

Have you updated your bank locker agreement?

SAFETY CHECK. Here are the key changes that you need to be aware of

Madhav Suresh
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We trust that many of our valued *bl.portfolio* readers have promptly taken the necessary steps by signing and submitting the updated bank locker agreement before December 31, 2023, following our timely advisory last month. However, according to a news report, 10-20 per cent of bank locker customers have yet to upload the revised agreement.

It's crucial to highlight that the RBI has not extended the deadline this time. For those who delayed this vital task, hoping for another deadline extension, it's important to act now before the bank freezes access to your locker. Here is a low-down on the essential aspects and key changes of the revised bank locker agreement.

WHAT HAS CHANGED?

In our edition dated December 24, 2023, we elucidated the rationale behind the Reserve Bank of India's directive for customers to sign a new bank agreement. The new agreement mandates banks to include a distinct clause specifying allowable storage items — primarily jewellery and documents — while explicitly forbidding illegal items such as hoarded cash, firearms, and so on. While the user is fully

accountable for locker contents, encompassing potential loss or theft of the operational key due to their negligence, banks are also responsible for ensuring basic locker safety. It should be noted that the previous agreement lacked clarity on the bank's liability.

So, the new regulations have redefined the bank's accountability in cases of negligence, potentially increasing liability up to one hundred times the prevailing annual locker rent for losses due to incidents such as robbery, fire accidents, or employee fraud. However, it's essential to note that the bank is exempt from compensating losses arising from natural disasters such as earthquakes or floods, categorised as "Acts of God".

Meanwhile, RBI has extended the grace period for inoperative lockers from three to seven years. The bank reserves the right to forcibly open the locker after providing notice in the following scenarios: if rent hasn't been paid for three consecutive years, if the locker remains unused for seven years despite rent payments, or if mandated by the law enforcement authority.

As we generally worry about the security of our belongings in a bank locker, the notion of locker insurance may have crossed our minds. However, the reality is that banks lack the

WHAT'S NEW

- Locker users must have fixed or term deposit as collateral with banks
- Banks to include distinct clause specifying allowable storage items
- Banks' accountability in cases of negligence redefined

jurisdiction to assess locker contents, leaving them without any obligation to provide insurance coverage for your items, regardless of the risks involved. To sum it up, new rules are a step towards increasing transparency to the benefit of the user.

REQUIREMENTS

Individuals seeking bank locker services will need to establish a fixed or term deposit as collateral with their respective banks upon locker allocation. This deposit aims to cover three years' worth of rent and associated charges for breaking open the lock in the event of non-payment. Existing locker holders or those maintaining satisfactory operative accounts may be exempted from this deposit requirement.

Additionally, individuals acquiring new lockers will be re-

sponsible for covering the expenses related to stamp papers required for executing a fresh locker agreement. Moreover, a documented copy of the executed agreement will be provided to the locker hirer, encompassing specifics regarding the user's and bank's rights and obligations, locker rent, escalation clauses, and related terms.

The annual rent for lockers will be contingent upon their size and the branch's location, subject to periodic adjustments. Prospective renters are advised to review the safe deposit locker charges online before visiting the branch, to ensure making informed decisions. It's crucial to note that several public sector undertakings (PSU) banks, including State Bank of India, Canara Bank, Punjab National Bank, and Union Bank of India, have limited locker usage up to twelve times per annum. Subsequently, a minimum charge of ₹118 (inclusive of 18 per cent GST) per locker visit will apply beyond this threshold. While most of the private sector banks have not imposed any restriction on usage, Axis Bank and Federal Bank stand out compared to PSU banks by offering more than 12 free locker visits per year.

NOMINATION SETTLEMENT
The nomination part of the new agreement remains unchanged

compared to the old agreement. Banks, as usual, will continue to offer nomination facilities for sole and joint locker hirers.

In case of a hirer's demise, the bank can grant access to the locker and permit joint removal of contents to the survivors and nominees.

If no nomination or survivorship clause exists, banks must grant access to the legal heir or representative of a deceased locker hirer after conducting due diligence in confirming the identities of the legal heirs. In the new agreement, the RBI has intricately defined the procedure for banks to manage claims and release the contents of a safe deposit locker belonging to a deceased individual. Initially, the survivor or nominee must initiate the claim process with the bank, as per the updated norms.

