



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

AB Connect

NRI

Issue No.28

December, 2010

A monthly news bulletin from Andhra Bank

AB SPEED WAY –A SECURE, QUICK, WEB BASED ON LINE REMITTANCE FACILITY FOR THE EXCLUSIVE BENEFIT OF NRIs of USA- CHARGES REDUCED FROM RS 100/- TO A NOMINAL FEE OF RS 10/-(plus applicable taxes) ONLY. AVAIL THE FAST REMITTANCE FACILITY AND GET BETTER EXCHANGE RATE. REGISTER NOW.

(For Registration visit <https://abspeedway.andhrabank.in/> or www.andhrabank.in)

INDEX

1. Interest Rates
2. Markets at a Glance
3. 3-in-1 account and On Line Trading facilities to NRIs under Portfolio Investment Scheme.
4. Snippets

INTEREST RATES (%) per annum with effect from 1st December'10

Currency	F C N R DEPOSITS					NRE TERM DEPOSITS	
	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	1.79	1.76	2.04	2.36	2.73	A) 1 year and above less than 2 years	2.54
GBP	2.49	2.37	2.71	3.04	3.37		
EURO	2.49	2.59	2.84	3.10	3.33	B) 2 years and above less than 3 years	2.51
CAD	2.89	2.77	3.02	3.28	3.51		
AUD	6.66	6.29	6.41	6.65	6.76	C) 3 years and above	2.79

(*These rates are subject to change from time to time as per Reserve Bank of India Guidelines)

Visit Our Website www.andhrabank.in for details of accounts and to down load Savings (NRE) application form to open account with our Bank. USA AND DUBAI customers may contact our Representative offices for any clarifications. Others may contact NRI CELL, HYDERABAD. Contact details are given at the end of this Bulletin.

**FOREX MARKET DURING
November '10**

Open	High	Low	close
44.35	46.11	44.18	45.88

Rupee opened with gains and traded with firm bias against dollar tracking the weak dollar against the major currencies after Federal Reserve USA took decision to pump more dollars into the market. Positive domestic equity indices and promising economic growth aided by Central Banks rate hike of 25 basis points also supported the rupee to close with gains against dollar in the first week of the month. Rupee pared gains since start of second week tracking strong dollar and dropped 1.35 percent, its worst weekly fall in six months. Sell off in commodities, weak currencies and negative equity indices put more pressure on rupee. Rumours of rate hike by China and debt problems of Euro Zone peripheral countries weighted in the market and lead to safe haven dollar demand due to which the local currency weakened. Risk averse Importers covering for their payables also weighed on the Indian rupee. Rupee followed the track of weak Asian currencies after Conflict and war like situation between two Korean nations. Capital inflows for IPO's and Exporters selling the dollar at higher levels could not arrest the fall of the local currency unit and rupee touched 46.11 and finally rupee closed at 45.88.

**BULLION MARKET DURING
November '10**

Open	High	Low	close
\$1360	\$1424	\$1323	\$1384

Gold opened flat at 1360.00 and turned negative during the first week after heavy liquidation of long positions in New York metal futures due to some nervousness in market ahead of FOMC meeting. After FED decision to pump in \$650 billions in Govt. Debt over eight months time dollar lost ground and gold rebounded to 1390 levels. Precious metal touched a fresh high of \$1424 after European debt problems once again resurfaced and geopolitical tensions in Korea made investors to go for safe havens. However gold lost its shine in the last week as profit booking at higher levels and finally Gold closed at 1384.00

G-Sec Market during November '10

The 7.80% GS 2020 levels	YIELDS (%)
OPEN	8.1292
HIGH	8.2025
LOW	7.9229
CLOSE	8.0672

