

Government of India
Ministry of Finance
Central Board of Direct Taxes
Directorate of Income Tax (Systems)

Notification No. 1 of 2021

New Delhi, 20 April, 2021

Format, Procedure and Guidelines for submission of Statement of Financial Transactions (SFT) for Dividend income

Section 285BA of the Income Tax Act, 1961 and Rule 114E requires specified reporting persons to furnish statement of financial transaction (SFT).

2. For the purposes of pre-filling the return of income, CBDT has issued Notification No. 16/2021 dated 12.03.2021 to include reporting of information relating to dividend income. The new sub rule 5A of rule 114E specifies that the information shall be furnished in such form, at such frequency, and in such manner, as may be specified by the Director General of Income Tax (Systems), with the approval of the Board.

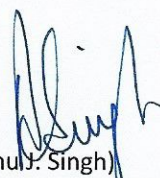
3. The guidelines for preparation and submission of Statement of Financial Transactions (SFT) information are enclosed in **Annexure A** and **Annexure B** respectively. The data structure and validation rules are enclosed in **Annexure C** and **Annexure D** respectively. Notification No. 3 of 2018 Dated 5.04.2018 may be referred for the procedure for registration.

4. Reporting entities are required to prepare the data file in prescribed format from their internal system. An excel based report preparation utility has also been provided to assist small reporting entities in preparing data file. The data files prepared by internal system/report preparation utility should be validated using Text File Validator/Submission Utility. After validation, the text file is required to be compressed, encrypted and signed using the Text File Submission Utility before uploading on the reporting portal (<https://report.insight.gov.in/>). Reporting entities, having large number of data files, can also submit the data files using SFTP Server (specific request may be made for SFTP upload).

5. The statement of financial transactions shall be furnished on or before the 31st May, immediately following the financial year in which the transaction is registered or recorded.

6. The statement of financial transaction shall be signed, verified and furnished by the specified Designated Director. Where the reporting person is a non-resident, the statement may be signed, verified and furnished by a person who holds a valid power of attorney from such Designated Director. The data files are required to be uploaded at the reporting portal through the login credentials (PAN and password) of the designated director.

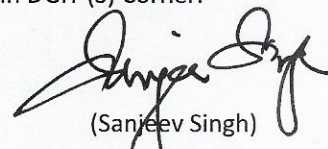
7. The reporting entities are advised to provide information of dividend income, reported to Income Tax Department, to the taxpayers which will enable them to reconcile the information displayed in the Annual Information Statement (AIS) (Form 26AS).
8. In case, the reporting person/entity comes to know or discovers any inaccuracy in the information provided in the statement or the defects have been communicated to the reporting person/entity, it is required to remove the defects by submitting a correction/deletion statement.
9. The reporting person/entity is required to document and implement appropriate information security policies and procedures with clearly defined roles and responsibilities to ensure security of submitted information and related information/documents. The reporting person/entity is also required to document and implement appropriate archival and retrieval policies and procedures with clearly defined roles and responsibilities to ensure that submitted information and related information/documents are available promptly to the competent authorities.
10. This Notification shall come into effect from the date of issue.



(Anurag Singh)
DGIT (Systems), CBDT

Copy to:

1. PPS to the Chairman and Members, CBDT, North Block, New Delhi.
2. All Pr. Chief Commissioners/ Pr. Director Generals of Income Tax and all Chief Commissioners/ Director Generals of Income Tax – with a request to circulate amongst all officers in their regions/ charges.
3. JS (TPL)-1 &2/ Media coordination and Official spokesperson of CBDT
4. DIT (IT)/ DIT (Audit)/ DIT (Vig.)/ ADG (System) 1, 2, 3, 4, 5,6 / CIT (CPC) Bangalore, CIT (CPC-TDS) Ghaziabad.
5. ADG (PR, PP&OL) with a request for advertisement campaign for the Notification.
6. TPL and ITA Divisions of CBDT.
7. The Institute of Chartered Accountants of India, IP Estate, New Delhi.
8. Web Manager, “incometaxindia.gov.in” for hosting on the website.
9. Database cell for uploading on www.irsofficersonline.gov.in and in DGIT (S) Corner.
10. ITBA publisher for uploading on ITBA portal.



