## ANNEXURE-I

**STAT 5**

[Paragraph 33 B.6(i)]

Monthly Statement of Deposits under the Foreign Currency (Non-resident) Accounts Scheme

Name and address of the Branch of Authorised Dealer: ... Uniform Code: ... Month: ... Year: ...

Part I - Accounts opened during the month (list each account separately)

<table>
<thead>
<tr>
<th>Sr. No.</th>
<th>Date of opening of account</th>
<th>Value Date</th>
<th>Source of funds</th>
<th>Term Deposit Receipt Number</th>
<th>Currency Name</th>
<th>Currency Code</th>
<th>Foreign currency amount</th>
<th>Period of maturity (in months)</th>
<th>Date of maturity</th>
<th>Rate of interest (per cent per annum)</th>
</tr>
</thead>
<tbody>
<tr>
<td>(1)</td>
<td>(2)</td>
<td>(3)</td>
<td>(4)</td>
<td>(5)</td>
<td>(6)</td>
<td>(7)</td>
<td>(8)</td>
<td>(9)</td>
<td>(10)</td>
<td>(11)</td>
</tr>
</tbody>
</table>

* The date from which interest starts accruing to the deposit.

** Specify whether New remittance (New) or Transfer from existing Non-resident (External) Rupee account (Transfer) or Renewal of a term deposit opened earlier under the Foreign Currency (Non-resident) Accounts Scheme (Renewal).

@ The difference between 'value date' [column (3)] and the date of maturity [column (11)] should tally exactly with the period of maturity [column (10)].

@@ Specify correct to two decimals (not in fractions).
Part II — Accounts closed during the month through repatriation of foreign exchange or transfer of balance to rupee accounts or renewal of deposit for a further term (list each account separately)

<table>
<thead>
<tr>
<th>Sr. No</th>
<th>Date of closing of account</th>
<th>Term Deposit Receipt Number</th>
<th>Currency in which account was maintained</th>
<th>Balance at the time of closing (in foreign currency)</th>
<th>State whether renewed or repaid</th>
<th>Code</th>
<th>Mode of repayment</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>In foreign currency or in rupees</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>(1)</td>
<td>(2)</td>
<td>(3)</td>
<td>(4)</td>
<td>(5)</td>
<td>(6)</td>
<td>(7)</td>
<td>(8)</td>
</tr>
</tbody>
</table>

Place: ........................................
Date: ........................................
Stamp ........................................
(Signature of Manager/Agent)

Note: Part I and Part II of the statement should be furnished on separate sheets.

<table>
<thead>
<tr>
<th>Source of funds</th>
<th>Code</th>
<th>Currency</th>
<th>Code</th>
<th>Renewal or repayment</th>
<th>Code</th>
<th>Mode of repayment</th>
<th>Code</th>
</tr>
</thead>
<tbody>
<tr>
<td>New remittance</td>
<td>1</td>
<td>Pound Sterling</td>
<td>111</td>
<td>Renewal</td>
<td>3</td>
<td>In foreign currency</td>
<td>41</td>
</tr>
<tr>
<td>Transfer</td>
<td>2</td>
<td>U.S. Dollar</td>
<td>200</td>
<td>Repayment</td>
<td>4</td>
<td>In rupees</td>
<td>42</td>
</tr>
<tr>
<td>Renewal</td>
<td>3</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>
## STAT 6

[Paragraph 33B.6(ii)]

Statement of Foreign Currency (Non-resident) Accounts for the month of ........... 19...

| Name of Authorised Dealer | A.D. Code No.
<table>
<thead>
<tr>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Foreign Currency</td>
<td>Branch (address)</td>
</tr>
</tbody>
</table>

(Figures to be given to the nearest unit of foreign currency)

<table>
<thead>
<tr>
<th>Country of residence of account holders</th>
<th>Number of accounts at the beginning of the month</th>
<th>Total balances in the accounts at the beginning of the month</th>
<th>Deposits during the month</th>
<th>Withdrawals during the month</th>
<th>Number of accounts at the end of the month</th>
<th>Total balances in the accounts at the end of the month</th>
<th>Remarks</th>
</tr>
</thead>
<tbody>
<tr>
<td>United Kingdom</td>
<td>(1)</td>
<td>(2)</td>
<td>(3)</td>
<td>(4)</td>
<td>(5)</td>
<td>(6)</td>
<td>(7)</td>
</tr>
<tr>
<td>United States of America</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Canada</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Total</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

Place: ..........................................
Date: ........................................

Stamp

(Signature of Authorised Official)
Name: ........................................
Designation: ...............................  

