

INCOME TAX DEPARTMENT

TAX INFORMATION NETWORK  
(TIN)

(MANAGED ON BEHALF OF  
INCOME TAX DEPARTMENT  
BY  
NATIONAL SECURITIES  
DEPOSITORY LIMITED)

Information Booklet for AIR Filers

(For Furnishing of Annual Information Return)

# Table of Contents

<b>ANNUAL INFORMATION RETURN (AIR)</b> .....	<b>3</b>
1.1 SPECIFIED CLASS OF PERSONS REQUIRED TO FILE AIR AND FINANCIAL TRANSACTIONS TO BE REPORTED IN AIR .....	3
1.2 AIR-FORM & PERIODICITY.....	5
1.3 OVERVIEW-PREPARATION & FILING OF AIR .....	5
1.4 GUIDELINES FOR PREPARATION OF AIR .....	5
1.5 AIR PREPARATION UTILITY .....	7
1.6 VALIDATION OF AIR USING FILE VALIDATION UTILITY (FVU).....	7
1.7 PREPARATION OF FORM NO. 61A (PART A) .....	8
<b>2. FURNISHING OF AIR</b> .....	<b>9</b>
2.2 FURNISHING OF AIR THROUGH WEB-BASED FACILITY .....	9
<b>3. ACCEPTANCE OF AIR</b> .....	<b>9</b>
3.1 ACCEPTANCE OF AIR BY TIN-FC.....	9
3.1.1 Non-acceptance by TIN-FCs .....	10
3.2 ACCEPTANCE OF AIR THROUGH WEB-BASED UTILITY .....	11
<b>4. TIN CALL CENTRE (TCC)/AIR ADMINISTRATOR</b> .....	<b>12</b>
<b>5. CHECKLIST FOR THE FILER</b> .....	<b>13</b>

## Annual Information Return (AIR)

The Finance Act, 2003 inserted a new provision namely Section 285BA in the Income Tax Act, 1961 which was later on substituted by the Finance (No.2) Act, 2004 w.e.f. 01<sup>st</sup> April 2005. As per this provision, certain specified persons (hereinafter referred to as filers) are required to file AIR in respect of specified financial transactions registered or recorded by them during a financial year (beginning on or after 01<sup>st</sup> April, 2004).

### 1.1 Specified Class of Persons required to file AIR and financial transactions to be reported in AIR

According to the amended provisions of Rule 114E of the Income Tax Rules, 1962 the nature of transactions and the threshold limit above which information has to be reported in the AIR by certain class of persons are as follows:

Sl. No	Class of Persons	Nature and Value of transactions	Clarifications by Central Board of Direct Taxes vide Circular No.07/2005 dated 24 <sup>th</sup> Aug, 2005
(1)	(2)	(3)	(4)
1.	A Banking Company to which the Banking Regulation Act, 1949(10 of 1949), applies (including any bank or banking institution referred to in section 51 of that Act).	Cash deposits aggregating to ten lakh rupees or more in a year in any savings account of a person maintained in that bank	Only the aggregate of all the cash deposits in the savings account of a person to be reported as one transaction and the date of the transaction is to be the last date of the financial year i.e. 31.03.2007 in respect of FY 2006-2007.
2.	A Banking Company to which the Banking Regulation Act, 1949 (10 of 1949), applies (including any bank or banking institution referred to in section 51 of that Act) or any other Company or institution issuing credit card.	Payments made by any person against bills raised in respect of a credit card issued to that person, aggregating to two lakh rupees or more in the year.	Only the aggregate of all the payments by a person to the credit card company is required to be reported as one transaction and date of transaction is to be the last date of the financial year i.e. 31.03.2007 in respect of FY 2006-2007.
3.	A trustee of a Mutual Fund or such other person managing the affairs of the Mutual Fund as may be duly authorized by the trustee in this behalf.	Receipt from any person of an amount of two lakh rupees or more for acquiring units of that fund.	The amount actually received from the transacting party and not the amount relating to allotment is to be reported

