



केन्द्रीय भण्डारण निगम  
(भारत सरकार का उपक्रम)  
CENTRAL WAREHOUSING CORPORATION  
(A Govt. of India Undertaking)



जन के लिए भण्डारण/ Warehousing for Everyone

No. CWC/FD-Taxation/Circular/2020-21

dated: 26.04.2021

**TAXATION CIRCULAR # 41**

**Sub: Acceptance of cash from the depositors**

**Ref: (i) Taxation Circular No. 36 issued vide letter of even number dated 11.03.2020**

1. Apropos above, all the Regional Managers were advised to ensure compliance of section 269ST of the Income Tax Act 1961 which stipulates as under:

“269ST - *Mode of undertaking transactions*—No person shall receive an amount of two lakh rupees or more —

- (a) in aggregate from a person in a day; or
- (b) in respect of a single transaction; or
- (c) in respect of transactions relating to one event or occasion from a person,

otherwise than by an account payee cheque or an account payee bank draft or use of electronic clearing system through a bank account.

2. Section 271 DA of Income Tax Act 1961 prescribes the penalty for non-compliance of section 269ST of Income Tax Act 1961 as under:

**271DA.** (1) If a person receives any sum in contravention of the provisions of [section 269ST](#), he shall be liable to pay, by way of penalty, a sum equal to the amount of such receipt.

3. In view of the above, Regional Managers are once again requested to advise all warehouse manager under their control **to minimize the acceptance of payment in Cash** as far as possible and **in no case, cash of Rs. two lakh or more shall be accepted at the warehouse or directly by the customer in the bank account of CWC** as stipulated in section 269ST of the income Tax Act.
4. All the warehouse manager should be advised to encourage receipt of payments from the customers through use any electronic mode such as ECS, NEFT or RTGS including other electronic modes notified by Ministry of Finance such as Debit Card powered by RuPay, Unified Payments Interface (UPI) (BH IM-U PI); and Unified Payments Interface Quick Response Code (UPI QR Code) (BHIM-UPI QR Code).

5. It is also observed that at some of the Warehouses/ CFSs/ICDs/ICPs of CWC, cash is being directly deposited by the customers into the bank account of the Corporation. The above practice by the depositors should be minimized and may be allowed only in exceptional circumstances as CWC may not have a control over such the Direct Cash Deposits in the bank and the customer may deposit an amount which is in contravention of section 269ST of the Income Tax Act 1961.
6. All the warehouse managers should also be advised to display above instructions at the **“Notice Boards” and at the relevant places wherever the payments are getting collected from customers.**
7. All the warehouse managers and Accounts in-charges shall ensure that the above instructions are followed strictly failing which responsibility for the penalty payable by the Corporation shall be fixed on the respective warehouse managers and Accounts in-charges. The Accounts in charges and Regional Managers shall also provide a quarterly certificate for compliance of section 269ST of the Income Tax Act as prescribed vide circular at ref (i).
8. In case any cash is deposited directly by the customer into the bank account of CWC, the same shall be accounted as Cash receipt in the books of the Accounts and following entries shall be passed.

Cash A/c Debit	xxx	
To Sales/Customer		xxx
Bank A/C Debit	xxx	
To Cash A/c		xxx

*Note: In no case, bank account should be directly for the cash deposited by the customers. The entry has to be routed through the cash book in Tally. In addition, instead of passing the consolidated entry of the entire cash receipts of a month at the Warehouses/ CFSs/ICDs/ICPs/ROs locations, the entry for cash receipts should henceforth be passed on at least weekly basis (wherever feasible on daily basis) in Tally ERP System.*

9. In addition, wherever cash is received from the customers, the following details of the customers are required to be maintained in the software's installed at the warehouse locations, for retrieval at a later date, so that in case the same is asked at a later date by the Income Tax Department, same can be retrieved:

- (i) Name of the customer
- (ii) Address of the customer
- (iii) PAN No. of the customer
- (iv) Services for which cash is received by CWC

भवदीय,

(अमित पुरी)

महा प्रबंधक (कर एवं लेखा)

**Distribution to:**

1. All Regional Managers of CWC.
2. All DGMs/AGMs/Managers/ (Sr.) Asstt. Managers in-charge of the Finance, Accounts & Internal Audit Wings of all ROs.

**Copy for information to:**

1. All DGM/AGMs/Managers/(Sr.) Asstt. Managers/Accountants in Finance, Accounts & Internal Audit Cadre at CWC, Corporate Office, New Delhi.
2. Consultant to Director (Fin), CWC, CO, New Delhi.
3. PPS to GGM (F&A), CWC, Corp. Office, New Delhi.
4. SAM(MIS), CWC, CO, New Delhi place this Circular on CWC's Website.

---

निगमित कार्यालय :4/1, सीरी इंस्टीट्यूशनल एरिया, अगस्त क्रांति मार्ग, हौज़खास, नई दिल्ली-110016. CO: 4/1, Siri Institutional Area, August Kranti Marg, Hauz Khas, New Delhi-110016. टेलिफोन/Landline:011-40810544, ई-मेल/Email: puri.amit@cewacor.nic.in