

**Sale of
Indian
assets**

**Investment
Income in
India**

**INDIAN
TAXATION**

**Foreign
Taxation**

**Double
Taxation
Avoidance
Agreement**

NRI Taxation

Updated as on 25th August, 2021

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Scope of taxability in India

Scope of taxability in India

Indian Income

✓ Income received or accrued or arised in India.

Foreign Income

✓ Income not received nor accrued nor arises from India.

Scope of taxability in India

Which Incomes of NRI are taxable in India ?

| Particular | Resident and ordinarily resident in India (R & OR) | Resident but not ordinarily resident in India (R but not OR) | Non-resident in India (NR) |
|---|---|---|-----------------------------------|
| Indian income | Taxable | Taxable | Taxable |
| Foreign Income | Taxable | Non Taxable | Non Taxable |
| Income from business or profession accruing or arising outside India, but business controlled from India or a profession setup in India. | Taxable | Taxable | Non Taxable |

Scope of taxability in India

What is a “business controlled from India or a profession setup in India” ?

✓ Business/Profession by NR in Individual form:
Principles laid down in the following decisions:

1. *B.B.Iranee v. Commissioner of Income-tax*
50 ITR 366 (Bombay High Court)
2. *B.B.Iranee v. Commissioner of Income-tax*
60 ITR 437 (Supreme Court of India)

Scope of taxability in India

What is a “business controlled from India or a profession setup in India” ?

- ✓ Where the headquarters of the business or profession are located.
- ✓ Mere presence or absence in one jurisdiction, long or short, is not the deciding factor. The place continued or discontinued as the headquarters of the business or profession is important.
- ✓ If the headquarters have shifted from one jurisdiction to another, then income can be apportioned in accordance with or shall move from one place to another.

Who is a Non Resident as per Income Tax Act ?

Residential status as per Income Tax Act

Earlier provisions (till 31-03-2020)

This definition applies to :

- i)An Indian Citizen who leaves India for the purposes of employment outside India or**
- ii)An Indian Citizen leaving India as a member of the crew of an Indian ship or**
- iii)An Indian Citizen or Person of Indian Origin (PIO) who is outside India, comes on a visit to India.**

An individual is resident in India, if he is in India for a period of 182 days or more during the previous year.

Residential status as per Income Tax Act

Earlier provisions (till 31-03-2020)

This definition applies to persons other than:

- i) An Indian Citizen who leaves India for the purposes of employment abroad or
- ii) An Indian Citizen leaving India as a member of the crew of an Indian ship or
- iii) An Indian Citizen or Person of Indian Origin (PIO) who is outside India, comes on a visit to India.

An individual is a resident in India if he is in India for a period of :
182 days or more during the previous year

OR

60 days or more during the previous year AND 365 days or more during the four years preceding that previous year.

Residential status as per Income Tax Act

Reasons for changes in the definition for Residential status from Financial Year 2020-21:

- ✓ **Person having substantial foreign income deliberately dodge the Indian residential status.**
- ✓ **Status of Resident but Not Ordinarily Resident (RBNOR) conferred directly.**

Residential status as per Income Tax Act

Provisions from 01-04-2020

This definition applies to – An Indian Citizen or Person of Indian Origin (PIO) who is outside India, comes on a visit to India and has Indian Income + Foreign incomes from a business controlled or a profession set up in India NOT exceeding Rs. 15 Lakhs during the previous year.

An individual is a resident in India if he is in India for a period of :

182 days or more during the previous year

A Person of Indian Origin(PIO) is a person either of whose parents or grandparents were born in undivided India.

Residential status as per Income Tax Act

Provisions from 01-04-2020

This definition applies to – An Indian Citizen or Person of Indian Origin (PIO) who is outside India, comes on a visit to India and has Indian Income + Foreign incomes from a business controlled or a profession set up in India exceeding Rs. 15 Lakhs during the previous year.

1) An individual is a resident in India if he is in India for a period of :
182 days or more during the previous year.

2) An individual is deemed to be a Resident but not Ordinarily Resident (R but not OR) in India if he is in India for a period of :
120 days or more but less than 182 days during the previous year AND
365 days or more during the four years preceding that previous year.

Residential status as per Income Tax Act

Provisions from 01-04-2020

This definition applies to:

- 1) An Indian Citizen who leaves India for the purposes of employment abroad.**
- 2) An Indian Citizen leaving India as a member of the crew of an Indian Ship.**

An individual is a resident in India if he is in India for a period of :

182 days or more during the previous year.

Note: Employment refers to confirmed employment while leaving India.

Residential status as per Income Tax Act

Provisions from 01-04-2020

This definition applies to persons other than :

- i.) An Indian Citizen who leaves India for the purposes of employment abroad or
- ii.) An Indian Citizen leaving India as a member of the crew of an Indian ship or
- iii.) An Indian Citizen or Person of Indian Origin (PIO) who is outside India, comes on a visit to India.

An individual is a resident in India if he is in India for a period of :
182 days or more during the previous year

OR

60 days or more during the previous year AND 365 days or more during the four years preceding that previous year

Note: Indian Citizen or PIO coming permanently to India will fall in this category.

Residential status as per Income Tax Act

Provisions from 01-04-2020

Under section 6(1A) of the Income Tax Act, persons satisfying the following conditions shall be deemed to be Resident but not Ordinarily Resident (R but not OR) in India.

1st condition: The person is a Citizen of India.