(Sanjeev Singh)
ADG(Systems)-2 CBDT

Annexure A

Guidelines for Preparation of Statement of Financial Transactions (SFT)

Transaction Code	SFT- 015
Transaction Description	Dividend income
Nature and value of transaction	Dividend distributed during the financial year.
Class of person required to furnish	A company paying dividend.
Remarks	<ol style="list-style-type: none">1. The information is to be reported for all dividend distributed during the financial year.2. One report would include details of dividend payment to one person.3. Dividend will be the total amount of dividend distributed during the financial year.

Annexure B

Guidelines for Submission of Statement of Financial Transactions (SFT)

1. Any file which does not meet the validation requirements will be rejected.
2. After upload each upload file will be given unique Statement ID.
3. The file upload status will be as below:
 - Uploaded - File uploaded and pending for processing.
 - Accepted - File accepted after processing.
 - Rejected - File rejected after processing.
4. In case of any error, complete file will be rejected and the rejection reason(s) can be viewed by clicking Rejected link under status column. User need to correct the relevant error(s) and upload the file again.
5. In case Reporting Entity needs to modify uploaded data, Correction Statement is required to be filed. In the Correction Statement, only those reports should be uploaded in which correction is required. Statement ID of the original Statement which is being corrected should be selected while uploading. The Report Serial Number (RSN) along with Original Statement ID will uniquely identify the report which is being corrected. If the correction statement is successfully accepted, the reports in the earlier statement will be marked as inactive and the newly uploaded report will be active.
6. In case Reporting Entity needs to delete uploaded data, Deletion Statement is required to be filed. In the Deletion Statement, only those reports should be uploaded which are to be deleted. Statement ID of the original Statement which is being deleted should be selected while uploading. The Report Serial Number (RSN) along with Original Statement ID will uniquely identify the report which is being deleted. If the Deletion Statement is successfully accepted, the reports in the earlier statement will be marked as inactive.

Annexure C

Data Structure

The information is required to be uploaded in data file. The data file should be in ASCII format with one report per line. All fields in each file should be delimited with the delimiter "|". The data structure is as under:

#	Field	Format	Mandatory	Remarks
1.	RSN	Num (10)	Y	Report Serial Number is the unique number to identify each report in the file.
2.	FY	Num(4)	Y	Financial Year (2020 for FY 2020-21)
3.	Name	Char (150)	Y	Name of the person/ Entity
4.	PAN	Char (10)	Y	PAN of the person. Mention PANNOTAVBL if PAN is not available
5.	Aadhaar	Char (15)		Aadhaar of the person.
6.	Address	Char (600)	Y	Complete Address
7.	Pincode	Num (6)		Pincode of the person/ entity
8.	Mobile	Char (20)		Mobile Number of the person
9.	Email	Char (100)		e-Mail Id of the person
10.	Dividend	Num (15)	Y	Total dividend paid/ credited during the year (rounded off in nearest rupee)

Note: The first record in the file should contain header text. There should not be any blank row(s) between reports.

Annexure D

Validation Rules

Upload Level Validations

Upload level validation would be done to ascertain that the correct file is being uploaded. The file would be rejected at the upload stage if it does not clear the upload level validations.

#	Validation	Error Message
1.	File should not be more than prescribed size	File is more than prescribed size (refer User Guide). Please split the file.
2.	File name should not have been uploaded earlier (Only for original statement)	The file name has already been uploaded earlier.
3.	File Name is not in the specified format	File Name is not in the specified format. Name of File prepared by the utility should not be modified manually.
4.	The entered Statement ID should be available (For Correction/ Deletion)	The entered Statement ID is not available. Please provide Statement ID generated for original file to submit correction/ deletion.
5.	ITDREIN in the file name should match with the ITDREIN mentioned on Portal	ITDREIN in the file does not match with the ITDREIN mentioned on Portal

File Level Validations

Any file which does not meet the following requirements will be rejected.

