

FATCA: Foreign Account Tax Compliance Act (FATCA)

FATCA stands for Foreign Account Tax Compliance Act (FATCA), which was introduced by the US Government in October 2009 and became Act on March 18, 2010. FATCA aims at ensuring Tax Compliance across borders by way of automatic exchange of information through their Respective Tax Authorities for their residents with financial assets held abroad on annual basis. This enables Tax Authorities to obtain clear information about financial assets held by their residents abroad for tax purposes.

The objective of FATCA is to detect, deter, and discourage offshore tax evasion by residents of participating countries. FATCA is an ongoing process i.e necessary declaration to be submitted every year to the concerned Income Tax Authorities.



FATCA requires US persons including individuals who live outside the United States, to report their financial accounts held outside of United States, and requires non-US financial institutions to report details of their US clients to the relevant tax authorities.

A U.S. Citizen is a resident of the United States (including a green card holder), A partnership, Corporation, Trust incorporated or created under U.S. law (U.S. incorporated entity), an Individual who was born in the U.S. or is a U.S. citizen or a U.S. resident (including green card holder) , a U.S. incorporated entity. FATCA is applicable to both personal and business accounts of a person who is treated as "US Person"

Thus implementation of FATCA has widened reporting requirements around the globe, increase in customer knowledge & effective regulatory compliance and strengthening of their market position.



The Government of India has entered into an Inter-Governmental Agreement (IGA) with Internal Revenue Service (Government of US) for implementation of FATCA in July 2015. Total 96 countries worldwide have agreed to share information on their resident's assets & income in confirmation with reporting standards for implementation of FATCA.

In view of this, all Banks and other financial institutions in India will also be required to identify, establish, report and exchange information on financial accounts / assets held directly or indirectly by their residents across the borders.

Goods & Service Tax (GST) : A Broad Overview

Introduction:

A Bill seeking an amendment in constitution to introduce GST (i.e Goods & Services Tax) was passed on 19th December, 2014. GST is a simplified " Indirect Tax Structure" where Tax is collected at every stage & the credit of tax paid at previous stage is available as a " Set-off" at the next stage. It is expected to bring benefit all i.e. Industry, Government & the consumer who will be the ultimate user of Goods & services.

In simple words "GST is a "Tax on goods and services with comprehensive and continuous chain of set-off benefits available from the producer's stage and service provider's stage upto the retailer's level. A supplier at each stage is permitted to set-off, through a tax credit mechanism, the GST paid on the purchase of goods and services, as available for set-off on the GST to be paid on the supply of goods & services. Thus the final consumer will bear only the GST charged by the last dealer in the supply chain, with set-off benefits at all the previous stages.

Since there would be a transparent and complete chain of set-offs, this will help widening the coverage of tax base and improve tax compliance. This may lead to higher generation of revenues & which may in turn lead to lowering of average tax burden. This will also result in widening of tax base and better tax compliance which ultimately will lead to lowering of tax burden on an average dealer in industry, trade and agriculture.

Some of the Salient Features of GST:

1. The GST is applicable on all goods & supply of services as against present concept of " Tax on Manufacturers" OR " Sale of Goods"
2. The GST would be a common Tax-Base platform where Centre & State levies tax simultaneously
3. GST would replace Centre levied Taxes such as Service Tax, Central Excise Duty , Central Surcharges & cesses
4. GST would also replace State Levied taxes such as State VAT, CST, Luxury Tax, Entry Tax, Tax on Advertisements & Entertainment, lotteries etc
5. GST will not be applicable to Exports entirely
6. Items like Alcoholic liquor for human consumption, Petroleum Crude, Motor Petrol, , High speed diesel , Natural Gas, Turbine Fuel are also exempted from Levy of GST
7. On the other hand IGST (Integrated Goods & Service Tax) will be applicable on Import of all goods & services
8. GST is applicable for all those Taxpayers whose aggregate turnover in Financial Year exceeds Rs.20.00 Lacs
9. GST is likely to increase the GDP growth of our Country by 1.50% to 2.00%
10. Since certain major Central and State taxes will also be subsumed in GST the burden of tax on goods would in general fall under GST and that it would benefit the consumers who are the ultimate users of Goods & Services to a considerable extent.



Your Bank's Corporate Office has a new address : Greater Bank's Corporate Office & Churchgate Branch has been shifted to new premises w.e.f 20.01.2014. The new premises is at a prominent location with modern facilities. The new address is as under: Churchgate Chambers, Ground Floor, Sir Vithaldas Thackersey Marg, 5, New Marine Lines, Mumbai- 400020. Tel: 612 85900 Fax: 22618530



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Dear Members,

The banking industry started its new financial year from 1st April 2017, marking the beginning of an epic chapter in the financial history of the country – a time when the Central Government has announced several path breaking initiatives for the promotion of a cashless economy in India.

A cashless economy involves all transactions being carried out electronically by means of Debit and Credit cards, banking & mobile wallets and e-payments; with minimal circulation of physical currency. The economy is steadying itself after a major shake-up last

year when demonetization was announced in November 2016. The Government has offered many measures for the growth of businesses in the country, particularly in the burgeoning MSME sector. At the same time, banking and finance companies have also aligned their key products and services to suit the changing needs of the business world.