This entails submitting necessary documentation, including the deceased locker-holder's death certificate and the claimant's valid identification, such as passport or Aadhaar card. The notable emphasis in the new agreement lies in the bank's obligation to settle the claim and relinquish the locker contents within a strict time frame of 15 days from the date of claim submission — a specific provision absent in the old agreement.

Interest rates on home loans (%)

Institution	Loan amount		
	Under ₹30 lakh	₹30 to ₹75 lakh	Over ₹75 lakh
BANKS (Floating rates)			
Axis Bank*	8.7-9.1%	8.7-9.1%	8.7-9.1%
Bank of Baroda	8.40-10.60	8.40-10.60	8.40-10.60
Bank of India	8.30-10.75	8.30-10.75	8.30-10.75
Bank of Maharashtra	8.35-10.90	8.35-10.90	8.35-10.90
Canara Bank	8.50-11.25	8.45-11.25	8.40-11.15
Central Bank	8.35-9.50	8.35-9.50	8.35-9.50
DBS Bank	<=10.20	<=10.20	<=10.20
Federal Bank	>=8.80	>=8.80	>=8.80
HDFC Bank	8.50-9.40	8.50-9.40	8.50-9.40
ICICI Bank	9-9.80	9-9.50	9-10.05
Indian Bank	8.40-9.40	8.40-9.40	8.40-9.40
Indian Overseas Bank	>=8.40	>=8.40	>=8.40
IDBI Bank	8.45-12.25	8.45-12.25	8.45-12.25
J&K Bank	8.75-9.85	8.75-9.85	8.75-9.85
Karnataka Bank	8.75-10.43	8.75-10.43	8.75-10.43
Karur Vysya Bank	9.23-10.73	9.23-10.73	9.23-10.73
Kotak Mahindra Bank	8.70-8.75	8.70-8.75	8.70-8.75
Punjab National Bank	8.45-10.10	8.40-10.10	8.40-10.10
Punjab & Sind Bank	8.50-10.10	8.50-10.10	8.50-10.10
State Bank of India	8.40-9.75	8.40-9.75	8.40-9.65
South Indian Bank	9.57-10.67	9.57-10.77	9.57-11.42
Tamilnad Mercantile Bank	9.45-9.95	9.45-9.95	9.45-9.95
UCO Bank	8.45-10.30	8.45-10.30	8.45-10.30
Union Bank of India	8.35-10.75	8.35-10.75	8.35-10.75
BANKS (Fixed rates)			
Axis Bank	NA	NA	NA
IDBI Bank	9.85-10.10	9.85-10.10	9.85-10.10
Union Bank of India	11.4	11.4-12.4	12.4-12.65
HOUSING FINANCE COMPANIES (Floating rates)			
Tata Capital	>=8.70	>=8.70	>=8.70
Primalcap & Housing Fin	>=11	>=11	>=11
PNB Housing	8.50-11.25	8.50-11.15	8.50-11.45
Central Bank Housing	9.95-11.15	9.95-11.15	9.95-11.15
Indiabulls Housing Fin	>=9.30	>=9.30	>=9.30
Aditya Birla Housing Fin	8.80-14.75	8.80-14.75	8.80-14.75
Bajaj Finserv	8.50-15.00	8.50-15.00	8.50-15.00
GIC Housing Finance	>=8.80	>=8.80	>=8.80
Reliance Home Finance	NA	NA	NA
Sundaram Home Finance*	>=10	>=10	>=10
HOUSING FINANCE COMPANIES (Fixed rates)			
HDFC	NA	NA	NA

*Data as on respective banks' website on Jan 06, 2024. For each year range, the maximum offered interest rate is considered. Interest rate is a normal deposit under ₹1 crore. Compiled by BankBazaar.com. Annual Percentage Rate: For Bureau Score 751 and above.

ALERTS.

Deposit of ₹2000 notes through post office

The deadline for the deposit or exchange of ₹2,000 denomination bank notes lapsed on October 9 last year. After October 9, 2023, the RBI Issue Offices have commenced accepting ₹2,000 banknotes from individuals for crediting into their bank accounts, subject to relevant statutory regulations. It is pertinent to highlight that the general public can deposit ₹2,000 banknotes, accompanied by a duly completed application form via India Post from any post office nationwide to any of the 19 RBI Issue Offices, facilitating the crediting of these funds into their Indian bank accounts. The form can be accessed on the homepage of the RBI website.

