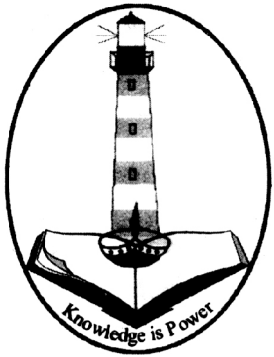


Rs.5/-



Light Circle

An Educational Newsletter
(English Monthly)

FACILITATOR

Sri. G.V. Manimaran

EDITORIALBOARD

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Sri. M.Mohammed Riaz

Sri. V.V.Krishnan

Sri. S.Karthikeyan

Sri. C.Manikandan

Sri. P. Rajrakesh

Light : 16

JANUARY 2017

Ray : 1

LIGHT CIRCLE : JANUARY 2017

EDITORIAL

Dear Friends,

Start again

If the day starts off with disappointment or frustration, start again. Take a few seconds to re-boot your attitude to a more positive and effective one.

What happened before does not have to drag down what is happening now. Look in the direction you wish to proceed and let go of everything else.

Plenty of people can be annoying but you don't have to be annoyed. All sorts of situations can be frustrating but you don't have to be frustrated.

Rise above all that. There is great, unique value in your life and that value deserves to be expressed and experienced by you, here, today.

You have love to give, joy to live, achievements to bring to the world, and a whole lot of other important things to do. Put your energy into what lifts you up and pushes you forward.

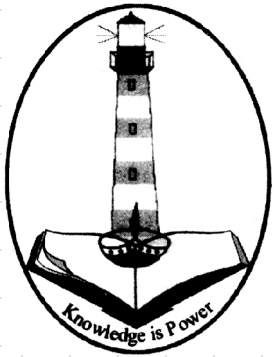
The world is as it is, and you can decide to be better for it, more motivated, more determined and more effective. As often as necessary, take the opportunity to start again, and bring your special goodness to all of life.

— **Ralph Marston**

With Best Wishes.

EDITORIAL BOARD.

Rs.5/-



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Sri. P. Rajrakesh

Light : 16

FEBRUARY 2017

Ray : 2

LIGHT CIRCLE : FEBRUARY 2017

EDITORIAL

Dear Friends,

PUT MORE LIFE

Today is your opportunity to put more life into your life. Instead of just watching, waiting, wondering and wishing, choose to live as joyfully as you can imagine, right now.

Let go of the comfortable yet limiting assumptions about what you can and cannot do. Decide what will fulfill your unique purpose today, and get busy making it happen.

You've put a lot of effort into getting to this point, to this day, to this moment and place. So take this opportunity to make the most of it.

You have dreams and visions about how life can be even better than it has already been. Give life and action to those dreams, and fulfill those visions starting right here where you are.

When was the last time you enjoyed some genuine fun? Make the choice right now to have a whole lot of fun by finding new ways to put some fresh, authentic living into your world.

This is your chance to put more life into your life. Take the chance, jump into the possibilities, and feel the richness as the living of your life creates it.

— **Ralph Marston**

With Best Wishes.

EDITORIAL BOARD.

GIST OF HO CIRCULARS ISSUED DURING JANUARY 2017

- 1/2017 Cash withdrawal from ATMs – Enhancement of daily limits
- 2/2017 REVISION IN INTEREST RATES ON DOMESTIC & NRO TERM DEPOSITS
W.E.F. 05.01.2017
- 3/2017 REVISION IN INTEREST RATES ON NRE TERM DEPOSITS W.E.F.05.01.2017.
- 4/2017 REVISION IN INTEREST RATE ON CANARA TAX SAVER DEPOSIT SCHEME
W.E.F. 05.01.2017
- 5/2017 BROAD GUIDELINES FOR CONDUCTING RBIA OF REGIONAL OFFICES.
- ROs shall be awarded a composite risk rating with weightage at 80:20 for Control and Business risk as being followed for branches / circles.
 - Risk gradations (Composite) : A (LOW), B (Normal), C (Moderate), D (High)
 - Depending on the risk rating, RBIA shall be conducted at periodicity of 18/15/12/6 months.
 - RBIA reports of ROs shall be closed at ZACE and the time line for closure of ROs is 2 months.
 - RBIA report of High Risk rated ROs to be closed within one month from the date of report.
- 6/2017 RATES OF INTEREST ON RUPEE LOANS AND ADVANCES - MCLR OF THE BANK W.E.F. JANUARY 7, 2017.
- 7/2017 Introduction of GREEN PIN / FORGOT PIN option for our Debit Cards to generate/re-generate PIN
- GREEN PIN / FORGOT PIN is a paperless PIN, where Cardholder can generate/regenerate PIN at our Bank ATM.
 - To begin with, FORGOT PIN option has been introduced for our Debit Cards.
 - GREEN PIN option will be introduced as a second phase, shortly.
 - Registration of Mobile number in CBS is mandatory for GREEN PIN / FORGOT PIN option in ATM
- 8/2017 Initiating appropriate recovery steps in all NPA a.cs – campaign from 5.1.17 to 20.1.17
- All the accounts slipped to NPA as on 31.10.16 to be covered
 - NF 606/607/817 etc as the case may be submitted in respect of all accounts
 - Campaign period from 5.1.17 to 20.1.17
 - Recovery steps to be initiated in all the accounts
- 9/2017 Policy for general management of the bank branches 2017-18
- In terms of RBI's instructions, bank's system should be oriented towards providing better customer service
 - Bank is required to have a board approved policy in general management of branches
 - Board has in its meeting held on 29th Dec 2016, approved the policy
 - In terms of the policy, every branch of the bank is required to make available

