

MINISTRY OF FINANCE
(Department of Revenue)
(CENTRAL BOARD OF DIRECT TAXES)
NOTIFICATION

New Delhi, the 18th July, 2023

G.S.R. 519(E).—In exercise of the powers conferred by clause (XI) of the proviso to clause (x) of sub-section (2) of section 56 read with section 295 of the Income-tax Act, 1961 (43 of 1961), the Central Board of Direct Taxes hereby makes the following rules further to amend the Income-tax Rules, 1962, namely:—

1. Short title and commencement.— (1) These rules may be called the Income-tax (Thirteenth Amendment) Rules, 2023.

(2) They shall come into force from the date of their publication in the Official Gazette.

2. In the Income-tax Rules, 1962, in rule 11UAC,

(i) in sub-rule (4), in the *Explanation*, for the words “this clause” the words “this sub- rule” shall be substituted;

(ii) after sub-rule (4), the following sub-rule shall be inserted, namely:—

‘(5) any movable property, being shares or units or interest in the resultant fund received by the fund management entity of the resultant fund, in *lieu* of shares or units or interest held by the investment manager entity in the original fund, pursuant to the relocation, subject to the following conditions, namely:-

(i) not less than ninety per cent of shares or units or interest in the fund management entity of the resultant fund are held by the same entity(ies) or person(s) in the same proportion as held by them in the investment manager entity of the original fund; and

(ii) not less than ninety per cent of the aggregate of shares or units or interest in the investment manager entity of the original fund was held by such entity(ies) or person(s).

Explanation. — For the purposes of this sub-rule, —

- (a) the expressions “relocation”, “original fund” and “resultant fund” shall have the meanings respectively assigned to them in the *Explanation* to clause (viiac) and clause (viiad) of section 47;
- (b) “fund management entity” shall have the same meaning as provided in the sub-clause (p) of regulation 2 of the International Financial Services Centres Authority (Fund Management) Regulations, 2022; and
- (c) “investment manager entity” means the fund manager of the original fund regulated by the respective regulation of the jurisdiction in which the original fund is located.’

[Notification No. 51/2023/ F. No. 370142/22/2023-TPL]

AMRIT PRITOM CHETIA, Under Secy.

Note : The principal rules were published in the Gazette of India, Extraordinary, Part-II, Section-3, Sub-section (ii), *vide* notification number S.O. 969(E), dated the 26th March, 1962 and last amended *vide* notification number G.S.R. 514(E) dated 17th July, 2023.