2nd condition: The person is not liable to income tax (not subjected to any income tax law) in any jurisdiction/country by reason of his domicile or residence or any other similar criteria.

3rd condition: The person has Indian Income + Foreign Income from a business controlled or a profession set up in India exceeding Rs. 15 Lakhs during the previous year.

Residential status as per Income Tax Act

Provisions from 01-04-2020

- ✓ Interpretation of section 6(1A), A person may have certain income in a country where he pays certain amount of tax on account of which the person may try to escape the above provisions stating that he is liable to tax in that country.
- ✓ We believe that in such cases, the new definition referred above would not get satisfied if a person has some income in other country on which income tax is paid since the new law would be applicable if the person is a resident or domicile of that country.
- ✓ Hence, a person who is a resident or domicile of a country where there is no Income Tax law (E.g. UAE) will not escape from becoming the Indian Tax resident in India under the new provisions by simply having some income chargeable to income tax in some other country (E.g. U.K.).

Residential status as per Income Tax Act

Negative effects of becoming a R but NOR from NR

- 1. Benefits of concessional rates stated in respective DTAA for various kinds incomes such as interest, dividend, etc. is not available unless the person proves that he is a resident of the foreign country using tie breaker test.**
- 2. Benefits of concessional rates in Income tax Act for various incomes such as dividend, specified capital gains, etc. (Ch-XIIA) for NRI not available.**
- 3. Any foreign incomes of NRI from a business controlled or profession set up in India becomes taxable in India.**

Residential status as per Income Tax Act

Positive effects of becoming a R but NOR from NR

1. Benefits of higher basic exemption limit of income tax for senior citizens and super senior citizens shall be available.
2. Benefits of rebate U/s 87A upto Rs.12500 available if income is not exceeding Rs. 5 lakhs.
3. Benefit of exemption from paying advance tax available to senior citizens not having business incomes.
4. TDS on various incomes at lower rates since section 195 is not applicable.
5. Benefit of using the unexhausted basic exemption limit of Income Tax available for incomes taxable at special rates if total income does not exceed the limit.

Residential status as per Income Tax Act

For persons who are residents

Resident & Ordinarily Resident (R & O R)

Resident in India at least 2 out of 10 previous years preceding the relevant previous year

AND

Has been in India for a period of 730 days or more during 7 years immediately preceding the relevant previous year.

Resident but not Ordinarily Resident (R but not OR)

Has been a Non Resident in India in 9 out of 10 previous years preceding that previous year

OR

Has been in India for 729 days or less in 7 years immediately preceding the relevant previous year.

Persons who are Non Residents or deemed to be Resident but Not Ordinarily Resident (R but not OR) need not go into the above bifurcation of residents.

Residential status as per Income Tax Act

G.A.A.R. PROVISIONS

- ✓ As per the General-Anti Avoidance Rules (GAAR) notified under the Income Tax Act, under section 97 when a person deliberately attempts to change his residential status for a particular financial year merely to escape taxation in India, the I.T. dept. has the power to change the place of residence of any person.
- ✓ Such powers can be applied only on assessments after 1st April, 2017 and in cases where the tax sought to be avoided exceeds Rs.3 crores.
- ✓ Penalty of 50% (under-reporting of income) or 200% (misreporting of income) u/s 270A on the tax payable can be levied by the department if the assessee is proved guilty.

Residential status as per Income Tax Act

✓ Business/Profession by NR in Company form:

- A company becomes a Indian Tax Resident if both the below conditions are satisfied:

a) It has a turnover in excess of Rs. 50 crores
(CBDT Circular No. 25 of 2017 - 23rd October, 2017).

AND

b) It satisfies the POEM (Place of Effective Management) guidelines as laid down in explanation to Section 6(3) of the Income Tax Act.

- If business is carried out through a company (LLC, etc.) then the Non- Resident individual and the company are separate entities.
- A company is governed by the jurisdiction where it is registered.

Residential status as per Income Tax Act

✓ Business/Profession by NR in Partnership firm/A.O.P./B.O.I./A.J.P. form:

The above persons become an Indian Tax Resident if :

The control and management of its affairs (which lies with the partners) is situated wholly or partly in India.

✓ Business/Profession by NR in H.U.F. form:

The above person becomes an Indian Tax Resident if :

The control and management of its affairs (which lies with the Karta) is situated wholly or partly in India.

When the H.U.F. is a resident, it will be Resident & Ordinarily Resident (R&OR) if the Karta has that status. In other cases, the H.U.F. shall be a Resident but Not Ordinarily Resident (RBNOR).

Residential status as per Income Tax Act

✓ Details for residential status determination

1. a. Scanned copy of passport pages with stamps
or
b. No. of days of stay in India (including dt. of arrival and dt. of departure – refer note) in the concerned Financial Year and in each of the preceding 10 years.
1. Status of the person – PIO or Indian citizen or none of the two.
1. Country of present stay/residence.
1. Indian Income + Foreign incomes from a business controlled or a profession set up in India during the Financial Year.

Note: As per residential status calculator on www.incometaxindia.gov.in and affirmed by 1997 223 ITR 462 [AAR-New Delhi]

Double Taxation Avoidance Agreement (DTAA)

Double Taxation Avoidance Agreement (DTAA)

Basic of Taxation

(When income from more than one country)

Residence Rule

Under this rule, the country can tax persons if they are residents or domiciled in the country, regardless of the source of income. The principle of residence – based taxation of income envisages the taxation of global income.