facilities which are customer friendly

10/2017 Common UPI Application – Bharat interface for money (BHIM)

11/2017 RATE OF INTEREST ON LOANS AND ADVANCES - REVISION IN BASE RATE
OF THE BANK W.E.F. JANUARY 7, 2017

WITH EFFECT FROM JANUARY 7, 2017

1. BASE RATE WILL BE 9.50% p.a.
2. ROI ON EXPOSURES ABOVE 2.00 CRORE IS TO BE BASED ON CREDIT RISK RATING (INTERNAL / EXTERNAL). ROI ON EXPOSURES OTHER THAN RETAIL LOANS ABOVE 2.00 LAKHS UPTO 2.00 CRORES IS TO BE BASED ON THE SCORING NORMS.
3. CHANGES IN ROI SHALL BE COMMUNICATED TO THE BORROWERS AS PER EXISTING GUIDELINES
4. BRANCHES / OFFICES TO NOTE THAT THERE IS NO CHANGE IN SPREAD. ONLY BASE RATE HAS BEEN REDUCED BY 10bps

12/2017 Revision in Rate of Interest in HOUSING LOANS (All Variants) for the loans sanctioned on or after 7th January, 2017.

Rates of Interest on Housing Loans (all variants) is revised as under :

- Women: @ One year MCLR + 0.20% for loan upto Rs. 75 lakhs @ One year MCLR + 0.25% for loan Above Rs. 75 lakhs
- Others: @ One year MCLR + 0.25% for loan upto Rs. 75 lakhs @ One year MCLR + 0.30% for loan Above Rs. 75 lakhs
- For HL- CRE (3rd & subsequent dwelling units): Housing Loan applicable Card Rate + 0.50%.
- The revised Rates of Interest is also applicable to Housing Loans permitted to the Officers/Employees of Central Government/ Defence Personnel & Personnel from Paramilitary Forces (Special Package permitted vide HO Cir. No. 464/2016 dt. 22.08.2016 valid till 31.08.2017) and also loans under other Special packages permitted at HO level.
- Applicable to New Housing Loans Sanctioned/First disbursement made on or after 07.01.2017.

13/2017 Atal Pension Yojana Scheme – Observing “APY-Freedom for Life” Campaign from 9th to 14th January, 2017.

- “APY-Freedom for Life” Campaign from 9th to 14th January, 2017.
- Designed to identify the highly performing Regional Heads among the Banks
- Each region should mobilise, average 15 accounts per branch or 1000 accounts whichever is higher.
- Banks are classified into various categories according to number of branches/size.
- Top one region at each category will be identified for award.
- “Certificate of Excellence” to all Regional Heads who are fulfilling the basic eligibility conditions stipulated under the campaign

14/2017 IBA GROUP MEDICAL INSURANCE SCHEME – AVAILABILITY OF CASHLESS FACILITY ONLY IN PPN HOSPITALS IN HYDERABAD REGION

15/2017 LOANS UNDER AGRICULTURE- NEED FOR ADHERING TO SYSTEMS AND PROCEDURES

Need for strict adherence to systems and procedures in respect of Identification, KYC, Due diligence in Processing, Sanction and Post Sanction under loans for agriculture

16/2017 PREPAID CARDS – MODIFICATION –

1. ISSUE OF PREPAID CARDS TO EMPLOYERS / OTHER ENTITIES

2. HANDLING OF UNUTILISED STOCK OF CARDS – SAFEGAURDS

- Now Prepaid Cards can be issued to Employers such as unlisted Corporates / Partnership firms / sole proprietorship / public organizations like municipal corporations, urban local bodies etc.
- The stock of prepaid cards received to be handled as High Security Items.
- All precautions / safeguard to be ensured while handling stock of prepaid cards received at Branches.

