

Dear NRI Customers,

We are delighted to reach you through our newsletter 'NRI INFO BEAM' December 2021 edition. We extend our greetings on the occasion of Christmas.

In this period of pandemic, we request you to use the digital banking service provided by the Bank for day to day banking services to avoid visiting the branch and protect yourself. We also request you to introduce your friends to our Bank for their banking needs, if you are satisfied with our services.

Recent happenings

Government approves strategic disinvestment of Central Electronics Ltd

The Cabinet Committee on Economic Affairs (CCEA) empowered Alternative Mechanism (AM) comprising Hon'ble Shri Nitin Jairam Gadkari, Union Minister of Road Transport and Highways; Hon'ble Smt. Nirmala Sitharaman, Union Minister for Finance & Corporate Affairs; and Hon'ble Shri Jitendra Singh, Union Minister of State (Independent charge) Ministry of Science and Technology, has approved the highest price bid of M/s Nandal Finance and Leasing Pvt Ltd for sale of 100% equity shareholding of Government of India in Central Electronics Ltd (CEL)- a CPSE under the Department of Scientific and Industrial Research (DSIR). The winning bid is for Rs 210 Crs.

Market Movements for the month of November 2021

	OPENING	CLOSING	HIGH	LOW
USD/INR	75.00	75.16	75.20	73.84
EUR/USD	1.1557	1.1353	1.1616	1.1184
GBP/USD	1.3680	1.3328	1.3698	1.3277
USD/JPY	113.97	112.92	115.51	112.67
USD/SGD	1.3488	1.3665	1.3744	1.3450
USD/CHF	0.9156	0.9185	0.9373	0.9084
USD/CAD	1.2392	1.2781	1.2812	1.2349
AUD/USD	0.7513	0.7135	0.7535	0.7092
BRENT (\$/Barrel)	84.15	72.38	84.84	72.38
GOLD (\$/Oz)	1782.86	1791.40	1876.90	1757.63
USD 10Y (%)	1.5750	1.4392	1.6930	1.4150
INR 10Y (\$)	6.3824	6.2859	6.3351	6.3917

Refresher Corner – 03/2021-22 – Crypto Currency

Cryptocurrency is a digital currency in which transactions are verified and records maintained by a decentralized system using cryptography, rather than by a centralized authority.

History

There had been multiple attempts in creating online currencies with ledgers secured by encryption but were not fully developed or secured. Bitcoin was the first fully established Cryptocurrency which was made available to the public and became widely popular.

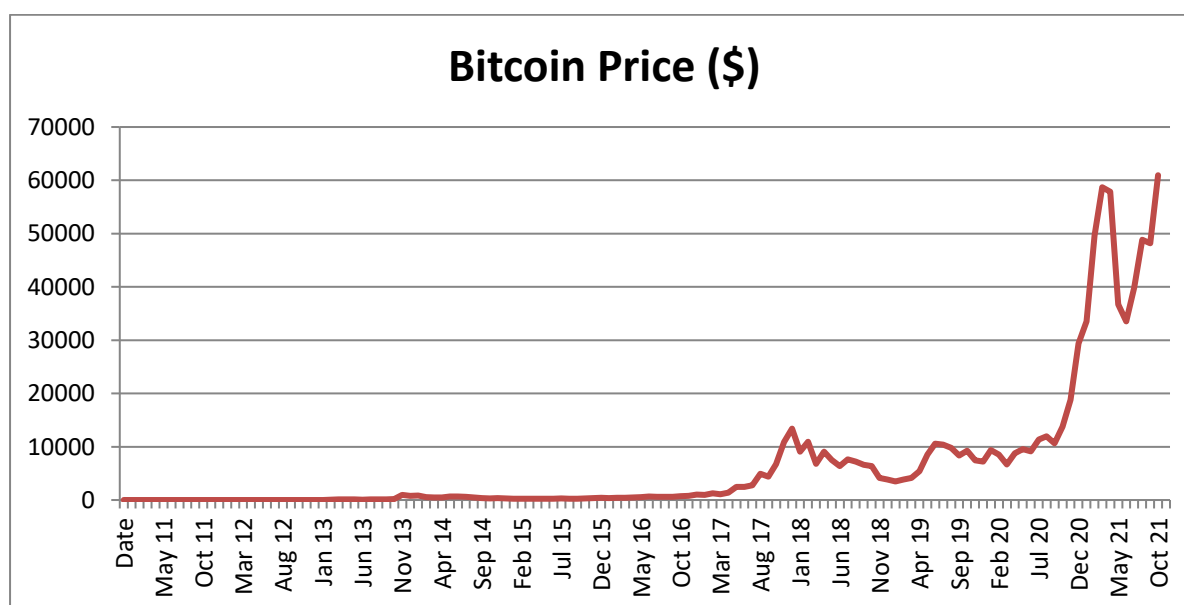
During the year 2009, Bitcoin was first created and transactions were recorded through a technology called Blockchain. In the initial stages Bitcoin was not valued and was created through a process called mining by tech enthusiasts.

