



LIGHT CIRCLE - MAY 2016

GIST OF HO CIRCULARS ISSUED DURING APRIL - 2016

- 183/2016 OBTENTION OF 15CA/15CB FOR REMITTANCES FROM INDIA - UPDATED GUIDELINES
- Modification of Rule 37BB relating to preparation & submission of Form 15CA and Form 15CB.
 - Revised rules are effective from 1st April 2016.
 - Form 15CA and 15CB will NOT be required to be furnished by an individual for remittance which does not require RBI approval.
 - List of payments of specified nature mentioned in Rule 37 BB which does not require submission of Forms 15CA and 15CB.
 - Form No. 15CB will only be required for payments made to non-residents which are taxable and for payments exceeding Rs. 5 lakhs.
 - Quarterly Statement in Form 15CC is to be filed within 15 days from the end of the quarter.
- 184/2016 Standard Operating Procedure for levying penal interest on accredited banks handling government agency business – Ministry of Finance guidelines As provided in the Civil Accounts Manual, all Pay and Accounts Offices of government of India are required to levy penal interest on accredited banks doing government agency business in the following cases:(a) Excess put through/double claim by the accredited banks in the payment scrolls(b) Delay in remittance of government receipts by accredited banks into government account.
- 185/2016 RATES OF INTEREST ON RUPEE LOANS AND ADVANCES - INTRODUCTION OF PRICING LINKED TO MCLR OF THE BANK W.E.F.01.04.2016 WITH EFFECT FROM 01.04.2016 -1. INTRODUCTION OF MARGINAL COST OF FUNDS BASED LENDING RATE (MCLR) IN PLACE OF BASE RATE FOR LOANS/ADVANCES SANCTIONED AND CREDIT FACILITIES ON RENEWAL/RESET W.E.F. 01.04.20162. PRICING OF CREDIT UNDER BASE RATE SYSTEM FOR ELIGIBLE NEW LOANS/ADVANCES IS DISCONTINUED EXCEPT FOR EXEMPTED CATEGORIES.3. RATE OF INTEREST ON EXISTING WORKING CAPITAL LIMITS ON RENEWAL ON OR AFTER 01.04.2016 AND OTHER CREDIT LIMITS ON RESET OF PRICING WILL BE LINKED TO MCLR.4. ROI ON EXPOSURES ABOVE RS.2.00 CRORE SHALL CONTINUE TO BE BASED ON CREDIT RISK RATING (INTERNAL / EXTERNAL). ROI ON EXPOSURES ABOVE RS. 2 LAKHS UPTO RS 2 CRORES TO BE BASED ON INTERNAL RISK RATING, EXCEPT AGRICULTURE LOANS, RETAIL LOANS AND OTHER SPECIFIC SCHEMES.5. TO EXTEND AN OPTION TO THE EXISTING BORROWERS (OTHER THAN FIXED RATE) TO SWITCHOVER TO INTEREST RATES LINKED TO MCLR AND THE BRANCHES CAN PERMIT CHARGING THE CORRESPONDING APPLICABLE MCLR LINKED ROI, SUBJECT TO CONDITIONS ENUMERATED6. LOANS TO OUR EMPLOYEES INCLUDING RETIRED EMPLOYEES AND LOANS TO THE PURVIEW OF MCLR.7. MAXIMUM LENDING RATE FOR WORKING CAPITAL LIMIT AND TERM LOANS SPECIFIED.8. TENOR LINKED MCLR_s W.E.F. 01.04.2016 DECLARED BY THE BANK AS PER PARA 6 OF THIS CIRCULAR9. ADDITIONAL LIQUIDITY PREMIUM TO BE LOADED TO THE CARD RATES FOR APPLICABLE LOANS/ADVANCES AS PER PARA 7 OF THIS CIRCULAR.10. NOTICES TO BE ISSUED TO THE EXISTING BORROWERS GIVING OPTION FOR SWITCH OVER TO THE MCLR LINKED ROI.11. LINK LETTER TO BE OBTAINED ON SWITCHOVER TO MCLR SYSTEM AND EXISTING INTEREST CLAUSE IN ALL AGREEMENTS FOR NEW LOANS TO BE SUBSTITUTED WITH A REVISED CLAUSE
- 186/2016 OBTENTION OF UNDERTAKING LETTERS FROM ACCOUNT HOLDERS IN RESPECT OF VARIOUS SUBSIDY SCHEMES
- 187/2016 Opening of bank accounts for NSAP beneficiaries and seeding of Aadhaar and mobile numbers.
- 188/2016 RATES OF INTEREST LINKED TO MCLR OF THE BANK - DELEGATION OF POWERS FOR EXTENDING REDUCTION IN INTEREST RATES
- 189/2016 FORMATION OF CREDIT APPROVAL COMMITTEEs (CACs) AT REGIONAL OFFICES