17/2017 DELEGATION OF POWERS FOR PERMITTING REDUCTION IN RATE OF INTEREST (OTHER THAN RETAIL LENDING SCHEMES & LOAN AGAINST DEPOSIT (VSL/OD) - MODIFICATION IN DELEGATION OF POWERS FOR PERMITTING REDUCTION IN INTEREST RATES UNDER MCLR SYSTEM.

CAC OF THE BOARD CAN PERMIT REDUCTION IN RATE OF INTEREST UPTO RESPECTIVE MCLR FOR ALL BORROWAL ACCOUNTS FALLING UPTO THE POWERS OF CAC OF THE BOARD AS WELL AS ACCOUNTS SANCTIONED BY THE MC OF THE BOARD, EXCEPT ACCOUNTS RATED AS HIGH RISK.

18/2017 Central Sector Scheme of Interest Subsidy on Education Loans formulated by MoHRD, GoI – Submission of left out claims if any for SC/ST students only for the FYs 2009-10 to 2015-16.

- Ministry of HRD, Government of India has permitted for Submission of left out claims, if any for SC/ST students only for the FY 2009-10 to FY 2015-16.
- The CSIS package through single Authentication Service (SAS) has been enabled from 02.01.2017 for lodging of claims by branches.
- Branches have to forward the claims uploaded in SAS package to ROs within 23.02.2017, on a day to day basis.
- Regional offices to forward the claims uploaded by branches to Circle Office within 25.02.2017, on a day to day basis.
- Circles to forward the claims forwarded by ROs to Head Office within 27.02.2017 on an ongoing basis.
- BO report 280207 is enabled for the branches/ offices to view the interest debited in the EL accounts for the period FY 2014-15 and FY 2015-16
- New options for capturing AADHAR number details and option for Study inland /abroad has been enabled in SAS package.

19/2017 EDUCATION LOAN SCHEME:

- 1) Vidya Lakshmi Portal made mandatory for all.
- 2) Improving Performance.
- 3) Curtailing NPAs
 - a) Vidya Lakshmi Portal for Education Loan made mandatory: All Education loan applications are to be applied through Vidya Lakshmi portal by students, before processing by branches.
 - b) Improving Performance under Education Loan Scheme.
 - c) NPA under Education loans to be curtailed by regular follow-up on ongoing basis .

20/2017

21/2017 Achievement of Mandatory Targets as at March 2017

- Achievement of 10% Y-o-Y growth under Micro Accounts
- Achievement of 20% Y-o-Y growth under Micro & Small (MSE) outstanding
- Achievement of 60% share of Micro to MSME

22/2017 Dr. Ambedkar Central Sector Scheme of Interest Subsidy on Educational Loans for Overseas Studies for Other Backward Classes(OBCs) & Economically Backward Classes(EBCs)- ACSISOBCEBC – Opening of SAS Package to upload the subsidy claims for June and September 2016 Quarters.

- Ministry of Social Justice & Empowerment, Government of India has permitted for submission of quarterly subsidy claims under the subject scheme in respect of OBC & EBC Category Students for the for the June and September Quarters of the FY 2016-17.
- SAS package for the subject scheme will be enabled for the June and September 2016 Quarters only from 21.01.2017 to 31.01.2017 by our DIT Wing, HO.
- Branches need to submit / forward the claims quarterly and ROs shall verify the claims submitted by branches and forward the eligible claims to CO for authorization, in SAS package.

23/2017 GOLD LOANS UNDER AGRICULTURE

- i. NEED FOR ADHERING TO SYSTEMS AND PROCEDURES
 - ii. APPOINTMENT OF SECOND APPRAISER IN BRANCHES HAVING GOLD LOAN EXPOSURE MORE THAN RS.20 CRORES
 - iii. SURPRISE REAPPRAISAL OF GOLD LOANS
- Need for strict adherence to systems and procedures under Gold loans for agriculture for preventing loans against fake Jewellery.
 - Role of Jewel Appraiser should be limited to only appraisal of jewels.
 - Branches to exercise full control over process of appraisal.
 - Circles have to ensure that the process of appointing second appraiser in Branches where gold loan exposure is more than Rs.20 Crores is to be done before 28.02.2017

24/2017 Option to existing Housing Loan customers with rate of interest linked to BPLR and Base Rate regimes to Switch over to Present Card Rates linked to one year MCLR on payment of switchover fees of 0.50% of Outstanding Liability subject to a maximum of Rs. 25000/- (whichever is lower).

