

NRI

CONNECT

November 2023



**NRI_s AND
INDIAN ECONOMY**

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Krishnakavita Nair
Manager



NRI'S AND INDIAN ECONOMY

Non-Resident Indian (NRI) is an individual who is a citizen of India or a person of Indian origin but is not a resident of India. Person of Indian Origin refers to person who is of Indian birth or ancestry but are citizens of countries other than India. Overseas Citizenship of India (OCI) is given to a person of Indian origin and to persons who are not Indian but are married to a person of Indian Origin.

According to a Ministry of External Affairs report, there are 29 million NRIs and PIOs (including OCIs) residing outside India; and overseas Indians comprise the world's largest overseas diaspora. Every year 2.5 million (25 lakh) Indians migrate overseas, which is the highest annual number of migrants in the world. The Middle Eastern countries account to majority of Indian expats followed by USA, UK and Canada.

NRI CONTRIBUTIONS TO THE INDIAN ECONOMY

The Non-Resident Indians (NRIs) boost India's global image as well as adds to its diplomatic heft. Inward remittances, or the money they send back to their families and relatives in India, bolster India's economy by increasing its foreign exchange reserves and ensure India's macroeconomic stability. They also fuel consumption and investment in India.

India is one of the fastest growing and most stable economies in the world. The contribution of NRIs has been very significant to the Indian economy. Their contributions help in national savings, increasing our forex reserves, investment in various sectors such as education, health, etc. which helps in the overall growth of India's GDP.

Remittance plays an important role for developing countries in terms of their economic systems, individual households and business. Remittance acts as buffer to India's external

sector, which has been stressed recently due to various global economic woes. When India's trade deficit widens, remittances provide a much-needed cushion as it the second largest source of external financing after service exports. Remittances not only act as one of the stable anchors for India's current account but also feeds India's forex reserves and help in protecting rupee from excessive volatility. The Indian diaspora is responsible for a significant amount of money inflow into the country.

The NRIs have sent in close to \$108 billion as remittances to their families back in India which accounts for 3 per cent of India's GDP and also have maintained cumulative NRI deposits of upto \$136 billion as of February 2023, which has contributed substantially to the country's forex reserves.

It clearly shows how NRIs are helping boost our Indian Economy. Every dollar transferred to India adds to our foreign exchange reserves. Remittance are a major source of foreign currency inflows. The foreign exchange reserves of a country are an indicator of its financial strength and strong inflows add to the creditworthiness. Remittances also increases the purchasing power of people which moves the demand and supply forward. India continues to be the largest receiver of inward remittances from its international diaspora.

SOFT POWER

Globalisation in the 1970s and 1980s, and the liberalisation of the Indian economy in 1991 resulted in Indians going abroad to study, work and travel. The many who stayed aboard helped in sharing our culture and ideas with the world, and the ones that came back to India brought practices, knowledge and technology with them. Throughout history one thing has never changed the Indian soft power. The cultural diversity, religious pluralism, racial & ethnic coexistence etc. of India has fascinated the world. With NRIs living abroad sharing their cultures with the world more and more people are attracted to visit India which is in turn bringing growth into tourism sector.

NRIs participate in various activities in India such as market development initiatives, technology transfer, political endeavours in the country and substantial flow of knowledge etc. These wealth sources help Indian economy to grow substantially. Additionally the investments by NRIs in the Indian markets and other developmental activities help build better healthcare and educational facilities and lead social development and sustainable growth in the country.

The global presence and the sustained efforts of the Overseas Indians have also help in new foreign investments. India's soft power wielded by the nation's diaspora has encouraged countries and entities to come to India's vast and growing markets to explore high margin investment opportunities.

Thus it is evident that the role of the Indian diaspora is not only confined to historical and cultural ties but also extended to the economic domain as well. The contributions made by NRIs can never be forgotten and attempts should be made to acknowledge and encourage them further which will result in further support and development of the nation economy.



Nidhi Sharma
Chief Manager

FREE TRADE AGREEMENT AND ITS IMPACTS

Free trade agreement commonly known as **FTA** is a treaty between two or more countries designed to reduce or eliminate certain barriers to trade and investment, and to facilitate stronger trade and commercial ties between participating countries.

