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makes you feel
at home.

Introducing **IDBI Royale Plus**
accounts for NRIs.

A Quarterly Newsletter for esteemed NRI clients of IDBI Bank Ltd, Vol-23, Oct-Dec 2020

Dear NRI friends,



At the outset, I take this opportunity to wish you and your family a happy and prosperous New Year 2021. As we enter into brand new year 2021, there is hope springing around us. The news of vaccines being released for Covid-19 pandemic is very positive. The worst seems to getting over soon. During this year, to further help our customers, we accelerated introduction of more online services like- Door step services to the Senior Citizen and differently abled customers, Whatsapp Banking, I Quick Mobile App, VAO-Video Account opening.

With a view to keep you informed and updated about the developments in Banking and Economic front during the quarter, I am pleased to present the 23rd edition of the Bank's quarterly newsletter "NRI Sampark". Trust you shall find the same useful

Suggestions, as always are welcome and may be shared on e-mail Id nri@idbi.co.in

With Warm Regards,

Varada Menon,
GM-RBG.
IDBI Bank Ltd.





IDBI Bank Ltd in News

- ◆ IDBI Bank reported 125% increase in net profit in Q2-FY2020-21 and stood at Rs.324 cr. Operating profit for Q2 FY2020-21 stood at Rs.1246 Cr, with year on year (YOY) growth 23% and net Non-Performing Asset (NPA) stood at 2.67%.
- ◆ IDBI Bank Limited launched banking services on Whats-app for its customers. This launch is a part of sustained initiatives the Bank has taken to enable the customers to access banking services remotely at their convenience. To use this service, customers required to post a "Hi" message to official whatsApp Number 8860045678. WhatsApp Banking facility shall enable IDBI Bank customers to avail various essential banking services such as account balance information, last five transactions, Request for a Cheque book and an Email statement, Interest Rates, as well as details of the IDBI Bank branches/ATMs in the vicinity. More interactive services are on the anvil.
- ◆ IDBI Bank launched VKYC (Video- KYC) process for Saving Account opening; It is a fastest method of opening complete KYC account in contactless and paper less manner. The account is supported by Aadhar, PAN and OTP validation followed by Live video verification by the Bank.
- ◆ IDBI Bank launched a new Mobile application: I Quick, it will facilitate opening of OTP based contactless and paperless account of resident individuals. Account opened via I Quick would be limited KYC account.
- ◆ IDBI bank extended its social media presence by launching its official Instagram account "idbibankofficial"
- ◆ IDBI Bank has launched remodeled specialized gold loan branch - IDBI Swarna Kalash - at existing branch at Kharar, Chandigarh. The specialized Gold Loan Branch will facilitate quick, transparent and hassle free gold loan financing. In all there are eight number of specialized IDBI Swarn Kalash branches across India.
- ◆ IDBI Bank has raised ₹1,435 crore through an issue of equity shares to 44 qualified institutional investors. This will add around 91 BPS to the Capital Adequacy Ratio.
- ◆ IDBI Bank has redeemed USD 350 million 4.25 % Senior Notes which are listed on the Singapore Exchange Securities Trading Limited



Interest Rates on NRI Deposits

NRE and NRO Deposit Rates

Maturity Slab	Interest Rate (% p.a.)
7-14 days	2.90
15-30 days	2.90
31-45 days	3.00
46- 60 days	3.25
61-90 days	3.25
91-6 months	3.90
6 months 1 day to 270 days	4.40
271 days up to < 1 year	4.40
1 year	5.00
> 1 year - 2 years	5.10
>2 years to < 3 years	5.10
3 yrs to < 5 years	5.10
5 years	5.10
> 5 years - 7 years	5.10
>7 years - 10 years	5.10

NRO/NRE Recurring Deposit Rates

Tenor	Interest Rate (% p.a.)
1 year	5.00
> 1 year - 2 years	5.10
>2 years to < 3 years	5.10
3 years to < 5 years	5.10
5 years	5.10
> 5 years - 7 years	5.10
>7 years - 10 years	5.10





Interest Rates on NRI Deposits

RFC Term Deposit Rates: Effective from Jan 01, 21

MATURITY SLAB	USD	GBP	EUR	JPY
91 days – 6 Months	0.49%	0.00%	0.00%	0.00%
6 Months 1 day < 1 Year	0.51%	0.05%	0.00%	0.00%
1 Year < 2 Years	0.97%	0.51%	0.00%	0.00%
2 Years < 3 Years	0.97%	0.53%	0.00%	0.00%
3 Years Only	0.99%	0.50%	0.00%	0.00%

