

Distances can never keep
friends apart.

NRI  BANKING
SERVICES

NRI Sampark

A Quarterly Newsletter for esteemed NRI clients of IDBI Bank Ltd, Vol-21, April-June 2020

Dear NRI friends,

The 21st edition of our quarterly newsletter “Sampark”, as always, aims to keep our customers informed about new offers, developments in the financial world and other related topics. We are sure you will find the contents engaging. We hope, amidst the Pandemic that has affected most part of the world, you and your families are safe and healthy.

Your bank, as a responsible organization of this country, has been continuously contributing to social cause across our branch network and extending helping hand to local administration.

We would once again like to assure you that our teams are fully committed to serve you during these trying times as always.

Suggestions, are welcome and may be shared on our e-mail id nri@idbi.co.in

Warm Regards,

Sharath Kamath
Chief General Manager – Retail Banking Group.
IDBI Bank Ltd.



IDBI Bank Ltd in News

- ✚ **IDBI Bank reports PAT of Rs. 135 crore for Q4 FY 2020.**
- ✚ In the fight against the Covid-19 pandemic, IDBI Bank contributes Rs. 3,95,46,223/- to the PM Cares fund instituted by the Government of India, towards containment and relief efforts.
- ✚ IDBI Bank launched “ IDBI Naman: Senior Citizen Term Deposit Scheme” Resident Senior citizen customers will get an additional interest rate of 0.60% per annum in three to seven year bucket period. Scheme is valid from 15th June 2020 to 30th September 2020.
- ✚ Federal Bank to buy additional 4% stake in life insurance Joint Venture (JV) from IDBI Bank for over Rs. 80 Crore.
- ✚ IDBI Bank launched special product “Guaranteed Emergency Credit Line (GECL) to MSME/Business Enterprises and MUDRA borrowers impacted by Covid-19 pandemic, wherein bank provides additional working capital term loan.
- ✚ IDBI Bank started accepting LIC premium payment by cheques (any bank CTS cheque) and cash. The upper limit for cash transaction is kept at Rs 49,999/-
- ✚ IDBI Bank has launched FASTag, FASTag is a service which offers the convenience and cashless payment of Road Toll fees without stopping their vehicle at Toll Plaza



Interest Rates on NRI Deposits

Non Resident Ordinary - NRO Deposit rates

(Effective: June 15, 2020)

Maturity Slab	Interest Rate (% p.a.)
7-14 days	3.00
15-30 days	3.75
31-45 days	3.75
46- 60 days	4.60
61-90 days	4.60
91-6 months	4.75
6 months 1 day to 270 days	5.00
271 days upto < 1 year	5.25
1 year	5.70
> 1 year - 2 years	5.75
>2 years to < 3 years	5.70
3 yrs to < 5 yrs	5.70
5 years	5.80
> 5 years - 7 years	5.70
>7 years - 10 years	5.70

Non-Callable* NRE/ NRO Deposits

(Effective: June 15, 2020)

Tenor	Interest Rate (% p.a.)
1 year	5.80
> 1 year - 2 years	5.85
>2 years to < 3 years	5.80
3 years to < 5 years	5.85
5 years	6.00
> 5 years - 7 years	5.95

Non Resident External - NRE Deposit rates

(Effective: June 15, 2020)

Maturity Slab	Interest Rate (% p.a.)
1 year	5.70
> 1 year - 2 years	5.75
>2 years to < 3 years	5.70
3 yrs to < 5 yrs	5.70
5 years	5.80
> 5 years - 7 years	5.70
>7 years - 10 years	5.70

Recurring NRE/NRO Deposits

(Effective: June 15, 2020)

Tenor	Interest Rate (% p.a.)
1 year	5.70
> 1 year - 2 years	5.75
>2 years to < 3 years	5.70
3 years to < 5 years	5.70
5 years	5.80
> 5 years - 7 years	5.70
>7 years - 10 years	5.70

The rates mentioned are subject to change from time to time. Please verify the rates on our website www.idbbank.in
No interest is payable on NRE / FCNR (B) deposit closed prematurely in less than a year

* Non-Callable Deposits :

- Deposit amount from Rs 15.00 lakhs to < Rs. 2.0 Cr
- Pre mature closure not permitted
- Capital gain and RD not permitted
- Sweep facility and Auto renewal not permitted.