Source Rule

Under this rule, the taxation is at the source country where the income is generated. The principle behind source based taxation is to pay taxes in the country which provides opportunity for generation of that income.

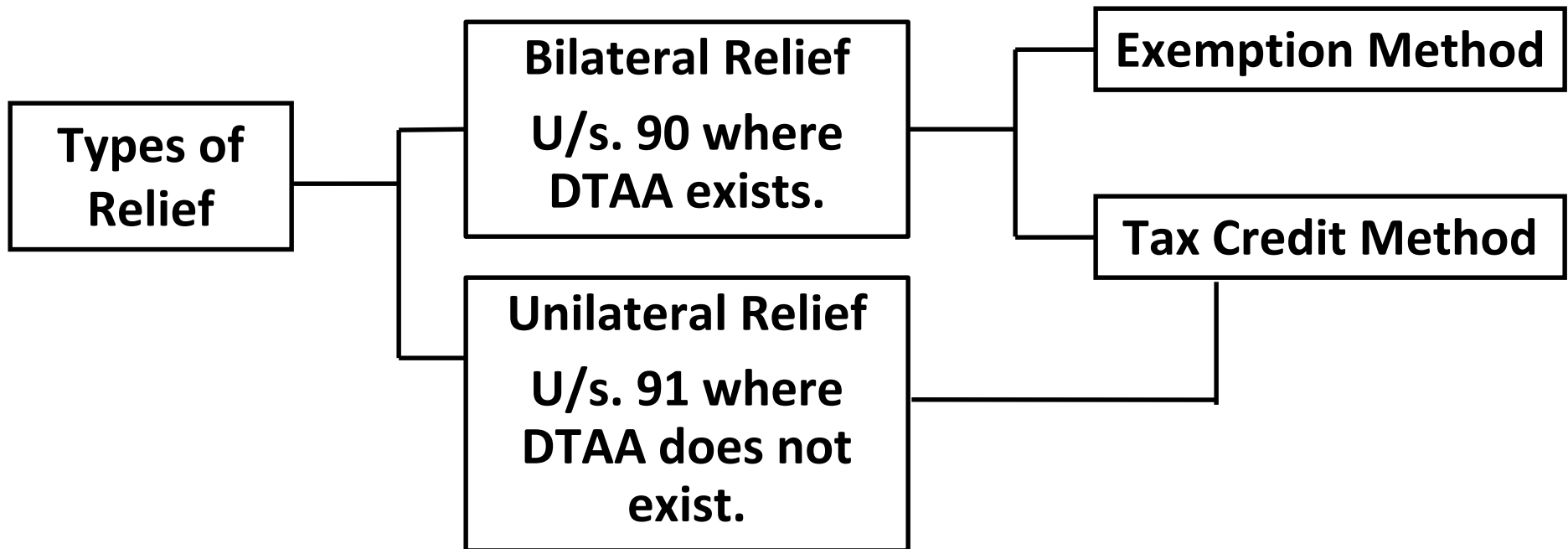
Double Taxation Avoidance Agreement(DTAA)

What is a Double Taxation Avoidance Agreement (DTAA)?

- ✓ Double Taxation Avoidance Agreement (DTAA) is an agreement entered into between countries, with the basic objective to avoid taxation of income in both the countries (i.e. Double taxation of same income) and to promote and foster economic trade and investment between the two countries.
- ✓ India has DTAA with over 89 countries such as the US, the United Kingdom, the UAE, Canada, Australia, Saudi Arabia, Singapore and New Zealand, Kenya, Tanzania, South Africa, Sudan etc.

Double Taxation Avoidance Agreement (DTAA)

Taxation of same income in two countries



- ✓ Exemption method of relief is applicable in DTAA's with very few countries for certain incomes only. For remaining all countries, Tax Credit Method prevails for all incomes.

Double Taxation Avoidance Agreement(DTAA)

Basic principle under Double Taxation Avoidance Agreement (DTAA)

The Non Resident can select the provisions or rates of taxes, whichever are beneficial under

DTAA
or
the Income Tax Act.

Double Taxation Avoidance Agreement(DTAA)

| Rates under Indian Income Tax | Type of income in India | |
|-------------------------------------|------------------------------------|------------|
| | Dividend | Interest |
| | 20% + Surcharge (If applicable) | Slab rates |

Rates in DTAA

| S.No. | Country of tax residence | Type of income in India | |
|-------|-----------------------------|-------------------------|----------|
| | | Dividend | Interest |
| 1 | USA | 25% | 15% |
| 2 | UK | 10% | 15% |
| 3 | Australia | 15% | 15% |
| 4 | UAE | 10% | 12.50% |
| 5 | Canada | 25% | 15% |

Double Taxation Avoidance Agreement(DTAA)

| S.No. | Country of tax residence | Type of income in India | |
|-------|--------------------------|-------------------------|----------|
| | | Dividend | Interest |
| 6 | Singapore | 15% | 15% |
| 7 | South Africa | 10% | 10% |
| 8 | Tanzania | 10% | 10% |
| 9 | Uganda | 10% | 10% |
| 10 | Kenya | 10% | 10% |
| 11 | Sudan | 10% | 10% |
| 12 | Ethiopia | 7.50% | 10% |
| 13 | Oman | 12.50% | 10% |
| 14 | Saudi Arabia | 5% | 10% |
| 15 | Malaysia | 5% | 10% |
| 16 | Hong Kong | 5% | 10% |

Double Taxation Avoidance Agreement(DTAA)

