

1. What is Indo-Nepal Remittance Facility Scheme under NEFT ecosystem?

Ans: The Indo-Nepal Remittance Facility (INRF, Scheme) is a cross-border remittance scheme to transfer funds from India to Nepal (one-way only), enabled under the NEFT ecosystem. The scheme was launched by the Reserve Bank of India (RBI) in May 2008 to provide a safe and cost-efficient avenue to migrant Nepalese workers in India to remit money back to their families in Nepal.

In August 2021, the Scheme was enhanced to boost the trade payments between the two countries, and to facilitate payments relating to retirement, pension, etc., to our ex-servicemen who have settled / relocated in Nepal.

2. What are the salient features of INRF Scheme? How much money can I remit under INRF?

Ans: One can remit upto ₹2 lakhs per transaction to the beneficiary residing in Nepal; provided the sender maintains account with any NEFT enabled bank branch in India.

Walk-in / Non-customer can remit upto ₹50,000 per transaction to Nepal residing beneficiary.

3. Is there any limit on number of such transactions? How many such remittances can be sent in a year?

Ans: There is no limit on remittances if the sender is maintaining account with any NEFT enabled bank-branch in India. Walk-in / Non-customers are allowed to remit 12 remittances in a year with ceiling of ₹50,000 per remittance.

4. Does the beneficiary need to maintain an account with a bank branch in Nepal?

Ans: No, this is not mandatory. It would, however, be ideal if the beneficiary maintains an account with a bank branch in Nepal to which the credit could be afforded. In Nepal, the INRF Scheme is handled by Nepal SBI Ltd. (NSBL). If the beneficiary does not have a bank account with NSBL or resides in a locality / area in Nepal not serviced by a NSBL bank branch, an arrangement has been entered into by NSBL with a money transfer company in Nepal (called Prabhu Money Transfer) who would make arrangements for delivery of cash (in Nepalese Rupees) to the beneficiary.

5. What are the documents required to be presented by the remitter?

Ans: If the remitting customer maintains an account with a bank branch in India, there is no need for any additional information, documents or identification. Else, the remitter has to submit documents for proof of identification such as Passport / Permanent Account Number / Driving License / Telephone Bill / Certificate of Identification issued by his employer with photograph and other details. The information will be captured in the NEFT

system as part of compliance with Know Your Customer (KYC) requirements. Complete address and telephone / mobile number of the beneficiary in Nepal will also be required.

6. How do the transactions flow from India to Nepal and what are the timelines for completion of the transactions?

Ans: Remittances under the Scheme for transfer of funds from India to Nepal can be originated from any of the NEFT-enabled bank-branches in India. List of bank-wise branches participating in the NEFT system is available on the website of RBI at http://www.rbi.org.in/Scripts/bs_viewcontent.aspx?Id=2009.

The bank branches originating the Indo-Nepal remittance transactions under the NEFT will process it like any other NEFT transaction, the only difference being that these transactions will subsequently be pooled / collected at the designated branch of State Bank of India (SBI) in India. At the end of the day, the remittance information is conveyed electronically by SBI in a secure mode to NSBL. NSBL then makes arrangements for credit to the bank account of the beneficiary if the beneficiary is an account holder of NSBL. Else, NSBL disburses funds in cash to the beneficiary through the authorised money transfer company (Prabhu Money Transfer). The beneficiary has to approach the local branch of the money transfer company, furnish the UTR number (also called as the Unique Transaction Reference number that uniquely identifies a transaction in the NEFT system that can be obtained from the remitter), and produce a photo identity document (generally Nepal Citizenship Certificate) to prove his identity.

If the beneficiary does not approach the money transfer company within a week from the date of the transaction, the money transfer company would make arrangements for return of the remittance to the originator.

7. How does the remitting customer in India know about the branches of NSBL and the outlets of Prabhu Money Transfer?

Ans: The location and addresses of NSBL and Prabhu Money Transfer are available in the Procedural Guidelines for Indo-Nepal Remittance Facility Scheme as also with the NEFT-enabled branches in India. The Procedural Guidelines for Indo-Nepal Remittance Facility Scheme are available on the website of RBI at <http://rbidocs.rbi.org.in/rdocs/content/pdfs/84489.pdf>.

8. How does the remitter get back money if it is not delivered to the beneficiary?

Ans: The amount of remittance will flow back to the originating bank branch in India through the NEFT system and the bank branch would then communicate to the remitter about return of the remittance. If the remittance was originated by debit to an account, the returned amount will be credited to that account. If the remittance was made by a walk-in customer through a cash deposit, the remitter has to produce evidence of proof of remittance (counterfoil of the remittance application form) for getting refund.

9. What are the charges for availing the remittance facility?

Ans: For transactions up to ₹50,000, the charges are as follows:

- i. Originating bank – Maximum ₹5/- per transaction.
- ii. State Bank of India – ₹20/- per transaction. SBI would share this ₹20/- with NSBL at ₹10 each. NSBL would not charge any additional amount for crediting the beneficiary. if he maintains an account with it.
- iii. In case the beneficiary does not maintain an account with NSBL then, an additional amount would be charged- ₹50/- for remittances up to ₹5,000/- and ₹75/- for remittance above ₹5,000/-.
- iv. For transactions above ₹50,000/-, charges prescribed by SBI shall apply.

10. Who can be contacted for redressal of grievances under the Scheme?

Ans: In case of complaints relating to non-credit or delay in credit to the beneficiary account or for complaints of any other nature, the NEFT Customer Facilitation Centre (CFC) of the respective bank (the originating bank and / or SBI) can be contacted. Details of NEFT CFCs of banks are available on the websites of the respective banks. The details are also available on the website of RBI at http://www.rbi.org.in/Scripts/bs_viewcontent.aspx?Id=2070.

If the issue is not resolved satisfactorily, the NEFT Help Desk / Contact point of the RBI can be approached at nefthelpdesknc@rbi.org.in.

11. Are bi-lateral arrangements between bank / non-banks in India and those in Nepal covered under INRF Scheme?

Ans: No. The bilateral arrangements between banks / non-banks to handle cross-border transactions between India and Nepal are not covered under guidelines of the INRF Scheme. The INRF Scheme exclusively uses NEFT ecosystem for such remittance to Nepal and as such all NEFT enabled bank-branches are already covered under Scheme.

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