SEBI releases framework for short-selling

Market regulator SEBI has come up with a circular on a broad framework for short-selling. As per the circular, it becomes mandatory for institutional investors to disclose upfront at the time of placement of order whether the transaction is a short sale. Retail investors, on the other hand, will have to make a similar disclosure by the end of the trading hours on transaction day. Further, SEBI has mandated brokers to collect the details on scrip-wise short sell positions and upload it to the stock exchanges before the commencement of trading on the following trading day.

Sundaram MF launches hybrid fund

Sundaram Mutual Fund has announced the launch of the Sundaram Multi Asset Allocation Fund, an open-ended scheme that will allocate 65-70 per cent of its corpus to equity, 20-25 per cent to Gold ETFs and the remaining 10-15 per cent to debt and money market instruments. The fund is benchmarked against Nifty 500 TRI (65 per cent), Nifty Short Duration Debt Index (10 per cent) and domestic prices of gold (25 per cent). The FO will remain open till January 19. Investors can invest with a minimum investment of ₹100 per plan/option and in multiples of ₹1.

TAX QUERY.

Sanjiv Chaudhary

I worked in a company — which is an exempted establishment under EPF Act — for seven years, between 2016 and 2023. In 2023, I joined another company (without any gap) which is also an exempted establishment under the EPF Act. I was a regular contributor to EPF and EPS during my service in my previous organisation.

I wish to withdraw my EPF balance held with my previous organisation's PF Trust instead of transferring the same to my current organisation. I have completed more than five years of continuous service in my previous organisation. I have availed exemption in each year on my contribution to EPF. Can I withdraw my EPF balance without any tax liability either on contributed or interest earned so far?

Gaurav Deshmukh

As per the Provident Fund provisions, you can withdraw your Provident Fund balance only when you have resigned from service and are unemployed for a period of two months post resignation. On change in employment, the member should get his Provident Fund account transferred to the new establishment.

From a taxation perspective,



accumulated balance standing to the credit of the PF account would be exempt from tax if contribution has been made for a continuous period of more than five years.

However, on a combined reading of section 10(12) with rules 2(F) and 8 of Part A of Fourth Schedule of the Income Tax Act, interest credited post cessation of employment is not exempt from tax. As per Rule 8(ii) of Part A of Fourth Schedule, tax exemption is available only to the extent of accumulated balance standing to the credit of the employee on the day he ceases to be an employee i.e. the balance in the Provident Fund account on the day he ceases to be an employee.

The interest received on employee and employer contribution from the cessation of contribution up to the date of withdrawal is taxable.

The author is a practicing chartered accountant. Send your queries to taxtalk@thehindu.co.in

OIL PALM INDIA LIMITED
E-Tender
OP/SEC/S/06 08-28/12/2023
Crude Palm Oil (CPO), Palm Kernel Oil, Palm Kernel Cake, Sludge Oil Mature, High FFA Palm Oil and other by-products are available for sale throughout the year. Those who wish to participate may refer company's web site or www.etenders.kerala.gov.in or contact at above phone numbers.
1000MT Fibre and Nut Shell (E Tender ID 2023_OP/1_637192_1) and 3000MT Empty Fruit Bundles (E Tender ID 2023_OP/1_637210_1) are available for sale through e tender. For details refer company's web site or www.etenders.kerala.gov.in or contact at above phone numbers. Last date 17-01-2024 6.55 PM
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TRCMPU Ltd
Kabeera Bhavan, Patton, Thiruvananthapuram - 695 004.
PH : 0471 - 2447109, Email : trcmpupg@gmail.com

TENDER NOTICE 06.01.2024
E tenders are invited for the procurement portal (www.etenders.kerala.gov.in) or TRCMPU website (www.milnatrcmpu.com) for details.