As the popularity of Bitcoin increased, there was a sudden rise in alternative cryptocurrencies and new ones were frequently appearing in the market. The price of Bitcoin kept on increasing multifold from \$0 to its all-time high of \$68521 on 5th Nov 2021. The most popular alternate coins to Bitcoins are Litecoin, Ether, Ripple etc.

Historical pricing of Bitcoin

Period appox	Nov 2011	Nov 2012	Nov 2013	Nov 2014	Nov 2015	Nov 2016
Bitcoin Price (\$)	3.15	10.57	198.51	325.39	325.08	729.27

Period appox	Nov 2017	Nov 2018	Nov 2019	Nov 2020	Nov 2021
Bitcoin Price (\$)	6,750	6,358	9,265	13,762	60,955



Regulatory tussles of Cryptocurrency

Prohibition on dealing in Virtual currencies – 06.04.2021

Reserve Bank of India issued a notification on 06.04.2021 cautioning regulated entities to exit relationship with any entities dealing with or Settling virtual currencies.

Reserve Bank has repeatedly through its public notices cautioned users, holders and traders of virtual currencies, including Bitcoins, regarding various risks associated in dealing with such virtual currencies.

It had advised regulated entities which already provide such services shall exit the relationship within three months from the date of the circular.

RBI issues clarification on Prohibition on dealing in Virtual currencies in response to Honourable supreme court judgement – 31.05.2021

RBI issued a clarification on 31.05.2021 that the earlier circular issued to exit relationship with entities dealing with virtual currencies was set aside by the Hon'ble Supreme court and Banks, as well as other entities, may, however, continue to carry out customer due diligence processes in line with regulations governing standards for Know Your Customer (KYC), Anti-Money Laundering (AML), Combating of Financing of Terrorism (CFT) and obligations of regulated entities under Prevention of Money Laundering Act, (PMLA), 2002 in addition to ensuring compliance with relevant provisions under Foreign Exchange Management Act (FEMA) for overseas remittances.

Mentions of Cryptocurrency

Mr. R Gandhi, Deputy governor of RBI (2014 -17) stated in 2012 on crypto currencies that “They pose potential financial, operational, legal, customer protection and security related risks.”

RBIs report of the Working Group on FinTech and Digital Banking 2018 mentions that “The regulatory perimeter around Digital Currencies is a complicated issue and regulation may depend on the definition of Digital Currencies in particular jurisdictions. The cross-border reach of Digital Currency schemes may make it difficult for national authorities to enforce laws.”

Mr B P Kanungo, Deputy Governor of RBI in 2018 stated in the First Bi-Monthly Policy Press Conference that “In the past RBI had reportedly cautioned, at least I remember on three occasions, the members of public, the users, holders and traders in virtual currency regarding the various risks that they are undertaking by exposing themselves to these crypto currencies. Now we have decided to ring fence the RBI regulated entities from the risk of dealing with entities associated with virtual currencies. They are required to stop having business relationship with entities dealing with virtual currencies forthwith and unwind the existing relationship in a period of three months’ time.”

Union Budget 2018-19 – Assessment – 10.04.2018

“The Government does not consider cryptocurrencies as legal tender or coin and will take all measures to eliminate use of these crypto-assets in financing illegitimate activities or as part of the payment system.”

