**WHAT IS THE DIFFERENCE BETWEEN NRE AND NRO BANK ACCOUNT?**

A Non-Resident Indian (NRI) cannot open a regular savings bank account in their name in India, and can only either open a Non-Resident External Account (NRE) bank account or a Non-Resident Ordinary Account (NRO) bank account. Continuing to use the savings account in the home country can attract hefty penalties as per the Foreign Exchange Management Act (FEMA) guidelines under RBI. The differences between an NRE and NRO bank account are as follows:

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| **PIS** | **Non-PIS (recommended)** |
| Investments can be made from both NRE and NRO bank accounts. | Only NRO accounts are supported. |
| The NRE or NRO account should be with a partner bank:, Axis. | NRO account can be with any bank. |
| A PIS permission letter from RBI has to be obtained via the partner bank. | A PIS permission letter from RBI is not required. |
| Funds from the bank account have to be transferred to the PIS first. | Funds for investing are transferred from the NRO account instantly to the trading account using net banking. |