- AND DELEGATION OF CREDIT RELATED POWERS TO CACs AT ROs • Formation of Credit Approval Committees at ROs and delegation of credit related powers to CACs at ROs (Wherever ROs are formed as part of organizational restructuring of the Bank)
- Review of credit sanctions at RO by authorities other than RO-head CAC and review of credit sanctions by in-charge of branches coming under RO shall be undertaken by the next higher individual authority at RO
 - Risk rating under RAM Model shall be done at Circles. Risk rating of accounts upto Rs.2 Crore shall be handled as per extant guidelines
 - Staff loans/advances beyond branch powers shall be dealt with by Circles
- 190/2016 INTRODUCTION OF ONLINE SUBMISSION OF WRITE OFF/WRITE BACK PROPOSALS OF NON CREDIT ITEMS THROUGH WEB BASED PACKAGE IN SAS.
- 191/2016 Mobile Banking Policy 2016-17
- 192/2016 INTERNET BANKING POLICY 2016-17
- 193/2016 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 – Further Modifications
- 194/2016 New IRDAI Corporate Agency Regulations effective from 01.04.2016 – Enhanced roles and responsibilities on the Bank as a Insurance Distributor. The Insurance related complaints have to be resolved within a timeframe of 14 days from the date of receipt, as per regulations.
- Bank has to assist the Customers in policy servicing and claim settlement process.
 - Bank has to maintain copies of all Insurance applications sourced.
 - The soft copies of AMHI & CHOICE applications will be preserved at HO level
 - All Branches to preserve hard copies of all United India Insurance applications, as UIICL is yet to put in place the required IT Infrastructure in place
 - Bank has to strictly abide by the “Code of Conduct” prescribed by IRDAI while soliciting Insurance business.
- 195/2016 Debit Card Issuance Policy 2016-17 - Important changes made in the Debit Card Issuance Policy 2015-16:
- Additional RuPay Debit card to customers already having VISA/Master Debit Card, to facilitate insurance benefits attached to RuPay cards.
 - All new cards issued (other than Cards issued under the Prime Minister Jan Dhan Yojana (PMJDY) / Basic Savings Bank Deposit Account (BSBDA) / other Government schemes) – domestic & international – are EMV CHIP & PIN based cards w.e.f 01.02.2016, as mandated by Reserve Bank of India.
 - All cards issued under the Prime Minister Jan Dhan Yojana (PMJDY) / Basic Savings Bank Deposit Account (BSBDA) / other Government schemes, will be EMV CHIP & PIN based w.e.f. 01.10.2016.
 - Cash withdrawals through EDCs: Any number of transactions with a per day per card limit of Rs.2000/- in tier III to VI centers and Rs.1000/- in Tier I & II centers.
- 196/2016 Credit Card Policy 2016-17 - Important changes made in the Credit Card Policy 2015-16:
- Branches to give acknowledgement on receipt of Credit Card application with required documents in all respects.
 - All new Credit Cards issued are EMV CHIP & PIN based cards w.e.f., 01.02.2016, as mandated by Reserve Bank of India.
 - Our Bank Staff Cards & Secured Credit Cards are exempted from drawing CIR from CIBIL.
 - Bonus point scheme modified & renamed as 'Canara Rewards scheme'.
 - New Card variant 'MasterCard WORLD' introduced
- 197/2016 Merchant Enrolment Policy 2016-17 - Important changes made in the Merchant Enrolment Policy 2015-16:
- Card Division will force debit the monthly rent, centrally from the Merchant's Current Account or running accounts like OD/OCC accounts with the Bank.
 - Powers for enrolling MEs is decentralized to Circles. In case where the Merchant Discount Rate and POSEDC rent recommended by the branches are below the standard rate, the powers for sanctioning Merchant Enrolment is vested with Card Division, TB Wing, HO.

- Branches should obtain documents as per Merchant's registered entity type.
 - Branches should draw CIR from CIBIL, before recommending ME Enrolment and CIBIL rating has to be more than or equal to 700.
 - Branches should conduct onsite inspection of the Merchant location & confirm correctness of the line of business, merchandise, address & other details furnished in the ME Application. Branch Head should confirm this aspect while recommending ME proposal to Circle Office.
 - Wherever the Merchant has been extended concessional rate, the Circle Offices should review the Merchant business on half-yearly basis i.e., 6 months from the date of sanction.
 - Inactive POS machines (where there are no transactions for more than 3 months), should be taken back & re-deployed after giving one month's time for reversing the trend & suitable notice to the Merchant Establishment.
- 198/2016 International Travel Prepaid Card Policy 2016-17
- Canara Bank International Travel Prepaid Card is multi-currency Forex Travel Prepaid Card, with reloadable option.
 - The card is a non-Personalized EMV CHIP card, with PIN/Signature.
 - Card validity period is 5 years.
 - Cards are issued at only select branches designated for the purpose.
 - Cards are issued only to Canara Bank customers.
 - Maximum amount of load per individual is as per the RBI/FEMA guidelines.
 - Branches/offices should take all precautions of handling foreign exchange while issuing/reloading International Travel Prepaid Card.
- 199/2016 COMPLIANCE POLICY OF THE BANK - 2016-17 To help maintenance of Bank's reputation and to meet the expectations of its customers, the markets, other stakeholders and society as a whole, a comprehensive Compliance Policy of the Bank is framed defining the Roles and Responsibilities of various functionaries in the Bank right from Head Office down to the Branch (Top down Approach)
- 200/2016 RATES OF INTEREST ON RUPEE LOANS AND ADVANCES - PRICING LINKED TO MCLR OF THE BANK W.E.F. 01.04.2016- Additions/Corrections to Circular on MCLR conveyed
- 205/2016 CHEQUE COLLECTION POLICY FOR THE YEAR 2016-17
- Objective of the Policy
 - Arrangement for collection of local & outstation cheques
 - Speed clearing facility
 - Immediate credit of local / outstation cheque / instruments & payment of interest on delayed collection
 - Purchase of local / outstation cheques
 - Cheques / instruments lost in transit or at paying banks' branch
 - Receiving payment based on an electronic image of a truncated cheque
 - Collection of USD Denominated clean instruments
 - Collection of cheques denominated in foreign currency other than USD
 - Compensation for delay in crediting the proceeds of Foreign Currency Instruments payable abroad / in India
- 206/2016 Fire Safety Policy of the Bank for the year 2016-17.
- 207/2016 POLICY OF THE BANK ON SECURITY ARRANGEMENT 2016-17.
- 208/2016 Revision of interest rates for Small Savings Schemes effective from 1.4.2016 to 30.6.2016. Revision of interest rates on: (1) PPF-1968(2)SCSS-2004(3) Kisan Vikas Patra &(4)Sukanya Samridhi Account Scheme w.e.f. 1.4.2016 to 30.6.2016
- 209/2016 REVISION IN INTEREST RATES ON DOMESTIC & NRO TERM DEPOSITS W.E.F. 13.04.2016.
- Revision in interest rate on Domestic and NRO Term Deposits w.e.f. 13.04.2016.
 - Bank is not accepting Bulk term deposits under Non callable segment for maturities of 5 years and above.
 - All other terms and conditions detailed in HO Circular 53/2016 dated 01.02.2016 shall continue.