Tax concessions in DTAA with U.A.E., Oman, Malaysia & African countries (Tanzania, Kenya, Uganda, South Africa, Sudan & Ethiopia)

- ✓ Under respective Article of DTAA with above stated countries (E.g. Article 13 of India-UAE DTAA), only capital gains on sale of immovable assets, movable assets of business (PE), and shares are liable to tax in India for persons who are Tax residents of above stated countries (E.g. stay in UAE exceeds 183 days in the relevant calendar year for the person to become a tax resident).
- ✓ Capital Gains on sale of Mutual Funds (Debt based or Equity based being short term or long term) and bonds cannot be subjected to tax in India for tax residents of UAE.
 - *ITO (IT) 2(1) Mumbai vs. Shri Satish Beharilal Raheja ITA NO.4627/Mum/2009*
 - *The Dy. Commissioner of Income-tax (International Taxation) Kochi vs. Sri.K.E.Faizal ITA No.423/Coch/2018*

Double Taxation Avoidance Agreement (DTAA)

Tax concessions in DTAA

- ✓ DTAA's are entered in accordance with section 90 (Double Taxation Relief) and T.D.S. on income taxable at such concessional rates is deducted as per section 195 of the act, at the *“rates in force”*.
- ✓ As per section 2(37A) (iii), *“rates in force”* means the *“rate or rates of income-tax specified in an agreement entered into by the Central Government under section 90”*. This entitles deduction of tax on such incomes at concessional rates. Hence the concessional rate mentioned in the DTAA shall also be the rate of T.D.S. (withholding tax) in India.
- ✓ The concessional rates are inclusive of all surcharges and cess which is affirmed by the following judicial decisions:
 1. Deputy Director of Income-tax (IT)-1(1), Kolkata v. BOC Group Ltd.
 2. R.A.K. Ceramics, UAE v. Deputy Commissioner of Income Tax, International Taxation(2), Hyderabad
 3. JC Decaux S.A. v. Assistant Commissioner of Income Tax, IN THE ITAT DELHI BENCH, [2020] 116 taxmann.com 408 (Delhi - Trib.)

Double Taxation Avoidance Agreement (DTAA)

Claiming DTAA benefits

- ✓ To take benefit of any DTAA rates/concessions, the person has to obtain a Tax Residency Certificate (TRC) of the country in which he is a tax resident. TRC entitles benefits of the treaty to the person.
- ✓ The TRC is on an annual certificate. Thus, it has to be freshly obtained and submitted every year.
- ✓ The TRC, along with form 10F of Income Tax Dept. and a declaration of the tax residency in foreign country has to be submitted to the tax deductor or while filing return.

Double Taxation Avoidance Agreement (DTAA)

Taxation of same income in two countries

- ✓ Credit of taxes paid in India can be availed only to the extent of the proportionate tax of the foreign (Indian) income as per Indian Income Tax for NRI. Excess shall be ignored.
- ✓ The proportionate tax credit is available even when there is no DTAA with the respective foreign country.
- ✓ Indian Tax Residents are supposed to pay tax on foreign incomes in India as per the Indian rates of tax.

Double Taxation Avoidance Agreement (DTAA)

✓ What can be a part of DTAA through various articles?

(As per OECD Model Convention)

Article 1 - Persons Covered

Article 2 - Taxes covered

Article 3 - General definitions

Article 4 - Residence

Article 5 - Permanent Establishment

Article 6 - Immovable property of double taxation

Article 7 - Business Profits

Article 8 - International Shipping and Air Transport

Article 9 - Associated Enterprise

Article 10 - Dividends

Article 11 - Interest

Article 12 - Royalties

Article 13 - Capital gains

Article 14 - Independent Personal Services (DELETED)

Article 15 - Income from Employment

Double Taxation Avoidance Agreement (DTAA)

✓ **What can be a part of DTAA through various articles?**

(As per OECD Model Convention)

