

**MINISTRY OF FINANCE**  
**(Department of Revenue)**  
(CENTRAL BOARD OF DIRECT TAXES)

**NOTIFICATION**

New Delhi, the 17th September, 2021

**INCOME TAX**

**S.O. 3815(E).**—In exercise of the powers conferred by sub-section (1F) of section 197A of the Income-tax Act, 1961 (43 of 1961), the Central Government hereby notifies that no deduction of tax shall be made on the following payment under section 194A of the said Act, namely payment in the nature of interest, other than interest on securities, made by a scheduled bank (hereinafter the “payer”) located in a specified area, to a member of Scheduled Tribe (hereinafter the “receiver”) residing in any specified area, as referred to in clause (26) of section 10 of the said Act, subject to the following conditions:

- (i) the payer satisfies itself that the receiver is a member of Scheduled Tribe residing in any specified area, and the payment as referred above is accruing or arising to the receiver as referred to in clause (26) of section 10 of the said Act, during the previous year relevant for the assessment year in which the payment is made, by obtaining necessary documentary evidences in support of the same;
- (ii) the payer reports the above payment in the statements of deduction of tax as referred to in sub-section (3) of section 200 of the said Act;
- (iii) the payment made or aggregate of payments made during the previous year does not exceed twenty lakh rupees.

***Explanation.***— For the purposes of this notification, the expression “scheduled bank” shall have the same meaning as assigned to it in clause (e) of section 2 of the Reserve Bank of India Act, 1934 (2 of 1934).

2. This notification shall come into force from the date of its publication in the Official Gazette.

[Notification No. 110/2021/F. No. 275/27/2021-IT(B)]

ARVIND KUMAR MISHRA, Under Secy.