

NRI NEWS BULLETIN FOR FEBRUARY 2022

Volume No: 02-2022

FAQs ON NRI DEPOSITS

What are the types of accounts NRI/ PIO can maintain with our Bank?

Following types of accounts can be maintained by NRIs/ PIOs:

i. NRE SAVING BANK ACCOUNT (SB):

HOW TO OPEN - Inward remittance in freely convertible currency through normal banking channel.

CURRENCY - In Indian Rupees only.

TENDOR/ PERIODICITY - Running account with cheque book facility.

REPATRIABILITY - Freely repatriable.

TAX LIABILITY - Free from all taxes.

ii. NRE TERM DEPOSIT:

HOW TO OPEN - Inward remittance in freely convertible currency through normal banking channel OR/ AND Debit to existing NRE SB account.

CURRENCY - In Indian Rupees only.

TENDOR/ PERIODICITY - Minimum 1 year and maximum 10 years.

REPATRIABILITY - Freely repatriable.

TAX LIABILITY - Free from all taxes.

iii. FOREIGN CURRENCY NON RESIDENT (BANKS)- FCNR (B):

HOW TO OPEN - Inward remittance in freely convertible currency through normal banking channel, Debit to NRE SB account or NRE Term Deposit OR/ AND Foreign currencies/ Travelers' cheques.

CURRENCY - • USD • GBP • EUR • CAD • AUD.

TENDOR/ PERIODICITY - Minimum 1 year and maximum 5 years.

INTEREST - Please click on the following link for interest rate as on date.

INTEREST REPATRIABILITY - Freely repatriable.

TAX LIABILITY - Free from all taxes.

iv. NON RESIDENT ORDINARY (NRO) SB:

HOW TO OPEN - Inward remittance in freely convertible currency through normal banking channel, Domestic income OR/ AND Debit to NRE account.

CURRENCY - In Indian Rupees only.

TENDOR/ PERIODICITY - Running account with cheque book facility.

REPATRIABILITY - Can be repatriated upto USD 1 Million per financial year subject to certain conditions and payment.

TAX LIABILITY - Interest earned is subject to tax.

v. NON RESIDENT ORDINARY (NRO) TERM DEPOSIT:

HOW TO OPEN - Inward remittance in freely convertible currency through normal banking channel, Domestic income OR/ AND Debit to NRE account.

CURRENCY - In Indian Rupees only.

TENDOR/ PERIODICITY - Minimum 7 days and maximum 10 years.

REPATRIABILITY - Can be repatriated upto USD 1 Million per financial year subject to certain conditions and payment.

TAX LIABILITY - As applicable.

What are the permissible debits to NRE accounts ?

Followings are 'permissible debits' to NRE accounts:

- i. Local payments.
- ii. Remittances abroad.
- iii. Transfer to NRE/ FCNR (B) accounts of the same account holder.
- iv. Transfer to NRE account of person other than the account holder subject to conditions.
- v. 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 of India.
- vi. Any other transaction if covered under general or special permission granted by the Reserve Bank of India

What are the permissible credits to NRE accounts ?

Followings are 'permissible credits' to NRE accounts:

- i. Proceeds of inward remittances in any permitted currency.
- ii. Current income of NRIs like rent, dividend, pension, interest, subject to payment of income taxes.
- iii. Transfers from NRE/FCNR accounts of the account holder and Interest accruing on the funds held in these account.
- iv. Proceeds of Foreign Currency Notes/Travelers Cheques brought by the NRI account holder from abroad during his temporary visit to India, subject to conditions.
- v. Proceeds of Personal cheques/ Bank drafts, subject to conditions.
- vi. The followings can be credited to NRE account, provided the securities/ units were purchased by debit to the account holder's NRE/FCNR account or out of inward remittance received through normal banking channels.
 - a. Maturity proceeds and interest of Government securities including National Plan/Savings Certificates as well as proceeds and dividends on units of mutual funds sold on a recognized stock exchange in India.
 - b. Refund of application/earnest money made by the house building agencies due to non- allotment of flat/plot along with interest, if any (net of income tax payable thereon).
- vii. Refund of share/debenture subscriptions to Initial public offer of Indian companies or portion thereof, if the amount of subscription was paid from NRE/FCNR account of the account holder or by inward remittance through normal banking channels.
- viii. Sale proceeds of immovable property purchased out of inward remittances, NRE/ FCNR funds subject to conditions.
- ix. Any other credit covered under general or special permission granted by Reserve Bank of India.

