

**DECCAN GRAMEENA BANK
HEAD OFFICE: HYDERABAD**

NRI (NON RESIDENT INDIAN)

VARIOUS SCHEMES AVAILABLE TO NON-RESIDENT INDIANS 'or' NON RESIDENTS OF INDIAN ORIGIN

To enable the Non-Resident Indian to invest in bank deposits following schemes are available :

- a) Non-Resident (External) Rupee Account scheme – NR-(E)
- b) Non-Resident Ordinary Rupee Account scheme – NR-(O)

Types of Accounts:

- 1. SAVINGS BANK A/C**
- 2. SPECIAL TERM DEPOSIT ACCOUNT**
- 3. Fixed Deposit (Quarterly interest payable)**

Currency of Accounts: Indian Rupees

i. Who can open NRE account

- a) **Any person resident outside India, who is a citizen of India i.e.,**
 - i. Indian citizens who proceed abroad for employment or for carrying on any business or vocation or for any other purpose in circumstances indicating indefinite period of stay outside India.
 - ii. Indian citizens working abroad on assignments with Foreign Governments, Government Agencies or international / Multilateral Agencies like United Nations Organization (UNO), International Monetary Fund (IMF), World Bank etc.,
 - iii. Officials of Central and State Government and Public Sector Undertakings deputed abroad on assignments with Foreign Govt. Agencies/ organizations or posted to their own offices including Indian Diplomatic Missions abroad.
- b) **A person of Indian origin who is a citizen of any country other than Bangladesh or Pakistan, if**
 - i. At any time, held an Indian passport or
 - ii. He/She or either of his parents or any of his grand parents was a citizen of India by virtue of Constitution of India or Citizenship Act 1955 (57 of 1955) OR
 - iii. The person is a spouse of an Indian citizen or a person referred to in sub-clause b(i) or (ii) above.
- c) **Indian Students studying Abroad**

Students going abroad for studies are treated as Non-Resident Indians (NRIs) and are eligible for all the facilities available to NRI under FEMA.

Opening of NRE accounts in the names of individuals of Bangladesh / Pakistan Nationality requires approval of RBI.

DOCUMENTS REQUIRED FOR OPENING A/C:

ACCOUNT OPENING FORM (AS PER ANNEXURE-I), along with the following.

- 1) Passport copies (relevant pages of your current passport where your name, address, date of birth, date & place of issue, expiry date, photograph & signature appear.)
- 2) Photocopy of Valid work permit/ employment visa
- 3) Two passport size photographs
- 4) Initial remittance by Draft/Cheque
- 5) Your Residential Proof abroad
Valid Proof (Any one)
 - A) Passport copy
 - B) Utility bills
 - C) (i) Electricity bill (ii) Landline telephone bill
 - D) Rent receipt along with stamped/registered lease deed A letter from a banker with stamp and signature clearly specifying the tenure of relationship with the bank and that the mentioned address is the communication address.
 - E) Latest premium receipt from any life insurance company
 - F) Driving license
 - G) Certificate from the postal office confirming address of applicant either on letterhead or under office seal and signed by Post Master / Assistant Post Master.
 - H) Certificate by Village Extension Officer (VEO) / Village Head or equal rank officers. Issued either on letterhead or under office seal.
 - I) Person of Indian Origin (PIO) card (Must be valid as on date of account opening)
 - J) Overseas Citizen of India (OCI) card (Must be valid as on date of account opening)
 - K) Notarized letter from employer indicating name and address.
 - L) Residence Permit (Government-issued unique identity document)
 - M) Bank statement (For all the bank statements / passbooks, there should be at least two customer-induced transactions in the last 3 months prior to the time of placing the address-

change request. Typical customer induced transactions include ATM withdrawals, debit card transactions and Cheques cleared)

Important Points to Know before you Initiate an Address Change in your Account

- 1) Only a Primary Applicant can initiate an address change.
- 2) The signature on the address change form must match the signature in the Bank's records
- 3) Valid Passport details: If your passport has expired or a new passport has been issued after you got your account opened, please give us your latest passport copy with the address change form.
- 4) . Address Proof: In the case of address-change either in your overseas address or Indian address, please provide appropriate address proof

Introduction:

As applicable in the case of resident accounts, all types of Non-resident accounts are also to be properly introduced. The account is to be introduced only once and thereafter deposit accounts or other types of non-resident accounts can be opened in the name of the account holder without asking for introduction every time he/she approaches the branch for opening a new account. However, in such cases a cross reference of the account number where introduction was obtained originally has to be made in the subsequent account opening forms.