Foreign Currency Non Resident (Bank) - FCNR (B) deposit rates (% p.a.) (Effective Jan 01, 2021)

MATURITY SLAB	USD	GBP	EUR	AUD	CAD	JPY	SGD	HKD	CHF
1 yr to less than 2 yrs	1.22%	0.76%	0.24%	0.82%	1.16%	0.67%	0.93%	1.10%	0.00%
2 yrs to less than 3yrs	1.07%	0.78%	0.20%	0.87%	1.08%	0.46%	0.92%	1.04%	0.00%
3 yrs to less than 4yrs	0.99%	0.75%	0.07%	0.76%	1.06%	0.29%	0.79%	0.98%	0.00%
4 yrs to less than 5yrs	1.10%	0.83%	0.11%	0.76%	1.25%	0.29%	0.87%	1.10%	0.00%
5 years only	1.20%	0.88%	0.14%	0.76%	1.38%	0.28%	0.93%	1.21%	0.00%

1. The rates mentioned are subject to change from time to time. Please verify the rates on our website www.idbbank.in
 2. No interest is payable on NRE / FCNR (B) deposit closed prematurely in less than a year.
 3. RFC deposit accepted for 6 month to 3 years.
- # DTAA benefit available for TDS on NRO Deposits

Interest rates are subjected to periodic change



Product Focus - SWIFT
Remittance facilities
from overseas

NRIs can remit money directly through our correspondent banks mentioned below:

LIST OF OUR CORRESPONDENT BANKS.

CURRENCY	CORRESPONDENT BANK	LOCATION	SWIFT CODE	A/C NO
USD	DEUTSCHE BANKERS TRUST COMPANY AMERICAS	NEW YORK	BKTRUS33	04-169-786
USD	BANK OF NEW YORK	NEW YORK	IRVTUS3N	890-0418-613
USD	CITIBANK	NEW YORK	CITIUS33	3615-1898
USD	STANDARD CHARTERED BANK	NEW YORK	SCBLUS33XXX	3582 0670 16001
USD	JP MORGAN	NEW YORK	CHASUS33	811165505
EUR	COMMERZBANK	FRANKFURT	COBADEFF	400875045700
EUR	DEUTSCHE BANK	FRANKFURT	DEUTDEFF	(100) 9534132 00
GBP	STANDARD CHARTERED BANK	LONDON	SCBLGB2LXXX	01-708762401
GBP	BARCLAYS BANK	LONDON	BARCGB22XXX	93687147
CHF	UNION BANK OF SWITZERLAND	ZURICH	UBSWCHZH80A	230-94752.05 Y
JPY	SUMITOMO MITSUI BANKING CORPORATION	TOKYO	SMBCJPJTXXX	5273
DKK	DEN DANSKE BANK	COPENHAGEN	DABADKKK	3996 070794
SGD	DBS BANK	SINGAPORE	DBSSSGSGXXX	370037249
AUD	ANZ BANKING GROUP LIMITED	SYDNEY	ANZBAU3MXXX	925370AUD00001
SEK	SKANDINAVISKA ENSKILDA BANKEN	STOCKHOLM	ESSESESS	52018560867
HKD	HONGKONG AND SHANGHAI BANKING CORP. LTD.	HONG KONG	HSBCHKHHHKH	502379365001
CAD	ROYAL BANK OF CANADA	TORONTO	ROYCCAT2XXX	95911030634
NOK	NORDEA BANK NORGE ASA	OSLO	NDEANOKKXXX	60010206203



Product Focus - SWIFT
Remittance facilities
from overseas

Instructions to be given to your banker:

(Specimen Format)

Please remit (currency + amount) USD 100000 to IDBI Ltd, Mumbai, Account No.3615-1898 with Citibank New York (correspondent bank name and location) (Swift Code CITIUS33) for further credit to my Account No 1234123412341234 with IDBI Ltd. (Swift code IBKLINBB) Andheri, Mumbai (branch and city), India.

Special arrangement for non-levy of correspondent Bank charges

An arrangement has been made with all the US correspondent banks for USD currency and with Deutsche Bank for EURO currency for inward remittances such that:

No charges would be deducted on inward remittance up to USD 1000 and EURO 1000 for all transactions irrespective of customer type.