- 210/2016 REVISION IN INTEREST RATES ON NRE TERM DEPOSITS W.E.F.13.04.2016.
- Interest rate on NRE term deposits revised w.e.f. 13.04.2016.
 - All other terms and conditions detailed in HO Circular 54/2016 dt. 01.02.2016 to continue.
- 211/2016 REVISION IN INTEREST RATE ON CANARA TAX SAVER DEPOSIT SCHEME W.E.F. 13.04.2016.
- 212/2016 NATIONAL ELECTRONIC FUNDS TRANSFER (NEFT) - HIGH VALUE TRANSACTIONS
- New process introduced for High Value NEFT transactions of Rs.10 lakhs & above
 - Introduction of 2 Authorizers for sending High Value NEFT transactions
 - New Report BA134 – “NEFT High Value Transactions Report” is enabled in FCR
- 213/2016 Monthly Compliance Certificate – Modification in Reporting Formats
- Monthly Compliance Certificate to be submitted by Branches / Circles / Wings at HO, in the modified format.
 - Overseas Branches – New York, Manama-Bahrain, Hong Kong, Shanghai, Johannesburg & Dubai-DIFC to submit Monthly Compliance Certificate to the Chief Compliance Officer, Compliance Department, Head Office
- 214/2016 DOCUMENT HANDLING AND RETENTION POLICY - 2016-17
- The revised 'Document Handling & Retention Policy' for the year 2016-17 is uploaded in CANNET.
 - Period of preservation prescribed for various documents/records are in tune with the statutory / regulatory and internal requirements.
- 215/2016 Interest subvention for short term Crop production loans to farmers Continuation of the Scheme 2016-17
- Continuation of the Scheme during 2016-17 (for loans disbursed/to be disbursed to farmers from April 1,2016 till March 31, 2017.
 - Subvention of 2 % p.a for extending crop production loans upto Rs.3 lakhs at 7% p.a
 - Additional interest Subvention (incentive) to be extended at 3 % for prompt repayment.
 - Concurrent running of 2015-16 and 2016-17 Schemes.
- 216/2016 Delegation of powers to incur revenue expenditure for premises related and other than premises related matters
- 217/2016 Self Help Groups (SHG) – Credit Information Reporting of SHG Members - Individual Member details of SHGs to be collected at the time of SB account opening for SHG and extending credit facilities.
- Capturing of non-credit information and Credit Information of Individual Members of SHG.
 - Collect the information from all existing loans outstanding as at 31.03.2016 by 15.05.2016, fresh loans to be sanctioned and New SB accounts to be opened from 01.04.2016.
 - Information on fields enabled in CBS for capturing the details along with time frame will be communicated separately.
 - As per RBI guidelines, individual member details of all SHGs to be reported w.e.f.01.07.2016
 - Non-reporting of data by branches shall result in exclusion of non-compliant SHG loan accounts from the loan portfolios eligible to be reckoned for the purpose of complying with the priority sector Loan (PSL) Targets.
 - Branches to collect the SHG member level data by 15.05.2016. Head Office will communicate to Branches / Offices to feed the data soon after the fields are enabled by DIT Wing.
- 218/2016 Annual Guarantee Fee payable to CGTMSE for the loans sanctioned & disbursed under Canara MSE Pragati Scheme till 31.03.2016.
- The Annual Guarantee Fee (AGF) payable to CGTMSE for the loans sanctioned & disbursed under Canara MSE Pragati Scheme till 31.03.2016 shall be debited to GL Code 420085505.
- 219/2016 Screening of customer names with UN List of Terrorist Individuals before creation of new Customer ID/opening of accounts.
- Branches are required to Screen customer names with UN List of terrorist individuals/entities, before creation of new customer Id/opening of accounts.

