Union Bank of India
Good people to bank with

Union ease

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What are FCNR(B), OFCBs and ECBs

These are routes through which foreign currency flows into the country.

FCNR(B), or Foreign Currency Non-Resident (Bank) deposits, are term deposits NRIs hold with Indian banks in permitted foreign currency. Since both principal and interest are denominated and repaid in the foreign currency itself, depositors carry no rupee conversion risk, making the instrument attractive when the rupee is under pressure. Each foreign currency mobilised adds directly to the foreign currency pool available with domestic banks.

OFCBs, or Overseas Foreign Currency Bonds, are debt instruments Indian entities, including banks and financial institutions, issue in international markets to raise funds directly from global investors. Because the proceeds are raised in foreign currency and brought onshore, they add to forex inflows independent of retail or NRI sentiment.

ECBs, or External Commercial Borrowings, are loans Indian companies and institutions raise from overseas lenders, banks or bond markets, typically for capital expenditure or refinancing. Like OFCBs, these borrowings bring in foreign currency directly and can be ramped up quickly where institutions already have overseas credit lines in place.

Together, the three channels give the government multiple levers, one targeted at NRI retail savings and two at institutional and market borrowing, to shore up the country's foreign currency inflows and ease pressure on reserves:

Features	FCNR(B) Deposit	OFCB	ECB
Primary Nature	Foreign currency retail term deposit	Institutional foreign currency borrowing by banks	Commercial loans/borrowings raised by eligible resident entities/PSUs from overseas
Who Raises Funds	Authorized Dealer (AD) Category-I banks from Non-Resident Indians (NRIs)	AD Category-I Banks directly from foreign markets/counterparts	Eligible corporate entities, infrastructure companies, or Public Sector Undertakings (PSUs)
Tenor / Maturity	1 to 5 years	Minimum maturity of 3 years	Average maturity of 3 years and above
Tax on Returns	Returns Interest income is completely tax-free in India	Subject to standard withholding taxes/international borrowing norms	Subject to withholding tax on interest as per Indian tax laws/DTAA

Portfolio Investment Scheme (PIS) for NRIs on Repatriation/Non-Repatriation Basis

Investment by NRI

A **Non-resident Indian** may purchase/sell shares and/or convertible debentures of an Indian company, through registered broker or a recognized stock exchange, subject to the following conditions:

- NRIs may purchase and sell shares/convertible debentures under the Portfolio Investment Scheme through a designated branch for the purpose and duly approved by the Reserve Bank of India

- The paid-up value of shares of an Indian company purchased by each NRI on repatriation and on non-repatriation basis, does not exceed 5 percent of the paid-up Capital / paid-up value of shares issued by the company concerned.

- The paid-up value of each series of convertible debentures purchased by each NRI on repatriation and non-repatriation basis does not exceed 5 percent of the paid-up Capital / paid-up value of each series of convertible debentures issued by the company concerned.

- The aggregate paid-up value of shares of any company purchased by all NRIs does not exceed 10 percent of the paid-up capital of the company and in the case of purchase of convertible debentures, the aggregate paid-up value of each series of debentures purchased by all NRIs does not exceed 10 percent of the paid-up value of each series of convertible debentures. The NRIs shall not purchase shares or convertible debentures of an Indian Company which is engaged in Print Media. The aggregate ceiling of 10 percent referred to in this clause may be raised to 24 percent if a special resolution to that effect is passed by the General Body of the Indian company concerned.

- The NRI investor takes delivery of the shares purchased and gives delivery of shares sold. Also, netting of purchase / sale amounts is not allowed i.e. there must be entry in Bank account for purchases and sales made separately.

- Payment for purchase of shares and/or debentures is made by inward remittance of foreign exchange through normal banking channels or out of funds held in NRE/FCNR(B) account maintained in India if the shares are purchased on repatriation basis and by inward remittance or out of funds held in NRE/FCNR(B)/NRO account of the NRI concerned maintained in India where the shares/debentures are purchased on non-repatriation basis.