In simple words FTA is a pact between two or more nations to reduce barriers to imports and exports among them. Under a free trade policy, goods and services can be bought and sold across international borders with little or no government tariffs, quotas, subsidies, or prohibitions to inhibit their exchange.

HOW A FTA WORKS

In the modern world, free trade policy is often implemented by means of a formal and mutual agreement of the nations involved. However, a free trade policy may simply be the absence of any trade restrictions. A government doesn't need to take specific action to promote free trade. This hands-off stance is referred to as laissez-faire trade or trade liberalization. Government with free-trade policies or agreements in place do not necessarily abandon

all control of imports and exports or eliminate all protectionist policies. In modern international trade, few free trade agreements result in completely free trade. For example, a nation might allow free trade with another nation, with exceptions that forbid the import of specific drugs not approved by its regulators or processed foods that do not meet its standards.

THE ECONOMICS OF FREE TRADE

In principle, free trade on the international level is no different from trade between neighbours, towns, or states. However, it allows businesses in each country to focus on producing and selling the goods that are scarce or unavailable domestically. That mix of local production and foreign trade allows economies to experience faster growth while better meeting the needs of its consumers.

This view was first popularized in 1817 by economist David Ricardo in his book, "On the Principles of Political Economy and Taxation". He argued that free trade expands the diversity and lowers the prices of goods available in a nation while better exploiting its home grown resources, knowledge, and specialised skills.

FREE TRADE MODELS

Mercantilism- This theory placed priority on having a favourable balance of trade relative to other countries, and accumulating more gold and silver. In order to attain a favourable balance of trade, countries would often place trade barriers like taxes and tariffs to discourage residents from purchasing foreign goods. This incentivised consumers to purchase locally -made products, thereby supporting domestic industries.

Comparative advantage - This theory placed priority on producing the goods that a nation can produce more cheaply than other countries i.e. where the nation have a comparative advantage. The country will be able to produce more goods in total than they would by limiting trade.

BENEFITS

- Promotes trade and creates dynamic business environment.
- Minimizes government spending and gives a boost to economies. benefits and streamlined procedures.
- Encourages FDI, which helps in flow of capital.
- Gives local firms access to new and emerging technologies.
- Increases access to higher-quality, lower priced goods.
- Improved protection of intellectual property.

- Allows exporters to participate in the development of product standards in the FTA partner country.
- Helps service suppliers to supply their services in the FTA partner country.

CHALLENGES

- Competition with foreign exports may cause local unemployment and business failures.
- Industries may relocate to jurisdictions with lax regulations, causing environmental damage or abusive labour practices.
- Countries may become reliant on the global market for key goods, leaving them at a strategic disadvantage in times of crisis.

India has signed 13 regional trade agreements/ free trade agreements in the last five years with various regions, countries namely Japan, South Korea, countries of ASEAN region and countries of South Asian Association for Regional Cooperation (SAARC) Mauritius, UAE, Australia. India's merchandise exports to all these countries/regions have registered a growth in last ten years. Also, India and UK are expected to sign a proposed FTA deal in the current financial year. These agreements opens up plethora of opportunities for the nation including study and work opportunities in the countries under the pact.





Reshma R
Assistant Manager

ENHANCING YOUR BANKING EXPERIENCE: A SPOTLIGHT ON OUR BANK'S NRI SERVICE CENTRE

In the ever-evolving landscape of banking, one of the most critical metrics of success is undoubtedly customer satisfaction. At South Indian Bank, we understand that content and satisfied customers are the cornerstone of our success, and nowhere is this commitment more evident than in our dedication to serving **Non-Resident Indian (NRI)** customers. NRI customers hold a unique and vital place in our bank's focus. The trust you repose in our institution plays a fundamental role in nurturing financial stability and fostering economic growth within the nation. It is precisely this rationale that led to the introduction of our NRI Service Centre (NSC).

THE SERVICE INITIATIVE:

NRI Service Centre (NSC) was inaugurated in March 2022. It marked a pioneering step to bridge the geographical gap between our NRI customers and their banking needs. The idea was simple yet profound: to create a dedicated service centre that understands and caters to the unique requirements of our NRI customers.