If the customer is already having a resident account (this resident account has to be designated as NRO account) fresh introduction is not necessary to open a NRE account. A cross reference is to be made in the account opening forms.

Joint Accounts:

- a. NRE account shall be held jointly with a non-resident only.
- b. Joint accounts in the name of two or more Non-Resident Individuals who are persons of Indian nationality or Indian origin.
- c. **Addition or deletion of the name/s of joint account** : A bank may at the request of all the joint account holders allow the addition or deletion of name/s of joint account holder/s if the circumstances so warrant or allow an individual depositor to add the name of another person as a joint account holder. Provided that in no case shall the amount or duration of the original deposit undergo change in any manner in case the deposit is a term deposit. (The new member should also be NRI).
- d. A Bank may, at its discretion, and at the request of all the joint account holders of a deposit receipt, allow the splitting up of the joint deposit, in the name of each of the joint

account holders only, provided that the period and the aggregate amount of the deposit do not undergo any change.

- e. **Foreign - born Spouse of a Non-Resident Indian** :NRI can open NRE account jointly with his/ her foreign born spouse even though the spouse may not be a person of Indian Nationality / origin. Although the foreign – born spouse of an NRI is deemed to be of Indian Origin branches are advised not to open NRE accounts in the single name of foreign-born spouse. However the foreign born spouse can open a joint account with the NRI which can be operated only Jointly and can not be operated singly. In the event of death of her husband, repatriation of funds held in joint NRE accounts will be considered a legacy payment to a foreign-born wife, subject to existing regulations. Such joint accounts should not be converted to individual accounts in her single name under any circumstances without prior approval of RBI.

Nomination

Nomination facility is available to all deposit accounts of NRIs on the same lines as applicable to resident deposit accounts. Procedures for acceptance of nomination / modification /cancellation are the same as applicable to resident deposits. Nominee can either be a resident in India or a resident outside India. But branches should record the details of nomination in the Register meant for this purpose.

Operation by Power of Attorney Holder

- a. NRE account will be permitted to operate in terms of power of Attorney or other authority granted in favour of a resident by the Non-resident account holder, provided such operations are restricted to withdrawals for local payments.
- b. In cases where account holder or a bank designated by him is eligible to make investments in India, the power of attorney holder may be permitted to operate the account to facilitate such payment.
- c. Banks authorised to deal in foreign exchange may also permit a resident power of attorney holder to remit, through normal banking channels, funds out of the balances in NRE account to the non resident account holder provided specific powers for the purpose have been given. The remittances under power of attorney are permitted only to the Non-resident account holders.
- d. The resident power of Attorney holder is not permitted to repatriate outside India funds held in the account other than to the non resident individual account holder nor to make payment by way of gift to a resident on behalf of the non resident account holder or transfer funds from the account to another NRE account.

Permitted Credits:

- a) Proceeds of remittances to India in any foreign currency as per the Annexure II to IV.

b) Proceeds of

- i. Personal cheques drawn by the account holder on his foreign currency account.
- ii. Travelers cheques, bank drafts payable in any foreign currency which are convertible including instruments expressed in Indian rupees for which reimbursement will be received in foreign currency, deposited by the account holder in person during his temporary visit to India, provided the AD bank/ bank is satisfied that the account holder is still resident outside India.
- iii. The travelers' Cheques / drafts are standing /endorsed in the name of the account holder and in the case of travelers' Cheques, they were issued outside India.

c) Proceeds of foreign currency / bank notes tendered by account holder during his temporary visit to India, provided

- i. The amount was declared on a Currency Declaration Form (CDF), where applicable. Presently where the aggregate value of foreign exchange in the form of currency notes, bank notes or travelers cheques brought in by such person at one time exceeds USD 10,000 – or its equivalent and/or the aggregate value of foreign currency notes brought in by such person at any one time exceeds USD 5,000 – or its equivalent, and
- ii. The notes are tendered to the AD bank in person by the account holder himself and the AD bank is satisfied that account holder is a person resident outside India.