DTAA benefit available for TDS on NRO Deposits

Foreign Currency Non Resident (Bank) - FCNR (B) deposit rates (% p.a.)* (Effective: June 01,2020)

Maturity Slab	USD	GBP	EUR	AUD	CAD	JPY	SGD	HKD	CHF
1 yr to less than 2 yrs	1.15%	0.95%	0.30%	0.93%	1.14%	0.44%	1.00%	1.94%	0.00%
2 yrs to less than 3yrs	1.12%	0.94%	0.25%	0.99%	1.21%	0.34%	0.99%	1.50%	0.00%
3 yrs to less than 4 yrs	1.04%	0.85%	0.15%	1.04%	1.21%	0.17%	0.97%	1.52%	0.00%
4 yrs to less than 5 yrs	1.08%	0.87%	0.14%	1.15%	1.30%	0.11%	0.93%	1.62%	0.00%
5 years only	1.13%	0.89%	0.16%	1.23%	1.37%	0.07%	0.96%	1.56%	0.00%

Product Focus – IDBI Insta Online Account.

Sr.No	Particulars	Details
1	Feature	<ol style="list-style-type: none"> 1. NRI customers desirous to open new NRI SB (NRE/NRO) account online, can apply for NRI SB Account with any of the RBG Branches of IDBI Bank by visiting the link...https://nri.idbibank.co.in/instaonline/. 2. After submitting the form successfully, customer would receive system generated mail wherein he/she will find attached “Schedule of Facilities” and link to download the pre filled NRI account opening form. 3. Customer would then be required to download the pre-filled NRI account opening form by furnishing the 1st applicant’s Passport Number and Date of Birth. Customers have to affix his photo & signatures at all relevant pages. 4. Customers residing at Non FATF countries and those not wishing to use upload facility need to get their signature and KYC documents be verified from any one of the below mentioned agencies and courier all the documents to their Home Branch. <ol style="list-style-type: none"> A. Indian Embassy B. Notary Public C. Banker at abroad. 5. NRI customers residing at FATF compliant countries can additionally upload the scan copies of the self-attested documents in the link (https://nri.idbibank.co.in/instaonlineFU/) provided to their registered email ID. 6. Two OTP’s each on the registered mobile number (SMS OTP) & email ID (email OTP) sent to customer for authentication prior to enable the link for uploading. The SMS OTP & email OTP have to be entered in sequence and without spaces to login. 7. The Account Number and Customer ID shall be generated & communicated by the Bank to the customer within 7 working days in case of Online Upload of the requisite documents by the customer. In all other cases the same shall be generated & communicated by the Bank after receipt of the physical copy of the completed Account opening Form & KYC Documents sent by the customer to the mentioned address.

Economic Outlook



- ❖ The Government of India announced a special economic package '**Aatmanirbhar Bharat Abhiyaan**' on May 12, 2020 with the objective of building a self-reliant India. This package, along with the earlier announcements by the Government during the outbreak of the Covid crisis and various monetary measures by the RBI, will constitute around Rs. 20 lakh crore, i.e. equivalent to almost 10% of India's GDP.
- ❖ The Government proposed to suspend fresh initiation of insolvency proceedings up to one year.
- ❖ **India's Merchandise trade deficit** tapered further to US\$3.15 billion in May'20 as compared to USD 6.76 billion in Apr'20 and USD 15.36 billion in May'19. Sharper contraction in imports vis-à-vis exports aided in bringing down the overall trade deficit in May'20.
- ❖ The **Wholesale Price Index (WPI)**, which captures the price movement at the wholesale level, recorded deflation rate of 3.21% in May'20 - the lowest since Nov'15 - on the back of negative price rise in all sub-categories
- ❖ India's **Gross Domestic Product (GDP)**, since the establishment of new base of 2011-12, registered its lowest growth of 4.2% in FY20 as compared to 6.1% in FY19
- ❖ Scheduled Commercial Banks (SCBs) and cooperative banks are not permitted to make any further dividend payouts from profits pertaining to the financial year ended March 31, 2020 until further instructions. This restriction shall be reviewed on the basis of the financial position of banks for the quarter ending September 30, 2020.
- ❖ The RBI had earlier announced a special refinance facility of Rs. 15,000 crore to SIDBI for on-lending/refinancing wherein the advances were provided at the Repo Rate at the time of availment for a period of 90 days. The RBI has decided to roll over the facility at the end of the 90th day for another period of 90 days.