Article 16 - Directors' Fees

Article 17 - Entertainers and Sportspersons

Article 18 - Pensions

Article 19 - Government service

Article 20 - Students

Article 21 - Other income

Article 22 - Capital

Article 23 - Elimination of double taxation

Article 24 - Non-discrimination

Article 25 - Mutual Procedure

Article 26 - Exchange of Information

Article 27 - Assistance in the collection of taxes

Article 28 - Members of diplomatic missions and consular posts

Article 29 - Entitlement to benefits

Article 30 - Territorial extension

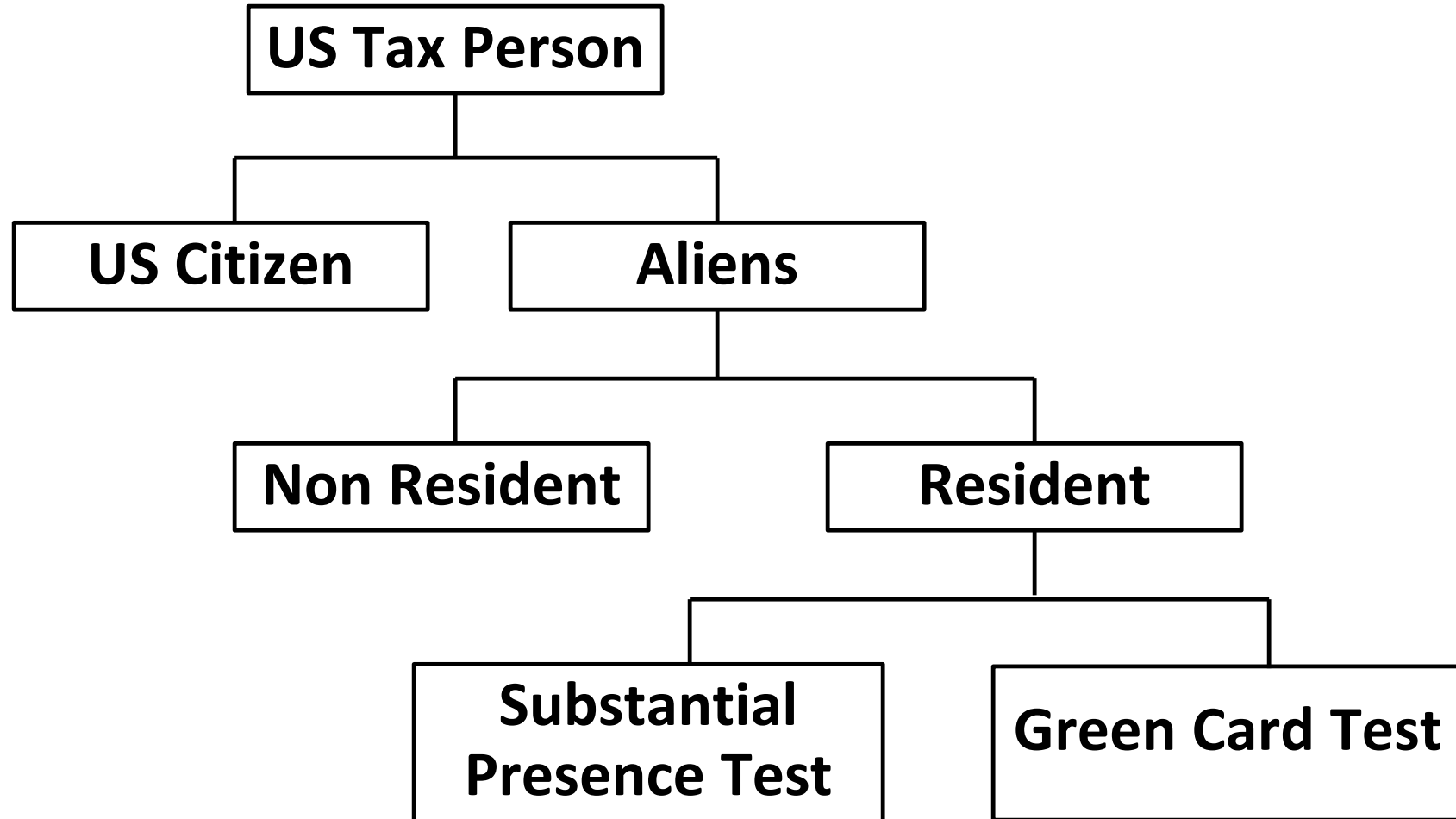
Article 31 - Entry into force

Article 32 - Termination

Tax Resident of more than one country

Double Taxation Avoidance Agreement (DTAA)

Tax Resident of more than one country :



Double Taxation Avoidance Agreement (DTAA)

Tax Resident of more than one country :

Resident

Green Card Test

Substantial Present Test

**No matter where you
live**

**Based on the time you
spent in the US**

**A privilege is given by
USCIS as a Lawful
Permanent Resident**

**At least 31 days in the
current year AND 183
days during last 3 years**

Double Taxation Avoidance Agreement(DTAA)

Tax Resident of more than one country :

A person can be Tax resident of both the countries:-

- ✓ A person acquires Green Card of USA (A special status accorded by a country) and a “Tax Resident” in India.
- ✓ A person satisfies Substantial Presence Test of US Tax Law (Length of stay in a country) makes an individual Tax resident of US and he/she would be Tax “Resident” in India also.

Double Taxation Avoidance Agreement(DTAA)

Tax Resident of more than one country :

Remedies:

- ✓ If an individual is an tax resident of more than one country, then TIE BREAKER RULE in the DTAA between both the countries will apply.
- ✓ The test specified in DTAA between US and India are as follows:
 - Place of Permanent Home, if not determinable, then Center of Vital Interest.
 - If Centre of Vital Interest cannot be determined, then Habitual Abode.

Double Taxation Avoidance Agreement(DTAA)

Tax Resident of more than one country :

Remedies:

- ✓ The test specified in DTAA between US and India are as follows:
 - If Habitual Abode is not possible, then the State of Nationality will be applicable.
 - If Nationality is not determinable, then competent authorities of the Contracting States shall settle the question by mutual agreement.

Double Taxation Avoidance Agreement (DTAA)

Tax Resident of more than one country :

- ✓ As per the test mentioned in DTAA, a person will be treated as resident of one country and non resident of another country for Income tax purposes.
- ✓ When the person will be treated as resident of a country, then his global income is taxable in that country (Residence Rule).
- ✓ The person will be treated as non resident in a country for income tax purpose and only income earned in that country will be taxable (Source Rule).

Double Taxation Avoidance Agreement(DTAA)

Tax Resident of more than one country :

- ✓ The taxes paid as source rule will be available as credit in Resident Rule country either by exemption method or Foreign Tax credit Method as per DTAA between both the countries.
- ✓ The residency status of an individual as per other regulations like Tax on gifts, Inheritance (Estate) Tax etc., will be applicable as usual since it is applicable to all U.S. Domiciled Individuals.