- Transfers from other NRE / FCNR accounts.
- Interest accruing on the funds held in the account.
- Interest on Government securities and dividend on units of mutual funds, provide the securities / units were purchased by debit to the account holder's NRE/ FCNR account or out or inward remittance through normal banking channels.
- Maturity proceeds of Government securities including National Plan/ Savings Certificates as well as proceeds of Government securities and units of mutual funds sold on a recognised stock exchange in India and sale proceeds of units received from mutual funds, provided the securities / units were originally purchased by debit to the account holders' NRE/ FCNR account or out of remittances received from outside India in free foreign exchange.
- Refund of share/ debenture subscriptions to new issues of Indian companies or portion thereof, if the amount of subscription was paid from the same account or from other NRE /FCNR account of the account holder or by remittance from outside India through normal banking channels.
- Refund of application / earnest money / purchase consideration made by the house building agencies /seller on account of non allotment of flat / plot cancellation of bookings / dealers for purchase of residential/ commercial property, together with interest, if any (net of income tax payable thereon), provided the original payment was made out of NRE/ FCNR account of the

account holder or remittance from outside India through normal banking channels and the AD bank is satisfied about the genuineness of the transaction.

- Current income like rent, dividend pension, interest etc., of NRIs provided Authorized Dealers (AD) are satisfied that the credit represents current income of non-resident account holders and income tax thereon has been deducted / paid / provided for as the case may be.
- Any other credit if covered under general or special permission granted by Reserve Bank.

Permitted Debits:

- a. Local disbursements
- b. Remittances outside India
- c. Transfer to NRE/ FCNR accounts of the account holder or any other person eligible to maintain such account.
- d. Investment in shares/ securities / commercial paper of an Indian company or for purchase of immovable property in India provided such investment / purchase is covered by the regulations made, or the general / special permission granted, by the Reserve Bank.
- e. Any other transaction if covered under general or special permission granted by the Reserve Bank.
- f. The account holder of NRE savings deposits can withdraw savings deposit at any time and therefore, bank should not mark any type of lien, direct or indirect, against these deposits.

Change of Status

NRE accounts will be re-designated as resident rupee accounts or the funds held in these accounts will be transferred to the RFC accounts (if the account holder is eligible for maintaining RFC account) at the option of the account holder immediately upon the return of the account holder to India for taking up employment or for carrying on business or vocation or for any other purpose indicating intention to stay in India for an uncertain period.

Where the account holder is on a short visit to India, the account may continue to be treated as NRE account even during his stay in India.

Taxation

The balances and the interest accrued in the NRE deposits are free from taxes and are freely repatriable.

Auto Renewal: Deposits on maturity will be renewed automatically for the period of initial deposit period at the rate of interest applicable on the date of the maturity.

Premature withdrawals

Premature withdrawals will be permitted subject to minimum clause of RBI presently one year and penal interest provision with the exceptional detailed hereunder.

a.	Before the minimum period of 1 year.	No interest is payable.
b.	After the minimum period of 1 year	Interest is payable at the rate applicable for the period the deposit has actually run less penal provision of 1%

BORROWINGS BY NON-RESIDENT INDIVIDUALS

Borrowings in India from AD banks/Authorised Banks against the security of funds held in Non-Resident (External) Rupee Term Deposit.

NATURE OF FACILITY	Demand loan and overdraft with cheque book facility (Cash key)
LOAN AMOUNT	80% of the value to the Deposits plus accrued interest
MARGIN	20 %
SECURITY	NRE Term deposit receipt to be tendered to the Bank duly discharged (undated)
CREDITS / REPAYMENT	i. Amount of balances in NRE / NRO accounts ii. By way of inward remittances or iii. Out of the maturity proceeds of term deposits of the NRO / NRE /FCNR
RATE OF INTEREST	Against NRE / NRO Term Deposits – 2 % above the interest allowed on the deposit (As is allowed 2% extra on Domestic TDR rates).
OTHERS	Loan amount should not be remitted outside India and not to be credited to NRE account.
DOCUMENTATION	Hassle –free simple documentation on lines with the domestic demand loan/ cash key.

A declaration should be obtained at the time of disbursement of loan as below:

“The loan shall not be utilized, either singly or in association with other person, for any of the activities in which investment by persons resident outside India is prohibited, namely:

- i) the business of chit fund
- ii) Nidhi Company
- iii) Agriculture or plantation activities or in real estate business or construction of farm houses or
- iv) Trading in Transferable Development Rights (TDRs)

For the purpose of item (iii) of proviso, real estate business shall not include development of townships, construction of residential commercial premises, roads or bridges.”

AD banks/Authorised Banks maintaining above Non-Resident Term Deposit Accounts are permitted to grant **loans in India** in Indian Rupees upto maximum amount of Rs.20 lakhs to the account holder/s. The banks are prohibited from granting fresh loans or renewing existing loans in

excess of Rupees 20 lakhs against NR(E)RA deposits to the depositors. The banks are also advised not to undertake artificial slicing of the loan amount to circumvent the ceiling.