- New Screen - CIM51 (Fast Path Description -Customer verification against terrorist list) is enabled for screening of customer Names with the Terrorist list maintained for this purpose.
- 220/2016 Organizational restructuring of the Bank - Moving to a 4 tier Administrative Structure
- 221/2016 Need for improvement in Behavioural Attitude of Staff and awareness about Technology Products to render effective Customer Service
- Zero Tolerance approach for misbehaviour of staff towards our customers
 - Staff to be aware about the Technology Products and popularize the same
 - Branches/Offices to monitor the complaints lodged by our customers in our website Canara Public Grievances redressal System (CPGRS) in Single Authentication Service (SAS) daily
 - Measures to be taken for better rating in respect of the incognito visit of the Banking Codes and Standards Board of India (BCSBI)
 - Booklet containing the important Policy Documents for the benefit of customers to be maintained at branches and soft copy of this Booklet to be preserved in the PCs of Officers and above in the branches
 - Rendering of Courteous and prompt customer service
- 223/2016 Policy for General Management of the Bank Branches
- 224/2016 COLLECTION OF FUNDS/ DONATIONS BY EMPLOYEES, THEIR SPOUSES/ DEPENDENTS ETC., FROM CUSTOMERS AND OUTSIDERS
- 225/2016 INFORMATION SYSTEM AUDIT POLICY - 2016-17The revised "Information System Audit Policy" for the year 2016-17 is uploaded in CANNET.
- 226/2016 SPECIAL SCHEME FOR ONE TIME SETTLEMENT OF SMALL VALUE NPAS UPTO RS.10.00 LACS SPECIAL OTS SCHEME FOR :
- SMALL VALUE NPAs OF RS.10.00 LAKH AND BELOW (AS ON THE DATE OF NPA) FOR DOUBTFUL & LOSS ASSETS
 - NPAs UNDER EDUCATION LOAN WITH LIMIT UPTO RS.4.00 LAKHS
 - NPAs UNDER TRACTOR & OTHER FARM MECHANISATION LOANS WITH ORIGINAL LOAN AMOUNT UPTO RS.10.00 LAKHS
 - ELIGIBILIY OF THE NPA ACCOUNTS FOR SETTLEMENT UNDER THE SCHEME EXTENDED BY ONE YEAR.
 - SCHEME EXTENDED TILL 31/03/2017
- 227/2016 ATAL PENSION YOJANA – ONE STAFF, ONE APY ACCOUNT (OSOA) ON 27TH AND 28TH OF APRIL 2016.
- Atal Pension Yojana enrolment will continue in FY 2016-17 also.
 - One Staff One APY Account (OSOA) fair on 27th and 28th of April 2016.
- 228/2016 FRAMEWORK FOR REVIVAL AND REHABILITATION OF MICRO, SMALL AND MEDIUM ENTERPRISES (MSMEs)
- The provisions made in this framework shall be applicable to MSMEs having loan limits up to Rs.25.00 crores including accounts under consortium or Multiple Banking Arrangement (MBA).
 - Mainly to provide a simpler and faster mechanism to address the identified stress in the accounts of MSMEs by way of Corrective Action Plan (CAP) suggested by the "Committee for stressed Micro, Small and Medium Enterprises".
 - Detailed time-lines are given for carrying out various activities under the framework.
 - The related guidelines are furnished in Annexure I
- 229/2016 LFC AVAILMENT TRAVEL BY AIR BY OFFICERS – COMMON DEVIATIONS.
- 230/2016 Introduction of Sponsor Bank Debit functionality – ECS facility for recovery of monthly instalments in respect of Retail loans through Mandate Management under NACH.
- Introduction of package for recovery of monthly instalments in respect of Retail Loans through Mandate Management under NACH.
 - Obtaining of Mandates in place of PDCs for recovery of instalments made mandatory as per NPCI Revised format.
- 231/2016 CORRIGENDUM TO HO CIRCULAR 551/2015 DATED 24.11.2015 - Modified scheme guidelines of Canara MSME CAP is advised in HO Cir 551/2015 dated 24.11.2015.

Branches/offices are advised to read the details furnished in 'Clause No:3 of Security' of the above Circular, as below:HO Circular 551/2015 dated 24.11.2015 SL NO: 14 – Security: Clause : (3)

