



**आन्ध्रा बैंक ANDHRA BANK**  
(भारत सरकार का उपक्रम)  
(A Govt. of India Undertaking)  
प्रधान कार्यालय Head Office  
हैदराबाद Hyderabad

**AB** Connect

NRI

Issue No.5

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A monthly news bulletin from Andhra bank

**FLASH**

**FLASH**

**FLASH**

**ANDHRA BANK IS HAPPY TO announce Launching of 3 NEW PRODUCTS**

**1. NET BANKING 2. MOBILE BANKING 3. GOLD COIN SALES**

(Please visit our website [www.andhrabank.in](http://www.andhrabank.in) for more details)

**WE HAVE BROUGHT 1067 BRANCHES OUT OF 1410 BRANCHES UNDER "CORE BANKING" PLATFORM. THESE BRANCHES HAVE A TOTAL BUSINESS OF 92% OF BUSINESS AS AT THE END OF DECEMBER 2008.**

**LATEST INTEREST RATES ARE GIVEN BELOW. THESE INTEREST RATES TEND TO CHANGE NORMALLY ON THE LAST WORKING DAY OF EVERY MONTH AND ANY TIME WITHOUT ANY NOTICE WHEN RBI TAKES DECISION TO CHANGE THE RATES**

INTEREST RATES ON FCNR DEPOSITS W e f 1 <sup>st</sup> January 2009						INTEREST RATES ON NRE TERM DEPOSITS W.E.FROM 1 <sup>st</sup> Jan 09	
Currency	1 Year & above to < 2 Years	2 Years & above to < 3 Years	3 Years & above to < 4 Years	4 Years & above to < 5 Years	5 years	Period	Rate of Interest (%) p.a.
USD	3.00	2.44	2.72	2.93	3.08	A) 1 year and above less than 2 years	3.75
GBP	4.07	3.62	3.86	4.04	4.16	B) 2 years and above less than 3 years	3.19
EURO	4.06	3.69	3.94	4.14	4.24		
CAD	3.47	2.08	2.32	2.48	2.60	C) 3 years and above	3.47
AUD	5.65	4.54	4.91	5.23	5.30		

**Customers can avail Internet Banking facility & SMS Alerts in all our 1067 Branches**

Dear Readers ,

**In this bulletin we provide you the information on Cheque Mail Box facility which we are introducing very shortly for the benefit of the NRIs of U S A.**

## **HIGH LIGHTS OF PRAVASI BHARATIYA DIWAS**

- HON'BLE PRIME MINISTER OF INDIA SRI MAN MOHAN SINGH INAUGURATED THE 7<sup>th</sup> CONVENTION AT CHENNAI ON 8<sup>th</sup> JAN 2009
- NEARLY 1500 DELEGATES FROM 48 COUNTRIES ATTENDED THE MEET.
- MAXIMUM NUMBER OF DELEGATES FROM MALAYSIA-270, FOLLOWED BY 127 DELEGATES FROM USA.
- THIRTEEN PROMINENT INDIANS ABROAD ARE FELICITATED WITH PRAVASI BHARATIYA SAMMAN AWARD.
- THE GLOBAL INDIA KNOWLEDGE NET LAUNCHED TO CREATE A VIRTUAL THINK TANK CONNECTING THE DIASPORA
- QUALIFIED PROFESSIONALS HOLDING "OVERSEAS CITIZEN OF INDIA CARD" CAN SOON PRACTISE IN INDIA.
- SMART CARDS ARE TO BE ISSUED TO ALL INDIAN WORKERS IMMIGRATING FROM 1<sup>ST</sup> JUNE 2009.

### **FOREX MARKET UP-DATE**

**Movement of Rupee in the Month of December '08**

USD/INR	Open	High	Low	Close
	50.18	50.58	46.85	48.70

Rupee opened weak against US dollar and slipped further on weak Global as well as domestic bourses. Subsequently Rupee strengthened on the hopes of capital inflows after Central Bank announced stimulus package to support growth momentum. Exporters also

sold Dollars at higher levels which helped Rupee to strengthen to 46.85, but data pouring in subsequently could not give much strength to Rupee which resulted in Rupee to close at 48.70

### **OUR BANK DECEMBER '08 QUARTER RESULTS:**

- **Operating Profit increased by 29.22%**
- **Net Profit increased by 33.74%.**
- **Total Business increased by 27.38% at Rs.95,822 Cr**
- **Total Deposits increased by 22.51% at Rs.53,795 Cr**
- **Bank aims at surpassing Business level of Rs.1,00,000 Crore by 31st MAR'09.**

**Customer can transact through any of 1067 branches through his Desk top.**

## CHEQUE MAIL BOX FACILITY

NRI's in USA can now send the remittances by way of cheques without any delay. NRI's need not send the cheques all the way to India for collection. They can get the cheques realized in USA itself. It saves the time for sending the cheques to India and again sending the cheque back to USA for collection