Purpose

1. Personal purposes or for carrying on business activities except for the purpose of relending or carrying on agricultural/plantation activities or for investment in real estate business.
2. Making direct investment in India on non-repatriation basis by way of contribution to the capital of Indian firms/companies subject to compliance with the provisions of the Foreign Exchange Management (Transfer of Indian security by a Person Resident outside India) Regulations, 2000 and Foreign Exchange Management (Investment in proprietary or a partnership firm) Regulations, 2000.
3. Acquisition of flat/house in India for his own residential use subject to the provisions of the relevant Regulations made under FEMA 1999.

- Notes:**
- a) Non-Resident depositor himself should execute the loan documents in the presence of bank officials and a witness, acceptable to the bank.
 - b) Advances to Third Parties against Non-Resident Deposits should not be granted on the basis of Power of Attorney.

Repayment of Loan

Repayment shall be made either by adjustment of the deposit or by fresh inward remittances from outside India through normal banking channels. The loan is also be repaid out of local rupee resources in the NRO account of the borrower.

Treatment of loans/ overdrafts in the event of change in the resident status of the borrower

In case of person who had availed of loan or overdraft facilities while resident in India and who subsequently becomes a person resident outside India, the authorised dealer bank may at their discretion and commercial judgment allow continuance of the loan/overdraft facilities. In such cases, payment of interest and repayment of loan may be made by inward remittance or out of legitimate resources in India of the person concerned.

Interest payable on the deposit of a deceased depositor

- 1) In the case of term deposit standing in the name/s of a deceased individual depositor, or two or more joint depositors, where one of the depositors has died, interest shall be paid in the manner indicated below :
 - a. At the contracted rate on the maturity of the deposit ;
 - b. In the event of payment of deposit being claimed before the maturity date, the bank shall pay interest at an applicable rate prevailing on the date of placement of deposit without charging the penalty.

- c. In the event of death of the depositor before the date of maturity of the deposit and the amount of the deposit is claimed after the date of maturity, the bank shall pay interest at the contracted rate till the date of maturity. Beyond the date of maturity till the date of payment, the bank shall pay simple interest at the applicable rate operative on the date of maturity.
- d. However, in the case of death of the depositor after the date of maturity of the deposit, the bank shall pay interest at the contracted rate till the date of maturity. Beyond – payment, the bank shall pay at Saving Bank rate.
- e. If on request from claimant / s the bank agrees to split the amount of term deposit and issues two or more receipts individually in the names of the claimant/s, it shall not be construed as premature withdrawal of the term deposit for the purpose of levy penalty, provided the period and aggregate amount of the deposit do not undergo any change.

2) In the case of balances lying in current account standing in the name of a deceased individual depositor, interest shall be paid only from the death of the depositor till the date of payment to the claimant/s at the rate of interest applicable to NRE savings bank A/Cs prevailing on the date of payment.

Note: When the claimants are residents, on maturity, the deposit shall be treated as domestic Rupee deposits and interest will be paid for the subsequent period at a rate applicable to the domestic deposit of a similar maturity.

Features of NRE and NRO deposit schemes at a glance :

Sl. No.	Particulars	Non-Resident External Rupee account scheme (NRE A/c.)	Non-Resident Ordinary Rupee account scheme (NRO A/c.)
1	Who is a NRI	A persons fulfills all the 3 conditions and any one of the approved purposes will be accorded an NRI status by the bankers i.e. person of Indian origin-passport, gone abroad, for an indefinite period. Purposes A) for businesses, B) for employment, c) for vocation d) for Education.	A persons fulfills all the 3 conditions and any one of the approved purposes will be accorded an NRO status by the bankers i.e. person of Indian origin-passport, gone abroad, for an indefinite period. Purposes A) for businesses, B) for employment, c) for vocation d) for Education.
2	Who can open an account	All NRIs (Individual entities of Bangladesh/ Pakistan nationality requires prior approval of RBI)	Any person resident outside India, (other than a person resident in Nepal & Bhutan) (Individual – entities of Bangladesh – Pakistan nationality require prior approval of RBI).
3	Joint account	Each account holders should be NRI	With resident is permitted.
4	Nomination	Permitted (as applicable to domestic deposits)	Permitted (as applicable to domestic deposits)
5	Power of	Authority granted in favour of a	Authority granted in favour of a