4.	A Company or institution issuing bonds or debentures.	Receipt from any person of an amount of five lakh rupees or more for acquiring bonds or debentures issued by the Company or institution.	The amount actually received from the transacting party and not the amount relating to allotment is to be reported.
5.	A Company issuing shares through public or rights issue.	Receipt from any person of an amount of one lakh rupees or more for acquiring shares issued by the Company.	The amount actually received from the transacting party and not the amount relating to allotment is to be reported.
6.	Registrar or Sub Registrar appointed under section 6 of the Registration Act, 1908	Purchase or sale by any person of immovable property valued at thirty lakh rupees or more.	There may be certain situations where the transaction in respect of property valued at thirty lakh rupees involves joint parties and value for one or more parties is less than rupees thirty lakh. In such situations, all such transactions are to be reported in respect of all the joint parties even though the value of transaction in the hands of one or more of the joint parties is less than the threshold limit.
7.	A person being an officer of the Reserve Bank of India constituted under section 3 of the Reserve Bank of India Act, 1934 who is duly authorized by the Reserve Bank of India in this behalf.	Receipt from any person of an amount or amounts aggregating to five lakh rupees or more in a year for bonds issued by the Reserve Bank of India.	The aggregate of all the receipts from a person is required to be reported as one transaction and the date of the transaction is to be mentioned as the last date of the financial year i.e. 31.03.2007 in respect of FY 2006-07.

**Notes:**

1. The Central Board of Direct Taxes has vide Circular No. 07/2005 dated August 24, 2005 clarified that the persons filing the AIR should furnish only **one return even if they have more than one branch.**
2. It should be noted that an AIR is to be filed by specified persons for its entire activity as a single unit and not branchwise. For example, a bank must file a single AIR covering all its branches.

## 1.2 AIR-Form & Periodicity

Form No.	Particulars	Periodicity	Last Date of Furnishing the Return
Form 61A (Part B)	Data in respect of specified high value financial transactions in specified file format (data structure).	Yearly	31 <sup>st</sup> August immediately following the financial year in which transaction is registered or recorded.
Form 61A (Part A)	Physical control chart containing control totals mentioned in Form 61A-Part B.	Yearly	With every AIR (Form 61A-Part B).

The forms can be downloaded from the Income Tax Department website (<http://www.incometaxindia.gov.in/>) and the NSDL-TIN website (<http://www.tin-nsdl.com/>).

## 1.3 Overview-Preparation & filing of AIR

AIR has to be filed annually in Form No. 61A (Part A & Part B).

Part A of Form No. 61A has to be filed in paper form, while Part B of Form No. 61A has to be prepared and filed on computer readable media being a floppy (3.5 inch and 1.44 MB capacity) or CD-ROM (650 MB or higher capacity) as per the file format (data structure) notified by the Director General of Income-tax (Systems).

Part B of Form No. 61A which is prepared in accordance with the file format (data structure) notified by Income Tax Department has to be validated by the filer using the latest File Validation Utility (FVU) freely downloadable from the NSDL-TIN website (<http://www.tin-nsdl.com/>).

The AIR prepared & validated using the latest FVU has to be filed with the TIN-Facilitation Centres (TIN-FCs) managed by NSDL or can be filed online through the NSDL's online web based facility.

## 1.4 Guidelines for Preparation of AIR

Before the preparation of the AIR, the filers are advised to go through the file format (data structure) mentioned above for better understanding and ease of preparation.

Guidelines given below should be followed while preparing the AIR:

1. All amount fields should be provided in rupees (i.e. amount should be rounded off to the nearest rupee, paise must not be mentioned).
2. Amount field should not be left blank except in the case of joint transacting parties, where the joint transaction party count is 'zero'.
3. In case the return is to be compressed, compression software WinZip 8.1 or Zip fast 3.0 compression or their higher version must be used.