The Financial Action Task Force (FATF), in its 2019 report to G-20 ministers and central bank governors sets out its ongoing work to fight money laundering and terrorist financing. The report notes that blockchain and other distributed ledger technologies may deliver significant benefits to the financial system and the broader economy. Virtual assets, however, also pose serious money laundering and terrorist financing risks. FATF is actively monitoring virtual currency/crypto-asset payment products and services, including pre-paid cards linked to virtual currencies, Bitcoin ATMs and initial coin offerings (ICO)

Mr. Shaktikanta Das – Governor, Reserve Bank of India - Fifth Bi-Monthly Monetary Policy Press Conference – 05.10.2019

“You see with regard to digital currency, there are two aspects. One is private digital currency. RBI is very clearly against any kind of private digital currency. And let me also add that it is not RBI which is against it, world over, the central banks and the governments are against private digital currency. Because currency issuance is a sovereign function, it has to be done by the sovereign. A private currency cannot overwrite what is in the sovereign domain. And there are huge challenges with regard to money laundering and other aspects.”

Central Bank Digital Currency – 22.07.2021

Shri T Rabi Sankar, Deputy Governor, Reserve Bank of India - Thursday, July 22, 2021 spoke about the Central Bank Digital Currency

“Introduction of CBDC has the potential to provide significant benefits, such as reduced dependency on cash, higher seigniorage due to lower transaction costs, reduced settlement risk. Introduction of CBDC would possibly lead to a more robust, efficient, trusted, regulated and legal tender-based payments option. There are associated risks, no doubt, but they need to be carefully evaluated against the potential benefits. It would be RBI’s endeavour, as we move forward in the direction of India’s CBDC, to take the necessary steps which would reiterate the leadership position of India in payment systems.”

Latest News

Govt lists ‘The cryptocurrency and Regulation of the Official Digital Currency Bill 2021’ for Winter session of the Parliament.

Foreign Currency Non- Resident Deposit FCNR (B) rates w.e.f 01.12.2021

CCY	1 < 2 Yrs	2 < 3 Yrs	3 < 4 Yrs	4 < 5 Yrs	5 Years only
USD	0.87	1.16	1.48	1.63	1.72
GBP	1.06	1.46	1.58	1.60	1.58
EUR	0.00	0.12	0.23	0.31	0.36
JPY	0.01	0.03	0.03	0.04	0.05
CAD	0.56	1.53	1.78	1.89	1.92
AUD	0.41	1.01	1.40	1.67	1.79
CHF	0.00	0.00	0.06	0.15	0.24
SGD	0.69	1.05	1.33	1.53	1.71

NRE Term Deposit rates w.e.f 05.11.2021

Period	Less Than Rs. 2 Cr.	Rs. 2 Cr. to Rs. 5 Cr.
1 year	4.95	3.55
1 < 2 Yrs	5.00	3.25
2 < 3 Yrs	5.10	3.25
3 < 5 Yrs	5.20	3.25
5 Yrs	5.25	3.25
Above 5 yrs	5.15	3.25

How to remit:

Remittance can be made in USD, GBP, EUR, AUD, CAD, JPY, CHF and SGD to any Indian Bank account by means of SWIFT Transfer. Details required by the Remitting Bank for easy transfer of funds to Destination Indian Bank branch			
Name of the Remitter			
Address			
Currency		Amount	
Correspondent Bank Details			
Correspondent Bank Name		The Nostro Account number of Indian Bank with the respective Nostro Correspondent	
Swift Code of Correspondent Bank			
Beneficiary Bank account Details			
Beneficiary Bank Name	Indian Bank	Address of Beneficiary Bank	
Beneficiary Bank's Branch Name			
Swift Code of Beneficiary Bank	IDIBINBBXXX		
Beneficiary's Name			
Beneficiary's Bank Account No			
Any other details			
<ul style="list-style-type: none"> Currency-wise Nostro Banks and SWIFT Code are available in the link below. https://www.indianbank.in/departments/remit-of-india/#/ 			

We are here to serve you:

- ❖ Availability of 24/7 secure digital banking service.
- ❖ Dedicated desk to serve NRI customer.
- ❖ Remittance/Deposits can be made in currencies like USD, GBP, EUR, AUD, CAD, JPY, CHF and SGD.
- ❖ Competitive interest rate for FCNR and NRE term deposit
- ❖ Nomination facility is available in all non-resident deposits and nominee can be resident Indian or NRI.

Incase of any difficulty, please contact - NRI Desk

NRI Desk – 044- 2813 4596

E-Mail - ibnridesk@indianbank.co.in

We welcome your valuable suggestions to improve our banking services and to include new product to cater your every needs.