It is safe to say that the current economic climate in the country is ripe for the growth of business. For borrowers, the New Year definitely started on a high note. Most banks announced a cut in their benchmark lending rates spurred by demonetization leading to reduction in cost of funds for banks. Consequently, even home loan rates were reduced as much by 50 basis points (bps).

Aligning with market changes, your Bank too proactively reduced home lending rates from 10.50% p.a. to a FIXED interest rate of 8.50% p.a. for 20 years. Women borrowers get an additional relief of 10 bps i.e. home loan at 8.40% FIXED interest rate for 20 years. Both offers are for a limited period only.

Most banks link their home loan rates to the Marginal Cost of Funds (MCLR) lending rates and borrowers may not have got immediate benefit from this downward revision of rates. In such scenarios, it is better for home loan borrowers to 'switch' or balance transfer their home loans to competitive and fixed interest rates such as that offered by your Bank, as it can significantly reduce the EMI payment or the number of years remaining to repay the loan. Your Bank has even waived the processing fee in the case of home loan switchovers. Growth and profitability is the focus for this financial year and in order to successfully execute Bank's plans, it is imperative that the execution and delivery of services is as per customer expectations.

By the end of FY 2016-17, your Bank has achieved decent growth rates in all financial indicators. The total Business Mix grew by 13.2 per cent to Rs. 3,410.1 crs with Rs. 2,026.7 crs as total Deposits and Rs. 1,383.4 crs as total Advances. Deposits increased by Rs. 261.2 crs over the previous year and total portfolio of loans and advances rose by Rs. 136.4 crs. Staff productivity increased from Rs. 7.1 cr to Rs. 8.1 cr.

As we continue in our efforts to meet customer aspirations, I would like to thank all Members and Shareholders for their continued support to Greater Bank.

With warm regards,

Narendrakumar A. Baldota

GBCB News Desk

Greater Bank Affordable Home Loans: Lending Rates reduced

Your Bank, has aggressively reduced its home loan rates to a fixed rate of 8.50% p.a. with effect from 8th February 2017. A special interest rate has been fixed for women borrowers, at 8.40% p.a. The new rates for all home loans upto Rs. 70 lakhs, became applicable with effect from 9th February 2017 and will be available for a limited period only.

The Bank has also tied up with National Housing Bank (NHB) to offer subsidy benefits to eligible borrowers under the “Pradhan Mantri Awas Yojana”

Most Home buyers spend considerable time looking for just the right home, but a large section misses out on shopping for the right home loan product. This mistake could cost the borrower

lakhs of rupees over time. And given the economic situation globally and in India, any further cut may not be expected in the near horizon. So it may be worthwhile to opt for 'now or never'!

Home loan is among the fastest growing loan categories at present when compared to other loan products and reduced lending rate is expected to boost customer sentiment. Smt. Manisha Raodeo, Chief Executive Officer of the Bank said that home buying will increase in the near future as buyer's financial ability to buy property improves.

Note: Greater Bank has waived the processing fee for all home loan transfers. Limited Period Offer

Revision in Interest Rates for Commercial Loans above Rs. 5 lakhs & Gold Loan

With demonetization impacting the liquidity position of all Banks, most of the banks in Public, Private and Co-operative sector have reduced their Marginal Cost of Fund Based Lending Rates (MCLR) and base rates.

In alignment with the market movement of downward interest rates, your Bank's Board discussed and approved to revise the lending rates for the following loan products:

Retail / Commercial Loan segment	Existing Rates	Revised Rates
Greater Vyapar (CC+WCTL)	13.50 % p.a.(existing borrowers) 14.00% p.a.(new borrowers)	12.50% p.a. (for existing customers) 13.00% p.a. (for others)
Greater Business (CC+WCTL)	14.00% p.a.	13.00% p.a.
Cash Credit (other than GB/GV)	12.50% to 16.00% p.a.(as per internal credit rating)	11.00% to 15.00% p.a. (as per internal credit rating)
Mortgage Loan/Flexi OD/Term Loan	13.00% to 15.00% p.a.	Mortgage Loan/Flexi OD (against Self Occupied Residential Property –SORP) – 10.50% to 15.00 % p.a. Mortgage Loan / Flexi OD (against Residential Non
MSMEs	12.50% to 16.00% p.a.(as per internal credit rating)	11.00% to 15.00% p.a.(as per internal credit rating)
Lease Rent Discounting	13.00% to 15.00% p.a. (as per internal credit rating)	10.00 % to 15.00 % p.a. (as per internal credit rating)
Vehicle Loan for existing customers	13.50% p.a. (private vehicles) 15.00% p.a. (commercial vehicles) For borrowers enjoying limit over Rs. 25 lakhs – 10.50% p.a.	10.00% - for all 4 wheeler private vehicles 12.00% - for commercial 4 wheelers (with T permit) 13.50% p.a. – for all other commercial vehicles (excluding 3 wheelers) for existing borrowers having limits over Rs. 5 lacs and CASA for atleast 1 year.
Gold Loan	32.50 % margin 11.00% (For women borrowers) 12.00% (For other borrowers) 25% margin 11.50% 12.50%	32.50 % margin 10.50% (For women borrowers) 11.50 % (For other borrowers) 25% margin 11.00% 12.00%

More information on the above can be sought from any of the Greater Bank branches.