Double Taxation Avoidance Agreement(DTAA)

Tax Resident of more than one country :

Compliance to be done in each respective countries for application of TIE BREAKER RULE, when a person “Tax Resident” of two countries at the same time.

| Particular | Disclosure to be made |
|--|---|
| If person <u>adjudged to be tax resident of India</u> and non resident of U.S.A. | In <u>India</u> – <u>Global</u> Income Taxable In <u>USA</u> – <u>Source</u> Income Taxable (While filling return in USA along with Tax Return Form 1040 NR + Form 8833 Treaty – Based Return Position Disclosure to be filed and apply on Form no. 10FA and to obtain Tax Residency Certificate from India on Form 10FB – Only if <u>U.S.A. sourced income crosses standard deduction plus exemption.</u>) |
| If person <u>adjudged to be tax resident of U.S.A.</u> and non resident of India | In <u>USA</u> – <u>Global</u> Income Taxable In <u>India</u> – <u>Source</u> Income Taxable (Tax Residency Certificate to be obtained from USA by applying on Form 8802 and obtain Tax Residency Certification Form No. 6166 and submit it to Income Tax Department along with Income Tax Return in India) |

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Double Taxation Avoidance Agreement(DTAA)

Exchange of information

- ✓ As per the article on ‘Exchange of Information’ in several DTAAs, the tax authorities of both jurisdictions shall exchange information relating to all taxes applicable to residents to avoid evasion of taxes or frauds.
- ✓ Such exchange can be on a routine basis or on request with reference to particular cases. Either jurisdiction shall provide the other with such information and documents as requested unless it involves certain confidential data.

Provisions & Formalities for returning NRI

Provisions & Formalities for returning NRI

NRE & NRO Savings Bank Account



Banking operations:

Returning NRI have the following two options from the day the person becomes a resident under FEMA:

1. Convert their NRE & NRO savings bank account into resident Indian savings bank account.

2. Convert NRE savings bank accounts can be converted into RFC savings bank account/RFC term deposit held in foreign currency.

Provisions & Formalities for returning NRI

NRE & NRO Savings Bank Account

Taxation:

- ✓ The interest on converted NRO/NRE savings bank account into resident Indian savings bank account becomes taxable from the day the person becomes a resident under FEMA.
- ✓ Interest on RFC savings bank account and term deposits are exempt from Income Tax for Non-residents (NR) and Resident but not Ordinarily Resident Individuals (RBNOR).
- ✓ The interest incomes on RFC savings bank accounts & term deposits after attaining Resident & Ordinarily Resident residential status (R & OR) can be taxed at a flat rate of 20% u/s 115H.

Provisions & Formalities for returning NRI

NRE & NRO Term Deposits



Banking operations:

Returning NRI have the following two options from the day the person becomes a resident under FEMA:

1. Continue the NRE & NRO term deposits at the same terms.
2. Convert NRE term deposits into RFC savings bank account/ RFC term deposits held in foreign currency.

Provisions & Formalities for returning NRI

NRE & NRO Term Deposits

Taxation:

- ✓ The interest on NRE term deposits continued till maturity become taxable from the date of return to India, irrespective of the residential status under Income Tax.
- ✓ The returning NRI has an option to be taxed on the interest incomes on NRE or NRO term deposits (invested from convertible foreign exchange) continued or converted (not redeemed and reinvested) into resident term deposits till maturity at a concessional flat rate of 20% u/s 115H.
- ✓ Interest on RFC savings bank account/ RFC term deposits are exempt from Income Tax for Non-residents (NR) and Resident but not Ordinarily Resident Individuals (RBNOR).
- ✓ Interest incomes on RFC savings bank account/ RFC term deposits after attaining Resident & Ordinarily Resident (R & OR) residential status can be taxed at a flat rate of 20% u/s 115H.

Provisions & Formalities for returning NRI

FCNR term deposits

Banking operations:

- ✓ Returning NRI have the following two options from the day the person becomes a resident under FEMA:
 1. Continue the FCNR term deposits at the same terms.
 2. Convert FCNR term deposits into RFC savings bank account/RFC term deposits held in foreign currency.

Provisions & Formalities for returning NRI

FCNR term deposits

Taxation:

- ✓ Interest on FCNR term deposits continued are exempt from Income Tax for Non-residents (NR) and Resident but not Ordinarily Resident Individuals (RBNOR).
- ✓ The returning NRI has an option to be taxed on the interest incomes on FCNR term deposits after attaining Resident & Ordinarily Resident (R & OR) residential status at a flat rate of 20% u/s 115H.
- ✓ Interest on RFC savings bank account /RFC term deposits are exempt from Income Tax for Non-residents (NR) and Resident but not Ordinarily Resident Individuals (RBNOR).
- ✓ The interest incomes on RFC savings bank accounts/RFC term deposits after attaining Resident & Ordinarily Resident residential status (R & OR) can be taxed at a flat rate of 20% u/s 115H.

Provisions & Formalities for returning NRI

Claiming credit of Taxes paid on incomes outside India

- ✓ Returning NRI, turned into resident Indians under the Income Tax Act will be subject to Income Tax on their worldwide incomes.
- ✓ They can claim foreign tax credit of taxes paid outside India under the Double Taxation Avoidance Agreement u/s 90 or 91 (when there is no DTAA) with the respective foreign jurisdiction.
- ✓ Credit will be allowed in the year in which the income corresponding to such tax has been offered or assessed to tax in India.
- ✓ Credit shall be available against the amount of tax, surcharge and cess payable under the Indian tax laws but not against interest, fee or penalty.