1. Option for our existing Housing Loan customers carrying floating rate of interest under BPLR and Base Rate regimes to switchover to Present Card Rates linked to One Year MCLR (to be reset every year) on payment of switchover fees of 0.50% of Outstanding Liability subject to a maximum of Rs. 25000/- (whichever is lower).
2. Switchover is to be permitted by Branches/RAHs in whose custody loan papers are held.
3. To send notice to existing HL borrowers under BPLR/BR regime to switchover to current Reduced Card Rates of One Year MCLR.
4. To send Certificate of Confirmation by Branches/RAHs to RO/CO and Circle to HO with respect to sending of intimation letters to all our existing Housing Loan customers whose Housing Loans are linked to BPLR/BR regime informing Re-pricing facility.

25/2017 SUB: CGTMSE- MODIFICATION IN CREDIT GUARANTEE SCHEME- INCREASE IN CEILING OF COVERAGE

- Cover for credit facilities to a single eligible borrower in the MSE Sector for credit facility not exceeding 200 lakh
- Maximum interest rate not more than 14% p.a. (including cost of guarantee cover) would be eligible for coverage under Credit Guarantee Scheme
- Maximum extent of Guarantee for credit facility above 50 lakh and upto 200 lakh is 50% of amount in default subject to a maximum of 100 lakh

26/2017 Sanction of Additional Working Capital Limits to Micro and Small Enterprises (MSEs

27/2017 CANARA LOAN APPLICATION PROCESSING SYSTEM (CLAPS)

- CLAPS is a digital solution for Automated Loan Processing and Appraisal mechanism.
- CLAPS package covers Agriculture, Retail, Education, Staff, Gold Loans, MSME & Corporate and Lead Management Modules
- Under Phase-I, Agriculture, Retail, Education, Staff and Gold Loan modules are enabled.
- Branches / Offices can access CLAPS package using the URL
- <http://claps/csfweb>
- User manuals/Procedural Guidelines/Workflow are available under link: Cannaet->Quick Links->R M Wing->CLAPS page
- Help Desk Number : 1800-425-0081

28/2017 Interest Subvention Scheme for the Women SHG (WSHG) for the first two quarters of the FY 2016-17, under Deendayal Antyodaya Yojana – National Rural Livelihoods Mission (DAY-NRLM) – Aajeevika-Operational guidelines

29/2017 Enhancement of withdrawal limits from ATMs and Current Accounts

1. Limit on withdrawals from ATMs enhanced to Rs.10,000/- per day per card
2. Limit on withdrawals from Current Accounts enhanced to Rs.100,000/- per week
3. Limit on withdrawals from OD and CC Accounts also enhanced to Rs.1,00,000/- per week

30/2017 Canara International Prepaid Travel Card – Reiteration of Accounting procedure

Only Card Load Amount is to be credited to pool account

Commission / Service Tax in respect of Issue / Load / Reload / Refund to be accounted at respective GL heads at the Branches / FDs/ RAHs

31/2017 TDS: FORM 26A -FOR REMOVING DEFAULT OF SHORT DEDUCTION AND/ OR NONDEDUCTION OF TDS.

- Obtention of Certificate from “Chartered Accountant” in Form 26A as per sub rule (1) of Rule 31ACB of Income Tax Rules, 1962 for the purpose to remove default of short deduction of TDS or non deduction of TDS.

- Furnishing of Form 26A in electronic shall be enabled w.e.f.15.01.2017

32/2017 100% ISSUANCE OF RUPAY CARDS IN PMJDY OPERATIVE ACCOUNTS

33/2017 100% AADHAAR SEEDING IN PMJDY OPERATIVE ACCOUNTS

34/2017 Current Legal Tender (CLT) Notes – Acceptance of defaced notes

All Current Legal Tender (CLT) Notes have to be mandatorily accepted

35/2017 Dairy Entrepreneurship Development Scheme (DEDS) – Extension of the scheme for General and Schedule Tribe category from 21.11.2016 to 31.03.2017

- Extension of the scheme for General and Schedule Tribe category from 21.11.2016 to 31.03.2017.
- Scheme is already in operation for SC category and North east Region states/Sikkim till 31.03.2017.
- Subsidy will be available on first come first serve basis.