Gold medals aren't really made of gold. They're made of sweat, determination, and a hard-to-find alloy called guts....*Dan Gable*

GB Tutorial

Opening of individual Deposit Accounts

As per recent RBI Notification No. DBR.AML. No. 10677/14.05.001 dated March 15, 2017, mentioning surname/last name is not mandatory while establishing an account based relationship with any bank. Therefore, while opening individual accounts, banks may accept accounts where last name/surname is not quoted. In such cases, banks

are required to obtain necessary KYC / Officially Valid Documents (OVDs) matching with the single name only. In case surname already exists in OVDs, then the accounts must be opened with the surname and not on single name/surname.

Corporate Social Responsibility (CSR) – Bank's Role:

The term “CSR” means “Corporate Social Responsibility”, which in simpler words refers to the strategies implemented OR various activities conducted by every Corporate apart from their main functions such as “Business”, “Profitability” and “Growth”, which are beneficial for overall societal, environmental welfare & development of our nation at large. Thus corporate takes the responsibility of impacts of their “financial decisions / activities” on it's stake holders, shareholders, customers, employees & overall society at a large.

With the increasing need for Economic development across the world, there is an urge for every corporates to play an important role in overall socio-economic development of our Nation, by providing financial services / assistance to the

unbanked & untapped areas of our nation. Accordingly all corporates are conducting various CSR activities towards elimination of poverty, child welfare, healthcare, education, women's empowerment, rural development, infrastructural development of developing Nation like ours.

Your Bank also considers CSR activities as its social responsibility & conducts various CSR Activities at various Branches at regular intervals. Thus your Bank can be in a constant dialogue with stakeholders, shareholders, customers, of your Bank. This continuous interaction with stakeholders, Shareholders, Customers, your Bank will be the first to know about new business opportunities, which are explored & implemented for the betterment of your Bank.

CSR- Activity : HEALTH CHECK-UP by Vile Parle Branch:

On 10th May 2017, Vileparle Branch in association with "Health Spring" had arranged 1 day "Free Health Check-up



Camp" at Koldongri Area, Vileparle East which was open for all age groups. Medical Tests such as BP, Sugar Level etc were conducted in this Camp. The response was good & around 75 people from different age-groups benefited by attending this Camp.

The people who attended this Camp, were also given information about various services offered by your Bank. Such activities will help in strengthening your Bank's goodwill & reputation in the market and will also enable to expand its consumer base.

When the best leader's work is done the people say, 'We did it ourselves' - Lao Tzu

Achievements

1. Vikramsingh Adhikari (Staff of Vashi Branch)



Bank always encourages various cultural & sporting talents amongst its's Staff, their children & their family members and even acknowledges their participation & achievements.

It is a very proud moment for our Bank to announce that "Mr. Vikramsingh Adhikari", staff of our Vashi Branch

had participated & represented our Country in 8th FAZZA 2017 WORLD PARA POWER-LIFTING WORLD CUP 2017, International Championship for the "Disabled", held during 25th February 2017 to 04th March 2017 in DUBAI. The participants from all over the world have participated in this Championship.

It's a clear example of utmost courage, determination, commitment & dedication which shows that being differently abled does not limit you from achieving your goals in life and everything can be done with STRONG WILLPOWER, DEDICATION & CONFIDENCE

We congratulate "Vikramsingh Adhikari" on his achievement and wish him "Best of Luck & Wishes" to achieve many such milestones in future.

WELL DONE VIKRAM... !!!

2. Tirtha Sanjay Deolekar (daughter of Sanjay Deolekar-staff)



It is a proud moment for our Bank and Sh.Sanjay Deolekar, staff of our Vileparle Branch to announce that his daughter "Tirtha Sanjay Deolekar" (Aged 12 Years) had participated in various Boxing & Chess-Boxing Competitions in Age-Weight Catagory of Under_17 to 45 Kgs organized by Inter-School Sports Association Mumbai, Maharashtra Federation of Chess-Boxing & Maharashtra Government at different levels like "Inter-school Level", District Level, State Level. She has also participated in

National Level Chess-Boxing matches organized by Dahisar Sports Foundation.

She has managed to win 9 GOLD Medals & 1 Bronze Medal in all such competitions held during Jan 2016 to March 2017 amidst cut-throat competition from various participants across schools & states

We congratulate "Tirtha Sanjay Deolekar" on her achievement and wish her "Best of Luck & Wishes" for pursuing her passion and to achieve many such milestones in future.

WELL DONE TIRTHA.. !!!!



The best preparation for good work tomorrow is to do good work today - Elbert Hubbard