- Existing : Mortgage of an encumbered residential house/ flat/commercial property/ Industrial property situated in Metro, Urban and Semi-Urban centres in the name and possession of the unit or promoters of the unit either self occupied or vacant or partially tenanted.
 - Modified : Mortgage of residential house/flat/ commercial property/ Industrial property situated in Metro, Urban and Semi-Urban centres in the name and possession of the unit or promoters of the unit either self occupied or vacant or partially tenanted.
- 232/2016 CASH MANAGEMENT IN ATMs/Cash Dispensers [CDs]A. Cash loading in ATMs/CDsB. Usage of Admin Cards is Mandatory.C. Cash Loaded in an ATM/CD not to exceed 110% of the average Cash withdrawalsD. Cash tallying and Reconciliation to be done on a daily basisE. Branches to submit PRR 14B report by 05th of the Succeeding month.F. Review SLA of Service providers periodically.
- 233/2016 Inward MT103 remittances will flow automatically to Flexcube after repair in XMM-SWIFT application.
- Contract will be created in FCC in 'HOLD' status with all the details of the message.
 - Maker and Checker have to repair and verify the contract in FCC as being done currently.
- 234/2016 LOANS AND ADVANCES AGAINST SHARES/DEBENTURES : REVISED LIST OF COMPANIESRevised consolidated list of companies whose shares and debentures have been approved by the Bank, for granting of loans/advances there against.
- 235/2016 Deleted
- 236/2016 SPECIAL PACKAGE UNDER HOUSING LOANS, CANARA VEHICLE LOANS AND CANARA BUDGET LOAN SCHEMES FOR THE EMPLOYEES OF M/S.BHARAT SANCHAR NIGAM LIMITED (BSNL). LINKING RATE OF INTEREST ON LOANS SANCTIONED UNDER THE PACKAGE TO MCLR (ONE YEAR MCLR)
- 238/2016 OVERDUES UNDER EDUCATION LOAN PORTFOLIO OF OUR BANK.a) Continuous increase in NPA / over dues under education loan portfolio is a matter of concern.b) Important contact details like PAN Card no, Aadhar Number, Email ID and mobile numbers of the borrowers should be captured in CBS while opening Education Loan accounts.c) All other fields in CBS should be updated even though they are not made mandatory as of now.d) All eligible loan accounts shall be covered under Credit Guarantee Fund Scheme for Education Loan (CGFSEL) of the Govt. of India.e) Small value NPAs under Education Loan portfolio should be settled under OTS/Compromise as per HO Cir. 226/2016 dated 20.04.2016 on ongoing basis by conducting Candalat / Recovery Mela etc, wherever all efforts.f) Income certificates shall be mandatorily obtained from the students wherever they are eligible for CSIS/Padho Pardesh/ ACSISOBCEBC subsidy, from the designated authorities.
- 239/2016 Housing for All -PMAY Scheme– Credit linked Subsidy-Modification of Repayment Schedule by changing EMI whenever subsidy is credited to the Loan Account. Credit Linked Subsidy claimed by Branches/Offices for Housing Loans granted under PMAY scheme was credited centrally to respective loan accounts and shall be crediting whenever the same is received by us. ? Branches/Offices to reschedule the repayment by keeping the same loan tenure after credit of subsidy.
- Notice of change of EMI to be sent to the borrowers and acknowledgement to be obtained. (Specimen of notice furnished – Annexure -I)
 - Certificate of Compliance to be submitted by Branches/RAHs to Circle and Circle to HO as per Annexure – II.
- 240/2016 SPECIAL PACKAGE UNDER HOUSING LOANS, CANARA VEHICLE LOANS AND CANARA BUDGET LOANS TO THE EMPLOYEES OF M/S.UNITED INDIA INSURANCE COMPANY LIMITED (UIICL) IMPLEMENTED ON ALL INDIA BASIS.1. Bank has entered into MOU with M/s.United India Insurance Company Limited (UIICL) extending a Special package under Retail Lending Schemes for their employees on All India basis.2. The MOU is valid till 31.12.2016.
- 241/2016 Foreign Contribution (Regulation) Act 2010- Receipt of foreign contribution by Individuals/NGOs/Organisations from certain donors

- 242/2016 Foreign Contribution (Regulation) Act 2010- Receipt of foreign contribution by Individuals/NGOs/Organisations from certain donors
- 243/2016 Foreign Contribution (Regulation) Act 2010- Receipt of foreign contribution by Individuals/NGOs/Organisations from certain donors
- 244/2016 Foreign Contribution (Regulation) Act 2010- Receipt of foreign contribution by Individuals/NGOs/Organisations from certain donors
- 245/2016 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 – Inclusion of Six Additional Institutions.
- 246/2016 MSME VAHAN SCHEME FOR FINANCING MSMEs TO PURCHASE BRAND NEW PASSENGER VEHICLES AS BUSINESS ASSETS/BUSINESS PURPOSE. – MODIFICATIONS IN SCHEME GUIDELINES - Annual Guarantee Fee (AGF) payable to CGTMSE for the loans covered under CGMSE shall be borne by the borrowers, and the same shall not be debited to GL Code 420085505
- 247/2016 JOINING TIME ON TRANSFER- OFFICERS
- 248/2016 Staff Meeting
- Staff Meeting is the oldest, formal HRD system next to Training.
 - One Staff Meeting a month is mandatory.
 - It aims at 'Open Culture', 'Family Feeling', 'Group Synergy' and 'Talent Recognition' .
 - Agenda can reflect variety, topicality of issues and branch specific priorities.
 - Executives during their Branch Visit shall ensure a Staff Meeting is conducted.
- 249/2016 REVISED RESTRUCTURED TECHNOLOGY UPGRADATION FUND SCHEME (RRTUFS) FOR TEXTILES & JUTE INDUSTRIES – AMENDMENTS TO GUIDELINES.
- Details of Term Loans sanctioned under RRTUFS and uploaded by Lending Agencies and individual applicants in i-TUFS software from 17.09.2014 to 12.01.2016 midnight for issuance of UID will be considered on a first-come-first-served basis.
 - "Machine Identification Code (MIC)" will be allotted by the Textile Commissioner. MIC shall be mandatorily inscribed on the machinery and shall be verified during physical verification at difference times.
 - Applicants deciding not to avail benefits under the scheme for any reason may upload request for cancellation of the issued UID through concerned Lending Agency using i-TUFS software.
- 251/2016 National Urban Livelihoods Mission (NULM) – Change in name - Name of National Urban Livelihoods Mission (NULM) changed to "Deendayal Antyodaya Yojana (DAY) – National Urban Livelihoods Mission"
- 252/2016 CHANGE IN PERIODICITY OF PAYMENT OF INTEREST ON RUPEE SAVINGS BANK DEPOSITS - The interest payment on Rupee Savings Deposit accounts has been modified from half yearly to quarterly intervals with effect from 01.05.2016
- 253/2016 Validation of PAN number, Voter ID number, Aadhaar number, Passport number, Driving Licence number, Mobile telephone number and email ID entered in CIM50 with the data already available in CBS database.
- DIT Wing has enabled validation of PAN number, Voter ID number, Aadhaar number, Passport number, Driving Licence number, Mobile telephone number and email ID entered in CIM50 with the data already available in CBS database.
 - The purpose of above modifications is to prevent creation of multiple customer IDs in the name of the same customer.
 - Guidelines on validation of authenticity of PAN No./Aadhaar No./Voter ID etc. and de-duplication of multiple customer IDs shall continue.
- 254/2016 AMENDED TECHNOLOGY UPGRADATION FUND SCHEME (ATUFS) FOR TEXTILE INDUSTRY.
- Ministry of Textiles, Government of India has notified Amended Technology Up gradation Fund Scheme (ATUFS) with effect from 13.01.2016 to 31.03.2022.
 - Government would provide credit linked Capital Investment Subsidy (CIS) under ATUFS.
 - Capital Investment Subsidy (CIS) under ATUFS will be available for investment on eligible new benchmarked machinery in the specified segments. Eligible benchmarked