A ONE-STOP SOLUTION:

Creating a positive customer experience is at the heart of what we do at NSC. Our team is committed to addressing your concerns, whether they relate to account queries, investment options, or any support related to NRI banking matters. We work seamlessly with the branches and other departments to ensure a timely and effective resolution, all with the aim of leaving you with a lasting positive experience. NSC is designed to be your one-stop solution for all NRI-related matters, offering the support and solutions you require, regardless of the nature of your query or concern. Our goal is to simplify the complexities of cross-border banking for you, making the process smoother and more efficient.

SPECIALIZED STAFF FOR NRI NEEDS:

A key strength of NSC lies in its specialized staff who are well-versed in NRI-related matters. These professionals are equipped to handle a wide range of inquiries, from NRI products and account-related questions to investment options and various other support requirements. The focus on specialized training ensures that NRI customers receive the best possible guidance and assistance.

ACCESSIBILITY AND SUPPORT:

NSC is committed to being highly accessible to NRI customers, operating from 8:00 AM to 8:00 PM IST. This availability ensures that NRI customers can contact NSC directly at 0484 - 6689600. Additionally, you can reach out to us via email at nri@sib.co.in for any queries, requests, or information. Our unwavering commitment to accessibility ensures that NRI customers can easily connect with NSC whenever they need support.

In conclusion, NRI Service Centre embodies our commitment to providing exceptional service to our global NRI customer base. For more information or assistance, please feel free to reach out to NSC, where our dedicated team is ready to help.



NRI SERVICES

SOUTH INDIAN Bank
EXPERIENCE NEXT-GEN BANKING

South Indian Bank NRI Services

A magnificent banking experience with a plethora of unique features.

NRI Service Centre: +91-484-6689600
E-mail: nri@sib.co.in

*T&C Apply

News Corner

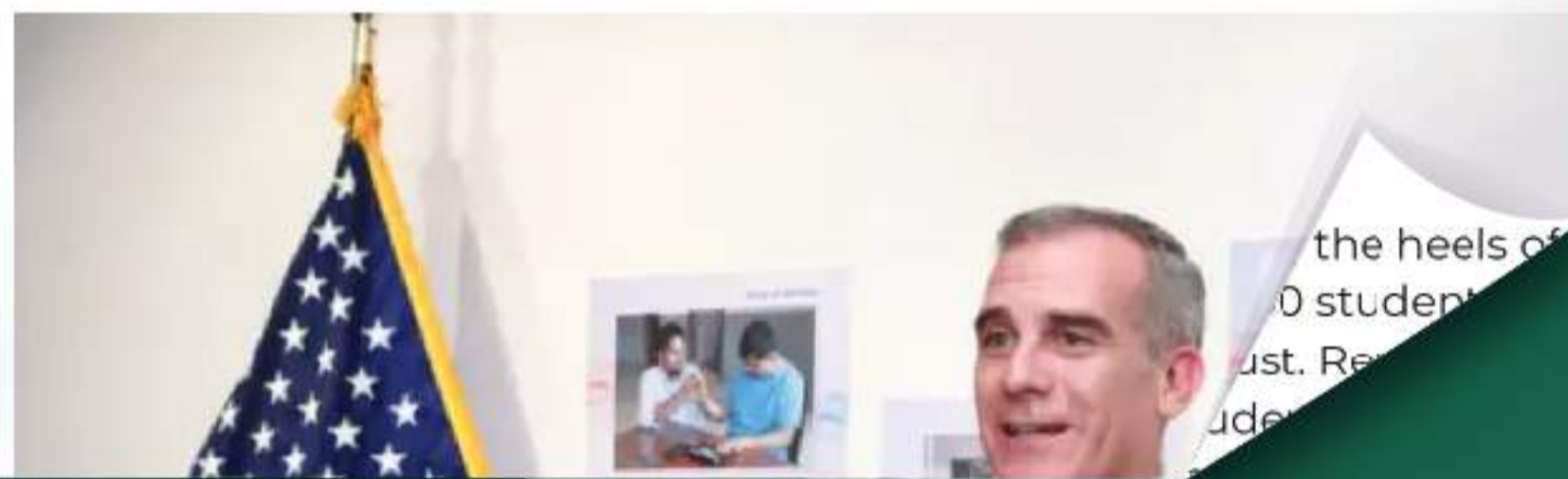
India, Australia education ministers meet, agree to increase research collaborations



