

## \* Dos & Don't for NRI Customers:

### 1. Deposits:

- ✓ While requesting fixed deposits, choose FCNR (B) deposit in case the maturity proceeds are to be repatriated to the living country.
- ✓ Compare the yield on NRE with the yield on FCNR B Premium (FCNR B + Forward Contract) in case the maturity proceeds are to be invested in India
- ✓ Enquire about the FCNR B premium yield in case the FCNR B deposit has to be made by conversion from non-USD currencies (i.e., GBP, EUR, JPY, AUD, CAD)
- ✓ While making choice between NRE/FCNR B / FCNR B Premium, enquire about the pre-mature cancellation penalty.
- ✓ Before availing loan against a deposit, compare the interest cost between an INR loan and foreign currency loan to choose the better one. Please note that as per FEMA guidelines loans availed in India against NRI deposits cannot be repatriated abroad
- ✓ It is always better to credit the foreign country remittances to NRE/FCNR B rather than NRO. Because, once the remittance proceeds are deposited to NRO accounts, the funds will lose the characteristic of Repatriability and non-taxability.
- ✓ Before requesting premature cancellation of the deposit, enquire about the loss of interest and choose the best option between cancellation of the loan and availing a loan against the deposit.
- ✓ As per FEMA guidelines, Loan proceeds cannot be used for re-lending or carrying out agricultural/plantation activities or for investment in real estate business.

### 2. Taxation:

- ✓ Plan/diarize the days you spent in India during temporary visits. It is required to ensure that the total stay period should not exceed the period prescribed by the Indian Income tax department to get "Resident" Status. On getting "Resident" status, NRI's global income is taxable in India.
- ✓ Always remember to collect your TDS certificate, which is important to claim tax refund, if any.
- ✓ If your NRO deposit interest is taxable at both the countries, i.e., host country and India, please check for availability of tax exemption under "Double Taxation Avoidance Agreements" (DTAA).
- ✓ If you continue your NRI status as per FEMA, you will be eligible for tax exemption on NRE deposits.
- ✓ If you continue your NRI status as per Income Tax Act, you will be eligible for tax exemption on FCNR B deposits.

### 3. Currency:

- ✓ While arriving in India, please note to declare the details of foreign currency (physical) beyond USD 5000 or its equivalent to the Indian customs department through the “Currency Declaration Form (CDF)”. In the absence of the CDF, currency conversion cannot be taken up by “authorized money changers”.
- ✓ While arriving to India or leaving India, Indian currency (physical) should not be carried beyond INR 25,000 (Except for Nepal/Bhutan).
- ✓ NRIs can draw foreign currency out of the maturity proceeds of FCNR (B) deposits upto USD 2000.

### 4. Change of citizenship:

During the change of citizenship,

- ✓ Properly safe keep the expired Indian passport, which is required for the identification of “Overseas Citizen India (OCI)” Status and also for KYC updation at your home branch.
- ✓ Even after the change of citizenship from NRI to OCI, you can continue all of your NRO/NRE/FCNR B deposits.
- ✓ After acquiring OCI status, if you would like to stay in India to take up business/employment/profession or for any other purpose with an intention to stay for an indefinite period, your NRI accounts should be converted to domestic deposits.
- ✓ However, during temporary visits, those accounts can be continued in the same status.

### 5. Remittances:

- ✓ While requesting repatriation from NRO deposits, tax compliance documents i.e., 15CA/CB needs to submit in applicable cases.
- ✓ While making investments in India by way of remittances from your living country, please safe keep the proof of inward remittance as the same is required at the time of repatriation.
- ✓ As per FEMA guidelines, a maximum of two residential houses can be repatriated during the lifetime of the NRIs.

## 6. For Returning NRIs:

While returning to India for good,

- ✓ NRO accounts need to be converted to domestic accounts
- ✓ NRE account can be converted to domestic or Resident Foreign Currency (RFC) deposit
- ✓ FCNR B deposit can be continued till the maturity period. After maturity, it can be converted to a domestic or RFC deposit
- ✓ Please check for eligibility of “Resident but not ordinary Resident (RNOR)” status as it helps to get tax exemption over RFC deposit and FCNR B deposit (incase continued till maturity of the deposit)

## 7.ATM Cards

- ✓ Use your hand to cover the keypad while using an ATM card at the ATM or POS machine
- ✓ Never share your PIN /Card details
- ✓ Never write the PIN on your card
- ✓ Do not respond to text messages, emails or calls asking for your card details or PIN
- ✓ Dispose of or safely put away your transaction receipt
- ✓ Look for spy cameras before you start your transactions
- ✓ Beware of keypad manipulation, heat mapping and shoulder surfing while using the ATM or POS machine
- ✓ Make sure to sign up for transaction Alerts
- ✓ NRE ATM Cards can be used in India as well as in abroad, but NRO ATM cards are meant for use in India only.

## 8. Locker Facilities

- ✓ Do enquire with your home branch for locker availability as per your choice (Small /Medium /Big size). Locker rent vary as per the size of the locker.
- ✓ Locker request can be placed through online banking. Confirm Branch acknowledge the receipt of all Applications for allotment of locker and provide a wait list number to customers, if lockers are not available for immediate allotment
- ✓ Avail Nomination facility for your locker for smooth settlement of claim in case of any risk.
- ✓ Customer who are desirous of availing Locker facility/ or already having Locker shall maintain NRE/NRO Savings Bank / Sukoon Current Account with the Bank for recovery of rent and tracking thereof.

## 9. Power of Attorney

When POA is executed in India:

- ✓ The attorney should be a resident of India.

- ✓ POA is to be executed on a non-judicial stamp paper of appropriate value as applicable in the state where it is executed and duly notarized.
- ✓ A Judicial Magistrate or Notary Public should attest the signature of the Executant (Account Holder).
- ✓ Executant (Account Holder) of the POA must affix his/her signatures on every page of the POA and initials wherever blanks are filled in.

#### **When Power of Attorney (POA) is executed outside India**

- ✓ The attorney should be a resident of India.
- ✓ The POA should be executed on a stamp paper / plain paper and in manner as the case may be as applicable to the country in which the POA is executed.  
The signature of the executant should be authenticated by any one of the following:
  - ✓ SBI Foreign Office authorised official (with SS No), wherever it is permitted
  - ✓ Indian Embassy / Indian Consulate / High Commission of India in that country where the executant resides
- ✓ Stamp duty should be paid in India within three months of receipt in India, as applicable in the state where it is to be submitted.
- ✓ Executant (Account Holder) of the POA must affix his/her signatures on every page of the Power of Attorney and initials wherever blanks are filled in.

#### **The resident POA holder is NOT allowed**

- ✓ to repatriate outside India, funds held in the account under any circumstances other than to the account holder himself, on behalf of the account holder.
- ✓ to make payment by way of gift to a resident on behalf of the account holder.
- ✓ to transfer funds from the account to another NRE / NRO SB/Current account on behalf of the account holder.
- ✓ to open / close NRE/NRO SB/Current accounts.
- ✓ the resident POA holder is NOT permitted to apply for any of the Banks Anytime Channels i.e., INB, ATM etc

***\* Disclaimer: This "Dos & Don't for NRI Customers" has been brought out with the sole intention of disseminating useful information to NRIs and does not purport to be a legal document or a solicitation. In case of any variance between what has been stated herein and the relevant Acts/ Rules & Regulations/ Policy Statement / Instructions of the Bank, the latter shall prevail.***