36/2017 Claims under Interest Subvention Scheme for the Women SHG (WSHG) for the first three quarters i.e June, September and December quarters of the FY 2016-17, under Deendayal Antyodaya Yojana – National Rural Livelihoods Mission (DAY-NRLM) – Aajeevika

37/2017 Re-Pricing of Housing Loans: Generation of intimation Letters to existing Housing Loan Borrowers through BUSINESS OBJECT.

Automatic Generation of letters to be sent to existing Housing Loan

Borrower/s with floating ROI under BPLR/BR regime to Switch over to present Card Rates linked to One Year MCLR regime through BUSINESS OBJECT REPORT- 280313

38/2017 IBA SKILL LOAN SCHEME – -MODIFICATION OF GUIDELINES -REVISED COURSE FEE STRUCTURE FOR DRIVER TRAINING COURSE IN ASSOCIATION WITH M/s. VOLVO-EICHER COMMERCIAL VEHICLES LTD. (VECV)

39/2017 Memorandum of Understanding (MOU) with M/s. Credit Analysis & Research Limited (CARE) for Due Diligence Services of MSMEs.

- Bank has renewed the MOU with M/s. Credit Analysis & Research Limited (CARE) for Due Diligence Services of MSMEs
- The MOU is valid for TWO years i.e., till 18/01/2019

40/2017 Jewel Appraiser - creating comprehensive Data Base - Introduction of New Web Based Package for online Submission of Jewel Appraiser details in Single Authentication System (SAS)

- A web based package for feeding details of Jewel appraiser to have a database in respect of Jewel appraisers is enabled.
- The package is available under SAS module ? General Category ? Jewel Appraiser
- The Package is implemented on Pan India basis w.e.f 01.01.2017. Package Specifications
- Branch to key in Appraiser details and appraiser's relatives details as an onetime measure on or before 25.01.2017 so as to have a data base of Jewel appraisers. Circles need to send a confirmation having done the same in the format attached as Annexure I.
- Branches need to key in details of the appraisal and reappraisal done on daily basis.
- Regional Office to monitor the details fed by the branch and send confirmation to Circle offices before 5th of succeeding month that all the branches are keying in data in the package, in the format attached as Annexure II.
- Circle offices in turn need to send confirmation to Head office before 10th of succeeding month in the format attached as Annexure III.
- RO/Cos to utilize the data base effectively for monitoring Gold loan lending and prompt reappraisal

41/2017 MODIFICATIONS IN AADHAAR NUMBER SEEDING PROCEDURE – CIM50 & ANSU PACKAGE

42/2017 CONTINUATION OF RETAIL LOAN FESTIVAL OFFER TILL 31/03/2017

- Retail Loan Festival offer extended till 31/03/2017.
- Processing Charges on Housing Loans and Canara Vehicle Loans waived for the loans sanctioned till 31/03/2017 and disbursed on or before 30.04.2017.

43/2017 Produce loans against the Ware House Receipt (WHR) issued by Collateral Management Companies -

- (i) Special Beneficiary codes for NeML accredited warehouses
- (ii) Need for selecting Special beneficiary codes in respect of all Produce loans against WHR issued by Collateral Management Companies

44/2017 Issuance of RuPay Debit Cards to all eligible KCC borrowers before Mar'17

- Hon'ble Prime Minister's announcement on issuance of RuPay card to all KCCs borrowers
- Reporting of Kisan RuPay Debit card Issuance position to MoF / RBI
- Two ways to issue RuPay debit cards reiterated.
- Sources to know the pending position of Rupay card issuance