While European countries shutter Golden Visas, Italy has an easier alternative



As US visa applications skyrocket, American Ambassador to India lends a hand at the Embassy



Treasury dealer still forecasts another Fed rate hike, but not until January

Published: Nov. 6, 2023 at 5:05 a.m. ET

By Steve Goldstein



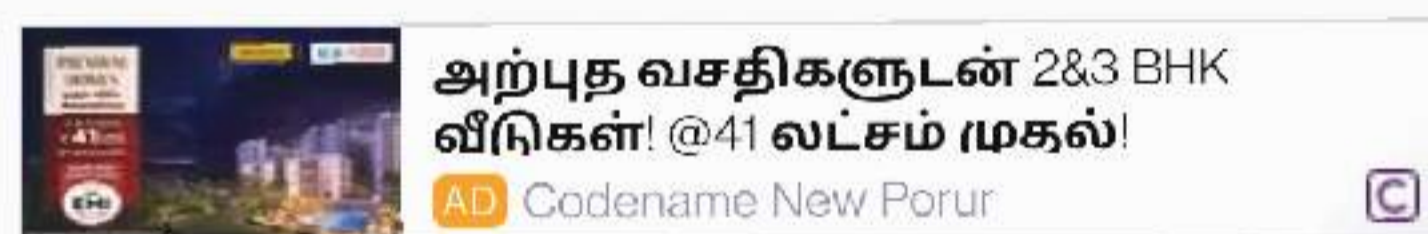
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The FAO Food Price index fell by 0.5 percent in October, over September, and would have fallen further but for a 2.2 percent increase in...

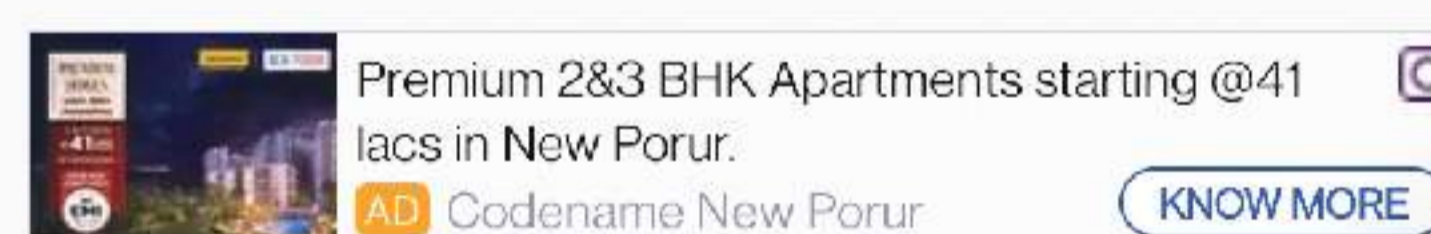
RBI's Rate Hiking Days May Not Be Over Yet With High Oil Price Pressures & Global Turmoil

BUSINESS | TIMESOFINDIA.COM | Nov 6, 2023, 15:53 IST



Morgan Stanley Says Oil At \$110 Could Prompt RBI To Hike Rates Again

BUSINESS | Bloomberg | Nov 6, 2023, 10:48 IST



Federal Reserve's rate hike strategy yields decade-high CD returns

Investing.com • Stock Market News • 2023-11-08 11:18



United States to make amended H-1Bs mandatory for employees moving from one job site to another



