

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

**NOTIFICATION**

New Delhi, 4th May, 2021

**G.S.R. 318(E).**—In exercise of the powers conferred by clause (d) of sub-section (8) of section 139A and clause (ii) of sub-section (7) of section 206AA 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 (14<sup>th</sup> Amendment) Rules, 2021.

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

**2.** In the Income-tax Rules, 1962 (hereinafter referred to as the principal rules), in rule 114AAB,—

(I) after sub-rule (2), the following sub-rules shall be inserted, namely:—

“(2A) The provisions of section 139A shall not apply to a non-resident, being an eligible foreign investor, who has made transaction only in a capital asset referred to in clause (viiab) of section 47 which are listed on a recognised stock exchange located in any International Financial Services Centre and the consideration on transfer of such capital asset is paid or payable in foreign currency, if the following conditions are fulfilled, namely:—

- (i) the eligible foreign investor does not earn any income in India, other than the income from transfer of a capital asset referred to in clause (viiab) of section 47;
- (ii) the eligible foreign investor furnishes the following details and documents to the stock broker through which the transaction is made namely:—
  - (a) name, e-mail id, contact number;
  - (b) address in the country or specified territory outside India of which he is a resident;
  - (c) a declaration that he is a resident of a country or specified territory outside India; and
  - (d) Tax Identification Number in the country or specified territory of his residence and in case no such number is available, then a unique number on the basis of which the non-resident is identified by the Government of that country or the specified territory of which he claims to be a resident.

(2B) The stock broker shall furnish a quarterly statement for the quarter of the financial year, in which the details and documents referred to in sub-rule (2A) are received by it, in Form No.49BA to the Principal Director General of Income-tax (Systems) or the Director General of Income-tax (Systems) or the person authorised by him, electronically and upload the declaration referred to in sub-clause (c) of clause (ii) of sub-rule (2A) within fifteen days from the end of the quarter of the financial year to which such statement relates in accordance with the procedures, formats and standards specified by the Principal Director General of Income-tax (Systems) or the Director General of Income-tax (Systems) under sub-rule (3).”;

(II) in sub-rule (3), for the words, brackets and figure “in accordance with the provisions of sub rule (2)” the words, brackets, figures and letter “ in accordance with the provisions of sub-rule (2) or sub-rule (2B)” shall be substituted;

(III) in the *Explanation* ,—

(A) for clause (a), the following clause shall be substituted , namely :—

- ‘(a) “specified fund” means any fund established or incorporated in India in the form of a trust or a company or a limited liability partnership or a body corporate which has been granted a certificate of registration as a Category I or Category II Alternative Investment Fund and is regulated under the Securities and Exchange Board of India (Alternative Investment Funds) Regulations, 2012 made under the Securities and Exchange Board of India Act, 1992(15 of 1992) or International Financial

Services Centres Authority Act, 2019 (50 of 2019) and which is located in any International Financial Services Centre or a specified fund referred to in sub-clause (i) of clause (c) of *Explanation* to clause (4D) of section 10;’;

(B) after clause (b) the following clauses shall be inserted, namely:—

‘(c) “eligible foreign investor” means a non-resident who operates in accordance with the Securities and Exchange Board of India, circular IMD/HO/FPIC/CIR/P/2017/003 dated 04th January, 2017;

(d) “stock broker” means a person having trading rights in a recognised stock exchange located in any International Financial Services Centre and the member of such exchange.’.

3. In the principal rules, in Appendix II, for Form No. 49BA, the following Form shall be substituted , namely:—

**“FORM NO. 49BA**

[See rule 114AAB]

**Quarterly statement to be furnished by specified fund or stock broker in respect of a non-resident referred to in rule 114AAB for the quarter of ..... of ..... (Financial Year)**

1. Name of the fund/ stock broker:
2. Category (specified fund/stock broker):
3. Permanent Account Number/Aadhaar Number:
4. Details of non-resident referred to in sub-rule (1)/ sub-rule (2A) of rule 114AAB

Sl. No.	Name	E-mail address	Contact number	Address in the country or specified territory outside India of which the non-resident is resident	Tax Identification Number, if any	Unique number on the basis of which the non-resident is identified by the Government of that country or the specified territory of which he claims to be a resident (to be furnished if Tax Identification Number is not available)

**Verification**

I ..... (full name in block letters), son/daughter of ..... having permanent account number/ Aadhaar number ....., solemnly declare that to the best of my knowledge and belief, the information given above are correct and complete.

Signature .....

Name and designation .....

Place .....

Date .....

**Attachments (to be uploaded):**

Declaration received from the non-resident as referred to in sub-clause (c) of clause (iii) of sub-rule (1) or sub-clause (c) of clause (ii) of sub-rule (2A), as the case may be, of rule 114AAB.”.

[Notification No. 42/2021 F. No. 370133/08/2020-TPL]

KAMLESH CHANDRA VARSHNEY, Jt. Secy. (Tax Policy and Legislation)

**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 by the Income-tax (13th Amendment) Rules, 2021 vide notification No. G.S.R. 314(E), dated the 03rd May, 2021.