

CHAPTER XII-A

SPECIAL PROVISIONS RELATING TO CERTAIN INCOMES OF NON-RESIDENTS

Definitions.

115C. In this Chapter, unless the context otherwise requires,—

- (a) “convertible foreign exchange” means foreign exchange which is for the time being treated by the Reserve Bank of India as convertible foreign exchange for the purposes of the Foreign Exchange Regulation Act, 1973 (46 of 1973), and any rules made thereunder;
- (b) “foreign exchange asset” means any specified asset which the assessee has acquired or purchased with, or subscribed to in, convertible foreign exchange;
- (c) “investment income” means any income derived other than dividends referred to in section 115-O from a foreign exchange asset;
- (d) “long-term capital gains” means income chargeable under the head “Capital gains” relating to a capital asset, being a foreign exchange asset which is not a short-term capital asset;
- (e) “non-resident Indian” means an individual, being a citizen of India or a person of Indian origin who is not a “resident”.

Explanation.—A person shall be deemed to be of Indian origin if he, or either of his parents or any of his grand-parents, was born in undivided India;

- (f) “specified asset” means any of the following assets, namely :—
 - (i) shares in an Indian company;
 - (ii) debentures issued by an Indian company which is not a private company as defined in the Companies Act, 1956 (1 of 1956);
 - (iii) deposits with an Indian company which is not a private company as defined in the Companies Act, 1956 (1 of 1956);
 - (iv) any security of the Central Government as defined in clause (2) of section 2 of the Public Debt Act, 1944 (18 of 1944);
 - (v) such other assets as the Central Government may specify in this behalf by notification in the Official Gazette.