

(b) to any other State or to a District or other territorial division thereof shall be construed as a reference to that State or to that District or other territorial division as constituted on the 26th day of January, 1950."

3. In the schedule,—

(a) omit Part III relating to Bilaspur;

(b) renumber "Parts IV to X" as "Parts III to IX" respectively;

(c) in Part V as so renumbered relating to Himachal Pradesh, insert the following, namely:—

"31. Julahe

32. Dumne (Bhanjre)

33. Chuhre

34. Hese (Turi)

35. Chhimbe (Dhobi)

36. Sarehde

37. Daule".

THE INDIAN INCOME-TAX (AMENDMENT)

ACT, 1954

No. 33 OF 1954

[25th September, 1954]

An Act further to amend the Indian Income-tax Act, 1922, to provide for the assessment or reassessment of persons who have to a substantial extent evaded payment of taxes during a certain period and for matters connected therewith.

BE it enacted by Parliament in the Fifth Year of the Republic of India as follows:—

1. Short title and commencement.—(1) This Act may be called the Indian Income-tax (Amendment) Act, 1954.

(2) It shall be deemed to have come into force on the 17th day of July, 1954.

2. Amendment of section 34, Act XI of 1922.—In section 34 of the Indian Income-tax Act, 1922 (hereinafter referred to as the principal Act), after sub-section (1), the following sub-sections shall be inserted, namely:—

“(1A) If, in the case of any assessee, the Income-tax Officer has reason to believe—

(i) that income, profits or gains chargeable to income-tax have escaped assessment for any year in respect of which the relevant previous year falls wholly or partly within the period beginning on the 1st day of September, 1939, and ending on the 31st day of March, 1946; and

(ii) that the income, profits or gains which have so escaped assessment for any such year or years amount, or are likely to amount, to one lakh of rupees or more;

he may, notwithstanding that the period of eight years or, as the case may be, four years specified in sub-section (1) has expired in respect thereof, serve on the assessee, or, if the assessee is a company, on the principal officer thereof, a notice containing all or any of the requirements which may be included in a notice under sub-section (2) of section 22, and may proceed to assess or reassess the income, profits or gains of the assessee for all or any of the years referred to in clause (i), and thereupon the provisions of this Act [excepting those contained in clauses (i) and (iii) of the proviso to sub-section (1) and in sub-sections (2) and (3) of this section] shall, so far as may be, apply accordingly:

Provided that the Income-tax Officer shall not issue a notice under this sub-section unless he has recorded his reasons for doing so, and the Central Board of Revenue is satisfied on such reasons recorded that it is a fit case for the issue of such notice:

Provided further that no such notice shall be issued after the 31st day of March, 1956.

(1B) Where any assessee to whom a notice has been issued under sub-section (1A) applies to the Central Board of Revenue at any time within six months from the receipt of such notice or before the assessment or reassessment is made, whichever is earlier, to have the matters relating to his assessment settled, the Central Board of Revenue may, after considering the terms of settlement proposed and subject to the previous approval of the Central Government, accept the terms of such settlement, and, if it does so, shall make an order in accordance with the terms of such settlement specifying among other things the sum of money payable by the assessee.

(1C) Any sum specified in a settlement arrived at in pursuance of sub-section (1B) may be recovered and any penalty for default in making payment of any such sum may be imposed and recovered in the manner provided in Chapter VI.

(1D) Any settlement arrived at under this section shall be conclusive as to the matters stated therein; and no person, whose assessments have been so settled, shall be entitled to reopen in any proceeding for the recovery of any sum under this Act or in any subsequent assessment or reassessment proceeding relating to any tax chargeable under this Act or in any other proceeding whatsoever before any court or other authority any matter which forms part of such settlement.”

3. Amendment of section 35, Act XI of 1922.—In section 35 of the principal Act, after sub-section (7), the following sub-section shall be inserted, namely:—

“(8) Where as a result of proceedings initiated under sub-section (1A) of section 34—

(a) a firm or an association of persons is assessed or reassessed, or

(b) a company is assessed or reassessed and in respect thereof an order under section 23A is subsequently made;

and the Income-tax Officer concerned is of opinion that it is necessary to compute or recompute the total income of a partner in the firm or a member of the association of persons or a shareholder in the company, as the case may be, but such computation or recomputation cannot be made by reason of the time-limit specified in sub-section (1) of section 34 having expired, the Income-tax Officer may, notwithstanding the expiry of the time-limit aforesaid, on his own motion and after giving notice to the assessee of his intention so to do, and after giving him a reasonable opportunity of being heard, proceed to compute or recompute the total income as if the computation or recomputation is a rectification of a mistake apparent from the record within the meaning of this section; and the provisions of sub-section (1) shall apply accordingly, the period of four years specified in sub-section (1) being computed from the date of the final order passed in the case of the firm, association or company, as the case may be.”

4. Repeal of Ordinance 8 of 1954.—The Indian Income-tax (Amendment), Ordinance, 1954 (8 of 1954), is hereby repealed.

Rep. by Act 58 of 1960, s. 2 of Sch. I (w.e.f. 28/12/60)

THE CENTRAL EXCISES AND SALT (AMENDMENT)

ACT, 1954

No. 34 OF 1954

[28th September, 1954.]

An Act further to amend the Central Excises and Salt Act, 1944.

BE it enacted by Parliament in the Fifth Year of the Republic of India as follows:—

1. Short title and commencement.—(1) This Act may be called the Central Excises and Salt (Amendment) Act, 1954.

(2) It shall be deemed to have come into force on the 30th day of July, 1954.

2. Amendment of the First Schedule, Act I of 1944.—In sub-item II of Item No. 9 in the First Schedule to the Central Excises and Salt Act, 1944, the following shall be inserted at the end, namely:—