4. Date cannot be a future date and must be in dd-mm-yyyy format.
5. Date of the transaction should always be within the financial year for which the return is prepared. Where the transaction is a joint party transaction where more than one parties are involved, the date of the transaction must be mentioned against the first holder and for the rest of the holders, the date should be left blank.
6. Codes in respect of the transactions must be properly reported as given in Transaction Detail Record.
7. Filer must provide an Indian address in the AIR.
8. TAN must be quoted compulsorily by all the filers. If the filer is a non-government entity, TAN of the office of the principal officer of the person responsible for filing AIR must be mentioned
9. In case of Non-Government filer, it is mandatory to quote the PAN.
10. In the field where PAN of the transacting party has to be entered, proper PAN, if available should be written. If the PAN of the transacting party is not available, the cell should be left blank. However if the PAN furnished by the transacting parties is not structurally valid, then INVALIDPAN should be stated in the respective field.

**Transacting Party PAN field:**

Should be left blank if PAN of transacting party is not available

**INVALIDPAN** should be mentioned where transacting party has provided PAN but it is structurally invalid.

The transacting party PAN field should contain a structurally valid PAN or **INVALIDPAN** or **should be left blank**. If any other value is mentioned in this field then the File Validation Utility (FVU) will give an error during the validation of the return.

11. In the Government / Non - Government Indicator field, the value should be 'G' for Government transacting party and 'NG' for Non - Government transacting party or Non - Resident transacting party. This field is mandatory, if the party does not have a PAN or the PAN provided is INVALID.
12. In the Form 60/61 Indicator field, the value should be 'Y' or 'N' depending upon whether the transacting party has furnished the Form 60/61 or not. This field is mandatory if the party does not have a PAN or the PAN provided is INVALID.
13. In transaction detail record number (sr. no) field, the filer should enter unique running serial number for the transaction detail records in the return. Value should start from 1 and should be in sequence for all the transactions. In case of records pertaining to a joint transaction, it should have the same transaction detail record number for the particular joint transactions.  
**Example:** If there is only one transaction, which is a joint transaction of five joint holders, then the filer should enter the same transaction detail record number for each of the joint holders.

14. In case of single party transactions, the joint transaction party count field should be equal to 'one'.
15. In case of joint party transactions,
  - a) if the share of each of the joint holders is known, then they should be treated as separate single party transactions. In such a case the transaction detail record number would be different for each party and the corresponding joint transaction party count would be 'one'.
  - b) if the share is not known, then the filer should enter the number of joint holders against the first holder in the joint transaction party count field and for the rest of the joint holders, the value shall be 'zero'. The first transacting party involved in a joint transaction will provide all the transaction details. The rest of the joint transacting parties will just provide the information that is unique to the transacting parties like Name, PAN, and Address fields etc. (in all the remaining fields in the transaction detail record no value should be specified).

### **1.5 AIR Preparation Utility**

Filers are free to use any software purchased from software vendors or developed in-house in order to prepare their AIR. A list of software vendors is available on NSDL-TIN website [www.tin-nsdl.com](http://www.tin-nsdl.com). Alternatively Annual Information Return Preparation Utility (A. I. RPU) can also be used for preparation of AIR. This is freely downloadable from the NSDL-TIN website [www.tin-nsdl.com](http://www.tin-nsdl.com).

Important guidelines for using the Return Preparation Utility:

1. No changes must be made in the format of the file. There are some rows, columns and sheets that are hidden/protected and must not be un-hidden/unprotected.
2. The filer must avoid cut/copy & paste data from other sources in the file in a manner that will result in loss of validations/formulae/formatting provided for the cells.
3. Wherever dropdown list has been provided for any column, the value should be picked from that given list only.
4. Date should always be entered in dd-mm-yyyy format. It should not exceed the current date.

NSDL-RPU can be effectively used to prepare AIR where the number of transacting party records does not exceed 30,000.

### **1.6 Validation of AIR using File Validation Utility (FVU)**

After preparing the AIR, verify the format level accuracy of the same using the latest File Validation Utility (AIR-FVU).