- ❖ **Fully Accessible Route (FAR) for Investment by Non Residents in Government Securities:** Fully Accessible Route (FAR) for investment by non-residents in securities issued by Govt. of India has been notified by RBI on 30.03.2020. The scheme comes into operation on 01.04.2020. RBI notified securities such as Govt. securities of 5-year, 10-year and 30-year tenors shall be eligible for investment under the FAR.
- ❖ **Floating Rate Savings Bonds 2020 (Taxable):** Government of India has decided to launch Floating Rate Savings Bonds 2020 (Taxable) scheme, with effect from July 01, 2020. The coupon rate will be linked with prevailing National Saving Certificate (NSC) rate with a spread of (+) 35 bps over the respective NSC rate.
- ❖ **Sovereign Gold Bond Scheme (SGB) 2020-21: Government of India announced following six tranches for investment in Gold Bond.**

S. No.	Tranche	Date of Subscription	Date of Issuance
1	SGB 2020-21 Series I	April 20-24, 2020	April 28, 2020
2	SGB 2020-21 Series II	May 11-15, 2020	May 19, 2020
3	SGB 2020-21 Series III	June 8-12, 2020	June 16, 2020
4	SGB 2020-21 Series IV	July 6-10, 2020	July 14, 2020
5.	SGB 2020-21 Series V	August 3-7, 2020	Aug 11, 2020
6.	SGB 2020-21 Series VI	August 31- Sep 4, 2020	Sep 08, 2020

- ❖ The RBI announced its policy statement on May 22, 2020, earlier than the scheduled date of June 5, 2020, keeping in view the current macroeconomic situation. The RBI decided to **reduce the key policy rate by 40 basis points**. Accordingly, the policy rates are as follows:
 - Repo Rate reduced from 4.40% to 4.00%
 - Reverse Repo Rate reduced from 3.75% to 3.35%
 - CRR unchanged at 3.00%; and
 - SLR unchanged at 18.00%

Banking Updates



- ❖ The RBI has decided to increase the maximum permissible period of pre-shipment and post-shipment export credit sanctioned by banks from the existing one year to 15 months for disbursements made up to July 31, 2020
- ❖ The RBI has decided to extend the time period for completion of remittances against normal imports into India (except in cases where amounts are withheld towards guarantee of performance) from six months to twelve months from the date of shipment for such imports made on or before July 31, 2020.
- ❖ The RBI, on March 27, 2020, had permitted all lending institutions to allow a moratorium of three months on payment of installments in respect of all term loans outstanding as on March 1, 2020. The RBI has decided to permit all lending institutions to further extend the moratorium by another three months, i.e., June 1, 2020 to August 31, 2020.
- ❖ The RBI has decided to permit all lending institutions to allow a further deferment of another three months on payment of interest in respect of working capital facilities sanctioned in the form of cash credit/overdraft outstanding , i.e., from June 1, 2020 to August 31, 2020.
- ❖ RBI Notified that the moratorium/ deferment being offered will not be treated as changes in terms and conditions of loan agreements due to financial difficulty of the borrowers and, consequently, will not result in asset classification downgrade and will not qualify as a default for the purposes of reporting to Credit Information Companies (CICs)
- ❖ The RBI has permitted lending institutions to recalculate the 'drawing power' by reducing the margins till the extended period, i.e., August 31, 2020, with respect to working capital facilities sanctioned in the form of cash credit/overdraft.

Frequently asked Questions & Answers (FAQs)



Q.1 How to deal with existing Non Resident account, when a NRI become Resident?

A. Existing NRI account to be treated in following manner.

Account Description	Treatment to be given
NRE/NRO account	To be redesigned to Resident Accounts.
FCNR account	Hold up to maturity, upon maturity converted to rupee account or RFC deposit account.
NRE Term Deposit	Hold up to maturity, upon maturity credit to resident rupee account or rebook under resident Term Deposit.

Donate @ PM-CARES

Keeping in mind the need for having a dedicated national fund with the primary objective of dealing with any kind of emergency or distress situation, like posed by the COVID-19 (Coronavirus) pandemic, Prime Minister's Citizen Assistance and Relief in Emergency Situations (PM CARES) Fund' has been set up. Citizens and organizations can go to the website pmindia.gov.in and donate to PM CARES Fund using the following details.

For making online donation to PM-CARE via net banking please visit to below link:
<https://inetapps.idbibank.co.in/pmcaresfund>.

You may also pay cash in our branches /pay through cheque /demand drafts favoring "PM CARES Fund" Account number 0011104000631945 and drop at any of our branch.

Reach us at

For any Queries, Complaints & Suggestions, kindly write to us at: nri@idbi.co.in

Customer Care: (+91-22) 67719100

Escalation: sumit.haritwal@idbi.co.in

Website: www.idbibank.in

SWIFT Code: **IBKLINBB**

Follow us on:



Registered Office: - IDBI Tower, WTC Complex, Cuffe Parade, Mumbai 400005

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