

**MINISTRY OF FINANCE**

**(Department of Revenue)**

**(CENTRAL BOARD OF DIRECT TAXES)**

**NOTIFICATION**

New Delhi, the 11th October, 2021

**S.O. 4207(E).**—In exercise of the powers conferred by sub-section (1C) of section 139 of the Income-tax Act, 1961 (43 of 1961) (hereinafter referred to as ‘said Act’), the Central Government, hereby exempts the following class of persons mentioned in column (2) of the Table below, subject to the conditions specified in column (3) of the said Table, from the requirement of furnishing a return of income under sub-section (1) of section 139 of the said Act from assessment year 2021-2022 onwards :-

TABLE

Sl. No.	class of Persons	conditions
(1)	(2)	(3)
1.	(i) a non-resident, not being a company; or (ii) a foreign company.	(i) The said class of persons does not earn any income in India, during the previous year, other than the income from investment in the specified fund referred to in sub-clause (i) of clause (c) of <i>Explanation</i> to clause (4D) of section 10 of the said Act; and  (ii) The provisions of section 139A of the said Act are not applicable to the said class of persons subject to fulfillment of the conditions mentioned in sub-rule (1) of rule 114AAB of the Income-tax Rules, 1962 (hereinafter referred to as 'said rules').
2	a non-resident, being an eligible foreign investor.	(i) The said class of persons, during the previous year, has made transaction only in capital asset referred to in clause (viiab) of section 47 of the said Act, 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;  (ii) The said class of persons does not earn any income in India, during the previous year, other than the income from transfer of capital asset referred to in clause (viiab) of section 47 of the said Act; and  (iii) The provisions of section 139A of the said Act are not applicable to the said class of persons subject to fulfillment of the conditions mentioned in sub-rule (2A) of rule 114AAB of the said rules.

**Explanation.** -For the purposes of this Notification. -

(a) "**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 04<sup>th</sup> January, 2017;

(b) "**International Financial Services Centre**" shall have the same meaning as assigned to it in clause (q) of section 2 of the Special Economic Zones Act, 2005 (28 of 2005);

(c) "**recognised stock exchange**" shall have the meaning as assigned to it in clause (ii) of *Explanation 1* to sub-section (5) of section 43 of the said Act.

**3.** The above exemption from the requirement of furnishing a return of income shall not be available to the class of persons mentioned in the column (2) of the said Table where a notice under sub-section (1) of section 142 or section 148 or section 153A or section 153C of the said Act has been issued for filing a return of income for the assessment year specified therein.

**4.** This notification shall come into force from the date of its publication in the Official Gazette.

[Notification No. 119/2021/F. No. 225/76/2021-ITA.II]

RAVINDER MAINI, Director (ITA-II)