AIR-FVU has been developed by NSDL for filers to ensure that the AIR prepared by them conforms to the prescribed file format. After preparing the AIR, the filer must validate the return using AIR-FVU to ascertain whether the return contains any format level error(s). In case the filer finds any error(s), he should rectify the error(s) and pass the file again through the AIR-FVU. The filer shall repeat this process until he gets an error free return. It should be noted that the FVU validates only the format level accuracy of the AIR.

It must be further noted that an AIR, which has not been validated using the latest FVU, will not be accepted at any TIN-FC or NSDL. AIR-FVU is freely available at NSDL-TIN website ([www.tin-nsdl.com](http://www.tin-nsdl.com)) under 'downloadables' section

### **1.7 Preparation of Form No. 61A (Part A)**

Form No. 61A (Part A) has to be filed in physical form with Form No. 61A (Part B) which has to be furnished electronically.

The filer should ensure that the form is properly filled-in and verified as per the instructions prescribed in the form. Special care may be taken on the following;

1. Folio Number of the person: In this column, the filer should mention the Tax Deduction and Collection Account Number (TAN). If the filer is a Government entity, the TAN of the filer should be mentioned and in case the filer is a non-government entity, the TAN of the office of the principal officer of the person responsible for filing AIR must be mentioned. In case the filer does not have a TAN, it should first obtain the same by applying, using the latest Form 49B through any TIN-FC or through online web-based facility provided by NSDL ([www.tin-nsdl.com](http://www.tin-nsdl.com)).
2. Permanent Account Number: It must be ensured by the filer that the Permanent Account Number (except in case of Government departments) is mentioned in Form No. 61A (Part A).

#### **Control Totals**

3. Total number of transactions reported in the AIR: In this column, care should be taken by the filer to ensure that the figure reported is the same as mentioned in the Form No. 61A (Part B).
4. Total value of all transactions reported in the AIR: In this case the value of transactions reported in Form No. 61A (Part B) should match with the value mentioned in this column.

## 2. Furnishing of AIR

### 2.1 Furnishing of AIR through TIN-FC

NSDL has established a network of TIN-FCs that receives AIR from the filers. The filers shall furnish their AIR at any of these TIN-FCs. NSDL keeps on appointing TIN-FCs at different locations all over the country on a continuous basis. The updated list of TIN-FCs is available at [www.tin-nsdl.com](http://www.tin-nsdl.com).

After preparing and validating the AIR, **the upload file (with extension .fvu) is to be submitted to a TIN-FC in a CD/floppy along with physical Form 61A (Part A).**

Before submitting the CD/floppy to the TIN-FC, the filer shall ensure that all actions as per check list given in Chapter 5 have been duly taken.

### 2.2 Furnishing of AIR through Web-based Facility

NSDL also provides a facility to filers to directly furnish their AIR to NSDL through its website ([www.tin-nsdl.com](http://www.tin-nsdl.com)). Filers who wish to avail this facility are required to register at [www.tin-nsdl.com](http://www.tin-nsdl.com) and make an advance payment of upload charges as per the guidelines provided at the website. The registration process may take about 15 days to complete.

The AIR file prepared and validated through file validation utility can be uploaded to the web based utility.

The AIR furnished directly through the website should be digitally signed using a Digital Signature Certificate (DSC) of Class II or Class III issued by a Certifying Authority under the Information Technology Act, 2000 which has been enabled by NSDL (list available at [www.tin-nsdl.com](http://www.tin-nsdl.com)).

## 3. Acceptance of AIR

### 3.1 Acceptance of AIR by TIN-FC

After the filer furnishes the AIR to TIN-FC in the manner prescribed in Chapter 2, TIN-FC will carry out the format level validations (these validations are same as performed by FVU) and other checks to validate the AIR.

In case the AIR is valid TIN-FC will issue a Provisional Receipt to the filer. The Provisional Receipt issued by TIN-FC to the filer is deemed to be the proof of AIR furnished by the filer.