The yield of the 10 year bench mark security 7.80% GS 2020 opened at 8.1292% against the previous month closing level of 8.1138% as market was cautious ahead of RBI's quarterly monetary policy review. RBI hiked the Repo and Reverse Repo rates by 25 basis points with immediate effect. The yields started softening after the hike as it was as per market expectations. RBI further announced the buyback of liquid securities for ` 12,000 crores including the 10-year benchmark security. This further added to the bidding momentum and yields softened by 10-15 basis points on the securities announced in the buyback whereas 5-6 basis points on the other securities after the announcement. The IIP data for the month of September came very low at 4.40% against the market expectations of 7% and previous month figure of 6.92%. The inflation figure came at 8.58% against the previous month level of 8.62% and market expectations of 8.51%. RBI announced special liquidity measures to support the liquidity in the market including conducting of special second LAF from November 9th to December 16th in which banks were permitted to seek waiver of penal interest on default of maintaining SLR up to 1% of their NDTL. The yields on dated securities started coming down after the comments by Finance Ministry source on likelihood of RBI measures on liquidity, OMO and on release of subsidy to OIL marketing companies to the tune of ` 25000 - 26000 crores. The dated securities rose further after Securities and Exchange Board of India announced that it will auction the increased as well as unutilized limits for FIs investment in debt on December 2. The yield on 10 year bench mark security softened by 5 basis points during the month and closed at 8.0672%.

**Equity Market during
November '10**

INDEX	BSE	NIFTY
OPEN	20272.49	6092.30
HIGH	21108.64	6338.50
LOW	18954.82	5690.35
CLOSE	19521.25	5862.70

Markets rose at the onset of the month as sentiment was upbeat due to positive quantitative easing measure, successful listing of Coal India, improved corporate earnings boosting the outlook for economic growth amid surging inflows from the foreign funds. Sensex crossed 21000 mark during this time. During the later half of the month, equities were rattled badly by domestic scams, lower than expected IIP data, renewed debt worries from Ireland and geopolitical tensions arising from hostility between both Korean countries

WE HAVE OPENED FIVE SPECIALISED NRI BRANCHES IN FIVE METROS FOR EXCLUSIVE BENEFIT OF NRIs. PLEASE AVAIL THE SERVICES OF THESE BRANCHES. CONTACT DETAILS ARE AS FOLLOWS:

CENTRE	CONTACT PERSON	TELEPHONE NO	Email address
MUMBAI	Ms. Rajeswari	022-26876176	nri-mum@andhrabank.co.in
CHENNAI	Mr. Hari Haran	044-24911869	bmche1615@andhrabank.co.in
BANGALORE	Mr. Harish	080-22959715	bmb1r1696@andhrabank.co.in
NEW DELHI	Mr. V. Ravi Kumar	011-23415263	bmdel1644@andhrabank.co.in

HYDERABAD	Ms.Renuka	040-23421286	bmhyd1711@andhrabank.co.in
This month we are giving the procedure to open D-MAT and Trading accounts and how to Trade in Shares			

AB DEMAT and AB-e-TRADE

- I. **AB DEMAT:** It facilitates investors to hold securities electronically in a safer and easier way allotted through
- (A) Subscription to Public issues and
 - (B) Stocks purchased from secondary market

II. AB – e-TRADE

- (A) Ab-e-trade is an on-line trading facility for seamless and hassle free online trading in securities on the stock exchanges under strategic tie up with M/s Religare Securities Limited.
- (B) Under this Bank is offering a 3-in-1 account to the client who wishes to do trading activity by linking the SB account, Demat account and Trading Account.
- (C) In a 3-in -1 account, wherein the customer opens
 - a. 'internet enabled savings account OF ANDHRA BANK' and
 - b. 'Demat account' with Andhra Bank
 - c. 'Trading account' with M/s Religare Securities Limited
- (D) Customer can simply
 - a. login to our web site www.andhrabank.in and
 - b. Click the trading link
 - c. And trade securities in Stock exchanges after giving his 'Trade user id' and 'password' provided to him after opening a on line 3 in 1 trading account, sitting from his home, office, and from laptop when on move.

