

Corrigendum to Notification No. 4 of 2021

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

Corrigendum to Notification No. 4 of 2021

New Delhi, 15/11/2023

Format, Procedure and Guidelines for submission of Statement of Financial Transaction (SFT) for Mutual Fund Transactions by Registrar & Share Transfer Agent

The format, procedure and guidelines for submission for SFT data for mutual fund transactions by registrar and share transfer Agents (RTA) were notified vide Notification no. 4 of 2021 dated 30th April 2021 as mandated by Section 285BA of the Income Tax Act and Rule 114E sub-rule 5A. The notification lists various files, file formats, data types for different data fields that need to be reported, and various DQ rules that should be validated by RTA before submission of the data.

2. Subsequently, discussions were held with the representatives of Depositories, RTAs and Exchanges. Accordingly, the following changes are made to the said notification.

3. The S.No. 6 of the existing notification mentions the following

“The statement of financial transactions relating to Financial Year 2020-21 shall be furnished on or before the 31st May 2021. Thereafter, the statement of financial transactions relating to the quarter ending 30th June, 31st September, 31st December and 31st March shall be furnished on or before 25th of July, October, January and April respectively.”

This should be read as following:

“With effect from 1st April 2023 the statement of financial transactions data will be submitted on half yearly basis instead of existing quarterly basis i.e. data relating to 1st half of the Financial Year ending 30th September and remaining half of the Financial Year ending on 31st March shall be furnished on or before 31st of October and 30th of April respectively.”

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4. In Annexure A (Guidelines for Preparation of Statement of Financial Transactions (SFT), S.No. 7 mentions the specified minimum period of holding for different asset class is as under:

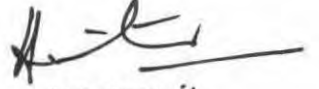
Security Code	Class	Security Class Description	Minimum Period of Holding
EMF		Unit of Equity Oriented Mutual Fund	12 months
UTI		Unit of UTI	12 months
OTU		Other Units	36 months

This should be read as :

Security Class Code	Security Class Description	Minimum Period of Holding	Remarks
EMF	Unit of Equity Oriented Mutual Fund	12 months	-
UTI	Unit of UTI	12 months	Where more than 35% of its total proceeds are invested in the equity shares of domestic companies, this information should be provided. Note: Where not more than 35% of its total proceeds are invested in the equity shares of domestic companies, (Specified Mutual Fund), it will always be classified as short-term capital asset (Applicable from 1st April 2023)
OTU	Other Units	36 months	Where more than 35% of its total proceeds are invested in the equity shares of domestic companies, this information should be provided. Note: Where not more than 35% of its total proceeds are invested in the equity shares

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			of domestic companies, (Specified Mutual Fund), it will always be classified as short-term capital asset (Applicable from 1st April 2023)
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(AMITAV)

DGIT(Systems), Delhi

Copy to:

1. PPS to the Chairman and Members, CBDT, North Block, New Delhi.
2. All Pr. Chief Commissioner/Pr. Director Generals of Income Tax and all Chief Commissioner/ Director Generals of Income Tax-with a request to circulate amongst all officers in their regions/ charges.
3. JS (TPL)-I &2/ Media coordination and Official spokesperson of CBDT
4. DIT(IT)/DIT (Audit)/DIT (Vig.)/ADG (System) 1, 2, 3, 4, 5, 6, 7 / CIT (CPC) Bangalore/ CIT (CPC-TDS) Ghaziabad/ CIT (ITBA)/ CIT(OSD)(PMU).
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.
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