Commodity market sees mixed trends amid end of Federal Reserve rate hikes

Investing.com • Stock Market News • 2023-11-06 16:24



LIST OF CORRESPONDENT BANKS WITH SWIFT ARRANGEMENT

| Currency Details | Bank & Address | SIB's A/c no. with them | SWIFT Code |
|------------------------------------|--|--------------------------------|--|
| USD (US Dollar) | J P MORGAN CHASE BANK NA, 383 Madison Avenue New York, New York 10179 ABA Routing Number: 021000021 | 906918203 | CHASUS33 |
| | The Bank of New York Mellon (BNY Mellon), 240 Greenwich Street NY 10286, USA ABA ROUTING NO: 021000018 | 803-3162-716 | IRVT US3N |
| | Standard Chartered Bank, One Madison Avenue, New York, NY 10010-3603 ABA ROUTING NO: 026002561 | 3582021649001 | SCBLUS33 |
| GBP (Pound Sterling) | J P MORGAN CHASE BANK NA, 25 Bank Street, Canary Wharf London United Kingdom E14 5JP IBAN: GB03CHAS60924280035960 | 80035960 | CHASGB2L |
| | Standard Chartered Bank, 1 Basinghall Avenue, London EC2V 5DD, United Kingdom IBAN Number: GB88 SCBL 6091 0412 6928 56 | 01269285601 | SCBLGB2L |
| EURO | J P Morgan SE , Taunustor 1, 60310 Frankfurt am Main , Germany, IBAN: DE55501108006231419232 | 6231419232 | CHASDEFX |
| | Standard Chartered Bank (Germany) GMBH, Franklinstrasse 46-48 60486 Frankfurt /Main, Germany, IBAN:DE40512305000018160002 | 018160002 | SCBLDEFX |
| JPY (Japanese Yen) | Standard Chartered Bank, 21st Floor Sanno Park tower Tower 2-11-1 Nagatacho, Chiyoda-ku Tokyo 100-6155 Japan | 23762101110 | SCBLJPJT |
| CAD (Canadian Dollar) | The Bank of New York Mellon(BNY Mellon), 240 Greenwich Street NY 10286, USA | 8033060042 | IRVTUS3N (Intermediary bank:- Royal Bank of Canada, Toronto ROYCCAT2) |
| CHF (Swiss Franc) | Zurcher Kantonalbank, Hardstrasse 201, Zrich (Prime Tower) IBAN Number : CH9500700070001284444 | 0-0700-01284444 | ZKBKCHZZ80A |
| AUD (Australian Dollar) | State Bank of India, Suite 31.02, Australia Square,264, George Street Sydney,NSW 2000, Australia | 30113039120001 | SBINAU2SXXX |
| AED (UAE Dirham) | Mashreq Bank, P O Box1250, Riqa, Diera Dubai, UAE, IBAN No : AE960330000019030000172 | 019030000172 | BOMLAEAD |
| SGD (Singapore Dollar) | DBS Bank Ltd 12 Marina Boulevard, Marina Bay Financial Centre Tower 3, Singapore-018982 | 037-003682-0 | DBSSSGSG |
| SAR (Saudi Riyal) | Al Rajhi Bank, Head Office, Al Olayia Main Street – Riyadh, Al Akaria Building 3, P.O. Box 28, Riyadh – 11411 Saudi Arabia. | IBAN: SA0780000100608010055456 | RJHISARI |

