

Compare NRE & NRO Accounts:

Here's a table to help you understand the difference between these accounts better:

	Non-Resident External Account (NRE)	Non-Resident Ordinary Account (NRO)
Purpose of the Account	Both NRE and NRO are rupee denominated accounts to help you manage your financial obligations in India while overseas. You can use these NRI banking accounts to transfer funds back to India for investment, family maintenance purposes, transfer funds, make bill payments, E-com, point of sale (POS) transactions or ATM withdrawals.	
Currency of Account	Balances in account are held in Indian Rupees	
Rate of Interest	6% p.a.*, interest is paid at the end of each quarter on the daily average balance	
Specific need Addressed by the Account	Savings in India from the income earned or savings by NRI overseas	Savings in India from the income earned in India (examples – rental income, sale of property, inheritance, savings before leaving India). This account is required if you would like to transfer your savings/ income in India to your overseas bank account.
Funding the Account	<p>The account can be funded through:</p> <ul style="list-style-type: none"> • Foreign Currency Remittances from overseas • Funds from any other FCNR or NRE Account in any bank in India 	<p>The account can be funded through:</p> <ul style="list-style-type: none"> • Any legitimate income from India • Funds from any other NRO or NRE Account in any bank in India • Foreign Currency Remittances from overseas <p>Please note that the transfer from NRO Accounts to NRE is not allowed without supporting repatriation documentation.</p>
Tax	<p>The interest earned on this account is exempt from tax in India. However, the interest earned may be subject to tax in your country of residence.</p> <p>Please speak to your Tax Consultant for tax obligations in your country of residence.</p>	<p>The interest earned on this account is taxable in India. Tax is currently deducted at source at 30% + Surcharge and cess when the interest accrues on your deposit.</p> <p>In addition to the interest taxed in India, the interest earned may also be subject to tax in your country of residence. Please speak to your Tax Consultant for tax obligations in your country of residence.</p>
Joint Account Holder	You can add Non-Resident Indians /PIOs / OCIs as Joint Account Holders. Resident Indian close relatives may be added a second holder in the account on "Former or Survivor" basis which would allow the second holder access to account only post the demise of the NRI first holder.	

Mandate Holders	An individual resident in India can authorized to operate the account on behalf of the account holder.	
Repatriation	Repatriation can be done easily for both principle and interest earned. If you wish to Repatriate funds, we only require written instructions with the wire details for executing this Repatriation.	Repatriation needs to be in adherence to the guidelines of the Reserve Bank of India and is limited to equivalent of USD 1 million (or equivalent amount) per year for all qualified balances. Additionally, you will need to provide documents as per the guidelines issued by the Reserve Bank of India depending on the source of the funds in the account.