Particulars of Supply	Tender ID
Tender for supply installation and commissioning of 2KL vertical bulk milk chiller tank at TVM	2024_KCMFF_640630_1
Tender for Supply, Installation and commissioning of Double Head High Speed Milk Filling Machine.	2024_KCMFF_641072_1

Contact : 9061498267 Sd/- Managing Director

SHILPA MEDICALS LIMITED
CIN No. - L8510KA1887PLC008739
Registered office : # 12-6-214A-1, Hyderabad Road, Raichur - 584133, Website : www.vshilpa.com
Email - info@vshilpa.com, Telephone - +91-8532-238704

NOTICE OF THE POSTAL BALLOT
Notice is hereby given that pursuant to the compliance with the Section 110 of the Companies Act, 2013 and Rules, 20 and 22 of the Companies (Management and Administration) Rules, 2014 read with General Circular No: 14/2020 dated 08th April, 2020, the General Circular No: 17/2020 dated 13th April, 2020, the general circular No: 22/2020 dated 15th June, 2020, the General Circular No: 33/2020 dated 28th September, 2020, the General Circular No: 38/2020 dated 31st December, 2020 and General Circular No: 10/2021 dated 10th February, 2021 issued by the Ministry of Corporate Affairs (MCA Circulars) (including any statutory modification or amendment thereof for the time being in force, as amended from time to time), SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and other applicable Laws and Regulations, the approval of the members of Shilpa Medicals Limited (the Company) is being sought for the following special business by way of Postal Ballot through e-voting process (e-voting)

Sl. No. Description of the Ordinary Resolution.

- Approval of request received from Mr. Suraj Inani, person belonging to the promoter group for reclassification from "promoter group" category to "public" category.
- Approval of request received from Ms. Priya Inani, person belonging to the promoter group for reclassification from "promoter group" category to "public" category.

Pursuant to the MCA Circulars, the Company has sent the electronic copies of the Postal Ballot Notice along with the Explanatory statement on 06 January 2024 to all the members of the Company who have registered their e-mail address with the Depository Participants as on 29 December 2023 i.e. the Cut Off Date. The postal ballot notice will be available on the Company's website at www.vshilpa.com, the website of the Stock Exchanges i.e. BSE and NSE respectively and on the website of NSDL Viz. <https://eservices.nsdl.com>.

In accordance with the provisions of the MCA Circulars, Members can vote only through the remote e-voting process. Members whose names appear on the Register of the Members / List of the Beneficial Owners as on 29 December 2023 will be considered for the purpose of e-voting and voting rights shall be reckoned on the paid up value of Equity Shares registered in the name of the Shareholders as on the date. A person who is not a member on the cutoff date shall treat this notice for information purposes only.

The Company has engaged the services of KFin Technologies Limited for providing e-voting facility to all its members. Members are requested to note that e-voting will commence at 09:00 A.M. IST on 07 January 2024 and will end at 05:00 P.M. IST on 05 February 2024. e-voting shall not be allowed beyond 05:00 P.M. IST on 05 February 2024.

Members who have not registered their email address are requested to register the same in respect of the Shares held in electronic form with the depository through their depository participant(s) and in respect of the shares held in physical form by writing email to ca@vshilpa.com or info@vshilpa.com. Members may note that pursuant to the MCA circulars, the Company has additionally entered into the process for limited purpose of receiving the Shareholder Communications during the postal ballot process and the members may update their email address by accessing the link in the investors column <http://www.vshilpa.com>.

The instructions on the process of e-voting, including the manner in which members who are holding shares in physical form or who have not registered their e-mail addresses can cast their vote through e-voting, are provided in the postal ballot notice.

The Board of Directors vide circular resolution dated 04 January 2024 appointed M/s. VCAN & Associates, Practising Company Secretaries, represented by its Partner Mr. Avay Vemuri bearing FCS 11106 as the scrutinizer ("Scrutinizer") for conducting the Postal Ballot only through e-voting process in a fair and transparent manner.

The results of Postal Ballot through e-voting (along with the Scrutinizer's report) will be declared by the Chairman of the Board on or before the stipulated time as decided by the Board and will also be displayed on the website of the Company (www.vshilpa.com), besides being communicated to the Stock Exchanges, Depositories and Registrar and Share Transfer Agents.

In case of any queries/grievances, you may refer the Frequently Asked Questions (FAQs) for members and e-voting user manual available at the "download" section of www.vshilpa.com or members can contact Ms. Krishna Priya, KFin Technologies Private Limited at Contact no: 040-67162222, email id: enward.rs@kfintech.com.

For and on behalf of
Shilpa Medicals Limited
Sd/-
Ritu Thwary
Company Secretary

Place : Raichur
Date : 06-01-2024