The investment shall be subject to the provisions of the FDI policy in respect of sectorial caps wherever applicable. (Notification- FEMA/361/2016-RB 15.02.2016) 42.4.2

Interest Rates on NRE Term Deposits (w. e. f. 04.08.2026)

Interest Rates (% per annum)		
Period of Deposit	**< Rs 3 Cr.(Callable)**	**<1 to 3 Cr.>(Non-Callable)**
1 Year to 399 Days	6.20	No Slab
400 Days	6.25	6.75
401 Days to 443 Days	6.25	No Slab
444 Days	6.50	6.80
445 Days to 554 Days	6.15	No Slab
555 Days	6.55	6.65
556 Days to 996 Days	6.15	No Slab
997 Days	6.10	No Slab
998 Days to 3 Years	6.10	No Slab
>3 Years to 10 Years	6.00	No Slab

- No interest will be paid if any NRE Term Deposit is prematurely closed before completion of 12 months.
- In case of premature closure/withdrawal of NRE term deposits which have run for a period of 1 year and above, a penal interest of 1%, unless stated otherwise, shall be charged on run period interest rate.

Interest Rates on NRO Term Deposits (w. e. f. 04.08.2026)

Interest Rates (% Per annum)		
Period of Deposit	**< Rs 3 Cr. (Callable)**	**<1 to 3 Cr.>(Non-Callable)**
7 to 14 Days	2.70	No Slab
15 to 30 Days	2.80	No Slab
31 to 45 Days	3.00	No Slab
46 to 90 Days	4.00	No Slab
91 to 120 Days	4.30	No Slab
121 to 180 Days	4.75	No Slab
181 to 270 Days	5.40	No Slab
271 to 364 Days	5.60	No Slab
1 Year to 399 Days	6.20	No Slab
400 Days	6.25	6.75
401 Days to 443 Days	6.25	No Slab
444 Days	6.50	6.80
445 Days to 554 Days	6.15	No Slab
555 Days	6.55	6.65
>556 Days to 996 Days	6.15	No Slab
997 Days	6.10	No Slab
998 Days to 3 Years	6.10	No Slab
>3 Years to 10 Years	6.00	No Slab

- Interest Rates are subject to change. Kindly contact the branch for prevailing interest rates OR visit our website www.unionbankofindia.bank.in
- Preferential interest rates for senior citizens is not applicable for NRIs.

Interest Rates on FCNR (B) Deposits (w. e. f. 30.05.2026)

Interest Rates (% per annum)							
Period of Deposit	USD< 200,000	USD>= 200,000	GBP	EUR	CAD	AUD	JPY
1 Year to less than 2 Years	4.40	4.50	4.05	2.75	3.00	3.75	0.20
2 Years to less than 3 Years	3.55	3.60	3.00	2.05	2.75	3.50	0.01
3 Years to less than 4 Years	3.35	3.40	2.50	1.55	2.50	3.00	0.01
4 Years to less than 5 Years	3.00	3.05	2.50	1.55	2.50	3.00	0.01
5 Years	3.05	3.10	2.50	1.55	2.50	3.00	0.01

- No interest will be paid if any FCNR Term Deposit is prematurely closed before completion of 12 months.

Special Scheme: UBI Unique FCNR (B) Deposits Scheme for 3-5 years Interest Rates w. e. f. 25.08.2026

Interest Rates (% per annum)		
Period of Deposit	USD (Less than 1 million)	USD (1 million and above)
3 Years to less than 4 Years	5.90	6.05
4 Years to less than 5 Years	6.05	6.10
5 Years	6.15	6.25

- Deposits under this scheme will have a lock-in period of 1 year and no pre-mature withdrawal is permitted up to 1 year

- In case of premature withdrawal of the deposit after completion of 1year period under this scheme, interest will be payable as under:

a) After 1 year and before completion of 3 years, interest will be payable at 3.60% PA for the period the deposit has run with the Bank.