Provisions & Formalities for returning NRI

Claiming credit of Taxes paid on incomes outside India

- ✓ Credit shall be lower of, tax payable on such income tax under the Indian tax laws and the foreign taxes paid.
- ✓ The credit shall be determined by conversion of the currency of payment of the foreign tax at the Telegraphic Transfer Buying Rate on the last day of the month immediately preceding the month in which such tax has been paid or deducted.
- ✓ Form no. 67 shall be prepared and submitted online for taxpayers on the e-filing portal of the income tax department filed in order to claim before the due date of filing of Income Tax Return for that year before filing the ITR for that individual.

**How to compute taxable Income when,
different financial year in India & abroad ?**

How to compute taxable Income when, different financial year in India & abroad ?

For Instance...

- ✓ Financial Year in India is 1st April to 31st March.
- ✓ Financial Year (Tax Year) in US is 1st January to 31st December.

How to compute taxable Income when, different financial year in India & abroad ?

Segregating transactions in the following form :

- ✓ From 1st January to 31st December from the bank statement / investment statement.
- ✓ If more transactions have been undertaken, pass entries in computerized accounting software, then segregate it on start & end date basis.
- ✓ We are clear about the income to be aggregated in US tax return.

How to compute taxable Income when, different financial year in India & abroad ?

Tax Credit of the incomes taxed in India :

- ✓ For Indian incomes between 1st January to 31st March, taxes & Returns would have been filed, credit of taxes (not any interest or penalty) on that basis.
- ✓ For Indian incomes between 1st April to 31st December, credit on the basis of withholding tax in India (TDS) or advance tax paid. These advances taxes should be towards final tax liability.

Reporting for foreign tax compliance

Reporting for foreign tax compliance

Deadline Chart :

| Sr. No. | Jurisdiction | Tax Year | Due date for return filing |
|---------|--------------|--|---|
| 01 | U.S.A. | 01st January to 31st December | 15 th March |
| 02 | Canada | 01st January to 31st December | 30 th April |
| 03 | Australia | 01st July to 30th June | 15 th October |
| 04 | U.K. | 06th April to 05th April (Tax year for foreign incomes. However, accounting year in U.K. for businesses can be different) | 31 st October (Paper Tax Returns) 31 st January (Online Tax Returns) |

Reporting for foreign tax compliance

Data supplied by us :

- ✓ Details of all the different types of incomes, date wise, as per respective financial year.
- ✓ Name & Address of the source of income.
- ✓ Conversion of each income in respective foreign currencies as per prescribed reference rates.
- ✓ Tax withheld (TDS) / Advance Tax (Prepaid Taxes).
- ✓ Finally tax liability on that income and tax paid on the income for which credit is to be claimed.

Reporting for foreign tax compliance

Data supplied by us :

- ✓ Details of assets held at the end of the respective year in respective currencies.
- ✓ Details of investments made during the respective year in respective currencies.
- ✓ Closing balance of Mutual Fund units at the end of the year, for USA, in prescribed format (Form 8621).

Reporting for foreign tax compliance

**Glimpses of data provided by us to
our clients to make their tax
compliance out of India**

Reporting for foreign tax compliance (Typical NRI)

| ASHUTOSH FINANCIAL SERVICES PVT. LTD. | | | | | | | Div: Ashutosh NRI Services | | | |
|--|------------------|--------------------------|-------|-----------------|-------------------------|------------------------------|------------------------------|---------------------|--------------|-----------------------|
| | | | | | | | Doc. No.: AFSP-L-F-ANS-14A | | | |
| Summary of Incomes & Assets for the Year (USA) (P & C) | | | | | | | Rev. No. & Date: 01/01.01.20 | | | |
| Name of Person : | | Mr. X | | | | | | | | |
| Permanent Account Number (PAN) : | | AXXXXXXXXD | | | | | | | | |
| Financial Year : | | 01/01/2020 to 31/12/2020 | | | | | | | | |
| Details of Incomes & Taxes during the Financial Year: | | | | | | | | | | |
| S. No. | Documents No. | Annexure | Payer | Particulars | Account No. / Ref. No.: | Investments as on 31/12/2020 | | Incomes during 2020 | | Withhold ed Tax (INR) |
| | | | | | | Amount (INR) | Amount (USD) | Amount (INR) | Amount (USD) | |
| Dividend Incomes | | | | | | | | | | |
| 1 | AFSP-L-F-ANS-14B | Annexure - A | - | Dividend Income | - | | | 148,982.00 | 2,136.13 | - |
| Total | | | | | | - | - | 148,982.00 | 2,136.13 | - |

| Interest Incomes | | | | | | | | | | |
|------------------|------------------|---------------|-------------|--|------|------------|----------|------------|----------|-----------|
| 1 | AFSP-L-F-ANS-14B | Annexure - B | Post Office | Interest Income on National Savings Scheme (NSS) | 7688 | 361,213.00 | 5,204.80 | 361,213.00 | 5,204.80 | 36,122.00 |
| 2 | AFSP-L-F-ANS-14B | Annexure - AU | Post Office | Interest Income on RD of PO | 5097 | - | - | 10,176.00 | 146.69 | - |
| Total | | | | | | 361,213.00 | 5,204.80 | 371,389.00 | 5,351.49 | 36,122.00 |

