

FAQs

1. NON RESIDENT INDIANS (NRI)

A person who is a citizen of India but resident outside India for employment, business or for any other purpose, where the intention to stay outside India is for an uncertain period

2. PERSON OF INDIAN ORIGIN (PIO)

A person being a citizen of any country other than Pakistan or Bangladesh who;

- held an Indian Passport at any time or
- himself or either of his parents or any of his grandparents were citizens of India, or
- is a spouse of an Indian citizen, or
- is a spouse of a person covered under (i) or (ii) above

3. OVERSEAS CITIZEN OF INDIA (OCI)

All Persons of Indian Origin (PIOs) who were citizens of India on 26th January, 1950 or thereafter or were eligible to become citizens of India on 26th January, 1950 except who is or had been a citizen of Pakistan, Bangladesh or such other country as the Central Government may, by notification in the Official Gazette, specify, can be categorized as OCIs

4. FOREIGN NATIONAL

A person who is not a citizen of India and who is a citizen of a foreign country

5. What is the difference between NRO and NRE account?

NRE (Non Resident External)

NRE PIS

This allows for transactions under Non – PINS on Repatriable basis.

For buying and selling shares in Indian Stock Market under PIS on Repatriable basis

NRE NON PIS

This allows for transactions under Non – PINS on Repatriable basis

Investment into Mutual Funds, ETF or IPO under Non-PIS on Repatriable basis

NRO (Non Resident Ordinary)

NRO PIS

This allows for transactions under PINS on Non-Repatriable basis

For buying and selling shares in Indian Stock Market under PIS on non-Repatriable basis

NRO NON PIS

This allows for transactions under Non-Pins on a Non-Repatriable basis

Investment into Mutual Funds, ETF or IPO under Non PIS on non Repatriable basis & trading in Futures & Options

6. What Products are available for NRI

Equity

MF

IPO

Derivatives (F&O) Offered (only through NRO)

PMS Offered with only PIS option

Fixed Income (AIF / Bonds) Limited offering

7. How can NRI trade in Equity?

To Invest in Equities NRI will require a NRE PIS A/c or NRO PIS A/c with our partner banks NRIs can only do Delivery based trading.

8. How NRI can trade in F&O?

To invest in F&O NRI will require a NRO account.

Commodity and Currency derivative are not allowed for NRI

9. Can a NRI open trading account with multiple brokers?

Yes

10. What is PIS?

PIS is an RBI approved account that NRIs can use for transacting in the secondary markets. An

NRI can only have 1 PIS account with 1 bank at any given time. All secondary market transactions from the PIS account are reported to RBI on daily basis. RBI monitors the limit of NRI stakeholders in any stock listed on the exchange.

11. Can shares held in NRO Demat A/c be transferred to NRE Demat A/c No, one cannot transfer shares from NRO Demat account to NRE Demat Account.

12. What is the TAX implications for NRI?

Narration	Tax Rate	Surcharge	Education Cess	Total Tax
LTCG	10%	15%	4%	11.96%
STCG	15%	15%	4%	17.94%
F & O	30%		4%	31.20%

13. Documents required for NRI?

Valid Passport

Valid visa

Permanent account number (PAN) card

Work permit/student permit

Proof of overseas address (mariner's overseas address not mandatory)

Overseas citizenship of India card (In case of Foreign Passport)

In case of Merchant Navy NRI Client, Mariner's declaration or certified copy of CDC (Continuous Discharge Certificate) is to be submitted

14. In case you are outside India where can a NRI notarize documents?

Indian Embassy/Consulate General in the country where the non-resident customer resides

Notary Public abroad

Authorized officials of overseas branches of Scheduled Commercial Banks registered in India

Branches of overseas banks with whom Indian banks have relationships

Court Magistrate

Judge

15. Is there any limit for purchase by NRIs under the PINS?

Yes. An NRI can purchase up to a maximum of 5% of the aggregate paid up capital of the company (equity as well as preference capital) or the aggregate paid up value of each series of convertible debentures as the case may be. For the purpose of this ceiling, investment under the Portfolio Investment Scheme on repatriation as well as non-repatriation basis will be clubbed together.

There is an overall ceiling of 10% of paid-up equity share capital of the company/paid-up value of each series of convertible debentures for purchase by all NRIs/OCBs put together. The overall ceiling can be raised if the company concerned passes a special resolution to that effect in its general body meeting.