LIST OF EXCHANGE HOUSES/BANKS HAVING RUPEE DRAWING ARRANGEMENT WITH SOUTH INDIAN BANK

| Country | Name of the bank/ Exchange Company | Remittance facility |
|--|--|---------------------|
| UAE | Hadi Express Exchange, P.O Box 28909, Dubai, UAE, Ph: 00971-43537650 | SIB Express |
| | UAE Exchange Centre LLC, Head office, P.O Box 170, Abudhabi, UAE, Ph: 00971-26322166 | SIB Express |
| | Al Ahaliya Money Exchange Bureau, P.O Box 2419, Abu Dhabi, UAE, Ph: 00971-26270004 | SIB Express |
| | Al Rostamani Exchange, P.O Box 10072, Al Rostamani Bldg. (Above 1st gulf Bank) Mezzanine Floor, Bur Dubai, UAE, Ph: 00971-263223222 | SIB Express |
| | Al Fardan Exchange Company, P.O Box 498, Abudhabi, UAE, Ph: 00971-26223222 | SIB Express |
| | Al Ansari Exchange, Head office, P.O Box 6176, Dubai, UAE, Ph: 00971-26224421/ 26108888/43772666 | SIB Express |
| | Sharaf Exchange LLC, P.O Box 29040, Dubai, UAE, Ph: 00971-43554560 | SIB Express |
| | Lulu International Exchange LLC, P.O Box 4059, Plot No. C-210 Muroor Road, Abu Dhabi, UAE, Ph: 00971-26421800 | SIB Express |
| | Joy Alukkas Exchange, P.O Box 171468, Bur Dubai, UAE, Ph : 00971-42522900 | SIB Express |
| | GCC Exchange, P.O Box 41704, Al Sabkha, Deira, Dubai, UAE | SIB Express |
| | Delma Exchange, P.O Box 129869, Abu Dhabi, UAE, Ph: 00971-26225511/26225544 | SIB Express |
| | Federal Exchange, Mohammed Bin Zayed City, P.O. Box 29407, Abu Dhabi, UAE. Tel : +971 2 555 8851 | SIB Express |
| | Muthoot Exchange, P O Box 123387, Ayal Nasar,Naif Road,Deira,Dubai, Tel:+9714 2726339 | SIB Express |
| M/s Send Exchange, Zayed 1st Electra Street, Khalfan Megar Al Suwaidi Building, Abu Dhabi, UAE | SIB Express | |
| Kuwait | UAE Exchange Centre, Kuwait, P.O Box 26155, Postal Code: 13122, Safat, Kuwait, Ph: 00965-22459417 | SIB Express |
| | National Exchange Co., P.O Box 11520, Postal Code: 15355, Dasma, Kuwait Ph: 00965-5736603 | SIB Express |
| | M/s Kuwait Asian International Exchange Co W.L.L, Office No. 48 Adel & Anwar Mustafa Thunayan Al Ghanim Complex, Street 7 Block 73, Fahaheel Area, Kuwait Tel: +965-23912944 | SIB Express |
| | M/s Wall Street Exchange Co WLL, P.O. Box : 29942, Safat, 13160, Kuwait Tel:+965 1822055 Ext. #115 | SIB Express |
| | M/s. U J Exchange Company, Hawally, Tunis Street, Block 7,Al-Fajr complex - Shop 24, Safat13127, Kuwait Tel: +965 22286600 +965 60724866 | SIB Express |
| Oman | Joyalukkas Exchange LLC (formerly Majan Exchange LLC) P.O Box 583, Postal Code: 117, Sultanate of Oman., Ph: 00968-24794017 | SIB Express |
| | Oman International Exchange, P.O Box 994 Postal Code: 114, Hay Al mina, Sultanate of Oman, Ph: 00968-24834954 | SIB Express |
| | Hamdan Exchange Co., Head Office, P.O Box 190 Postal code: 211, Salalah, Sultanate of Oman Ph: 00968-23211258/24830893 | SIB Express |
| | Lulu Exchange Co LLC (formerly Asia Express Exchange Co. LLC), P.O Box 881, Ruwi, Postal Code: 112, Sultanate of Oman, Ph: 00968-24788787 | SIB Express |
| | M/s Wasel Exchange SAOC, PB 3548, PC 112, Ruwi, Muscat, Oman., Ph: 00968 9263 8801 | SIB Express |
| Bahrain | N.E.C BSC (c) (formerly Nonooo Exchange Co)., P.O Box 11970, Manama, Bahrain Ph: 0097317230905 | SIB Express |
| | Zenj Exchange Co., P.O Box 236, Manama, Bahrain, Ph: 0097317224352 | SIB Express |
| | M/s Bahrain India International Exchange Co. BSC (c) , P.O Box :3204, Manama, Kingdom Of Bahrain | SIB Express |

