

Requirements for Opening an NRE Account in India

1. What is an NRE Account?

An NRE Account is a bank account in India maintained in Indian Rupees (INR), used by an NRI to park overseas income. The funds are freely repatriable and the interest earned is tax-free in India.

2. Types of NRE Accounts:

- Savings Account
- Current Account
- Fixed Deposit (FD) Account
- Recurring Deposit Account

3. Eligibility Criteria:

- Must be a Non-Resident Indian (NRI) or Person of Indian Origin (PIO)
- Must have a valid NRI status under FEMA
- Joint accounts allowed only with another NRI, not with resident Indians

4. Documents Required (KYC Norms):

1. Identity Proof (any one):

- Valid Indian passport or foreign passport (for PIOs)
- Valid OCI/PIO card (if applicable)
- PAN card or Form 60 (if PAN not available)

2. Address Proof (any one):

- Overseas utility bill
- Overseas bank statement
- Government-issued overseas ID with address

3. Visa/Residency Proof:

- Valid work/student/resident visa
- Overseas residence/PR permit

4. Photographs:

- Recent passport-size photographs (usually 2)

5. Proof of NRI Status:

- **Employment letter/contract**
- **Copy of visa/permit**
- **Self-declaration of NRI status**

6. FATCA Declaration (Mandatory):

- **Required under the U.S. compliance law for financial transparency**

7. Bank-Specific Forms:

- **NRE account opening form**
- **Specimen signature form**
- **Repatriation declaration**
- **Nomination form (optional)**

5. Modes of Account Opening:

- **In-Person in India: If visiting India, visit a bank branch**
- **From Abroad: Send notarized or attested documents by:**
 - **Indian Embassy/Consulate**
 - **Notary Public**
 - **Overseas Banker**

6. Funding NRE Account:

- **Inward foreign remittance from abroad**
- **Cheques/drafts drawn on foreign banks**
- **Transfers from another NRE/FCNR(B) account**
- **INR deposits from India are not allowed**

7. Key Features of NRE Account:

<u>Feature</u>	<u>Description</u>
<u>Currency</u>	<u>INR</u>
<u>Taxability</u>	<u>Tax-free in India</u>
<u>Repatriability</u>	<u>Fully repatriable</u>

<u>Feature</u>	<u>Description</u>
<u>Joint Account</u>	<u>With another NRI only</u>
<u>Local INR credits allowed</u>	<u>Not allowed</u>
<u>Interest</u>	<u>Tax-free in India</u>
<u>Transfer to NRO Account</u>	<u>Allowed</u>
<u>Transfer from NRO Account</u>	<u>Not allowed</u>