machinery will be updated and specified annually as on 1st April by the Technical Advisory-cum- Monitoring Committee (TAMC). The Textile Commissioner shall notify the same. No second hand machinery is permitted under the scheme.

- Purchase date means the commercial invoice date both in case of domestic and imported machines.
- The capital investment subsidy under ATUFS will be released in full in one go on eligible investment, only after satisfactory installation / commissioning and commencement of production.
- Subsidy will be provided only in case of investment made with institutional finance. Investment made by availing Buyers Credit, Usance Credit and Sellers Credit will not be eligible for availing Benefits under the scheme unless the entire amount is paid up by the beneficiary before claiming the subsidy and concrete documentary proof is produced for the same at the time of Joint Inspection Team (JIT) verification within the prescribed timelines defined in the scheme.
- The date of sanction of term loan shall be the date of the letter of the lending agency vide which the sanction of term loan is communicated to the entrepreneur.
- In case of down-selling term loan, date of sanction of term loan by the first lending agency, which has sanctioned the term loan initially, shall be relevant date and the same shall be the date of letter of the first lending agency vide which the date of sanction of term loan is communicated to the entity.
- In case of consortium finance, the consortium leader shall assess eligibility of the project under the scheme for itself and also for other members of the consortium including the amount of term loan eligible under the scheme. However, in this case the date of sanction of the term loan shall be the date of letter of the last lending agency in the consortium, vide which the sanction of loan is communicated to the entity.
- In case where term loan had been sanctioned by the lending agency/ies under RRTUFS but the period of one year from the date of sanction of the term loan is not yet over and in those cases where the UID applications have not yet been uploaded in Textile Commissioner server using i-TUFS upto 12.01.2016 midnight, such cases will be eligible only for benefits as per the ATUF Scheme notified vide Resolution No. 6/5/2015-TUFS dated 13.01.2016. The applicants of such eligible cases would be required to upload UID applications into the Textile Commissioner server using i-ATUFS software as per the prescribed format of ATUF Scheme as given in para 6 below. These applications would be considered within six months from the date of issuance of Resolution No. 6/5/2015-TUFS dated 13.01.2016 i.e. upto 12-07-2016 on first-cum-first-served basis and subject to the availability of budgetary provisions.
- Advance / token payment up to the margin money for machine cost can be paid by the unit prior to the date of sanction of term loan. However machines purchased on or after date of sanction of the term loan only will be eligible under the scheme subject to fulfilment of other terms and conditions.
- Textile units are permitted to avail of benefits of State Governments' Schemes, in addition to the benefit provided under this scheme, unless specifically disallowed.
- Since the Scheme is credit linked, the entrepreneur will be required to keep the term loan component of machinery at a minimum of 50% of the total project cost, to become eligible under the scheme.
- The term loan sanctioned for availing the benefit of the scheme should not be for less than three years including moratorium period for SSI units and not less than 5 years for other categories.
- Full guidelines including implementation mechanism and formats are furnished in the annexure.

255/2016 Publicity in the bank branches cautioning public against placing deposits in dubious schemes.

- Branches/offices should spread awareness against remittances towards fictitious offers of winning a lottery/ prize, assurance to secure a job, etc.
- Branches/offices should educate the customers and alert them against fictitious offers from the fraudsters.
- Strict adherence to KYC/AML guidelines should be ensured while opening new accounts/ monitoring transactions in the accounts.
- Branches to exercise due diligence and care while allowing operations in such accounts, where multiple credits are received from different centres in cash and simultaneously withdrawn.