III. AB DEMAT and AB E TRADE FOR NRI CUSTOMERS:

- (A) This facility is offered to our NRI customers also who wish to invest in Indian capital markets under Portfolio Investment Scheme (PIS) either on repatriable (NRE-PIS) or non repatriable basis (NRO-PIS).
- (B) TO AVAIL THIS FACILITY
 - a. The NRI customer opens a NRE/NRO PIS account with our designated Fort Branch, Mumbai only and
 - b. Submits a demat application and trading application forms for opening of demat account at our DP Main branch, Hyderabad or any of our designated branches (available in our web site).
 - c. Then the branch will open NRI Demat account with our Bank and arrange for opening of NRI trading account with M/S Religare Securities Limited.
 - d. The trading account will be linked to demat account and NRE/NRO PIS Savings Account opened with our bank.
- (C) For NRI clients, M/S Religare Securities Limited is providing advisory service/support at one point of contact for all investment related requirements on mail/call and on all prominent chat services.
- (D) The advisory service is backed by award winning Religare Hitchens Harrison Institutional Research.
- (E) If the prospective client is from USA, he has to appoint his authorised person in India for execution of transactions on behalf of NRI based at USA.
- (F) The authorised person has to submit "Know Your Customer" documents along with photograph to our D P Branch.
- (G) The customer is having choice of opening his demat accounts with any of our designated depository participant branches. For list of branches please visit our web site www.andhrabank.in

(I)The Branch where Demat account is opened will arrange for trading accounts through either representative of M/s Religare Securities Limited available in major cities or AB Demat Branch at Hyderabad for further processing.

(J)In case of non-designated branches, the branches will approach the nearest designated branch /or Central DP Branch and arrange for opening of accounts.

IV.Trading process & Settlement of transactions

- (a) Once the trading account is opened, Religare will send user id and password to the client directly.
- (b) The client will have to log-on to the website of Andhra Bank- www.andhrabank.in to buy/sell shares.
- (c) When a buy order is placed in the market online, the system checks the availability of funds in the Savings/Trading account and when sell order is placed the system checks the availability of shares in the demat account of the client and executes the trade in real time on NSE or BSE.
- (d) The bank account and the demat account are debited/credited or vice-versa as the case may be automatically.
- (e) **Settlement process:** On t+2 day the settlements takes place at exchange level and the broker-Religare will give credit of funds (net) to the client running account with sale proceeds of the securities and credit the securities to the demat account of the client for the purchases of securities .
- (f) Every day M/S Religare Securities Limited will send the contract note of successful trades to the clients through mail and SMS to his email id /mobile number respectively.

V. About M/S Religare Securities Ltd:

- (a) It is a SEBI registered stock broker and a corporate member of both national level stock exchanges - NSE & BSE is having good experience in the financial markets.
- (b) The trading facilities offered by M/s Religare Securities Ltd., are powered by research & analytics offline / online delivery models. M/s Religare Securities Ltd is offering different types of trading accounts to suit the different clients depending on the trading volume / appetite like delivery basis, intra day, futures & options and the charges/brokerage are best compared in the industry.

The write up is prepared by Mr. U Vijayanand, Branch Manager and Compliance Officer of our Central D P Branch, Somajiguda, Hyderabad.

For any clarifications and queries about e-trade, NRIs may call on Mr. Vijayanand on Phone 040-23421171: fax- 040-23421170: email: abdp@andhrabank.co.in

SNIPPETS

SNIPPETS

SNIPPETS

SNIPPETS

NOTIFICATION ON NRI VOTING RIGHTS

New Delhi, Nov. 24 (PTI): The Centre has issued a notification to enable a select group of NRIs to vote, months after an amendment bill permitting such rights was passed during the monsoon session of Parliament. The move will benefit NRIs who have not acquired citizenship of any other country and are living abroad owing to employment, education or otherwise”, overseas Indian affairs minister Vayalar Ravi told the Lok Sabha today. These NRIs are now eligible to register their names in the electoral rolls in the places of residence mentioned in their passports. However, they will be able to exercise the franchise only if they are present in their constituencies on polling day.

