

NRI SERVICES

FACILITIES FOR NON-RESIDENT INDIANS (NRIs)/PERSONS OF INDIAN ORIGIN (PIOs)

1.REMITTANCE-

Any amount of remittance in foreign exchange from overseas can be remitted to any Indian individual/firms/ company or to open the following type of accounts as per Government/RBI guidelines. All Indian rupee conversions to Non-Resident Accounts (for 100% value) would be done at the prevailing market rates.

2. DEPOSITS -

i)NON RESIDENT (EXTERNAL) RUPEE ACCOUNT (NRE)

This account can be kept in various forms like Current, Savings, Recurring or Term Deposits. The account is maintained only in Indian Rupees and amount of deposit and interest earned is fully repatriable.

Income from interest on balances standing to the credit of NRE accounts is exempt from income tax. Likewise balances held in such accounts are exempt from wealth tax.

ii)FOREIGN CURRENCY NON-RESIDENT (FCNR) ACCOUNTS (BANKS) SCHEME

This account can be kept in our bank for a period of 1 year and above up to and inclusive of 5 years in one of the five specified currencies viz. Pound Sterling, US Dollars, Euro, Australian Dollar or Canadian Dollar & can be made in the same currency or in any other permitted currency. Amount of deposit and interest earned thereon are fully repatriable. There is no minimum amount requirement for opening this account. The exchange risk in this account is borne by our bank.

Income from interest on balances standing to the credit of FCNR (B) accounts is exempt from income tax. Likewise balances held in such accounts are exempt from wealth tax.

iii) ORDINARY NON-RESIDENT (NRO) ACCOUNT

Any person/entity resident outside India may open NRO account. The account may be held jointly with residents and/or with non-resident. NRO account may be opened in the form of savings, current, recurring or fixed deposits for the purpose of putting through bonafide transactions in rupees. Legitimate dues in India of the account holder can be credited freely. Remittance of current net income earned in India (i.e. after payment of tax) outside is allowed. Interest earned on deposits shall be subject

to TDS at prevailing rates and interest earned on NRO account is freely repatriable. NRI/PIO may remit through an Authorised Dealer an amount not exceeding USD 1 Million per financial year, out of balance held in the NRO account representing the sale proceeds of assets

(a) acquired in India out of rupee /foreign currency funds OR

(b) by way of inheritance /legacy or settlement from a person who was resident in India subject to certain conditions.

3) INVESTMENTS ON REPATRIATION BASIS:

a) Government dated securities/treasury bills.

b) Units of domestic mutual funds.

c) Bonds issued by a public sector undertakings (PSU) in India

d) Shares in public sector enterprises being dis-invested by the Government of India, provided the purchase is in accordance with the terms and conditions stipulated in the notice inviting bids.

e) Shares and convertible debentures of Indian companies under FDI scheme (including automatic route & FIPB).

f) Shares and convertible debentures of Indian companies through stock exchange under portfolio investment scheme.

g) Perpetual debt instruments and debt capital instruments issued by bank in India.

h) Non-convertible debentures of a company incorporated in India.

4) INVESTMENTS ON NON-REPATRIATION BASIS:

a) Units of Money Market Mutual Funds in India.

b) The capital of a firm or proprietary concern in India, not engaged in any agricultural or plantation activity or real estate business.

c) Deposits with a company registered under the Companies Act, 1956 including NBFC registered with RBI, or a body corporate created under an Act of Parliament or State Legislature, a proprietorship concern or a firm out of rupee funds which do not represent inward remittances or transfer from NRE/FCNR (B) Accounts into the NRO Account.

d) Government dated securities (other than bearer securities)/treasury bills.

e) Unit of domestic mutual funds.

f) Non-convertible debentures of a company incorporated in India.

g) Commercial Paper issued by an Indian company.

h) Shares and convertible debentures of Indian companies other than under Portfolio Investment Scheme.

5) INVESTMENT IN IMMOVABLE PROPERTY:

- a) NRIs may acquire immovable property in India other than agricultural/plantation property or a farm house out of repatriable and non repatriable funds.
- b) Housing loan in rupees availed of by NRIs from ADs/Housing financial institutions can be repaid by the close relatives in India of the borrower.

NRIs are eligible to repatriate

- c) Sale proceeds of immovable property acquired in India to the extent of repatriable funds used for acquiring the property, without any lock-in period, up to two residential properties.
- d) Refund of (i) application/earnest money/purchase consideration made by house building agencies/seller on account of non-allotment of flats/plots and (ii) cancellation of booking/deals or purchase of residential/commercial properties, together with interest, net of taxes, provided original payment is made out of NRE/FCNR(B) account/inward remittances.

6) FACILITIES FOR RETURNING NRIs/PIOs

- a) Returning NRIs/PIOs may continue to hold, own, transfer or invest in foreign currency, foreign security or any immovable property situated outside India, if such currency, security or property was acquired, held or owned when resident outside India.
- b) Returning NRIs/PIOs may open, hold and maintain with an authorized dealer in India a Resident Foreign Currency (RFC) account in any permitted currency in the form of savings, current and term deposits, to transfer balances held in NRE/FCNR (B) accounts. Proceeds of assets held outside India at the time of return, can be credited to RFC account. The funds in RFC account are free from all restriction regarding utilization of foreign currency balances including any restriction on investment in any form outside India.

7) TRANSFER OF FUNDS FACILITY THROUGH WESTERN UNION

Our Bank has arrangement with Western Union, money-transferor, for transfer of funds from any part of the world to any branch of our bank. Only personal remittances up to USD 2500 or its equivalent are allowed.