b) Withdrawal after 3 years and before completion of 5 years, interest will be payable at 1% lower than the rate of interest applicable for the period the deposit has run with the Bank.

c) UBI Unique FCNR(B) Deposit special scheme is valid only up to 31.08.2026

Interest Rates on RFC Deposits (w. e. f. 30.05.2026)

Interest Rates (% per annum)							
Period of Deposit	USD< 200,000	USD>= 200,000	GBP	EUR	CAD	AUD	JPY
6 months to less than 1 year	4.40	4.50	4.05	2.75	3.00	3.75	0.20
1 Year to less than 2 Years	4.40	4.50	4.05	2.75	3.00	3.75	0.20
2 Years to less than 3 Years	3.55	3.60	3.00	2.05	2.75	3.50	0.01
3 Years	3.35	3.40	2.50	1.55	2.50	3.00	0.01

- Interest Rates are subject to change. Kindly contact the branch for prevailing interest rates OR visit our website www.unionbankofindia.bank.in

- Please visit our website www.unionbankofindia.bank.in/english/interest-rate.aspx for Rate of Interest on NRE/NRO term deposits of ₹ 3 crore and above.

News at a glance

RBI to close FCNR(B) concessional swap window a month early on August 31

The Reserve Bank of India (RBI) will close its concessional swap facility for Foreign Currency Non-Resident Bank, FCNR(B), deposits on 31 August, a month ahead of the announced deadline of 30 September. The window has already drawn $52.3 billion as of 13 August with about $20 billion more expected before the deadline, so the early exit reflects a judgement that the inflow has run ahead of what the central bank wants to carry on its books.

Under the special window the Reserve Bank of India absorbed the hedging cost of that swap, which is what made raising foreign currency deposits attractive for banks. The inflows add to the country's foreign currency resources and support the rupee at a time of external pressure.

The central bank cited the encouraging response to the FCNR(B) deposit swap facility in announcing the earlier closure. The window will now close on 31 August against the initial deadline of 30 September.

Bankers read the early exit as prudent because the inflow is a foreign currency liability whose cost and maturity have to be managed later. The next milestone is the closure of the window on 31 August, after which fresh FCNR(B) deposits will be raised without the concessional swap support.

We are pleased to inform you that UVConn (WhatsApp Banking) has been now enabled for NRI customers in 19 countries

S. No	Country	S. No.	Country	S. No.	Country	S. No.	Country
1	UAE	6	UK	11	SINGAPORE	16	HONGKONG
2	KUWAIT	7	QATAR	12	ITALY	17	KENYA
3	OMAN	8	BAHRAIN	13	MALAYSIA	18	AUSTRALIA
4	USA	9	CANADA	14	GERMANY	19	IRELAND
5	SAUDI ARABIA	10	NEW ZEALAND	15	SOUTH AFRICA		

Note: Bank's official WhatsApp Business Account Number for UVConn is 9666606060. The blue tick Union Bank of India next to contact's name in WhatsApp confirms that this is the verified WhatsApp Business Account number of Union Bank of India.

Steps for registration in UVConn (WhatsApp Banking)

1. Customer needs to send "Hi" on Bank's Official WhatsApp number- 9666606060 from Registered Mobile Number (RMN) for registering into UVConn.
2. Customer will get option to select the language white initiating registration process.
3. Once Customer selects the desired language; OTP will be received for authentication purpose.
4. However, language can be changed again by going into Account Settings '> Change Language (for already registered customers). Currently 7 Indian Languages are available in UVConn
5. For accessing "Main Menu" anytime during UVConn journey, customer needs to type and send "Menu" to go back to Main Menu
6. To log out from the UVConn at any stage of the user journey, user needs to type and send "Exit"

Scan this QR Code to register on UV Conn (WhatsApp Banking)

Please contact our Dedicated NRI customer care at +91 8061817110

For issues/queries regarding your NRI account, please contact our NRI Back Office.

Address:

Union Bank of India

NRI Back Office

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E-mail- nricell@unionbankofindia.bank.in

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