The Election Commission is likely to finalise soon the rules for entry of such NRIs' names in electoral rolls, Ravi said. So far, their names were deleted from the lists if they stayed outside the country for more than six months at a stretch. The change will now allow them to register even if they are away for longer periods

PUNJAB MINISTER DEMANDS E-MAIL BALLOT FACILITY TO NRIs

CHANDIGARH: Punjab Education Minister and SAD Political Affairs Committee Member Sewa Singh Sekhwan Monday welcomed the Central notification granting voting rights to Non Resident Indians (NRIs) and described it a historical decision aimed to involve million of NRIs in Indian polity. He pointed out that more than 11 million Indians owing to employment, education or otherwise were living in different parts of the world and have not acquired citizenship of any other country and with this new notification they becomes eligible to register their names in the electoral rolls in their places as mentioned in their passport and would be able to exercise their franchise. The Minister said that this decision would have a greater impact on Punjab as number of Punjabis' were staying abroad and due to no voting rights till now, feels disheartened, especially, when they were here during elections. The Punjab government had taken up this issue with the Union government several times. He demanded that the Election Commission, while finalizing the rules and regulations prescribing modalities for entry of names of NRIs in electoral rolls must explore the possibility for E.mail ballot rights to these NRIs also as it may not be physically possible for each NRI to visit his native place during elections. Sekhwan said that the NRIs were more aware of the political changes and International exposure makes them more sensible about the future of Indian politics. He expressed confidence that their voting rights would bring a significant change

NRI INVESTMENT IN INDIA

The Ministry of Overseas Indian Affairs has set up an Overseas Indian Facilitation Centre (OIFC) as a not-for-profit-trust, in partnership with Confederation of Indian Industry (CII) to promote investment amongst the overseas Indians. The center is a 'One Stop- Shop' for serving the interests of the overseas Indian Community and has mandate to cover two broad areas viz. investment facilitation and Knowledge Networking. OIFC also assists the States in India to project investment opportunities to Overseas Indians. It has reached out to various state governments to become its partners. The State Governments of Kerala, Karnataka, Gujarat, Orissa and Punjab have taken up membership of OIFC as State Partners. These States are being encouraged to actively promote their investment projects / opportunities through OIFC. It also conducts the investment meet overseas to promote investment. The actual investments made are monitored by the Department of Industrial Policy and Promotion (DIPP). However, as per the DIPP data the amount invested by the NRIs during the last three years are:

Year	Amount of NRI FDI Inflows		% age to total FDI Inflows
	(In Rs. Million)	(In US Million)	
2009-10	16919.58	354.75	1.37
2008-09	73,141.81	1,603.82	5.95
2007-08	67,628.48	1,695.49	6.86

Over the years, the problems faced by the diaspora with respect to investment facilitation have been mitigated to a large extent. The Government is taking necessary steps to simplify procedures and rules as well as ensure coordination within the government departments etc. to facilitate NRI investment in India. This information was given by the Minister of Overseas Indian Affairs, Shri Vayalar Ravi in a written reply in the Lok Sabha today

INDIANS IN UAE ENCOURAGED TO REGISTER AT THEIR DIPLOMATIC MISSIONS

Indians in the UAE are being encouraged to register themselves with the diplomatic missions to help them exercise their right to vote while in India. There is no compulsory registration. But it will be to the benefit of the Indian community here to use their voting rights. In case somebody, challenges their names in the voters' list, the registration will help verify their details through the consulate or the embassy. "Mr Vayalar Ravi, Minister for Overseas Indian Affairs, said at a press conference at the Indian Consulate in Dubai.

Expatriate Indians can register their details online by using their passport details. The long standing demand of non-resident Indians was fulfilled when the Group of Ministers (GoM) cleared the draft for the Representation of People's (Amendment) Bill two months ago and was presented and passed in the federal cabinet and Parliament.