#	Validation	Error Message
1.	File should be generated using Submission Utility	File should be generated using Submission Utility.
2.	The header in file should be as per specified format	The header in file should be as per specified format.
3.	Failed Decryption	Failed Decryption. Please encrypt the file with a valid key using Validation and Encryption Utility and resubmit.
4.	Failed Decompression	Failed Decompression. Please compress the file using Validation and Encryption Utility and resubmit.
5.	Failed Signature Check	Failed Signature Check. Please sign the file with the Digital Signature using Validation and Encryption Utility and resubmit.
6.	Signature Mismatch	Digital Signature used in file for signing does not match with Digital Signature registered on Reporting Portal. Please re-sign the file with the Digital Signature of the Designated Director.

Format, Procedure and Guidelines for submission of SFT for Dividend income

#	Validation	Error Message
7.	Signature not Uploaded	Digital Signature not uploaded. Please upload the digital signature certificate file on the Reporting portal.
8.	Signature Expired	Signature Expired. Please upload the updated digital signature certificate on the Reporting portal as the existing certificate is expired.
9.	Failed Threat Scan	Failed Threat Scan. Please scan the file for threats and viruses. Remove all detected threats and viruses prior to encryption.
10.	Failed Virus scan	Failed Virus scan. Please scan the file for threats and viruses. Remove all detected threats and viruses prior to encryption.
11.	RSN should not be blank (mandatory field)	RSN is blank in XX reports
12.	RSN length should not be more than 10	RSN length is more than 10 in XX reports
13.	RSN field should not contain non-numeric value.	Value in RSN field is non-numeric in XX reports
14.	RSN should not be in exponential (scientific) format.	RSN is in exponential (scientific) format in XX reports.
15.	Duplicate RSN in file	Duplicate RSN in XX reports.
16.	FY length should be 4	FY length is not 4 in XX reports
17.	FY field should not contain non-numeric value.	Value in FY field is non-numeric in XX reports
18.	FY mentioned against each report should match with FY selected on upload screen.	The FY selected on upload screen is not matching with FY mentioned against XX reports.
19.	Name field should not be blank (mandatory field)	Name is blank in XX reports
20.	Name length should not exceed 150 character	Name length exceeds 150 character in XX reports
21.	PAN length should be 10	PAN length is not 10 in XX reports. Mention PANNOTAVBL if PAN is not available
22.	Duplicate PAN in file	Duplicate PAN in XX reports.
23.	Aadhaar length should not exceed 15 character	Aadhaar length exceeds 15 character in XX reports
24.	Aadhaar should not be in exponential (scientific) format.	Aadhaar is in exponential (scientific) format in XX reports.
25.	Address field should not be blank (mandatory field)	Address is blank in XX reports.
26.	Address length should not exceed 600 character	Address length exceeds 600 character in XX reports
27.	Pincode length should not exceed 6	Pincode length exceeds 6 in XX reports

Format, Procedure and Guidelines for submission of SFT for Dividend income

#	Validation	Error Message
28.	Pincode field should not contain non-numeric value.	Value in Pincode field is non-numeric in XX reports
29.	e-Mail length should not exceed 100 character	e-Mail length exceeds 100 character in XX reports
30.	Mobile length should not exceed 20	Mobile length exceeds 20 in XX reports
31.	Mobile Number should not be in exponential (scientific) format.	Mobile Number is in exponential (scientific) format in XX reports.
32.	Dividend field should not be blank (mandatory field)	Dividend is blank in XX reports
33.	Dividend field should not contain non-numeric value.	Value in Dividend field is non-numeric in XX reports
34.	Dividend length should not exceed 15 digits	Dividend length exceeds 15 digits in XX reports
35.	Dividend should not be in exponential (scientific) format.	Dividend is in exponential (scientific) format in XX reports.
36.	Duplicate Reports (all fields other than RSN)	Duplicate Reports (all fields other than RSN) in XX reports.
37.	Failed Original Report Serial Number in Correction/ Deletion Statement	Report Serial Number in XX Reports of Correction/ Deletion Statement does not match with the RSN in the Original Statement submitted earlier.
38.	Failed Original Report Serial Number in correction/ deletion (after Deletion)	Report Serial Number in XX Reports of Correction/ Deletion Statement corresponds to the report already deleted.
39.	Report details mentioned in Deletion Statement should match with details mentioned in original file	Details mentioned in XX Reports of Deletion Statement do not match with the details mentioned in the Original Statement submitted earlier (corresponding to the provided RSN).