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Q3.Common MistakesOf NRI's.

Most individuals make the **mistake of continuing a resident savings account even after becoming an NRI** but the law does not LEGALLY allow it.

As per FEMA regulation when your status changes to NRI the resident savings account has to be converted to an NRO account.

All income that is receivable in India such as rentals from the property, investments, pension, etc has to be deposited in this account & any payment towards insurance premiums or EMIs on loans which you availed while in India also has to be mandated from NRO accounts.

For this, you need to inform your bank of status change within a reasonable time period. **(This period is not defined but you can consider a maximum of 3 months)**

The bank then will designate your existing resident account to the NRO accounts & your payment will continue as it is.

Alternatively, you have an option to close the existing resident savings account and open a new account in case you choose to change your bank.