- 256/2016 Addition of branches designated for issuance of 'Canara Bank International Prepaid Travel Card' – June 2016 and onwards.
- 257/2016 RATES OF INTEREST ON RUPEE LOANS AND ADVANCES - MCLR OF THE BANK W.E.F. 01.05.2016 MCLRs REVISED EFFECTIVE FROM 1ST MAY 2016
- 258/2016 RuPay Insurance Program FY 2016-17
- RuPay Insurance Program FY 2015-16 extended for the FY 2016-17
 - Customer induced transaction at Bank branch is also included in the 'transaction type', to be eligible for RuPay Insurance Program 2016-17
- 259/2016 Undelivered Debit Cards (Personalised) lying at Branches
- Undelivered Debit cards lying at branches are a cause of concern.
 - Ensure prompt delivery of Personalised Debit Cards (VISA/ MasterCard/RuPay)
 - All RuPay Personalised Debit cards lying undelivered at branches shall be sent to cardholders address by Regd. post
 - Personalised Debit Cards (VISA/MasterCard/RuPay) lying undelivered at branches beyond a period of THREE months from the month of issue (printed on the card) shall be destroyed at the Branches after exhausting all steps for delivery of the same.
- 260/2016 Atal Pension Yojana Scheme – Observing 9th May 2016 as “APY FORMATION DAY”
- Observe 9th May, 2016 as “APY FORMATION DAY”
 - Each Branch should mobilize minimum 10 new APY accounts from the existing JAN DHAN SB a/c holders
- 261/2016 CASH & BANKER'S BALANCE MANAGEMENT POLICY 2016-17

FOREX CIRCULARS

- FX/29/2016 EXTERNAL COMMERCIAL BORROWINGS (ECB) POLICY – REVISED FRAMEWORK RESERVE BANK OF INDIA HAS REVISED THE EXTERNAL COMMERCIAL BORROWINGS (ECB) FRAMEWORK.
- FX/30/2016 REVISION IN RATES OF INTEREST ON FCNR [B] & RFC DEPOSITS REVISION IN INTEREST RATES ON FCNR (B) DEPOSITS/ RFC DEPOSITS W.E.F. 01.04.2016
- FX/31/2016 LIST OF THE CAUTION LISTED EXPORTERS UPDATED BY RESERVE BANK OF INDIA AS ON 31.12.2015.
- FX/32/2016 IMPORT OF ROUGH, CUT AND POLISHED DIAMONDS CLEAN CREDIT I.E. CREDIT GIVEN BY A FOREIGN SUPPLIER TO ITS INDIAN CUSTOMER/BUYER, WITHOUT ANY LETTER OF CREDIT (SUPPLIERS' CREDIT) / LETTER OF UNDERTAKING (BUYERS' CREDIT) / FIXED DEPOSITS FROM ANY INDIAN FINANCIAL INSTITUTION FOR IMPORT OF ROUGH, CUT AND POLISHED DIAMONDS, MAY BE EXTENDED FOR A PERIOD EXCEEDING 180 DAYS FROM THE DATE OF SHIPMENT SUBJECT TO CONDITIONS.
- FX/33/2016 FOREIGN DIRECT INVESTMENT (FDI) IN INDIA – REVIEW OF FDI POLICY – INSURANCE SECTOR RESERVE BANK OF INDIA HAS ENHANCED THE LIMIT OF FOREIGN INVESTMENT IN INSURANCE SECTOR FROM 26% TO 49% UNDER THE AUTOMATIC ROUTE SUBJECT TO CERTAIN TERMS AND CONDITIONS.
- FX/34/2016 PRE-PAYMENT OF USANCE IMPORT BILLS RESERVE BANK OF INDIA HAS CLARIFIED THAT AD BANKS MAY AT THEIR DISCRETION ALLOW PREPAYMENT OF IMPORT BILLS WITHOUT DEDUCTING THE PROPORTIONATE INTEREST FOR UNEXPIRED PORTION OF USANCE UP TO 3-4 DAYS SUBJECT TO CERTAIN CONDITIONS.
- FX/35/2016 ACCEPTANCE OF DEPOSITS BY INDIAN COMPANIES FROM A PERSON RESIDENT OUTSIDE INDIA FOR NOMINATION AS DIRECTOR RESERVE BANK OF INDIA HAS CLARIFIED THAT KEEPING DEPOSITS WITH AN INDIAN COMPANY BY A PERSON RESIDENT OUTSIDE INDIA WHO INTENDS TO NOMINATE HIMSELF OR ANY OTHER PERSON AS A DIRECTOR IN ACCORDANCE WITH SECTION 160 OF THE COMPANIES ACT, 2013, IS A CURRENT ACCOUNT (PAYMENT) TRANSACTION AND DOES NOT REQUIRE ANY APPROVAL FROM RESERVE BANK OF INDIA.
- FX/36/2016 ISSUANCE OF RUPEE DENOMINATED BONDS OVERSEAS MODIFICATION IN GUIDELINES RELATING TO ISSUANCE OF RUPEE DENOMINATED BONDS OVERSEAS.

