if for the words “two months”, the words “three months” had been substituted :]

¹⁵[**Provided also** that the period of limitation referred to in the second proviso shall be reckoned, where any defect as referred to in sub-section (4) of section 269UC has been intimated, with reference to the date of receipt of the rectified statement by the appropriate authority :]

Provided ¹⁶[**also**] that in a case where the statement referred to in section 269UC in respect of the immovable property concerned is given to an appropriate authority, other than the appropriate authority having jurisdiction in accordance with the provisions of section 269UB to make the order referred to in this sub-section in relation to the immovable property concerned, the period of limitation referred to in ¹⁷[the first and second provisos] shall be reckoned with reference to the date of receipt of the statement by the appropriate authority having jurisdiction to make the order under this sub-section :

¹⁸[**Provided also** that the period of limitation referred to in the second proviso shall be reckoned, where any stay has been granted by any court against the passing of an order for the purchase of the immovable property under this Chapter, with reference to the date of vacation of the said stay.]

¹⁹[(1A) Before making an order under sub-section (1), the appropriate authority shall give a reasonable opportunity of being heard to the transferor, the person in occupation of the immovable property if the transferor is not in occupation of

12. Substituted for “The appropriate authority” by the Finance Act, 1993, w.r.e.f. 17-11-1992.

13. Words “and for reasons to be recorded in writing,” omitted, *ibid*.

14. Inserted by the Finance Act, 1993, w.e.f. 1-6-1993.

15. Inserted by the Finance Act, 1995, w.e.f. 1-7-1995.

16. Substituted for “further” by the Finance Act, 1993, w.e.f. 1-6-1993.

17. Substituted for “the preceding proviso”, *ibid*.

18. Inserted, *ibid*.

19. Inserted, *ibid*., w.r.e.f. 17-11-1992.

the property, the transferee and to every other person whom the appropriate authority knows to be interested in the property.

(1B) Every order made by the appropriate authority under sub-section (1) shall specify the grounds on which it is made.]

(2) The appropriate authority shall cause a copy of its order under sub-section (1) in respect of any immovable property to be served on the transferor, the person in occupation of the immovable property if the transferor is not in occupation thereof, the transferee, and on every other person whom the appropriate authority knows to be interested in the property.

Vesting of property in Central Government.

269UE.(1) Where an order under sub-section (1) of section 269UD is made by the appropriate authority in respect of an immovable property referred to in sub-clause (i) of clause (d) of section 269UA, such property shall, on the date of such order, vest in the Central Government ²⁰[in terms of the agreement for transfer referred to in sub-section (1) of section 269UC] :

²¹[**Provided** that where the appropriate authority, after giving an opportunity of being heard to the transferor, the transferee or other persons interested in the said property, under sub-section (1A) of section 269UD, is of the opinion that any encumbrance on the property or leasehold interest specified in the aforesaid agreement for transfer is so specified with a view to defeat the provisions of this Chapter, it may, by order, declare such encumbrance or leasehold interest to be void and thereupon the aforesaid property shall vest in the Central Government free from such encumbrance or leasehold interest.]

(2) The transferor or any other person who may be in possession of the immovable property in respect of which an order under sub-section (1) of section 269UD is made, shall surrender or deliver possession thereof to the appropriate authority or any other person duly authorised by the appropriate authority in this behalf within fifteen days of the service of such order on him :

²¹[**Provided** that the provisions of this sub-section and sub-sections (3) and (4) shall not apply where the person in possession of the immovable property, in respect of which an order under sub-section (1) of section 269UD is made, is a *bona fide* holder of any encumbrance on such property or a *bona fide* lessee of such property, if the said encumbrance or lease has not been declared void under the proviso to sub-section (1) and such person is eligible to continue in possession of such property even after the transfer in terms of the aforesaid agreement for transfer.]

(3) If any person refuses or fails to comply with the provisions of sub-section (2), the appropriate authority or other person duly authorised by it under that sub-section may take possession of the immovable property and may, for that purpose, use such force as may be necessary.

