



Frequently Asked Questions (FAQ)

on

INDO-NEPAL REMITTANCE FACILITY SCHEME

Department of Payment & Settlement Systems
Electronic Payment Products Division
Reserve Bank of India
Central Office
Mumbai

Phone : 022-22641610 • Fax : 022-22659566
Email : helpdpss@rbi.org.in

Frequently Asked Questions on Indo-Nepal Remittance Facility scheme

Q.1 What are the salient features of Indo Nepal Remittance facility scheme?

Ans. It is a cross-border one-way remittance facility scheme facilitating remittance from India to Nepal. A remitter can transfer funds up to Indian rupees 50,000 from any of the NEFT branches to Nepal. The beneficiary would receive funds in Nepalese rupees.

Q.2 Whether remitter needs to maintain an account with a bank in India?

Ans. Not necessary. Even a walk-in customer can deposit cash upto Rs.50,000 and remit it to the beneficiary

Q.3 Whether the beneficiary needs to maintain a bank account in Nepal?

Ans. It would be ideal if he maintains a bank account, to which credit could be made. If the beneficiary resides in hinterland not serviced by a bank branch, in the scheme, Nepal SBI Ltd. has tied up with a money transfer company in Nepal who would make arrangements for delivery of cash to the beneficiary.

Q.4 What minimum documents/ identifications are needed to be presented by remitter?

Ans. If the remitting customer is maintaining an account there is no further need for additional identification. Otherwise, the remitter has to produce proof of identification document like Passport /PAN / Driving License/Telephone Bill/ certificate of identification issued by employer with details and photograph etc. This information will be captured in the system in compliance with KYC norms. The complete address and telephone/mobile number of the beneficiary in Nepal will also be required.

Q.5 How does the transactions flow from India to Nepal and what are the timelines for completion of the transactions?

Ans. Remittances can be originated from any of the NEFT enabled branches in India, which are

around 44,000 in number as on date. The transactions would flow to the designated branch of State Bank of India, which would consolidate all such remittance information received during the day. At the end of the day the remittance information would get passed on to Nepal SBI Bank Ltd, in a secured mode. Nepal SBI would make arrangements for either credit to the bank account or disburse the funds to the beneficiary through their authorised money transfer agent.

If the beneficiary's account details are available, Nepal SBI would make arrangements for credit of the account. Other-wise the beneficiary has to get in touch with the outlet of the Money Transfer agency, after getting the UTR number from the remitter. He has to produce details of the remitter and a photo identity document, (generally citizenship certificate) to prove his / her identity. If the beneficiary does not approach the money transfer agency even up to one week, the money transfer agency would make arrangements for return of the remittance to the originator.

Q.6 What are the charges for the remittance arrangement?

Ans. As the scheme is primarily for the migrant workers, concessionary charges have been worked out for the initial one year. For transfer of fund from an account in an NEFT enabled branch in India to an account maintained with Nepal SBI, there would be no charges. However, under the arrangement, as Nepal SBI has to make payment to the Money Transfer agent, charges for other transfers would be as under:

- (i) up to INR.5000/- will attract a flat charge of INR. 50.00 inclusive of service tax for every remittance
- (ii) above INR.5000/- and up to INR 50,000.00 will attract a flat charge of INR. 75.00 for every remittance inclusive of service tax

The entire amount of charges collected from the remitter would be remitted to Nepal as a part of the remittance and would form a part of the message format.

Q.7 Is there any restriction on the number of remittances?

Ans. Yes. Any remitter is allowed to remit maximum of 12 remittances in a year under this Scheme.

Q.8 How does the remitting customer know the branches of Nepal SBI and the outlets of the Money Transfer agency?

Ans. The location and addresses of Nepal SBI as also that of the Money Transfer agency are available in the Procedural guidelines, that would be available with the NEFT branches in India.

Q.9 How does the remitter get back the funds if the same is not delivered to the beneficiary?

Ans. The amount of remittance will flow back to the originating branch through NEFT and the bank would communicate to the remitter about the return of the remittance. He has to produce some evidence as a proof of remittance like the counterfoil of the remittance application form and receive it, if it was a cash remittance. If it had been remitted by debit to an account the credit will flow to the concerned account.

Q.10. Who should be contacted for redressal of grievances?

Ans. Complaints and grievances will be handled by the Banks concerned as per the extant norms of grievance redressal procedure. In addition, RBI has also set up a desk at NCC, Nariman Point, Mumbai for grievance redressal. Complaints relating to the banks in India could be addressed by post to:

The General Manager,

Reserve Bank of India

National Clearing Cell

First Floor, Free Press House

Nariman Point, Mumbai - 400 027

Or by mail to nefthelpdesk@rbi.org.in