- Action points for Branches, Regional Office and Circle Office.
- 45/2017 Renewal of Short Term Loan Scheme for Traders satisfying Micro & Small Enterprises (MSE) definition, for financing against the Negotiable Warehouse Receipts of Agricultural Commodities
- Continuation of Short Term Loan Scheme for Traders satisfying Micro & Small Enterprises (MSE) definition, for financing against the Negotiable Warehouse Receipts of Agricultural Commodities.
- The Scheme is valid till 19.01.2018
- 46/2017 CAR LOAN SCHEME TO WORKMEN EMPLOYEES - ENHANCEMENT IN MAXIMUM QUANTUM OF LOAN AND REDUCTION IN APPLICABLE RATES OF INTEREST
- MAXIMUM QUANTUM OF CAR LOAN SCHEME AT CONCESSIONAL RATE OF INTEREST TO WORKMEN EMPLOYEES ENHANCED TO Rs. 6.00 LAKHS IN CASE OF PURCHASE OF BRAND NEW VEHICLES AND Rs. 4.00 LAKHS IN CASE OF PURCHASE OF USED/PRE-OWNED CARS .
 - REVISED RATE OF INTEREST OF 8.50% (SIMPLE) TO BE APPLICABLE TO EXISTING ACCOUNTS PROSPECTIVELY AND ALSO TO THE NEW LOANS SANCTIONED UNDER THE SCHEME.
 - PERMITTED CONVERSION OF EXISTING LIABILITY AT CONCESSIONAL RATES OF INTEREST THE REVISED MAXIMUM CEILING, DULY ENSURING THAT THE EMPLOYEE SATISFIES THE ELIGIBILITY NORMS
- 47/2017 Atal Pension Yojana Scheme – Observing “APY-Welcome India” Campaign on 30th & 31st January, 2017.
- “APY-Welcome India” Campaign for 2 days between 30th & 31st January, 2017.
 - Top 25 branches among all Banks will be rewarded for their excellence.
 - Each branch has to mobilize minimum 10 new APY accounts to enhance banks overall performance.
 - On completion of campaign there should not be any inactive branch in the Circle/ Regional Office.
 - Circles to concentrate on achieving minimum 70 accounts per branch to achieve annual target.
- 48/2017 IBA GROUP MEDICAL INSURANCE SCHEME – GUIDELINES FOR SUBMISSION OF DOMICILIARY TREATMENT CLAIMS – EXISTING EMPLOYEES
- 49/2017 IBA GROUP MEDICAL INSURANCE SCHEME – GUIDELINES FOR SUBMISSION OF DOMICILIARY TREATMENT CLAIMS – RETIREES AND SPOUSES OF THE DECEASED RETIREES
- 50/2017 QUOTING OF PAN - MANDATORY
- A. Branches to mandatorily obtain PAN/ Revised Form 60 from customers on or before 28.02.2017.
 - B. Return in Form No.61 to be furnished by Bank for Form 60 obtained for specified transaction during 9th November 2016 upto 30th December 2016.
 - C. Statement of Financial Transactions (SFT) to be filed on or before 31.01.2017.
 - D. PAN/Form 60 to be obtained where the value of services provided to the customer exceeds Rs.2,00,000/-
 - E. Reiteration of Guidelines for obtention of Form 60.
- 51/2017 NEFT - ENHANCEMENT IN 8335 (Multiple Customer Debit Messages) OPTION AND GEFU FILE FORMAT FOR BULK UPLOAD

52/2017 Vidya Turant – An online instant education loan sanction facility for the students of select IIMs/IITs/NITs/IISc/ISB, with relaxed guidelines under IBA's Model Education Loan Scheme – Enhancement in loan quantum for study at ISB, Hyderabad & Mohali.

53/2017 JOB ROTATION

54/2017 Sovereign Gold Bonds Scheme – Procedural Guidelines for servicing Sovereign Gold Bonds

- Conversion of stock certificates to dematerialized form and vice versa
- Transfer of bonds
- Addition/Cancellation of nominations, claims by nominees & death claims
- Payment of Interest; Repayment of Bonds
- Change of address, correction of name, change of account number etc., in case of bonds held in the form of stock certificates.
- Loan against the bonds and creation of pledge, hypothecation of lien
- Preservation of records

55/2017 Relaxation in Merchant Discount Rate (MDR) on usage of all Debit Cards at PoS / e-commerce from 01.01.2017 till 31.03.2017

- Merchant Discount Rate charged to Merchant on usage of RuPay/VISA /MasterCard Debit Card is relaxed for transactions up to Rs. 2000/-.
- The above measure, is intended to encourage all our Merchant Establishments ve card acceptance for settlement of purchase transactions.

56/2017 Limits on cash withdrawals from Bank accounts and ATMs – Restoration of status quo ante

- Limits on cash withdrawals from Current accounts / Cash credit accounts /Overdraft accounts stand withdrawn with immediate effect
- Limits on Savings Bank accounts will continue
- Limits on cash withdrawals from ATMs stand withdrawn from February 01,2017

57/2017 Rate of Interest on Rupee Loans & Advances - Pre Shipment & Post Shipment Credit to exporters under Trade Finance and entities under taking Project Exports.

MODIFICATION IN EXISTING RATE OF INTEREST (ROI) FOR PRE-SHIPMENT AND POST SHIPMENT CREDIT UNDER TRADE FINANCE.

RATE OF INTEREST FOR FINANCING PROJECT EXPORTS LINKED TO MCLR –DEFINED

58/2017 CHECKLIST FOR CREDIT APPROVAL COMMITTEES– REITERATION OF GUIDELINES.