The filer will pay the upload fees along with service tax as applicable (12.36% at present) to the TIN-FC.

**Charges payable:**

Number of records	Upload fees	Upload fees inclusive of service tax
Upto 100 records	Rs. 25	Rs. 28
101 to 1000 records	Rs. 150	Rs. 168
More than 1000 records	Rs. 500	Rs. 562

The TIN-FC will retain CD/floppy containing the AIR and physical Form 61A (Part A). The retained CD/floppy along with other documents, if any, shall be forwarded to Income Tax Department at a later date by the TIN-FC.

**3.1.1 Non-acceptance by TIN-FCs**

TIN-FC will not accept the AIR furnished by the filer if:

1. The AIR is not furnished in a CD/floppy along with duly filled and signed Form 61A (Part A) in physical form;
2. Striking and overwriting, if any, on Form 61A (Part A) are not duly ratified by the person who has signed Form 61A (Part A);
3. The filer has not mentioned its Name, TAN, Form no. or period to which return pertains (F.Y.) on the CD/floppy for identification purpose;
4. The AIR is compressed using a compression utility other than WinZip 8.1 or ZipItFast 3.0 (or higher version) compression utility;
5. The AIR is not in conformity with the file formats prescribed by Income Tax Department;
6. The filer has not stated its TAN;
7. Non-Government filers have not stated their PAN;
8. Mismatch of control totals generated by SAM<sup>1</sup> with Form 61A (Part A);
9. The AIR has not been successfully passed through the latest version of FVU;
10. The AIR does not pertain to the period for which the filers are allowed to submit their returns.
11. CD/floppy is not virus free.
12. TAN stated in the AIR is not present in SAM<sup>1</sup> and the filer does not submit any proof of TAN stated in the return;
13. Name/address of the filer displayed on SAM<sup>1</sup> does not match with name/address stated on Form 61A (Part A) and the filer does not provide any proof of TAN change request;

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<sup>1</sup> **SAM** – Statement Acceptance Module is software provided by NSDL to TIN-FCs for accepting the returns furnished by the filers.

In such cases, TIN-FC shall issue a pre-printed Non-Acceptance Memo to the filer to carry out necessary corrections. The Non-Acceptance Memo contains the possible reason for non-acceptance.

In case of non-acceptance, TIN-FC shall return the CD/floppy, any other documents furnished. The physical Form 61A (Part A) shall be retained by the TIN-FC.

No fee will be charged for the AIR that is not accepted.

### **3.2 Acceptance of AIR through Web-based Utility**

The Filer will upload a digitally signed AIR to the web-based facility as per the procedure given at NSDL-TIN website ([www.tin-nsdl.com](http://www.tin-nsdl.com)). TIN website will validate whether the digital certificate provided by the filer at the time of registration is the same as the one being used by it at the time of login and at the time of uploading of the AIR.

In case certificate verification is successful, direct upload facility will issue a file reference number for the AIR uploaded.

If format level validation fails, the AIR will not be accepted. Status of the AIR furnished will be shown as 'rejected'. If the advance available is not sufficient to cover upload charges for the return being uploaded, the return will not be accepted and the status of the AIR furnished will be shown as 'rejected due to insufficient balance'.

In case file format level validations are successful, TIN system would generate a provisional receipt.

In case of a successful upload, the upload facility will debit the filer's account with the upload fee. Upload fee is the same as applicable in case of filing with TIN-FC.

The filer can view the result of the validation twenty-four hours after upload of the return.

TIN system would provide an online statement on the utilization of upload fees paid in advance. This statement will show details like opening balance, details of all electronic statements/returns (e-TDS/TCS/AIR) uploaded (including file reference number, date of upload, provisional receipt number and amount deducted, including service tax, based on the total number of deductee records) and the closing balance available to the credit of TAN.

