



**19th November 2021 – Issue
356**

Insolvency and Bankruptcy Board of India vide circular dated November 15, 2021, has issued Clarification regarding requirement of seeking No Objection Certificate or No Dues Certificate from the Income Tax Department during Voluntary Liquidation Process under the Insolvency and Bankruptcy Code, 2016 (Code)

- IBBI vide circular dated November 15, 2021, has issued Clarification regarding requirement of seeking No Objection Certificate or No Dues Certificate from the Income Tax Department during Voluntary Liquidation Process under the Insolvency and Bankruptcy Code, 2016 (Code).
- It is hereby clarified that as per the provisions of the Code and the Regulations read with Section 178 of the Income-tax Act, 1961, an Insolvency Professional handling voluntary liquidation process is not required to seek any NOC/NDC from the Income Tax Department as part of compliance in the said process.
- This attached circular is issued in exercise of the powers under section 196 of the Code.

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Reserve Bank of India vide notification dated November 15, 2021, has issued instructions regarding requirement of Appointment of Internal Ombudsman by Non-Banking Financial Companies

- RBI vide notification dated November 15, 2021, has issued instructions regarding requirement of Appointment of Internal Ombudsman by Non-Banking Financial Companies.
- In exercise of the powers conferred by Section 45 (L) read with 45 (M) of the Reserve Bank of India Act, 1934, Reserve Bank of India (RBI) being satisfied that it is in public interest and in the interest of conduct of business relating to Non-Banking Financial Companies (NBFCs), directs NBFCs registered with RBI under Section 45-IA of the RBI Act, 1934, fulfilling the certain criteria, to appoint an



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Internal Ombudsman (IO).

- Reserve Bank will review the cases where the decision of the IO has not been accepted by the NBFC and the aggrieved customer approaches the RBI Ombudsman, for assessing the effectiveness of the internal grievance redress mechanism of the NBFC and initiating corrective actions as it may deem fit.
- The notification is herewith attached.

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Reserve Bank of India vide notification dated November 12, 2021, has issued Clarifications Prudential norms on Income Recognition, Asset Classification and Provisioning pertaining to Advances

- RBI vide notification dated November 12, 2021, has issued Clarifications Prudential norms on Income Recognition, Asset Classification and Provisioning pertaining to Advances.
- With a view to ensuring uniformity in the implementation of IRACP norms across all lending institutions, certain aspects of the extant regulatory guidelines are being clarified and/or harmonized, which will be applicable mutatis mutandis to all lending institutions. Wherever references to circulars/instructions applicable to banks have been made, other lending institutions may refer to instructions as applicable to them. All the instructions in this circular, except those at paragraphs 2, 8-9 and 13, shall be effective immediately from the date of this circular.
- The notification is herewith attached.

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