



केन्द्रीय भण्डारण निगम
(भारत सरकार का उपक्रम)



CENTRAL WAREHOUSING CORPORATION

(A Govt. of India Undertaking)

जन जन के लिए भण्डारण -WAREHOUSING FOR EVERY ONE



No. CWC/FD-Taxation/Misc. /2019-20

11th March, 2020

TAXATION CIRCULAR NO.#36

Sub: Acceptance of cash at Warehouse/CFS/ICD/ICP/ROs of Rs 2 lakhs or above

- 1.0 As part of the business requirements, cash is being received at CWC Warehouses/CFS/ICD/ICPs/ROs by the Warehouse Managers. The cash so received, gets deposited into the warehouse bank collection a/c on regular basis. It may please be noted that as per the provisions of Income Tax Act (Section 269ST), no person can receive an amount of Rs. 2 lakh or more in aggregate from a person in a day or in respect of a single transaction or in respect of transactions relating to one event or occasion from a person, either by way of an a/c payee cheque or an a/c payee draft or through any electronic system.
- 2.0 Accordingly, the Regional Offices are advised to issue instructions to all the Warehouse managers to comply with the above requirement and do not allow them to accept cash more than the above prescribed limit. In addition to the existing methods of receiving payments except cash, they may use other available alternatives such as Debit Card powered by RuPay/Unified Payments Interface (UPI) (BHIM-UPI) or Unified Payments Interface Quick Response Code (UPI QR CODE) (BHIM UPI QR CODE) for the receipt of money.
- 3.0 The above is explained by way of illustration as under:
 - (i) In case, a warehouse accepts Rs. 10,000/- from 21 customers in a day then the total receipts shall be Rs. 2,10,000/-. There shall not be any violation as from a single customer, Rs. 2 lakh or more is not accepted.
 - (ii) If the warehouse has received Rs. 2,10,000/- from a single person, the same shall be treated as violation of section 269ST.

- (iii) Further, in case against a single sale invoice of say Rs. 2,10,000/- CWC has received Rs. 2,10,000/- in 3 equal transactions, then same also be a violation of Sec 269ST (as the same is received as part of single sale transaction).
- 4.0 In case of non-compliance, CWC shall be violating the tax provisions and shall be liable by way of penalty, a sum equal of the amount of such receipt. Further, there are chances of getting qualification from the Tax Auditor's (the same is mentioned at clause 31 of Form 3CD of the Tax Audit Report of the Corporation).
- 5.0 All the ROs are also advised to give a quarterly declaration/certificate to the Taxation Cell, C.O. indicating that no cash has been received of Rs. 2 lakh or more in aggregate from a person in a day or in respect of a single transaction or in respect of transactions relating to one event or occasion from a person and same is received by way of an a/c payee cheque or an a/c payee draft or through any electronic system. Format of Declaration is placed at Annex.I.

Issued for strict compliance.



(Amit Puri)
General Manager (Tax & A/cs)

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.

Copies for information to:

1. Sr. PA to Managing Director, CWC, CO, New Delhi, SAM to Director (Fin), CWC, CO, New Delhi, PS to Dir.(Pers.), CWC, CO, New Delhi
2. PPS to CVO/PPS to GGM (F&A), CWC, CO, New Delhi.
3. All HoDs at CWC, CO, New Delhi
4. PPS to GGM (Systems), CWC, CO, New Delhi with a request to place this Circular on CWC's Website.
5. Manager (Rajbhasha), CWC, CO, New Delhi with a request to arrange Hindi Version of this Circular.



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Annex.'I'

CENTRAL WAREHOUSING CORPORATION
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जन जन के लिए भण्डारण - WAREHOUSING FOR EVERY ONE



QUARTERLY CERTIFICATE FOR CASH TRANSACTIONS

It is certified that no cash has been received of Rs. 2 lakh or more in aggregate from a person in a day or in respect of a single transaction or in respect of transactions relating to one event or occasion from a person in any of our Warehouse/Regional Office.

This certificate is for the quarter ended _____.

(Accounts Incharge)

(Regional Manager)

Name of the Region : _____

Date: _____

निगमित कार्यालय:- , 4/1, सीरी इन्सटीच्यूशनल एरिया, अगस्त क्रांति मार्ग, हौज़ खास, नई दिल्ली- 110016
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