**Filers uploading their digitally signed AIR directly on TIN system would not be required to submit Form 61A (Part A), CD/floppy to TIN-FC or NSDL.**

#### 4. TIN Call Centre (TCC)/AIR Administrator

If you need any assistance or clarification, please contact TIN Facilitation Centres near your location or the office of AIR administrator. You may also contact the TIN Call Centre (TCC) at:

National Securities Depository Limited  
Trade World, 'A' Wing, 4<sup>th</sup> Floor  
Kamala Mills Compound  
Senapati Bapat Marg, Lower Parel  
Mumbai - 400 013  
**Phone:** 022-2499 4650 (hunting) **Fax:** 022- 2495 0664  
**Email:** tininfo@nsdl.co.in

**Working hours:**

9.00 A.M. to 8.00 P.M. - Monday to Friday  
9.00 A.M. to 6.00 P.M. - Saturday

**Address of NSDL Regional Offices**

**Chennai**

6A, 6th Floor, Kences Towers  
1 Ramkrishna Street  
North Usman Road  
T. Nagar, Chennai - 600017  
Tel: (044) 2814 3917/18  
Fax: (044) 2814 4593  
Email: bandams@nsdl.co.in

**Kolkata**

5th Floor, The Millenium,  
Flat No. 5W, 235/2A,  
Acharya Jagdish Chandra Bose Road,  
Kolkata - 700020  
Tel: (033) 2281 4661/62  
Fax: (033) 2289 1945  
Email: supratimm@nsdl.co.in

**New Delhi**

409/410, Ashoka Estate Building  
4th floor, Barakhamba Road  
Connaught Place  
New Delhi 110 001.  
Tel: (011) 2335 3815/17  
Fax: (011) 2335 3756  
Email: sameerg@nsdl.co.in

**Address of AIR-administrator**

Director General of Income Tax (Systems),  
Directorate of Income Tax (Systems),  
ARA Centre, E-2, Jhandewalan Extension,  
New Delhi - 110 055.

**Tel:** (011) 23515018  
**Fax:** (011) 23519119  
**Email:** air@incometaxindia.gov.in

**Working hours:**

9:30 A.M. to 6:00 P.M. - Monday to Friday

## 5. Checklist for the filer

After preparing the AIR, the filer should check following to ensure that the AIR is complete in all aspects and is ready for furnishing to TIN-FC or directly through web based facility:

- AIR is in conformity with the file format notified by ITD.
- AIR is furnished in a CD/floppy along with duly filled, signed and verified Form 61A (Part A) in physical form.
- Form 61A (Part A) is duly filled and signed by an authorized signatory.
- Striking and overwriting, if any, on Form 61A (Part A) are ratified by the person who has signed Form 61A (Part A).
- More than one CD/floppy is not used for furnishing the AIR.
- Label is affixed on CD/floppy containing details of filer like name of filer, TAN, form no. and period to which return pertains.
- AIR if compressed, is compressed using WinZip 8.1 or ZipItFast 3.0 compression (or higher version) utility only.
- TAN quoted in the AIR and stated on Form 61A (Part A) is the same. Confirm new TAN by using search facility on ITD website ([www.incometaxindia.gov.in](http://www.incometaxindia.gov.in)).
- If there is any discrepancy in the details of TAN (name, address) displayed in the ITD website and in the details of TAN mentioned by the filer in the AIR, apply TAN change request using Form for changes or corrections in TAN Data for TAN allotted to update the ITD TAN database.
- Carry copy of TAN allotment letter from ITD or screen print from ITD website as proof of TAN to avoid inconvenience at time of furnishing the return.
- Control totals, TAN and name mentioned in AIR match with those mentioned on Form 61A (Part A).
- The AIR has been successfully passed through the latest version of FVU & the hash file is presented to TIN-FC or filed online.
- CD/floppy furnished is virus free.

For updated information/latest version on topics covered above, please visit the Income Tax Department website (<http://www.incometaxindia.gov.in/>) and the NSDL-TIN website (<http://www.tin-nsdl.com/>).