Notes: 1. Forms A4 approved by the Reserve Bank or completed for report to the Reserve Bank covering operations during the month should be submitted along with the statement.

### Number of Forms A4 enclosed:

- Credits: ..............
- Debits: ..............

2. Separate statement should be submitted for each foreign currency in which FCNR accounts are maintained.
Dear Sir,

Let me introduce myself as a Ph.D. student of Pune University, working under the guidance of Dr.C.G. Vaidya, M.Com., Ph.D., Principal, B.M.C.C., Pune 411 005.

I am doing research in the field of banking. The topic of my research is "F.C.N.R. Accounts and Balance of Payment position - a critical study from 1975 onwards".

As a part of research work, I have prepared a small questionnaire meant for distribution among the list of selected Non-Resident Indians (N.R.I.s). You are one among the list. The attached questionnaire is specifically designed to permit me to analyse problems faced by N.R.I.s when they remit their hard earned income to India for investment in banking sector in general and F.C.N.R. scheme in particular.

In most of the questions you simply have to tick in the box provided against suggested answers. In very few questions, I expect you to specify the answer in 2-3 lines. If your answer to a particular question differs than suggested one, or you wish to add something more, please do not hesitate to do so. Infact, such answer is going to be of special interest to me from research point of view.

Your response to this questionnaire i.e. the views expressed by you and suggestions made by you are going to be extremely useful for me in drawing conclusions based thereon. I assure you that the information gathered through the questionnaire will be used exclusively for my research purpose.

I would greatly appreciate your returning the filled out questionnaire to me directly on above address or through the bank from where you collected it.

I shall be glad to send you a copy of the summary, conclusions and recommendations from my thesis if you will note your request on the questionnaire.

Thank you for your assistance,

Yours faithfully,

H.G. ABHYANKAR

Contd. ....
PART-A
(Personal Questions)

1. Personal Information :-
   a) Name :-
   b) Address :-
   c) Occupation :- Service    , Business    , Others    
   d) Since when you are residing abroad? Please state number of years. Years    
   e) Economic status :- (Please ignore this, in case you do not desire to disclose)
      Middle income group i.e. monthly income less than or equal to I.Rs. 25,000/-    
      Upper middle group i.e. monthly income more than Rs. 25,000/- but less than or equal to I.Rs. 50,000/-
      Upper income group i.e. monthly income above I.Rs. 50,000/-    

2. a) Are you maintaining any of the following type of bank accounts?
   Ans. :
   i) Non-Resident Ordinary A/c. =    
   ii) Non-Resident External A/c. =    
   iii) Foreign Currency Non-Resident A/c. (F.C.N.R.) =    
   iv) All above =    
   v) None of above =    

2. b) If you are account holder of both i.e. foreign bank abroad as well as bank in India, could you elaborate on the distinction in service if any, or any other reasons thereof.
   Ans. :
   ----------------------------------------------------------
   ----------------------------------------------------------

3. In case you are maintaining F.C.N.R. type account, please state.
   a) Currency in which account is maintained.
   □    □    □    □    □
b) Period for which account is maintained.

Ans.:

i) Short term i.e. 6 months to 1 year

ii) Medium term i.e. more than 1 year but less than 2 years

iii) Long term i.e. more than 2 years

4. Out of your total savings abroad, what percentage is remitted to India for investment?

Ans.:

a) Less than 25%

b) 25% to 50%

c) Above 50%

5. Out of your remittance to India, what percentage is held in following?

Ans.:

N.R.(O)/N.R.(Ext.)/F.C.N.R.A/c. (Banking sector), Others (Non-Banking sector)

6. Which of the following factors weigh uppermost in your mind while making remittance for investment in India, particularly in F.C.N.R. account in banking sector? (Please indicate your order of preference in ordinal numbers like 1st, 2nd, 3rd in the brackets provided below)

Ans.:

a) Rate of Interest

b) Exchange Risk coverage

c) Repatriation facility

d) Tax benefit

e) Maturity pattern i.e. shorter or longer

f) Country Risk (Economic & Political stability)

g) Commercial Risk (i.e. risk of default in investment)

h) After sales service

i) Affinity towards motherland

j) Stability of currency

k) Secrecy of investment

l) Any other
7. In case you have already invested into F.C.N.R. usually you prefer to,
   Ans. :
   a) Renew deposit for further period
   b) Repatriate maturity proceeds with interest
   c) Reinvest maturity proceeds with interest into some other scheme in India but not in F.C.N.R. scheme

8. In case you have not invested into F.C.N.R. so far, what have been reasons that discourage you?
   Ans. :
   a) Better investment opportunities abroad
   b) Specifics of the scheme in terms of flexibility, regulations, procedure
   c) Any other reasons, please specify,
      ------------------------------------------
      ------------------------------------------
PART-B
(Questions on Structure of the Scheme)