LIST OF EXCHANGE HOUSES/BANKS HAVING RUPEE DRAWING ARRANGEMENT WITH SOUTH INDIAN BANK

| Country | Name of the bank/ Exchange Company | Remittance facility |
|----------------|---|---------------------|
| Qatar | Al Fardan Exchange Co., P.O Box 339, Doha, Qatar, Ph: 00974-4335117 | SIB Express |
| | Gulf Exchange Co., P.O Box 4847, Doha, Qatar, Ph: 00974-4383222 | SIB Express |
| | City Exchange Co., Near Arab Roundabout/Souq Al Najadah, P.O Box 16081, Doha, Qatar Ph: 00974-4435060 | SIB Express |
| | M/s Al Dar for Exchange Works W.L.L, P.O Box 24048, Nuaijah, IBA xBuilding, C-Ring Road, Doha, Qatar, Ph: 00974-4566514 | SIB Express |
| | M/s Al Dar for Exchange Works W.L.L, P.O Box 24048, Nuaijah, IBA Building, C-Ring Road, Doha, Qatar, Ph: 00974-4566514 | SIB Express |
| | M/s Islamic Exchange Co., P.O Box 80925, Doha, Qatar, Ph: 00974-4422718 | SIB Express |
| | Al Sadd Exchange, Post Box.17127, Al Ameer Street, Fareej Al Soudan , Doha – Qatar Ph: +974 44323334 | SIB Express |
| | Doha Exchange Co WLL, Al Jasra Souq Waqif, Doha, Qatar, +974 44510733 | SIB Express |
| | Doha Bank, P.O Box 3818, Grand Hamad Avenue, Doha, Qatar, Ph: 00974-44456600 | TT (Swift) |
| Saudi Arabia | Al Rajhi Bank, P.O Box 28, Riyadh 11411, Kingdom of Saudi Arabia, Ph: 0096612116000 | TT (Swift) |
| | Arab National Bank, P.O Box 56921, Riyadh 11564, Saudi Arabia, Ph: 00966590302887 | TT (Tele Money) |
| Singapore | International Exch. Co. (S) Pte Ltd., 111, North Bridge Road, #01-17/18, Peninsula Plaza, Singapore-179098, Ph: 006563387749 | SIB Express |
| Australia | Flyworld Money Exchange Pty Ltd, 49 Princes Highway, Dandenong Vic, 3175, Australia. Ph: 0449 891 010 | SIB Express |
| | PFG Forex Pty Ltd, 189 B South Center Road, Tullamarine, VIC 3043, Australia. Ph: +61-3-9001 5864 | SIB Express |
| | Remit International Pty Ltd, Australia, 1/100 Oaks Ave Dee WHY , NSW Australia 2099. Ph: + 61402098618 | SIB Express |
| Canada | Buckzy Payments INC. 67 Young Street. Suite 701, Toronto, ON M53 1J8. Ph: 91 98470 41060 | SIB Express |
| | M/s U Remit International Corporation, 1500-4, Robert Speck Parkway, Mississauga, L4Z 1S1, Toronto, Ontario, Canada. Ph No: +971 544465611 | SIB Express |
| United Kingdom | M/s GCC Exchange UK Ltd, 90, High Street, Southall, Middlesex-UB1 3DB, United Kingdom, Ph : +442085712065 | SIB Express |
| | M/s Direct Remit Limited, 444 Edgware Road, London, W2 1G, Ph +971 527553421, +971 553407625 | SIB Express |
| | M/s KMB International Money Transfer Ltd, 88 Caledonian Road, King's Cross, London N1 9DN, United Kingdom, Ph: +44 7309058496 | SIB Express |
| | M/s Horizon Remittance Ltd, 115 Uxbridge Road, London, W12 8NL, United Kingdom. Tel: +44208 746 0588 Whatsapp +447749475175 | SIB Express |
| USA | M/s Muthoot Finserve USA INC, 1407, Oak Tree Road, Iselin, New Jersey, 08830, USA customersupport@muthootgroup.us, Ph 91-8137990642 | SIB Express |
| | M/s WALL STREET FINANCE LLC, 1055 Westlakes Drive, Suite 175, Berwyn, PA19312, USA. Ph: +1 267 205 2213 | SIB Express |
| Seychelles | M/s Raji Exchange Limited, K B Emporium Building, Rue de Diolinda, Providence Industrial Estate, Mahe Island, P O Box 1212, Victoria, Seychelles, Ph No: +248 2505020 | SIB Express |
| Jordan | M/s ZamZam Exchange LLC, Wasfi Altall ST, Amman, Jordan, (962) 7244844 (962) 778878878/ 776211343 | SIB Express |
| Kenya | FLEX MONEY TRANSFER LIMITED, SUITE 13, 4th FLOOR, THE GREENHOUSE, NGONG' ROAD, NAIROBI, KENYA Ph: +254 203861100 Office Mobile: +254781304137 | SIB Express |

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