

~~~~~

**185. Mode of taking or accepting certain loans, deposits and specified sum.**

(1) No person shall take or accept from another person any loan or deposit or specified sum, except through—

- (a) an account payee cheque; or
- (b) account payee bank draft; or
- (c) electronic clearing system through a bank account; or
- (d) any other prescribed electronic mode,

if,—

(i) the amount or the aggregate amount of such loan, deposit, or specified sum; or

(ii) the amount or the aggregate amount of any previously taken or accepted loan or deposit or specified sum by such person from such another person, which is remaining unpaid, whether due for repayment or not, as on the date of taking or accepting such amount as referred to in clause (i); or

(iii) the aggregate of the amounts referred to in clauses (i) and (ii), is ₹ 20000 or more.

(2) Sub-section (1) shall not apply to loans or deposits or specified sums taken or accepted from or by,—

- (a) the Government;
- (b) any banking company, post office savings bank, or co-operative bank;
- (c) any corporation established by a Central, State or Provincial Act;
- (d) any Government company as defined under section 2(45) of the Companies Act, 2013;
- (e) any institution, association, or body or class of institutions, associations or bodies notified by the Central Government.

~~~~~

~~~~~

(3) The provisions of sub-section (1) shall not apply to any loan or deposit or specified sum where, the person taking or accepting such loan or deposit or specified sum and person from whom such loan or deposit or specified sum is taken or accepted, both, have agricultural income and neither has any income chargeable to tax under this Act.

(4) In sub-section (1), “₹ 200000” shall be substituted for “₹ 20000” in the case of any deposit or loan, where—

(a) such deposit is accepted by a primary agricultural credit society or a primary co-operative agricultural and rural development bank from its member; or

(b) such loan is taken from a primary agricultural credit society or primary co-operative agricultural and development bank by its member.

(5) For the purposes of this section, the expression “loan or deposit” means loan or deposit of money.

**186. Mode of undertaking transactions.**

(1) No person shall receive an amount of ₹ 200000 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, except through—

(i) an account payee cheque; or

(ii) account payee bank draft; or

(iii) electronic clearing system through a bank account; or (iv) any other electronic mode, as may be prescribed.

(2) Sub-section (1) shall not apply to—

(a) any receipt by Government, any banking company, post office savings bank or co-operative bank;

(b) transactions of the nature referred to in section 185;

~~~~~

~~~~~

(c) such other persons or class of persons or receipts, as may be notified by the Central Government.

**187. Acceptance of payment through prescribed electronic modes.**

Every person shall provide facility for accepting payment, through electronic modes as may be prescribed, in addition to other electronic modes, if any, being provided by him, where—

- (a) such person is carrying on business or profession; and
- (b) total sales, turnover or gross receipts in such business or profession exceeds fifty crore rupees during the immediately preceding tax year.

**188. Mode of repayment of certain loans or deposits or specified advances.**

(1) No branch of a banking company or co-operative bank and no other company or co-operative society and no firm or other person shall repay—

- (a) any loan or deposit made with it; or
- (b) any specified advance received by it, except through—
  - (i) an account payee cheque;
  - (ii) account payee bank draft drawn in the name of the person who has made the loan or deposit or paid the specified advance; or
  - (iii) by use of electronic clearing system through a bank account, or any other prescribed electronic mode, if,—
    - (A) the loan or the deposit or specified advance, together with the interest, if any, payable thereon; or
    - (B) the aggregate amount of the loans or deposits held by such person with the branch of the banking company or co-operative bank or, as the case may be, the other company or co-operative society or the firm or other person (either individually or jointly) on the date of such

~~~~~

~~~~~

repayment together with interest, if any, payable thereon; or

(C) the aggregate amount of the specified advances received by such person (either individually or jointly) on the date of such repayment together with the interest, if any, payable thereon, is ₹ 20000 or more.

(2) Irrespective of the provision in sub-section (1), a branch of a banking company or co-operative bank, may also make the repayment by crediting such loan or deposit to the savings bank account or current account, if any, with such branch of the person to whom such loan or deposit has to be repaid.

(3) Sub-section (1) shall not apply to repayment of any loan, deposit, or specified advance taken or accepted from—

(a) Government;

(b) any banking company, post office savings bank, or co-operative bank;

(c) any corporation established by a Central, State, or Provincial Act;

(d) any Government company as defined in section 2(45) of the Companies Act, 2013;

(e) any institution, association, or body or class of institutions, associations or bodies notified by the Central Government.

(4) In sub-section (1), “₹ 200000” shall be substituted for “₹ 20000” in the case of any deposit or loan where—

(a) such deposit is repaid to a member by a primary agricultural credit society or a primary co-operative agricultural and rural development bank; or

(b) such loan is repaid by a member to a primary agricultural credit society or a primary co-operative agricultural and rural development bank.

(5) For the purposes of this section, the expression “loan or deposit” means any loan or deposit of money which is repayable

~~~~~

~~~~~

after notice or repayable after a period and, in the case of a person other than a company, includes loan or deposit of any nature. 189. For the purposes of this Chapter, unless the context otherwise requires,—

(a) “banking company” means a company to which the provisions of the Banking Regulation Act, 1949 applies and includes any bank or banking institution referred to in section 51 of that Act;

(b) “primary agricultural credit society”, and “primary co-operative agricultural and rural development bank” shall have the meanings respectively assigned to them in section 150;

(c) “specified sum” means any sum of money receivable, whether as advance or otherwise, in relation to transfer of an immovable property, whether or not the transfer takes place;

(d) “specified advance” means any sum of money in the nature of advance, by whatever name called, in relation to transfer of an immovable property, whether or not the transfer takes place.

~~~~~