GUIDELINES FOR USAGE OF VARIOUS CHECKLISTS TO BE USED AS FRONT SHEETS FOR ALL CREDIT PROPOSALS PLACED TO VARIOUS CREDIT APPROVAL COMMITTEES (CACs) - REITERATED

59/2017 Atal Pension Yojana – Service Fortnight from 1st to 14th Feb 2017

- Organise APY Service Fortnight from 1st to 14th Feb, 2017
- Branches should provide the services like change of address, mobile number etc,
- Change of nomination, change of Date of Birth etc
- Offices should provide feedback to Head Office on completion of the fort night.

FOREX CIRCULARS

FX107/2016 PURCHASE AND SALE OF SECURITIES OTHER THAN SHARES OR CONVERTIBLE DEBENTURES OF AN INDIAN COMPANY BY A PERSON RESIDENT OUTSIDE INDIA.

RESERVE BANK OF INDIA HAS PERMITTED A PERSON RESIDENT OUTSIDE INDIA FOR PURCHASE AND SALE OF SECURITIES OTHER THAN SHARES OR CONVERTIBLE DEBENTURES OF AN INDIAN COMPANY EITHER DIRECTLY OR IN ANY MANNER AS PER THE PREVALENT/APPROVED MARKET PRACTICE

FX/01/2017 FAQ ON ESTABLISHMENT OF LIAISON OFFICE (LO)/ BRANCH OFFICE (BO)/ PROJECT OFFICE (PO) IN INDIA BY FOREIGN ENTITIES.

RESERVE BANK OF INDIA HAS RELEASED FAQs (FREQUENTLY ASKED QUESTIONS) ON ESTABLISHMENT OF LIAISON OFFICE (LO)/BRANCH OFFICE (BO)/PROJECT OFFICE (PO) IN INDIA BY FOREIGN ENTITIES, FOR BETTER CLARITY.

FX/02/2017 EXCHANGE FACILITY TO FOREIGN CITIZENS - RBI HAS PERMITTED FOREIGN CITIZENS TO EXCHANGE FOREIGN CURRENCY

NOTES FOR INDIAN CURRENCY NOTES UP TO A LIMIT OF RS.5000/- PER WEEK TILL JANUARY 31, 2017.

FX/03/2017 INTERNATIONAL COURIER SERVICE ARRANGEMENT WITH COURIER COMPANIES AND REVISED TARIFF FOR THE CURRENT YEAR EFFECTIVE FROM 01.01.2017 AND VALID TILL 31.12.2017.

FOLLOWING COURIER SERVICE PROVIDERS ARE IN THE PANEL FOR INTERNATIONAL COURIER SERVICES FOR THE CURRENT YEAR EFFECTIVE FROM 01.01.2017 AND VALID TILL 31.12.2017:

1. M/S DHL EXPRESS (INDIA) PVT LTD
2. M/S TNT INDIA PVT LTD
3. M/S ARAMEX INDIA PVT LTD

FX/04/2017 EXIM BANK'S GOI SUPPORTED LINE OF CREDIT OF USD 4.22 MILLION TO THE GOVERNMENT OF THE REPUBLIC OF BURUNDI

EXPORT-IMPORT BANK OF INDIA (EXIM BANK) HAS ENTERED INTO AN AGREEMENT DATED FEBRUARY 14, 2014 WITH THE GOVERNMENT OF THE REPUBLIC OF BURUNDI FOR MAKING AVAILABLE TO THE LATTER, A GOVERNMENT OF INDIA

SUPPORTED LINE OF CREDIT (LOC) OF USD 4.22 MILLION (USD FOUR MILLION TWO HUNDRED AND TWENTY THOUSAND) FOR THE PURPOSE OF FINANCING THE FARM MECHANIZATION IN BURUNDI

FX/05/2017 BRANCHES/OFFICES SHALL OBTAIN AND FURNISH CORRECT BENEFICIARY DETAILS IN SWIFT PAYMENT ORDERS

BRANCHES/OFFICES SHALL DESIST FROM SENDING MT-199 (FREE FORMAT MESSAGE) TOWARDS MODIFICATION OF MT-103 (SINGLE CUSTOMER CREDIT TRANSFER) SENT EARLIER

FX/06/2017 SUB: EXIM BANK'S GOI SUPPORTED LINE OF CREDIT OF USD 0.17 MILLION TO THE GOVERNMENT OF THE REPUBLIC OF BURUNDI

EXPORT-IMPORT BANK OF INDIA (EXIM BANK) HAS ENTERED INTO AN AGREEMENT DATED FEBRUARY 14, 2014 WITH THE GOVERNMENT OF THE

REPUBLIC OF BURUNDI FOR MAKING AVAILABLE TO THE LATTER, A
GOVERNMENT OF INDIA

SUPPORTED LINE OF CREDIT (LOC) OF USD 0.17 MILLION (USD ONE HUNDRED
SEVENTY THOUSAND) FOR THE PURPOSE OF FINANCING FOR PREPARATION
OF DETAILED PROJECT REPORT FOR AN INTEGRATED FOOD PROCESSING
COMPLEX IN BURUNDI.

