



Ref. No.NB.DoS.HO.POL/ 3902/J-1/2016-17

Date: 22 Feb 2017

Circular No: 35 /DoS-02/2016-17

The Chairman/Managing Director/Chief Executive Officer
All Regional Rural Banks/All State Cooperative Banks/
All District Central Cooperative Banks

Madam/Dear Sir,

Provision against the unpaid demand raised by the Income Tax Authority

Please refer to our Circular No 281/DoS-42/2016 dated 25 Nov 2016 advising you, inter-alia, that any unpaid demand raised by the Income Tax Authority be treated as outside liability and a matching provision be made there against.

2. The matter has since been reconsidered by us and we advise that the banks may not make a matching provision against any unpaid demand by the Income Tax Authority till the Bank's Right to Appeal under the Income Tax Act, 1961 against that unpaid demand is not extinguished. However, any such unpaid demand by the Income Tax Authority be shown as a contingent liability in the books of the bank and disclosed appropriately.

Please acknowledge receipt.

Yours faithfully,

(K Venkateswara Rao)

Chief General Manager



राष्ट्रीय कृषि और ग्रामीण विकास बैंक

National Bank for Agriculture and Rural Development

~~Human Resources Management Department - Superannuation~~

प्लॉट क्र सी-24, 'जी' ब्लॉक, बांद्रा-कुर्ला कॉम्प्लेक्स, बांद्रा (पूर्व), मुंबई - 400 051. टेली: +91 22 2653 9880 • फ़ैक्स: +91 22 2653 0092 • ई मेल: superannuation@nabard.org
Plot No. C-24, 'G' Block, Bandra-Kurla Complex, Bandra (E), Mumbai - 400 051 •Tel.: +91 22 2653 9880 •Fax: +91 22 2653 0092 • E-mail:superannuation@nabard.org