

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

NOTIFICATION

New Delhi, the 7th February, 2025

INCOME-TAX

No. 13/2025

G.S.R. 121(E).— In exercise of the powers conferred by section 295 read with clause (47) of section 10 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. (1) These rules may be called the Income-tax (Third Amendment) Rules, 2025.
(2) They shall come into force on the date of their publication in the Official Gazette.
2. In the Income-tax Rules, 1962, in rule 2F,—
 - (a) for sub-rules (1), (2), (3) and (4), the following sub-rules shall be substituted, namely:—

“(1) The Infrastructure Debt Fund shall be set up as a Non-Banking Financial Company conforming to and satisfying the conditions laid down in the regulatory framework provided by the Reserve Bank of India.

(2) The funds of the Infrastructure Debt Fund shall be invested only in,—

 - (a) post commencement operation date infrastructure projects which have completed at least one year of satisfactory commercial operations; or
 - (b) toll-operate-transfer projects as the direct lender.

(3) The Infrastructure Debt Fund shall,—

 - (i) issue rupee denominated bonds or foreign currency bonds in accordance with the directions of Reserve Bank of India and the relevant regulations under the Foreign Exchange Management (Transfer or Issue of Security by a Person Resident outside India) Regulations, 2000, as amended from time to time;
 - (ii) issue zero coupon bonds in accordance with rule 8B; or
 - (iii) raise funds through loan route under external commercial borrowings.

(4) The terms and conditions of,—

 - (a) a bond issued by the Infrastructure Debt Fund,—
 - (i) under clause (i) of sub-rule (3) shall be in accordance with the directions of the Reserve Bank of India and the regulations referred to in the said clause;
 - (ii) under clause (ii) of sub-rule (3) shall be in accordance with rule 8B; or
 - (b) external commercial borrowings by the Infrastructure Debt Fund, under clause (iii) of sub-rule (3) shall be in accordance with the directions of the Foreign Exchange Department of the Reserve Bank of India.”;

(b) after sub-rule (5), the following sub-rule shall be inserted, namely:—

“(5A) In case of external commercial borrowings by the Infrastructure Debt Fund, the tenor shall not be less than a period of five years and such borrowings shall not be sourced from foreign branches of Indian banks.”;

(c) for sub-rule (7), the following shall be substituted, namely:—

“(7) No investment shall be made by the Infrastructure Debt Fund in any project where its specified shareholder or the associated enterprise or the group of such specified shareholder has a substantial interest.”;

(d) in the *Explanation*,—

- (I) in the clause (i), for the word “associate”, the word “associated” shall be substituted;
- (II) for clause (viii), the following shall be substituted, namely:—
“(viii) “specified shareholder” means a non-banking financial company, or a bank, or any other person holding, directly or indirectly, shares carrying not less than thirty per cent of the voting power in Infrastructure Debt Fund.”.

[F. No.370142/9/2024-TPL]

SOURABH JAIN, Under Secy.

Note: The principal rules were published in the Gazette of India, Extraordinary, Part-II, section 3, sub-section (ii) *vide* number S.O. 969(E), dated the 26th March, 1962 and were last amended *vide* notification number G.S.R. 76(E) dated the 27th January, 2025.