

Monetary System

In India, the basic unit of currency is the Indian rupee (INR). It is abbreviated Re (singular), Rs (plural) (which may be represented by a single Unicode character ₹ or by the Indian rupee symbol ₹).

The rupee is divided into 100 paise (or the singular version paisa). Either is typically abbreviated with a p (e.g., 10p).

Coins are issued in 50 paise, 1₹, 2₹, 5₹, and 10₹. There was a change in official coinage, effective 30 June 2011, where 1 paisa, 2 paise, 3 paise, 5 paise, 10 paise, 20 paise, and 25 paise coins were withdrawn from circulation. These coins might be interesting to a coin collector, but have no legal tender value.

Banknotes are currently issued in 10₹, 20₹, 50₹, 100₹, 500₹, and 1000₹ denominations. Older notes with denominations 1₹, 2₹, and 5₹ may still be in circulation and, unlike the withdrawn coins, are still considered to be legal tender.

See the Reserve Bank of India (<http://www.rbi.org.in/scripts/FAQView.aspx?Id=39>) for more information.

Converting to Local Currency

There are many options for converting your home currency to Indian rupees. The options range from using your local bank to using a bank at your destination, to using a currency exchange at an airport, to paying a local vendor in your home currency. Selecting the wrong option can cost you.

For every method of exchange, there are web sites that will tell you that this approach is the best. The best method is for you to do your homework and make the calculations for yourself (see below). The “Great Rates” that you see in the adverts are great for the exchanger, not for you.

First, figure out what you can spend on the trip. Do this in your home currency.

Next, look up the exchange rate for your home currency and the Indian rupee. This is the ideal exchange rate.

Check your bank to see if they exchange rupees. Ask them for the exchange rate, service fee(s), and shipping costs. Also, ask them what the foreign ATM fees and rates are. There is often an ATM fee and an exchange fee when using a foreign bank.

Look for the companies that exchange currencies. Some names are Travelex, Thomas Cook, American Express. These companies use a variety of methods to hide their true costs. See below how to determine the actual cost.

The main thing to watch out for is the openness of the company. If a large company does not have the exchange rates and fees online, ask yourself what the company is trying to hide? The exchange rates fluctuate daily, and it is not rocket science to automatically update a web page.

One method of rating the exchange is to determine the *efficiency*. The calculation depends on the information you get from the exchanger. If the exchanger claims no fees and provides an exchange rate, divide that rate by the market rate. See the Travelex entry in Table 1. For exchanges that have fees, but use the market rate, subtract any fees from your starting amount and convert the result. Divide the result by the amount that you would have if there were no fees charged.

For example, in Table 1, the Bank ATM column uses the market exchange rate of 63.5324, and ATM fee of \$5, and an international exchange fee of \$9 (based on a 3% rate). The full amount (\$300) is converted using the market rate, and the full amount minus fees (\$14) is

converted using the market rate. The efficiency of the exchange is 95.3% meaning that you paid 4.7% in fees. Compared to the 20.7% charges by the “no fee” exchange, the bank ATM method is a bargain.

Table 1 Currency exchange example

Bank ATM		Travelex	
Spending money	\$300	Spending money	any
Transaction fee	\$5	Transaction fee	0
International fee (3%)	\$9	International fee (3%)	n/a
Market rate	63.5324₹/\$	Exchange rate	50.4010₹/\$
Full exchange	19,059.72₹		
Post fee exchange	18,170.27₹		
Efficiency	0.953	Efficiency	0.793

The market exchange rate changes daily. Currency exchanges will typically use the previous day’s closing rate as the basis for the current day’s exchange rate. There is no magic formula for determining the best day to exchange.

One additional way to convert currency is to try to use your native currency while in India. Some merchants will accept foreign currency if they think that the value of the currency will increase with respect to the rupee. For example, the UK Post Office states that the recommended currency for visitors is the US dollar (<http://www.postoffice.co.uk/foreign-currency>).

Cell Phones at the GLE

Begin by asking yourself, “Do I really need my cell on the GLE?”

If your answer is yes, here is what you need to do.

Check Your Carrier’s Rates for Delhi, India

Visit your current wireless carrier to see what their roaming charges are, and if they have an international rider that you can use temporarily (1 month). Be careful with the rider because the carrier may try to make this part of your ongoing plan and continue charging you for it after you return home. Check for the roaming fees and the per minute or per message fees. Some providers also have a connect fee when you are out of country.

Use these rates to determine how much your anticipated calling pattern will cost (use the worksheet below).

Unlock Your Phone

First, your phone must use a SIM card (Subscriber Identification Module). If your phone does not have this feature, it cannot be used on this trip. These phones are called GSM phones.

Next, check to see that your phone is unlocked. You may have to call your service provider to unlock the phone. Tell the provider that you are taking a trip to India and need the unlock code so that you can use a local SIM card.

Your provider will try to sell you a “cut rate” plan, ask them for the rates and then tell them the rates that you can get with a local SIM card (see below). If your provider will beat the local price, ask them to send the rates to you in writing (email or paper) before agreeing to their offer.

Lastly, if you plan on using your regular carrier, check to see if there is a limit that can be placed on the charges from the overseas carriers. A benefit of using a local, prepaid SIM card is that the worst case is that you will empty the card. If you are using your regular carrier, one wrong click can be very costly.

Getting a Local SIM Card

Due to security regulations, obtaining a SIM card is not as simple as a cash transaction. There is additional paperwork required for a foreign traveler. Preparing this documentation in advance will save time when you are getting the SIM. The required items are:

- Photocopy of your passport (make certain that this shows your address)
- Photocopy of your visa
- An additional passport-sized recent photo (some kiosks will take your picture)
- Proof of local address—get your hotel to send you a letter in advance

It will take about one day for your SIM card to be activated.