FX/37/2016 OVERSEAS DIRECT INVESTMENT – SUBMISSION OF ANNUAL PERFORMANCE REPORT- MODIFICATION IN GUIDELINES RELATING TO SUBMISSION OF ANNUAL PERFORMANCE REPORT

FX/38/2016 OVERSEAS DIRECT INVESTMENT (ODI) – RATIONALIZATION AND REPORTING OF ODI FORMS - RESERVE BANK OF INDIA HAS RATIONALIZED AND REVISED THE GUIDELINES RELATING TO REPORTING OF ODI FORMS

FX/39/2016 FOREIGN INVESTMENT IN UNITS ISSUED BY REAL ESTATE INVESTMENT TRUSTS, INFRASTRUCTURE INVESTMENT TRUSTS AND ALTERNATIVE INVESTMENT FUNDS GOVERNED BY SEBI REGULATIONS - RESERVE BANK OF INDIA HAS PERMITTED FOREIGN INVESTMENT IN UNITS ISSUED BY REAL ESTATE INVESTMENT TRUSTS, INFRASTRUCTURE INVESTMENT TRUSTS AND ALTERNATIVE INVESTMENT FUNDS GOVERNED BY SEBI REGULATIONS.

FX/40/2016 ISSUANCE OF FOREIGN INWARD REMITTANCE CERTIFICATE (FIRC) - REVISED INSTRUCTIONS FOR ISSUANCE OF FOREIGN INWARD REMITTANCE CERTIFICATE (FIRC)

TRANSFER OF A NEGOTIABLE INSTRUMENT AND ENDORSEMENT

(n) Cancellation of crossing

Others

- a) Instruments returned unpaid should have a signed / initialed objection slip on which a definite and valid reason for refusing payment must be stated.
- b) When cheque valuing rupees one crore and above drawn on a particular account of the drawer is dishonoured on four occasions during the financial year for want of sufficient funds in the account, no fresh cheque book should be issued.
- c) The payment of cheque should not be made in case of (a) death, insolvency, insanity of customer or insolvency of partner or firm or liquidation of company (b) stop payment (c) receipt of garnishee/ attachment order (d) post dated and (e) stale cheque.
- d) However, payment of a cheque signed by agent can be made in case of death of agent, trustee, director of a company, office bearer of society if cheque is dated prior to date of death.
- e) Cheque signed in representative capacity can be paid if it is not dated prior to date of authority.

COLLECTION OF CHEQUES

Protection to Collecting Banker:

1. Under section 131 of the Act a collecting banker gets protection for collection of cheques and under section 131A for collection of drafts.
2. The protection is against risk of conversion i.e. illegal interference with rights of true owner of the instrument inconsistent with his right of ownership.
3. Such protection is available to the banker when: (i) the cheque/draft is crossed (ii) the bank receives the payment for its customer (iii) the bank acts as agent for collection and not holder for value (iv) it receives the payment in good faith and without negligence.
4. To get protection as a collecting banker the bank must ensure that there is no negligence involved. Examples of negligence could be opening of accounts without proper introduction, ignoring 'not negotiable' or 'account payee' crossing, collecting cheques payable to firm, Ltd Co, Trust, Institutions in the personal accounts of partner, director, trustee or the office bearer.

DISHONOUR OF CHEQUES DUE TO INSUFFICIENT BALANCE

1. As per Section 138 of the Act, if any cheque drawn by a person on an account maintained by him with a banker for payment of any amount of money to another person for the discharge, in whole or in part, of any debt or other liability, is returned by the bank unpaid, either with the reason funds insufficient or exceeds arrangement or similar reason, such person shall be deemed to have committed an offence. Penalty as per section 138: In case of dishonour of cheque due to reasons stated above, punishment can be imprisonment up to two year, or maximum fine up to twice the amount of the cheque, or both.

2. Conditions for invoking section 138: The provisions of this section shall apply when the following conditions are satisfied: (a) the cheque has been presented to the bank within a period of six months from the date on which it is drawn or within the period of its validity, whichever is earlier. (b) the cheque had been received for consideration (c) the payee or the holder in due course of the cheque, makes a demand for the payment of the said amount of money by giving a notice, in writing, to the drawer, of the cheque, within thirty days of the receipt of information by him from the bank regarding the return of the cheques as unpaid, and (d) the drawer of such cheque fails to make the payment of the said amount, to the holder in due course of the cheque, within fifteen days of the receipt of the said notice.

3. Limitation period for making complaint: The complaint in such cases should be made in the court of a metropolitan magistrate or a judicial Magistrate of the first class or above within one month of the date of the cause-of-action (i.e. if payment is not made within 15 days). Unless otherwise disproved, Bank's cheque returning slip or memo having official mark of the bank shall be presumed to be proof of dishonour of the cheque.

30.05.2016

To

Sri/Smt

CANARA BANK

Pin Code

Dist.

SUBSCRIPTION RATE

Single Issue : Rs. 5/-

Annual Subscription : Rs. 60/-

Owned and Published by
Shri.G.V.Manimaran, from
216, Royapettah High Road,
Royapettah, Chennai – 600014
a n d p r i n t e d b y
Shri.H.Dhanasekaran, Sekar
Offset Printers, 168, Big Street,
Triplicane, Chennai – 600005.
Editor : **G.V.Manimaran**

Posted at Patrika Channel
Egmore, RMS, Chennai.

on the 29th of the every month

If undelivered please return to :

LIGHT CIRCLE

No. 216, Royapettah High Road,
Royapettah,
Chennai - 600 014.

Phone : 2811 31 51, 2811 24 54

E-mail : lightcircle2003@yahoo.co.in