20. Substituted for "free from all encumbrances" by the Finance Act, 1993, w.r.e.f. 17-11-1992.

21. Inserted, *ibid*.

(4) Notwithstanding anything contained in sub-section (2), the appropriate authority may, for the purpose of taking possession of any property referred to in sub-section (1), requisition the services of any police officer to assist him and it shall be the duty of such officer to comply with such requisition.

(5) For the removal of doubts, it is hereby declared that nothing in this section shall operate to discharge the transferor or any other person (not being the Central Government) from liability in respect of any encumbrances on the property and, notwithstanding anything contained in any other law for the time being in force, such liability may be enforced against the transferor or such other person.

(6) Where an order under sub-section (1) of section 269UD is made in respect of an immovable property, being rights of the nature referred to in sub-clause (i) of clause (d) of section 269UA, such order shall have the effect of—

- (a) vesting such right in the Central Government ; and
- (b) placing the Central Government in the same position in relation to such rights as the person in whom such a right would have continued to vest if such order had not been made.

(7) Where any rights in respect of any immovable property, being rights in, or with respect to, any land or any building or part of a building which has been constructed or which is to be constructed, have been vested in the Central Government under sub-section (6), the provisions of sub-sections (1), (2), (3) and (4) shall, so far as may be, have effect as if the references to immovable property therein were references to such land or building or part thereof, as the case may be.

Consideration for purchase of immovable property by Central Government.

269UF. (1) Where an order for the purchase of any immovable property by the Central Government is made under sub-section (1) of section 269UD, the Central Government shall pay, by way of consideration for such purchase, an amount equal to the amount of the apparent consideration.

(2) Notwithstanding anything contained in sub-section (1), where, after the agreement for the transfer of the immovable property referred to in that sub-section has been made but before the property vests in the Central Government under section 269UE, the property has been damaged (otherwise than as a result of normal wear and tear), the amount of the consideration payable under that sub-section shall be reduced by such sum as the appropriate authority, for reasons to be recorded in writing, may by order determine.

Payment or deposit of consideration.

269UG. (1) The amount of consideration payable in accordance with the provisions of section 269UF shall be tendered to the person or persons entitled thereto, within a period of one month from the end of the month in which the immovable property concerned becomes vested in the Central Government under sub-section (1), or, as the case may be, sub-section (6), of section 269UE :

Provided that if any liability for any tax or any other sum remaining payable under this Act, the Wealth-tax Act, 1957 (27 of 1957), the Gift-tax Act, 1958 (18 of

1958), the Estate Duty Act, 1953 (34 of 1953), or the Companies (Profits) Surtax Act, 1964 (7 of 1964), by any person entitled to the consideration payable under section 269UF, the appropriate authority may, in lieu of the payment of the amount of consideration, set off the amount of consideration or any part thereof against such liability or sum, after giving an intimation in this behalf to the person entitled to the consideration.

(2) Notwithstanding anything contained in sub-section (1), if any dispute arises as to the apportionment of the amount of consideration amongst persons claiming to be entitled thereto, the Central Government shall deposit with the appropriate authority the amount of consideration required to be tendered under sub-section (1) within the period specified therein.

(3) Notwithstanding anything contained in sub-section (1), if the person entitled to the amount of consideration does not consent to receive it, or if there is any dispute as to the title to receive the amount of consideration, the Central Government shall deposit with the appropriate authority the amount of consideration required to be tendered under sub-section (1) within the period specified therein :

Provided that nothing herein contained shall affect the liability of any person who may receive the whole or any part of the amount of consideration for any immovable property vested in the Central Government under this Chapter to pay the same to the person lawfully entitled thereto.

(4) Where any amount of consideration has been deposited with the appropriate authority under this section, the appropriate authority may, either of its own motion or on an application made by or on behalf of any person interested or claiming to be interested in such amount, order the same to be invested in such Government or other securities as it may think proper, and may direct the interest or other proceeds of any such investment to be accumulated and paid in such manner as will, in its opinion, give the parties interested therein the same benefits therefrom as they might have had from the immovable property in respect whereof such amount has been deposited or as near thereto as may be.

Re-vesting of property in the transferor on failure of payment or deposit of consideration.

