

Key Changes in Statement of Financial Transactions (SFT) – New Rule 237 vs Existing Rule 114E

Comparative Analysis: Rule 114E vs Rule 237

1. Basic Framework

Particulars	Rule 114E (Old)	Rule 237 (New)
Governing Section	Sec 285BA	Sec 508(1)
Reporting Form	Form 61A	Form 165
Reporting Purpose	Statement of Financial Transactions (SFT)	Statement of Financial Transactions (SFT)
Due Date	31st May	31st May


 Both rules serve the same purpose but are aligned with **new Income-tax Act structure**.

2. Threshold Comparison (Major Transactions)

A. Cash Deposits / Banking Transactions

Transaction	Rule 114E	Rule 237
Savings Account Cash Deposit	₹10 lakh	₹10 lakh (PAN) / ₹5 lakh (No PAN)
Current Account Cash Deposit/Withdrawal	₹50 lakh	Same ₹50 lakh
Bank Draft / PO Cash Purchase	₹10 lakh	₹10 lakh (PAN) / ₹5 lakh (No PAN)

 Source: Table under Rule 114E & Rule 237

 **Impact:** Stronger tracking of **non-PAN / unreported persons**

B. Credit Card Transactions

Particulars	Rule 114E	Rule 237
Cash Payment	₹1 lakh	₹1 lakh (same)
Other Modes	₹10 lakh	₹10 lakh (same)

👉 No major change

C. Investments (Shares, MF, Bonds)

Transaction	Rule 114E	Rule 237
Shares / MF / Bonds	₹10 lakh	₹10 lakh
Buyback of Shares	₹10 lakh	₹10 lakh

👉 No threshold change, continuity maintained

D. Foreign Exchange Transactions

Rule 114E	Rule 237
₹10 lakh	₹10 lakh (PAN) / ₹5 lakh (No PAN)

👉 Again, PAN-based differentiation introduced

E. Immovable Property

Rule 114E	Rule 237
₹30 lakh	₹45 lakh

👉 Threshold increased

F. Cash Sale of Goods/Services

Rule 114E	Rule 237
₹2 lakh	₹2 lakh

👉 No change

3. New Transactions Introduced in Rule 237

Rule 237 expands reporting scope significantly:

New Transaction	Threshold
Stamp Paper Purchase	₹2 lakh (PAN) / ₹1 lakh (No PAN)
Insurance Premium	₹5 lakh (PAN) / ₹2.5 lakh (No PAN)
Gift / Joint Development Property Deals	₹45 lakh
Expanded property coverage	Includes gift, JDA

 These are **not present in Rule 114E**