1. Are you aware of the distinctions between various accounts that Non-Resident Indian can freely open in India?
   Ans. Yes [ ] , No [ ]

2. The F.C.N.R. scheme offers following advantages at present,
   i) repatriability
   ii) exchange risk cover
   iii) tax benefit
   iv) interest earned in foreign currency
   Would you like to suggest any additional incentives either newly or by modifications in the existing advantages? Please specify.
   Ans.
   ____________________________________________________________
   ____________________________________________________________
   ____________________________________________________________
   ____________________________________________________________

3.a) What in your opinion should be desirable period of deposit under the scheme and corresponding interest rate structure?
   Ans.
   Period [ ] , Interest rate [ ]
   b) Please specify whether would you like to have change in the basis for determining interest rate structure?
   Ans.
   i) Amountwise on slab-basis [ ]
   ii) correlating rates with investment rates of comparable maturities abroad [ ]
   iii) Any other, please specify, _________________________________
   ____________________________________________________________
   ____________________________________________________________

4. The currencies denominated for F.C.N.R. scheme are at present
   a) Stg.Pound, b) US$, c) D.M., d) Jap.Yen
   Ans.
   i) Do you feel that above currency coverage is adequate?
      Yes [ ] , No [ ]
   ii) Any more currencies are to be included, please specify.
      ____________________________________________________________
      ____________________________________________________________
5. Do you think it is necessary to use the service of broker/commission agent to collect deposit?
   Ans.: Yes □, No □

6. In case you prefer to invest into comparable scheme/schemes other than F.C.N.R., what are its salient features that attract you? Please specify.
   Ans.: ________________________________________________________________
   ________________________________________________________________
   ________________________________________________________________

7. Do you really feel F.C.N.R. scheme should be
   Ans.: □
   a) continued as it is □
   b) continued with refinement □
   c) discontinued altogether □
PART-C
(Questions on Policy matters)

1.a) Do you agree that N.R.I. deposits/remittances contribute to India's balance of payment?
   Ans. :
   Agree ☐    Disagree ☐

b) If you agree to above, what do you feel about N.R.I.'s present contribution in the form of remittance to balance of payment?
   Ans. :
   The contribution of N.R.I.'s is significant ☐
   The contribution of N.R.I.'s is insignificant ☐

c) If contribution of N.R.I.'s is insignificant to balance of payment, what according to you are reasons for that? Please state briefly.
   Ans. :

2. Do you aware of various facilities made available by Indian government for investment in India?
   a) in banks
   Ans. :
   Aware ☐, Unaware ☐
   b) in others (corporate investment)
   Ans. :

3. Do you think F.C.N.R. scheme has been adequate coverage abroad so as to tap more deposits?
   Ans. :
   a) Yes, adequate coverage has been given abroad ☐
   b) No coverage has been given abroad ☐
   c) More coverage is needed ☐

4.a) In view of recent liberalisation in economic policies and technological development envisaged by Indian government, do you feel it can help in giving a boost to N.R. investment in general and F.C.N.R. in particular?
   Ans. :
   Yes ☐, No ☐

b) If yes, please elaborate how.

________________________________________________________

________________________________________________________

________________________________________________________
ANNEXURE No.III

As per latest guidelines issued by Exchange Control Department of Reserve Bank of India, under existing F.C.N.R. scheme banks have been directed not to accept deposits for '6 months and above but less than 1 year' period. R.B.I. has also introduced new F.C.N.R. (Bank) scheme in which banks can accept deposits for '6 months and above but less than 1 year' and so on upto 3 years period, however, Reserve Bank will not provide exchange rate guarantee.

It means, R.B.I. vide above directive has shifted 'exchange risk' for shorter maturity to Authorised Dealers themselves under existing F.C.N.R. scheme without suggesting any modus operandi for Authorised Dealers to bear such a risk.

In this connection the Researcher's observations are as under -

1) The possibility of 'exchange risk' being shifted to banks has been elaborately discussed in Suggestion No. 10.

2) Reserve Bank of India has shifted 'exchange risk' partially (i.e. only for shorter maturity period) whereas the Researcher suggested total transfer of 'exchange risk'.

3) Reserve Bank of India has not given any modus operandi as such to be followed by banks to bear the exchange risk so transferred. The Researcher, in his suggestion has gone still ahead by spelling out mechanism to be followed by banks in the event of exchange risk being transferred to them.

4) Reserve Banks directive has come while the process of finalisation of the thesis was underway.