269UH. (1) If the Central Government fails to tender under sub-section (1) of section 269UG or deposit under sub-section (2) or sub-section (3) of the said section, the whole or any part of the amount of consideration required to be tendered or deposited thereunder within the period specified therein in respect of any immovable property which has vested in the Central Government under sub-section (1) or, as the case may be, sub-section (6) of section 269UE, the order to purchase the immovable property by the Central Government made under sub-section (1) of section 269UD shall stand abrogated and the immovable property shall stand re-vested in the transferor after the expiry of the aforesaid period :

Provided that where any dispute referred to in sub-section (2) or sub-section (3) of section 269UG is pending in any court for decision, the time taken by the court to pass a final order under the said sub-sections shall be excluded in computing the said period.

(2) Where an order made under sub-section (1) of section 269UD is abrogated and the immovable property re-vested in the transferor under sub-section (1), the appropriate authority shall make, as soon as may be, a declaration in writing to this effect and shall—

- (a) deliver a copy of the declaration to the persons mentioned in sub-section (2) of section 269UD ; and
- (b) deliver or cause to be delivered possession of the immovable property back to the transferor, or, as the case may be, to such other person as was in possession of the property at the time of its vesting in the Central Government under section 269UE.

Powers of the appropriate authority.

269UI. The appropriate authority shall have, for the purposes of this Chapter, all the powers that a ²²[Chief Commissioner or Commissioner] of Income-tax has for the purposes of this Act under section 131.

Rectification of mistakes.

269UJ. With a view to rectifying any mistake apparent from the record, the appropriate authority may amend any order made by it under this Chapter, either on its own motion or on the mistake being brought to its notice by any person affected by the order :

Provided that if any such amendment is likely to affect any person prejudicially, it shall not be made without giving to such person a reasonable opportunity of being heard :

Provided further that no amendment shall be made under this section after the expiry of six months from the end of the month in which the order sought to be amended was made.

Restrictions on revocation or alteration of certain agreements for the transfer of immovable property or on transfer of certain immovable property.

269UK. (1) Notwithstanding anything contained in any other law for the time being in force, no person shall revoke or alter an agreement for the transfer of an immovable property or transfer such property in respect of which a statement has been furnished under section 269UC unless,—

- (a) the appropriate authority has not made an order for the purchase of the immovable property by the Central Government under section 269UD and the period specified for the making of such order has expired ; or
- (b) in a case where an order for the purchase of the immovable property by the Central Government has been made under sub-section (1) of section 269UD, the order stands abrogated under sub-section (1) of section 269UH.

(2) Any transfer of any immovable property made in contravention of the provisions of sub-section (1) shall be void.

22. Substituted for “Commissioner” by the Direct Tax Laws (Amendment) Act, 1987, w.e.f. 1-4-1988.

Restrictions on registration, etc., of documents in respect of transfer of immovable property.

269UL.(1) Notwithstanding anything contained in any other law for the time being in force, no registering officer appointed under the Registration Act, 1908 (16 of 1908), shall register any document which purports to transfer immovable property exceeding the value prescribed under section 269UC unless a certificate from the appropriate authority that it has no objection to the transfer of such property for an amount equal to the apparent consideration therefor as stated in the agreement for transfer of the immovable property in respect of which it has received a statement under sub-section (3) of section 269UC, is furnished along with such document.

(2) Notwithstanding anything contained in any other law for the time being in force, no person shall do anything or omit to do anything which will have the effect of transfer of any immovable property unless the appropriate authority certifies that it has no objection to the transfer of such property for an amount equal to the apparent consideration therefor as stated in the agreement for transfer of the immovable property in respect of which it has received a statement under sub-section (3) of section 269UC.

(3) In a case where the appropriate authority does not make an order under sub-section (1) of section 269UD for the purchase by the Central Government of an immovable property, or where the order made under sub-section (1) of section 269UD stands abrogated under sub-section (1) of section 269UH, the appropriate authority shall issue a certificate of no objection referred to in sub-section (1) or, as the case may be, sub-section (2) and deliver copies thereof to the transferor and the transferee.

Immunity to transferor against claims of transferee for transfer.