It is a revolutionary new way of sending money to India at a marginal cost. It costs less than the wire transfer. Again, it is faster than the present system of cheque collection. NRI's can now deposit their personal cheques in a local Post Box of Bank of America in USA and get proceeds credited in Indian Rupees in Andhra Bank Account in India very fast

Thus, NRI's have the following advantages under "Cheque Mail Box Facility"

<b>FAST MONEY TRANSFER:</b>	It is easier than the present system of collection of cheques, Which is taking almost 20 days. It avoids the to and fro Transit of instruments, thereby saves lot of time.
<b>EASY TO SEND</b>	Customers can post a cheque from the comfort of their home.
<b>WIDE NET WORK</b>	Customers can transfer the amounts to accounts in any of 1410 branches (as on 31 <sup>st</sup> December 08) in India
<b>EXCHANGE RATES</b>	Our Bank gives the best exchange rates in the Industry.

### ALL CUSTOMER HAS TO DO IS

- ✚ Draw a cheque on any of the Local Banks in USA in favour of "**Andhra Bank**"
- ✚ Down Load the **Deposit Slip** from the site "**Deposit Slip**" icon in our web site [www.andhrabank.in](http://www.andhrabank.in)>> **NRI BANKING**>>**CHEQUE MAIL BOX FACILITY** and fill it up. Take a print out and attach the cheque
- ✚ If customer is sending the cheque for the first time through this facility to the credit of his own account in our Bank in India, he is requested to down load the Undertaking letter also, fill it up and send it to the branch where he has an account. This is only one time formality when he is availing this facility for the first time.
- ✚ Mail it either by "**First class mail**" or **By Courier** through "**Fedex, DHL**" or **Local courier** to the address give below:

**Our BMPLR is reduced to 12.50% p.a. with effect from 17th JAN' 09- NRI Housing Loans became cheaper by 75 basis points.**

<b>IF YOU PREFER TO SEND THE INSTRUMENT BY "FIRST CLASS MAIL"</b>	<b>IF YOU PREFER TO SEND THE INSTRUMENTS THROUGH COURIER</b>
<b>Andhra Bank(Mumbai) P.O.Box 841810 DALLAS, TX 75284-1697 USA</b>	<b>Bank of America, Lock Box Services, Lock Box 841810, 1401,ELM Street, 5<sup>th</sup> Floor, DALLAS, TX 75202, USA</b>

### HOW IT WORKS

- The cheque sent by the customer will be presented in Local clearing by Bank of America on our bank's behalf.
- A Provisional credit will be given to our account after two business days.
- The Credit will be processed by our International Division at Mumbai and passed on to the beneficiaries account as mentioned in the Deposit Slip by the customer. As this is a povisional credit, Branch at which credit is given may opt to wait up to cooling period of 12 days before parting with the funds

### FAQs

<b>1.</b>	<b>What is "Cheque Lock Box" facility?</b>
<b>Ans:</b>	The remitter in USA hitherto has been sending the cheques to India for collection and in turn, the banker is sending the cheque back to USA for realization. The Cheque Lock Box Facility avoids this transit time. The Customer can simply fill up the Deposit slip and send to Local "Bank of America Post Box".
<b>2</b>	<b>What is the eligibility?</b>
<b>Ans:</b>	The person to whom the amounts are being sent (beneficiary of remittance) should have complied with Know Your Customer (K Y C) Guidelines of the Bank and have an account with our Bank.
<b>3</b>	<b>What benefit Customer get out of this facility?</b>
<b>Ans</b>	The time taken for realization is saved. For example the time taken for sending the cheque to India and back to USA for realization is saved. Costs involved for sending the cheque to India and from India to USA are saved. We charge you lesser than the cheque collection charges. Almost at half the cost of old method you get your funds now transferred to India.
<b>4</b>	<b>How it costs the Customer?</b>
<b>Ans</b>	It costs you as follows:

Cheque amount	Charges including Postage
Upto USD 1000	USD 4.00
> USD 1000 upto USD 3000	USD 5.00
> USD 3000 upto USD 5000	USD 7.00
> USD 5000 upto USD 10000	USD 8.00
Above USD 10000	USD 10.00

**5** Is there any monetary limit to transfer the funds to India?

**Ans** There is absolutely no monetary limit to transfer the funds from USA to India

**6** Do NRI have to have an account with Andhra Bank to use this facility?

**Ans.** No. NRI need not have an account with us. However the beneficiary should have an account with us in any of our branches 1410 (as on 31<sup>st</sup> Dec'08) in India and have complied with the KYC guidelines of the Bank.