For incoming all transactions above USD 1000 and EURO 1000, no charges would be levied by the correspondent bank on the inward remittance if the remittance is for NRE / NRO / FCNR accounts. However, the correspondent bank will be able to identify the same only if the remitting bank mentions the code words - NRE / NRO / FCNR in the SWIFT payment message - MT103 in the account number field 59, or details of remittance - field 70.

Hence it is important that the remitting bank puts the above code words so that no charges are deducted on the inward remittances for the NRE, NRO and FCNR accounts





Economic Outlook

- The RBI, in its Monetary Policy Statement on Development and Regulatory Policies dated August 06, 2020, had announced that it will set up Reserve Bank Innovation Hub (RBIH) to promote innovation across the financial sector by leveraging on technology and creating an environment which would facilitate and foster innovation
- The Ministry of Finance has announced 12 key measures, as part of Government of India's stimulus to the economy, under Aatmanirbhar Bharat 3.0 on November 12, 2020. The net stimulus announced amounts to Rs. 2.65 lakh crore.
Below are the three main area of focus under the stimulus
Atmanirbhar Bharat Rozgar Yojana:
Emergency Credit Line Guarantee Scheme
Production Linked Incentive in 10 identified sectors
- The Department of Investment and Public Asset Management (DIPAM) has signed an agreement with World Bank on November 16, 2020. Under the agreement, World Bank is expected to provide advisory services for asset monetization to DIPAM which is mandated to facilitate monetization of non-core assets of government CPSEs under strategic disinvestment or closure and enemy property of value of Rs. 100 crores and above.

 Banking News

- The Government of India has announced the Scheme for grant of ex-gratia payment of difference between compound interest and simple interest for six months to borrowers in specified loan accounts (1.3.2020 to 31.8.2020) on October 23, 2020, which mandates ex-gratia payment to certain categories of borrowers by way of crediting the difference between simple interest and compound interest for the period between March 1, 2020 to August 31, 2020 by respective lending institutions.
- Reserve Bank of India (RBI) had announced making available the Real Time Gross Settlement (RTGS) system round the clock on all days. Accordingly, it has been decided to make RTGS available round the clock on all days of the year with effect from 00:30 hours on December 14, 2020. 24x7 Availability of Real Time Gross Settlement (RTGS) System
- The Reserve Bank Of India (RBI) decided to increase the limit for under Additional Factor Authentication (AFA) relaxation to ₹ 5,000/- per transaction, from existing limit of ₹ 2,000/- per transaction with effect from January 1, 2021. It includes recurring transactions made using Debit cards, Credit Cards and pre-paid payment instruments including e-Wallets.
- In view of the ongoing stress and heightened uncertainty on account of COVID-19, it is imperative that banks continue to conserve capital to support the economy and absorb losses. In order to further strengthen the banks' balance sheets, while at the same time support lending to the real economy, it has been decided that banks shall not make any dividend payment on equity shares from the profits pertaining to the financial year ended March 31, 2020

FAQ

Frequently asked Questions & Answers (FAQs)

Q-1. Can NRI Invest in Capital Gain Scheme?

Ans: Yes, NRI clients can save tax on capital gains made by selling a capital investment like residential house, flat etc. by investing in NRO Savings Bank deposits & NRO Fixed Deposits with IDBI Bank under the Capital Gain Account Scheme, 1988 of the Govt. of India, subject to the terms and conditions of the scheme.

Q-2 : Can NRI invest in New Pension Scheme ?

Ans: Yes, Brief of Scheme is given for understanding.

Eligibility

Open to any NRI, between 18-60 years complying with KYC norms. PIOs/OCIs are not eligible Source of Contributions in NPS : NRE Account & NRO Account

Contributions in NPS

Minimum Contribution at the time of account opening - Rs.500

- Minimum amount per contribution - Rs.500
- Minimum contribution - Rs. 6000/- per annum.

Salient Features of Investment Choices

Portfolio is adequately diversified across financial securities • Judicious mix of investment instruments and asset classes like Equity (E), Corporate Bonds (C) and /or Government Securities (G) ensures minimal impact on the returns on subscribers contributions even if there is a market downturn • The individual subscriber has a choice of selecting investment mix (E,C,G), as per his/her risk appetite



Bank Aisa Dost Jaisa

Reach us at

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Disclaimer: - The contents of the above article are based on information received from various sources and while compiling every effort has been made to ensure that the information is accurate and authentic. IDBI Bank does not accept any responsibility for interpretation of various rules or any errors/omissions in the newsletter.