269UM. Notwithstanding anything contained in any other law or in any instrument or any agreement for the time being in force, when an order for the purchase of any immovable property by the Central Government is made under this Chapter, no claim by the transferee shall lie against the transferor by reason of such transfer being not in accordance with the agreement for the transfer of the immovable property entered into between the transferor and transferee :

Provided that nothing contained in this section shall apply if the order for the purchase of the immovable property by the Central Government is abrogated under sub-section (1) of section 269UH.

Order of appropriate authority to be final and conclusive.

269UN. Save as otherwise provided in this Chapter, any order made under sub-section (1) of section 269UD or any order made under sub-section (2) of section 269UF shall be final and conclusive and shall not be called in question in any proceeding under this Act or under any other law for the time being in force.

Chapter not to apply to certain transfers.

269UO. The provisions of this Chapter shall not apply to or in relation to any immovable property where the agreement for transfer of such property is made by a person to his relative on account of natural love and affection, if a recital to that effect is made in the agreement for transfer.]

CHAPTER XXI

PENALTIES IMPOSABLE

Failure to furnish information regarding securities, etc.

²³**270.** [Omitted by the Direct Tax Laws (Amendment) Act, 1987, w.e.f. 1-4-1989.]

²⁴[**Failure to furnish returns, comply with notices, concealment of income, etc.**

²⁵**271.** (1) If the ²⁶[Assessing] Officer or the ²⁷[***] ²⁸[Commissioner (Appeals)] in the course of any proceedings under this Act, is satisfied that any person—

(a) ²⁹[* * *]

(b) has ³⁰[* * *] failed to comply with a notice under sub-section (1) of section 142 or sub-section (2) of section 143 ³¹[or fails to comply with a direction issued under sub-section (2A) of section 142], or

23. Prior to its omission, section 270, as amended by the Taxation Laws (Amendment & Miscellaneous Provisions) Act, 1986, w.e.f. 10-9-1986, stood as under :

“If any person fails to comply with a notice issued under sub-section (6) of section 94, the Assessing Officer may direct that such person shall pay by way of penalty a sum not exceeding five hundred rupees and by way of further penalty a like amount for every day after the infliction of such penalty during which the failure continues.”

24. Restored to its original version by the Direct Tax Laws (Amendment) Act, 1989, w.e.f. 1-4-1989.

25. See also relevant extracts of Minutes of 10th Meeting of DTAC held on 23-12-1967 and Circular No. 162, dated 24-3-1975 as amended by Circular No. 186, dated 23-12-1975. For details, see Taxmann’s Master Guide to Income-tax Act.

26. Substituted for “Income-tax” by the Direct Tax Laws (Amendment) Act, 1987, w.e.f. 1-4-1988.

27. Words “Deputy Commissioner (Appeals) or the” omitted by the Finance (No. 2) Act, 1998, w.e.f. 1-10-1998. Earlier, “Deputy Commissioner (Appeals)” was substituted for “Appellate Assistant Commissioner” by the Direct Tax Laws (Amendment) Act, 1987, w.e.f. 1-4-1988 and “or the” was inserted by the Finance (No. 2) Act, 1977, w.e.f. 10-7-1978.

28. Inserted by the Finance (No. 2) Act, 1977, w.e.f. 10-7-1978.

29. Omitted by the Direct Tax Laws (Amendment) Act, 1989, w.e.f. 1-4-1989. Prior to its omission, clause (a), as amended by the Finance Act, 1963, w.e.f. 28-4-1963 and Taxation Laws (Amendment & Miscellaneous Provisions) Act, 1986, w.e.f. 10-9-1986, stood as under :

“(a) has failed to furnish the return of total income which he was required to furnish under sub-section (1) of section 139 or by notice given under sub-section (2) of section 139 or section 148 or has failed to furnish it within the time allowed and in the manner required by sub-section (1) of section 139 or by such notice as the case may be, or”

30. “without reasonable cause” omitted by the Taxation Laws (Amendment & Miscellaneous Provisions) Act, 1986, w.e.f. 10-9-1986.

31. Inserted by the Taxation Laws (Amendment) Act, 1975, w.e.f. 1-4-1976.