

SBI plans Korea-Nepal, Korea-India remittance corridors

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Arundhati Bhattacharya SOMASHEKAR G R N

Mumbai, February 15:

State Bank of India is planning to soon start two remittance corridors — between Korea and Nepal and Korea and India. It is also considering starting a Nepal desk in the bank to promote Indian investments in the Himalayan country and vice-versa.

Managing Director B Sriram said, “SBI is going to shortly roll out two remittance platforms for remittance from Korea to India and Nepal. We were quite amazed with the Nepalese population that is operating out of Korea and this is something we would like to tap.

“These platforms will benefit the Nepalese expatriates in Korea, providing a seamless and hassle-free remittance experience as well as bringing down the cost of transactions.”

Sriram underscored that his bank has a significant presence in Nepal via the subsidiary route, with about 70 branches and 100 ATMs. Nepal SBI is the third-largest bank in Nepal.

After inaugurating the Korea desk, set up in collaboration with Korea Development Bank (KDB), SBI Chairman Arundhati Bhattacharya said: “This (creating country-specific desks) is a model which we can energise to attract business from foreign countries into India.”

This is the second country-specific desk, the first being Japan desk, that was set up by the bank under the aegis of its investment banking subsidiary SBI Capital Markets. Siddhartha Sengupta, Deputy Managing Director, said the bank is looking at having a Nepal desk.

Bhattacharya observed that when corporates look to foreign shores for investment opportunities, they are often inhibited by the foreign rules, regulations, systems, lack of ready access to banking facilities and above all, cultural dissimilarities.

These are compounded when the companies looking for such business opportunities are small and medium enterprises, which require hand-holding, she added.

“The bilateral trade (between India and South Korea) has gathered momentum in recent years, reaching \$16.89 billion in 2015-16. India has grown to become Korea’s fifth-largest export market.

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