Due to the amount of paperwork the SIM vendor has to do, it is beneficial to use a vendor familiar with it instead of trying to find the lowest price. There is one telecom store in the international arrival terminal¹ — Aircel. Check the other vendor locations to see which are close to your hotel.

Reducing Data Usage

If you are going to use the GPS and map feature on your phone, download the maps on your home network before leaving. Make certain that you download the maps for all of the locations that you will be visiting. These maps might be large. Check your phone to see if you can store the maps on the microSD card (if equipped). Upgrading to a larger card or purchasing an additional card might cost less than the data rates.

Wireless Providers

Prepaid SIM Cards

Vendor	Website	Technology	SIM card
Aircel	www.aircel.com	3G: GSM-900/1800	25₹
Airtel	www.airtel.com	3G: GSM-900/1800	15₹
BNSL	www.bsnl.co.in	3G: GSM-900/1800	
Idea Cellular	www.ideacellular.com	2G, 3G: GSM-900/1800	11.1₹
Reliance	www.rcom.co.in	3G: GSM-900/1800	15₹
Tata DoCoMo	www.tatadocomo.com	3G: GSM-1800	
Vodafone	www.vodafone.in	3G: GSM-900/1800	15₹

Rates

Rates (tariffs) vary by the plan that you choose, so it is important to read the details.

Vendor	Item	Cost		per	
		Low	High		
Aircel	Local Aircel mobile	10p	20p	minute	149₹ – 123₹ plan
	Local other mobile	50p	60p	minute	149₹ – 123₹ plan
	Local landline		30p	minute	123₹ plan
	Call within India	1p	60p	minute	123₹ plan
	SMS local		60p		123₹ plan
	SMS national		120p		123₹ plan
	SMS international		500p		123₹ plan
	International call	8₹	550₹	minute	149₹ – 123₹ plan

¹ www.newdelhiaairport.in/filedownload.aspx?file=T3-International-Section-Map.pdf&type=pdf

Vendor	Item	Cost		per	
		low	High		
Vodafone	All local calls	2p		second	only 1 plan
	SMS local	1₹			
	SMS national	1.5₹			
	SMS international	5₹			
	International call				
Reliance	Local Reliance mobile	30p	60p	minute	
	Local other mobile	40p	60p	minute	
	Local Reliance landline	30p	60p	minute	
	Local other landline	40p	60p	minute	
	SMS local	1₹			
	SMS national	1.5₹			
	SMS international	5₹			
Idea Cellular	Local Idea mobile	90p	1₹	minute	
	Local other mobile	90p	1₹	minute	
	Local Idea landline	90p	1₹	minute	
	Local other landline	90p	1₹	minute	
	SMS local	1₹			
	SMS national	1.5₹			
	SMS international	5₹			
	International call	8₹	60₹	minute	

Calculating the Phone Costs

On the following page is a worksheet to help calculate the phone costs, and the subsequent page has the form filled out as an example. There are a few things to keep in mind when using the worksheet.

- When entering the number of minutes, only enter the minutes that are over the included minutes (if any) that come with the plan that you purchase. (In the example, the plan comes with 110 minutes of local calls and 140 minutes are made. Assume that the calls are split between in-network and out-of-network phones.)
- The same holds for messages—only enter the number of messages that go over the plan. (In the example, the local plan comes with 500 messages but only 140 are used, therefore 0 is entered.)
- Data usage is purchased in blocks of a specific size. Once you use up a block, you must purchase another block—whether or not you use the whole block. (In the example, the home vendor, Verizon, charges \$25 per unit of 100 MB. A total of 105 MB was used resulting in 2 units or \$50.)

Worksheet

Item	Cost ₹	per	My Telco	Comment
SIM Card		₹ each		
Prepaid Plan				
Local within telco		₹ minute		
calls	_____	# minutes	_____	
sub total	_____	₹		
Local other telco		₹ minute		
calls	_____	# minutes	_____	
sub total	_____	₹		
International		₹minute		
calls	_____	# minutes	_____	
sub total	_____	₹		
SMS		₹/message		
messages	_____		_____	
sub total	_____			
Data rate		₹/unit		
Usage	_____	# units	_____	
sub total	_____	₹		
Total	_____	₹		
Exchange Rate	_____		_____	
Real Cost	_____			

Example Worksheet

Item	Cost ₹	per	My Telco	Comment
SIM Card	25	₹ each	0	
Prepaid Plan	149	₹	\$4.99	
Local within telco	0.2	₹ minute	\$1.99	
calls	15	# minutes	70	
sub total	14	₹	\$139.30	15 min extra local SIM
Local other telco	0.6	₹ minute	\$1.99	
calls	15	# minutes	70	
sub total	42	₹	\$139.30	15 min extra local SIM
International	8	₹ minute	\$1.99	
calls	20	# minutes	20	
sub total	160	₹	\$39.80	
SMS		₹/message	\$0.50	
messages	0		140	
sub total			\$70.00	
Data rate		₹/unit	\$25.00	unit = 100 MB
Usage	105	# units	2	
sub total	–	₹	\$50	
Total	390	₹	\$443.39	
Exchange Rate	60		1	
Real Cost	\$6.50		\$443.39	

Assuming 4 local calls 5 minutes each day, half within network, half other network; 2 international calls 10 minutes; 20 texts per day; and emailing 15 pictures of 1 megabyte each per day, trip length 7 days. Aircel prepaid 149 plan has 110 local minutes, 500 SMS, and 1 GB data. Assume international calls and extra local minutes at highest rate.

Home plan is Verizon with Global Voice Value Plan and Global Data Plan.

Exchange rate on 09-Jun-2014