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We are happy to announce about **dedicated NRI Help Desk**, for the customers calling from outside India. This desk is **functional on 24 x 7 basis** and the number is:

080-22064232.

The interest rates on **FCNR [B] deposits of amount less than USD 1 million** (or its equivalent in other currencies) with effect from **07.02.2022** as under:

(In % p.a.)

PERIOD OF DEPOSIT	CURRENCY OF DEPOSITS				
	USD	GBP	EUR	CAD	AUD
1 year & above but less than 2 years	0.88	1.05	NIL	0.69	0.64
2 years & above but less than 3 years	1.30	1.41	NIL	1.75	1.12
3 years & above but less than 4 years	1.53	1.53	0.06	1.97	1.48
4 years & above but less than 5 years	1.64	1.54	0.16	2.03	1.75
5 years only	1.72	1.51	0.22	2.04	1.87

Interest rates on **NRE term Deposit** (w.e.f. 17.01.2022):

(In % p.a.)

SLABS	PERIOD OF DEPOSIT	RATE OF INTEREST*	
		Less than Rs.2 Crore	Rs. 2 Crore to less than 10 Crore
SLAB-1	1 year only	5.00	3.65
SLAB-2	Above 1 year to less than 2 years	5.00	3.65
SLAB-3	2 years & above to less than 3 years	5.10	3.65
SLAB-4	3 years & above to less than 5 years	5.25	3.40
UNIQUE	Canara Unique "1111 Days".	5.35	NA
SLAB-5	5 years & above to 10 years.	5.25	3.40

Interest rates on **RFC Term Deposits of amount less than USD 1 million** (or its equivalent in other currencies) and **RFC Saving Bank deposits** w.e.f. 07.02.2022 are as under:

(In % p.a.)

PERIOD OF DEPOSIT	CURRENCY OF DEPOSITS				
	USD	GBP	EUR	CAD	AUD
SAVINGS BANK	NIL	NIL	NIL	NIL	NIL
1 month & above but less than 3 months	NIL	0.13	NIL	NIL	NIL
3 months & above but less than 6 months	0.09	0.31	NIL	0.02	NIL
6 months & above but less than 1 year	0.36	0.54	0.03	0.38	NIL
1 year & above but less than 2 years	0.88	1.05	NIL	0.69	0.64
2 years & above but less than 3 years	1.30	1.41	NIL	1.75	1.12
3 years only	1.53	1.53	0.06	1.97	1.48

Revision in Interest Rates on **Domestic and NRO Term Deposits** (w.e.f. 17.01.2022):

(In % p.a.)

SLABS	PERIOD OF DEPOSIT	RATE OF INTEREST*			
		Less than Rs.2 Crore		Rs. 2 Crore to less than 10 Crore	
		General	Sr. Citizen	Callable	Non-Callable
1	7 days to 45 days	2.90	2.90	2.90	NA
2	46 days to 90 days	3.90	3.90	3.1	3.10
3	91 days to 179 days	3.95	3.95	3.25	3.25
4	180 days to less than 1 year	4.40	4.90	3.25	3.25
5	1 year only	5.00	5.50	3.65	3.65
6	Above 1 year to less than 2 years	5.00	5.50	3.65	3.65

7	2 years & above to less than 3 years	5.10	5.60	3.65	3.65
8	3 years & above to less than 5 years	5.25	5.75	3.40	3.40
U	Canara Unique "1111 Days".	5.35	5.85	NA	NA
9	5 years & above to 10 years	5.25	5.75	3.40	NO QUOTE

We also offer a bouquet of services to cater to your financial needs as a single point of contact. For various Investment Facilities/ Insurance/ Mutual Fund Schemes, please refer following links:

LIFE INSURANCE: <https://canarabank.com/insurance/index.html>

HEALTH INSURANCE: https://canarabank.com/User_page.aspx?menulevel=1&menuid=3&CatID=45

GENERAL INSURANCE: https://canarabank.com/User_page.aspx?menulevel=1&menuid=3&CatID=44

MUTUAL FUNDS: https://canarabank.com/User_page.aspx?menulevel=1&menuid=2&CatID=4

DEPOSITORY SERVICES: https://canarabank.com/User_page.aspx?menulevel=1&menuid=2&CatID=20

REMITTANCE FACILITIES: https://canarabank.com/User_page.aspx?menulevel=1&menuid=2&CatID=22

INVESTMENT FACILITIES: https://canarabank.com/User_page.aspx?menulevel=1&menuid=2&CatID=23

Dedicated NRI Help Desk (if calling from outside India): **080-22064232 (24 x 7)**