Sl. No.	Particulars	Non-Resident External Rupee account scheme (NRE A/c.)	Non-Resident Ordinary Rupee account scheme (NRO A/c.)
	Attorney/Letter of Authority	resident by NRI account holder will be permitted to operate NRI A/c for withdrawals to make local payments only	resident by NRI account holder will be permitted to operate NRI A/c for withdrawals to make local payments only
6	Currency in which account is denominated	Indian Rupees	Indian Rupees
7	Repatriable	Deposit should come from foreign inward remittance or proceeds of NRI repatriable deposits / investments. No tax and No TDS. Repatriable with interest.	Rupee accounts only similar to domestic Rupee accounts credit and debit local nature subject to Income Tax and TDS. Current year's income in India repatriable subject to payment of taxes on it in India.
8	Type of account	Saving, Current, RD, & Fixed Deposit (In case of Fixed Deposit and RD minimum period of deposit is 12 months and minimum amount of deposit is Rs.1000/- and in multiples of Rs.100/- thereof.	Saving, Current, RD, Fixed Deposit
9	Period of fixed deposit	One to Ten years	As applicable to domestic TDR account.
10	Rate of interest	As applicable to domestic deposit accounts. Saving Bank A/c.: As applicable to domestic savings deposit. Current Account: NIL	As applicable to domestic deposit accounts. Saving Bank A/c.: As applicable to domestic savings deposit. Current Account: NIL
11	Others	Deposits are repatriable with interest. Interest rates on SB a/cs and Term Deposits are at par with domestic deposits. Demand loan interest rate is linked to deposit interest rate (At present 2% over interest rate applicable on TDRs) Maximum loan against term deposits is capped to Rs.20 lacs only irrespective of the amount of deposit. Premature closure in Term Deposit accounts of less than one year, no interest will be given.	NRO loses the status of NRI. Period – similar to domestic deposit. Interest rates as applicable to domestic Periods and types as applicable to residents. Income tax TDS is @ 30.90% as of now. Current years income in India repatriable subject to payment of taxes on it in India.

Sl. No.	Particulars	Non-Resident External Rupee account scheme (NRE A/c.)	Non-Resident Ordinary Rupee account scheme (NRO A/c.)
		Credits – Foreign Inward Remittances (FIRs) or proceeds of repatriable deposits. No income tax or TDS as of now.	

ANNEXURE-II

SWIFT / ROUTING NUMBER FOR SENDING REMITTANCE IN USD

1) Pay to (Name and address of our correspondent Bank)	Bank of America, New York (Swift Code BOFAUS3N) Via Chips ABA 0959 for Account UID 002473 or via Fedwire 026009593.
2) For Credit of	State Bank of Hyderabad, Treasury Department, Mumbai, India SWIFT BIC – SBHYINBB002 Nostro A/c. No.6550992180
3) Beneficiary Bank and Branch	DECCAN GRAMEENA BANK Branch Code No.
4) Beneficiary	Name: Account No. Branch: Deccan Grameena Bank,
5) Purpose	For crediting to SB Account No:

SWIFT / ROUTING NUMBER FOR SENDING REMITTANCE IN EURO

1) Pay to (Name and address of our correspondent Bank)	American Express Bank, Frankfurt Main, Postfach 110162, Theodor_Heyss_Allee 80 112, D-60486, Germany Tel: (49) 6999797/ 98 / 99 Fax :(49) 699797- 5600 SWIFT CODE; AEIBDEFX
2) For Credit of	State Bank of Hyderabad, Treasury Department, Mumbai, India SWIFT BIC – SBHYINBB002 Nostro A/c. No.424-007414804
3) Beneficiary Bank and Branch	DECCAN GRAMEENA BANK Branch _____ Code No. _____
4) Beneficiary	Name _____ Account No. _____ Branch _____
5) Purpose	For crediting to SB Account No./ For opening FCNR a/c. for _____ years etc) (Strike out whichever is not relevant)

Note: Please mention the beneficiary name with account no. and branch.

ANNEXURE-IV

SWIFT / ROUTING NUMBER FOR SENDING REMITTANCE IN G.B.P.

1) Pay to (Name and address of our correspondent Bank)	HSBC, 27-32 Poultry London EC2P 2BX (Swift Code : MIDLGB22).
2) For Credit of	State Bank of Hyderabad, Treasury Department, Mumbai, India SWIFT BIC – SBHYINBB002 Nostro A/c. No.35675373
3) Beneficiary Bank and Branch	DECCAN GRAMEENA BANK Branch _____ Code No. _____
4) Beneficiary	Name _____ Account No. _____ Branch _____
5) Purpose	For crediting to SB Account No./ For opening FCNR a/c. for _____ years etc) (Strike out whichever is not relevant)

Note: Please mention the beneficiary name with account no. and branch.