

Government of India  
Ministry of Finance  
Department of Revenue  
Central Board of Direct Taxes

New Delhi, the 31<sup>st</sup> of October, 2018

**NOTIFICATION**

In exercise of powers conferred under clause (iii) of Explanation to clause (e) of the proviso to sub-section (5) of Section 43 of the Income-tax Act, 1961 (43 of 1961) read with sub-rule (4) of Rule 6DDD of the Income-tax Rules, 1962, the Central Government hereby notifies **Indian commodity Exchange Limited (PAN:AABC19479D)** as a 'recognised association' for the purpose of said clause **with effect from 01.11.2018** subject to fulfilment of following conditions in respect of trading in commodity derivatives, namely;

(i) The Exchange shall have the approval of the Forward Markets Commission established under the Forward Contracts (Regulation) Act, 1952 (74 of 1952) (merged with Securities and Exchange Board of India vide Gazette Notification No.S.O.2630(E) dated 24.09.2015) in respect of trading in derivatives and shall function in accordance with the guidelines or conditions laid down by it; or

(ii) it shall ensure that the particulars of the client (including unique client identity number and PAN) are duly recorded and stored in its databases; or

(iii) it shall maintain a complete audit trail of all transactions (in respect of derivative market) for a period of atleast seven years on its system; or

(iv) it shall ensure that transactions (in respect of derivative market) once registered in the system are not erased;

(v) it shall ensure that the transactions (in respect of derivative market) once registered in the system are modified only in cases of genuine error (as mentioned in Circular of SEBI dated 19.08.2016 in SEBI/HO/CDMRD/DMP/CIR/P/2016/73) and maintain data regarding all transactions (in respect of derivative market) registered in the system which have been modified and submit a monthly statement in Form No. 3BC to the Director General of Income-tax (Intelligence and Criminal Investigation), New Delhi within fifteen days from the last day of each month to which such statement relates.

2. This notification shall remain in force-

- a. until the approval granted by the Securities and Exchange Board of India is withdrawn or expires; or
- b. if any of the conditions stipulated in para above, are violated; or
- c. under exercise of powers vested in Central Government under sub-rule (5) of rule 6DDD of the Income-tax Rules, 1962, this notification shall stand rescinded on **31.10.2021** with liberty to the exchange to file a fresh application for approval under clause (e) of the proviso to sub-section (5) of section 43 of the Act for the subsequent period.

whichever is earlier.

-sd-  
(Rajarajeswari R.)  
Under Secretary (ITA-II), CBDT

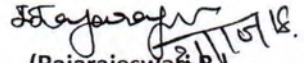
Notification No. 76/2018  
(F. No. 225/261/2018-ITA-II)

To

The Manager,  
Government of India Press,  
Mayapuri, New Delhi

Copy forwarded to: -

1. PPS to FM/Dir(FMO)/OSD to MoS(R)/PPS to RS/PPS to Chairman, CBDT and all Members, CBDT.
2. The applicant, Indian Commodity Exchange Limited, Mumbai.
3. Securities and Exchange Board of India, Mumbai
4. DGIT(I&CI), New Delhi
5. All Pr. CCsIT/DGsIT for kind information.
6. Pr.CIT-4, Delhi
7. ITCC, CBDT (4 copies)
8. O/o Pr. DGIT (Systems), New Delhi, for placing on the website: incometaxindia.gov.in.
9. Guard File.

  
(Rajarajeswar R.)

Under Secretary (ITA-II), CBDT