ONLINE APPLICATION SYSTEM FOR INDIAN CITIZENSHIP INTRODUCED

Ministry of Home Affairs has introduced a new online application system for Indian citizenship for faster, simpler and transparent processing/tracking of the applications for grant of Indian Citizenship. The new system aims to achieve the following:

- i. Centralized data base of citizenship applications will be available with the Ministry of Home Affairs;
- ii. There will be uniformity in processing of applications;
- iii. Citizenship cases will be processed faster;
- iv. Better monitoring and tracking of the cases;
- v. The applicant would be able to track progress of his or her case;

2. As per earlier procedure available under Rule 11 & 12 of the Citizenship Rules, 2009, an application for grant of Indian Citizenship was to be submitted to the Collector/Deputy Commissioner/District Magistrate of the area where the applicant is ordinarily a resident. The applicant along with a report on the eligibility and suitability of the applicant was to be sent by the Collector/Deputy Commissioner/District Magistrate to the State Government within 60 days. Thereafter, the application along with the recommendation of the State Government was to be sent to the Ministry of Home Affairs within 30 days. Each application was examined in the Ministry in terms of the provisions of the Citizenship Act, 1955 and Rules framed there-under and each applicant whose case was found to be complete with the prescribed requirements was informed about the acceptance of his/her application through the State Government. Thereafter, a certificate of Indian Citizenship was issued to the applicant through the State Government on receipt of the requisite documents as mentioned in the acceptance letter viz. a certificate of renunciation of his/her foreign citizenship issued by the Mission of the concerned country, prescribed fee, three passport size photographs, three specimen signatures and personal particulars of the applicant.
3. As per new procedure recently introduced, the applicants can apply online at the website <http://mha.nic.in/icweb/icfirstpage.aspx> for quick processing of the same by the concerned agencies and the Central Government. Each application form is meant for one person only. Once the online application form is submitted by the applicant, an Internet File Number will be generated automatically and the applicant has to preserve this generated number for printing of the online application form and for status tracking. The applicant is required to submit the duly signed/self attested hard copy of the computer generated application form and supporting documents to his/her nearest Collector/DC/DM Office personally. Thereafter, the Collector/DC/DM concerned, as the case may be, will process the application as per the procedure laid down in the Citizenship Act, 1955 and rules made there-under.
4. The proposed procedure for “**Applying Online for Indian Citizenship**” is available at the MHA’s website:www.mha.nic.in
5. The Citizenship Act, 1955 provides for the acquisition of Citizenship by birth, descent, registration, naturalization. The Citizenship Rules, 2009 provides the procedure, forms of application, fee etc.

NRI Cell Andhra Bank, Head Office, Pattabhi Bhavan, Saifabad, Hyderabad – 500 004	
Phone Nos.:91-40-23234036/23233004/23252379/23252000-Extn2379	
Fax No.91-40-23231385 Web Site Address : www.andhrabank.in;	
E-mail Address: nrice@andhrabank.co.in	
REP OFFICES:	New Jersey : 001 201 420 8088 / 001 201 310 9494 E-mail I.D:abnjreppoffice@yahoo.com reppoffice@andhrabank.us
REP OFFICES:	Dubai :00 971 4 397 6654 / 9 E mail I.D: ab_reppoffice@yahoo.co.in dubaireppoffice@andhrabank.co.in
Compiled by Mr. T.Lakshmana Rao, Senior Manager, NRI Cell, Corp. Planning Dept., Head Office, Hyderabad, India. Edited by Mr.Y.Prasad, Deputy General Manager, Corporate Planning Dept, Head Office, Saifabad, Hyderabad, India. Published by Andhra Bank, Corporate Planning Dept., Head Office, Saifabad, Hyderabad, India.	
DISCLAIMER	This e-mail contains privileged information or information belonging to Andhra Bank and is intended solely for the addressee/s. Access to this email by anyone else is unauthorized. Any copying (whole or partial) or further distribution beyond the original recipient is not intended and may be unlawful. The recipient acknowledges that Andhra Bank is unable to exercise control or ensure or guarantee the integrity of the contents of the information contained in e-mail transmissions and further acknowledges that any views expressed in this message are those of the individual sender and are not binding on Andhra Bank. E-mails are susceptible to alteration and their integrity can not be guaranteed. Andhra Bank does not accept any liability for damages caused on account of this e-mail. If you have received this e-mail in error, please contact the sender and delete the material from your computer.