

# Mahindra FINANCE

CIN: L65921MH1991PLC059642

**The Investment amount is acceptable ONLY through NRO Bank account & Resident Bank Account & NOT from NRE bank Account.**

## **Additional KYC documents required for NRI Deposits...**

- 1) Passport with valid VISA
- 2) Overseas employment letter (optional for confirmation of residential status & overseas address)
- 3) A PIO card to establish Indian Origin, if it is a foreign passport
- 4) PAN card
- 5) Tax Residency Certificate (TRC) from the Income Tax department of the country of which the investor is a resident
- 6) A Local Address proof if different from the passport address
  - a) Driving License, b) Voter ID card, c) Aadhaar card,

## **Income tax provisions relating to Fixed Deposits.**

- a) The limit of Rs.5000/- on FD interest for purpose of tax is not applicable.
- b) Declaration u/s in Form 15G/H for non deduction of Tax will not be applicable. However a lower deduction Certificate obtained from the income tax department, can be furnished for claiming Nil or lower rate of Tax.
- c) Tax rate will be 30.9% as per the provisions of Section 195 of the Income Tax Act, 1961
- d) If Double Tax Avoidance Agreement (DTAA) exists with the country of which the investor is a resident, then the applicable Tax rate will be lower of DTAA rate of income tax rate, the Tax Residency Certificate will have to be furnished. In the event of non-furnishing of the Tax Residency Certificate the higher Tax rate as per the Income Tax Act will apply. Further to claim the lower rate as per DTAA, Indian Pan also be required otherwise the rate will be 30.9% as per the income tax Act.

## **Additional points to remember:**

Deposits will be accepted from NRI's on non-repatriable basis.

In terms of RBI notification "RBI/2004/179A.P.(DIR Series)Circular No.89 dated April 24,2004", deposits by NRIs with persons other than Authorised Dealers/Authorised Bank by debit to NRO Accounts may continue as hitherto provided that the amount deposited with such entities does not represent inward remittances or transfer from NRE/FCNR(B) Accounts into the NRO account".

Consequently, NRI depositor has to give the following declaration:

"The Amount deposited with Mahindra & Mahindra Financial Services Ltd. represents amounts transferred from NRO Account. Further this amount does not represent inward remittance from Overseas to NRO account or transfer of funds from NRE/FCNR (B) accounts to NRO account".

If there is a Double Tax Avoidance Agreement (DTAA) with the country of which the investor is a resident, then the rate applicable will be the Double Tax Avoidance Agreement (DTAA) rate or the income Tax rate whichever is more beneficial to the assessee/investor .The following additional documents should be provided by the NRI depositor

- a) Tax Residency Certificate from the Income Tax department of which the investor is a resident
- b) Copy of the passport as of the beginning of the current financial year till date
- c) Certificate from the investor as at the end of the financial year regarding his stay in India during the financial year.