

Non-resident deposits

6.63 In the last sixteen years ending 2005-06, non-resident deposits remained an important and relatively stable source of capital flows. As a proportion of total capital flows, it had strengthened in the four-year period 2000-04 to above 20 per cent. But, such deposits became a source of negative flows in 2004-05. There was a resumption of the earlier trend in 2005-06, with the proportion rising to 11.5 per cent.

6.64 With the discontinuance of Non-Resident (Non-Repatriable) Rupee deposits with effect from April 1, 2002, the outstanding on the other two forms of NRI

deposits, namely, NR(E)RA and FCNR(B) at US\$35.1 billion at end-March 2006 are mainly on account of the former. At end-November 2006, such outstandings at US\$37.8 billion, however, indicate growth in both forms. FCNR(B) inflows have been strong in every single month in 2006-07 up to November 2006. NR(E)RA flows have also been strong in the same period, but were marginal in the months of April and October. Together, these resulted in the total inflows of US\$2.7 billion in both the non-resident accounts as against US\$ 476 million in the corresponding period of the previous year (Table 6.12).

Table 6.12 : Outstanding balances and net flows under various non-resident deposit Schemes

Panel A : Outstanding balances under different schemes*								
	(US\$ million)							
	As at the end of							
	March 2000	March 01	March 02	March 03	March 04	March 05	Mar-06 (P.E.)	Nov-06 (P.E.)
Foreign Currency Non-Resident (Banks)	8172	9076	9673	10199	10961	11452	13064	14270
Non-Resident External Rupee Accounts	6758	7147	8449	14923	20559	21291	22070	23481
Non-Resident (Non Repatriable) Rupee Deposits	6754	6849	7052	3407	1746	232		
Total	21684	23072	25174	28529	33266	32975	35134	37751
B. Net flows under non-resident deposits*								
	(US\$ million)							
Schemes	2000-01	2001-02	2002-03	2003-04	2004-05	2005-06	Apr-Nov (P.E.)	
							2005-06	2006-07
FCNR(B)	904	594	526	762	492	1612	-32	1206
NR(E)RA @	860	1626	6195	4695	84	1177	508	1509
NR(NR)RD	553	508	-3745	-1816	-1538			
Total	2317	2728	2976	3641	-962	2789	476	2715
<p>P.E.: Provisional Estimates.</p> <p>* All figures are inclusive of accrued interest.</p> <p>@ The inflows into NR(E)RA deposits from the year 2002-03 onwards may partly be due to crediting of maturity proceeds of the NR(NR)R deposits which were discontinued with effect from April 1, 2002.</p> <p>Note: Inflows/Outflows have been calculated by taking the monthly variation in rupee denominated deposits & converting those by monthly average exchange rate. All figures are inclusive of interest & valuation changes arising on account of fluctuation in non dollar currencies against US dollar.</p> <p>Source : RBI</p>								