**7** In which currency NRI can send the money?

**Ans** NRI can send the Money in US Dollar only

**8** How much time it takes to credit the account in India?

**Ans** 3 to 4 business days from the date of receipt of Customer cheque by Bank of America Dallas, USA.

**9** Whether the beneficiary can avail the funds immediately?

**Ans** The credit given by Bank of America is a Provsional Credit. Customer need to wait for a period of 12 days from the date of credit from our Bank's International Division, Mumbai.

**10** What information is needed to send the cheque through this facility?

**Ans** Simple details like Name of the beneficiary, his account number, Name of the branch where the account is maintained.

**11** What should Customer verify before he sends the cheque?

**Ans** NRI should verify the following:  
Whether all the details on the cheque are properly filled in

- Name of the Beneficiary,
- Date of the cheque in locally acceptable (mm/dd/yy) form.
- Amount in figures and Words, and signature
- The cheque amount and other details should tally with that of Deposit slip.
- Make sure that sufficient balance is maintained in your account when the cheque is presented to your banker.

12	Where Customer has to send the cheque?
	For instruments sent via First Class mail:- ANDHRA BANK (MUMBAI), P.O. BOX 841810, DALLAS, TX 75284-1697, USA.
	For instruments sent via courier (FEDEX, DHL, UPS and local courier) :-  BANK OF AMERICA LOCK BOX SERVICES, LOCK BOX 841810, 1401, ELM STREET, 5 <sup>TH</sup> FLOOR, DALLAS, TX 75202, USA.

### THINGS TO KNOW ABOUT "U S A" CLEARING LAWS:

**As per US laws the drawee bank can return the cheques within one year if it is found that the instrument is materially altered, within three years if it is found that the instrument is forged and within seven years in the case of US Treasury cheques**

**Snippets**

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- + Government of India announced additional measures for extending stimulus to the slowing economy.
- + The Reserve Bank of India further reduced the repo rate, the rate at which the central bank lends to commercial banks to 5.5%. Thus, the key interest rate reached the lowest level in more than 8 years.
- + The reverse repo rate, the rate at which the RBI borrows money from banks was cut to 4% from 5%.
- + The RBI also reduced the cash reserve ratio by 50 basis points to 5%, with effect from the fortnight beginning 17th January 2009. The reduction in the CRR will inject additional liquidity of around 200 billion rupees to the financial system.
- + The Government of India decided to remove 'all-in-cost' ceilings on External Commercial Borrowing.
- + The investment limit of foreign institutional investors in rupee denominated corporate bonds in India was increased to US\$15 billion from US \$6 billion. The package also includes several measures to support recession-hit exporters.
- + Indians constitute the largest recipients of UK Citizen ship as per latest data available (2006) comprising 15,125 NRIs, largest from Asia according to Eurostat, EU's statistics body.
- + GOI decided to put in place uniform marriage registration process shortly to protect the interest of the brides and to curb the incidence of deserting the bride by Indian bridegroom abroad.

**MINISTRY OF OVERSEAS  
INDIAN AFFAIRS**

Pravasi Bharatiya Divas, a Mega Event was held successfully at Chennai between 7-9 January 2009. Hon'ble Prime Minister of India Inaugurated the event and Hon'ble President of India participated in the valedictory function. Hon'ble Prime Minister of India announced that

**G-SEC MARKET**

The sovereign bond market got huge impetus in the form of cut in Repo rate by 50 basis points from the central bank on 8<sup>th</sup> Dec 2008. This made the yields started softening across the curve. The yield on 10-year benchmark softened by more than 175 basis points during the month on the expectations of further rate cuts from the central bank. Following are the levels of 10-year benchmark yield in month of December 2008.

Open - 7.0724% Close-5.1839%  
High - 7.0724% Low -5.1839%

Qualified professionals like doctors, dentists, pharmacists, engineers, architects and chartered Accountants holding OCI card would be allowed to practise back home, meeting the long-standing demand from NRI professionals. (More details on the 2nd page of this bulletin).

**BULLION MARKET** Gold opened at USD 815.02/oz and hovered in between 740.40/OZ and 889.55 per Ounce before closing at \$ 878 /oz in December'08 Weakening dollar versus major currencies after FEDERAL RESERVE slashed

**STOCK MARKET**

In the month of Dec'08, BSE sensx opened at 9163 and volatility was observed through out the month due to global recessionary trends and closed at 9647 by the end of the month. The senesex saw the highest of 10110 and dipped to the lowest of 8739 before closing at 9647.

interest rates and other measures announced by the Federal reserve increased the appeal of the precious metal as an alternative investment inspite of falling oil prices.

**MEERA BHARATH MAHAN**

**WE CELEBRATED DIAMOND**

**JUBILEE REPUBLIC DAY**

**NRI Cell, Andhra Bank, Head Office, Pattabhi Bhavan Saifabad Hyderabad-500004**

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