FX/07/2017 EVIDENCE OF IMPORT UNDER IMPORT DATA PROCESSING AND MONITORING
SYSTEM (IDPMS)

? BRANCHES/OFFICES SHALL NOT INSIST ON PRODUCTION OF HARD COPY
OF BILL OF ENTRY FROM THE IMPORTER CUSTOMER

? BRANCHES/OFFICES SHALL PROVIDE ACKNOWLEDGEMENT TO THE
IMPORTER CUSTOMER, AS PER THE PRESCRIBED FORMAT

FX/08/2017 PROHIBITION ON INDIAN PARTY FROM MAKING DIRECT INVESTMENT IN
COUNTRIES IDENTIFIED BY THE FINANCIAL ACTION TASK FORCE (FATF) AS "NON
COOPERATIVE COUNTRIES AND TERRITORIES"

RESERVE BANK OF INDIA HAS DECIDED TO PROHIBIT AN INDIAN PARTY FROM
MAKING DIRECT INVESTMENT IN AN OVERSEAS ENTITY (SET UP OR ACQUIRED
ABROAD DIRECTLY AS JV/WOS OR INDIRECTLY AS STEP DOWN SUBSIDIARY)
LOCATED IN THE COUNTRIES IDENTIFIED BY THE FATF AS "NON CO-OPERATIVE
COUNTRIES AND TERRITORIES".

FX/09/2017 REVISION IN INTEREST RATES ON FCNR (B) DEPOSITS/ RFC DEPOSITS W.E.F.
01.02.2017

3. LOANS & ADVANCES

Importance of Credit

Incorporation of a Company:

Company: A company is an artificial person, since it is created by law. It is clothed with many of the rights, liabilities, powers and duties prescribed by law. Among the two important characteristics of a company, one is its separate individuality and the other is perpetuity within the limits prescribed by law. It can do all acts as a natural person may do.

A company has a 'corporate personality' separate from all the members who have formed it unlike a partnership firm. Because of this, a company incurs all the liabilities and possesses all rights of a natural person subject to the registration of law. The main characteristics of a company are summed up as under:-

a) Company is a voluntary association of persons who have come together to carry on some business for profit.

b) It has a perpetual existence and though members may come and members may go, the company continues forever. Change in its members or in their identity does not affect the legal existence or its identity. Only law can dissolve it, since it is a creation of law.

The shares of joint stock companies are freely transferable unlike a private limited company. As a corporate person, a company is entitled to own and hold property in its own name. A company being a body corporate can sue and be sued in its own name. In brief, the most striking features of a company are its distinct legal personality, the easy transferability of its shares, and the limited liability of its members.

Name of company: A company is known by its name. So before registration, the Registrar of Companies will see whether there is any company identical with or too nearly resembles the name of an existing company. conclusive evidence that everything is in order as regards registration and that the company has come.

Certificate of Incorporation: The certificate of incorporation issued by the Registrar of Companies is into existence.

Certificate of commencement of business:

Private Companies and a company having no share capital can start the business activity after the obtention of certificate of incorporation. But for a Public Company, another certificate called Certificate of Commencement of Business is to be obtained from the Registrar of Companies. (ROC) **but now changed as per company act 2013 and now all company has to file compliance certificate.**

REGISTRATION AND SATISFACTION OF CHARGES

What is a charge: the word 'charge' is used to mean any form of security or debt. Sec 125(4) of the Companies Act, 1956 provides the following charges of a Company are to be registered with Registrar of Companies:- a) A charge for the purpose of security debentures, b) A charge on uncalled Capital of the Company, c) A charge on immovable property ; d) A charge on book debts e) Charge on asset in or outside India.

Fixed charge: Also called 'specific charge'. It extends over a specific property of the company. It gives right to the creditor to sell the property and claim the proceeds towards the dues payable by the Company.

Floating charge: Means a charge that is general and not specific.

a) Floats over the present and future property of the Company, and it do not attach any specific property.

b) On happening of an event or contingency, crystallizes as a fixed charge. A floating charge is an equitable charge which does not attach on any specific property but covers the whole of the company's property.

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