Reporting for foreign tax compliance (Typical NRI)

| ASHUTOSH FINANCIAL SERVICES PVT. LTD. | | | | | | Div: Ashutosh NRI Services | | | | |
|--|-----------------|---------------|--------------------------|--|-------------------------|------------------------------|--------------|---------------------|--------------|--------------------|
| | | | | | | Doc. No.: AFSPL-F-ANS-14A | | | | |
| Summary of Incomes & Assets for the Year (USA) (P & C) | | | | | | Rev. No. & Date: 01/01.01.20 | | | | |
| Name of Person : | | | Mr. X | | | | | | | |
| Permanent Account Number (PAN) : | | | AXXXXXXXXD | | | | | | | |
| Financial Year : | | | 01/01/2020 to 31/12/2020 | | | | | | | |
| Details of Incomes & Taxes during the Financial Year: | | | | | | | | | | |
| S. No. | Documents No. | Annexure | Payer | Particulars | Account No. / Ref. No.: | Investments as on 31/12/2020 | | Incomes during 2020 | | Withheld Tax (INR) |
| | | | | | | Amount (INR) | Amount (USD) | Amount (INR) | Amount (USD) | |
| Interest Incomes | | | | | | | | | | |
| 1 | AFSPL-F-ANS-14B | Annexure - C | SBI | Interest Income on Senior Citizens Savings Scheme (SCSS) | 3075 | 1,500,000.00 | 21,020.18 | 124,500.00 | 1,778.43 | 12,452.00 |
| 2 | AFSPL-F-ANS-14B | Annexure - D | SBI | Interest Income on Public Provident Fund (PPF) | 1844 | 3,358,512.11 | 47,064.35 | 210,786.00 | 3,047.80 | - |
| 4 | AFSPL-F-ANS-14B | Annexure - O | SBI | Interest Income on SBI Fixed Deposit | 4960 | 5,664,570.00 | 79,380.18 | 176,249.00 | 2,547.76 | 17,626.00 |
| 5 | AFSPL-F-ANS-14B | Annexure - AQ | SBI | Saving Bank Interest Income from SBI | 2093 | 1,436,799.00 | 20,134.52 | 21,583.00 | 303.87 | - |
| Total | | | | | | 11,959,881.11 | 167,599.23 | 704,026.00 | 10,077.24 | 47,169.00 |
| 1 | AFSPL-F-ANS-14B | Annexure - F | LIC | Interest Income on LIC Varishth Policy | 5623 | 330,000.00 | 4,624.44 | 30,956.00 | 445.28 | - |
| 2 | AFSPL-F-ANS-14B | Annexure - G | LIC | Interest Income on LIC Jivandhara Policy | 6633 | 140,000.00 | 1,961.88 | 16,800.00 | 239.08 | - |

Reporting for foreign tax compliance

ASHUTOSH FINANCIAL SERVICES PVT. LTD.

Div: Ashutosh NRI Services

Doc. No.: AFSPL-F-ANS-14A

Summary of Incomes & Assets for the Year (USA) (P & C)

Rev. No. & Date: 01/01.01.20

| | |
|----------------------------------|--------------------------|
| Name of Person : | Mr. X |
| Permanent Account Number (PAN) : | AXXXXXXXXD |
| Financial Year : | 01/01/2020 to 31/12/2020 |

Details of Incomes & Taxes during the Financial Year:

| S. No. | Documents No. | Annexure | Payer | Particulars | Account No. / Ref. No.: | Investments as on 31/12/2019 | | Incomes during 2019 | | Withhold ed Tax (INR) |
|--------|-----------------|--------------|-------|--------------------------------------|-------------------------|------------------------------|--------------|---------------------|--------------|-----------------------|
| | | | | | | Amount (INR) | Amount (USD) | Amount (INR) | Amount (USD) | |
| 1 | AFSPL-F-ANS-14B | Annexure - P | BOI | Interest Income on BOI Fixed Deposit | 9306 | - | - | 27,684.00 | 401.16 | 2,768.00 |
| Total | | | | | | 218,724.00 | 3,065.08 | 58,684.00 | 848.46 | 5,345.00 |

| | | | | | | | | | | |
|-------|-----------------|---------------|----------------|---|------|--------------|-----------|------------|-----------|-----------|
| 2 | AFSPL-F-ANS-14B | Annexure - R | Citizen Co.Op. | Interest Income on Citizen Co-Op Fixed Deposit | 4378 | - | - | 23,815.00 | 342.10 | 2,383.00 |
| 3 | AFSPL-F-ANS-14B | Annexure - AS | Citizen Co.Op. | Saving Bank Interest Income from Citizen Co-Op Bank | 0771 | 1,012.00 | 14.18 | 12.00 | 0.17 | - |
| Total | | | | | | 4,947,645.58 | 69,333.59 | 776,539.00 | 11,197.84 | 77,652.00 |

| | | | | | | | | | | |
|-------|-----------------|---------------|-----|--------------------------------------|------|--------------|-----------|------------|----------|-----------|
| 4 | AFSPL-F-ANS-14B | Annexure - AE | IOB | Interest Income on IOB Fixed Deposit | 0535 | 45,193.00 | 633.31 | 4,134.00 | 59.20 | 414.00 |
| 5 | AFSPL-F-ANS-14B | Annexure - AN | IOB | Saving Bank Interest Income from IOB | 4503 | 66,648.81 | 933.98 | 2,456.00 | 34.79 | - |
| Total | | | | | | 3,900,185.82 | 54,655.07 | 294,494.00 | 4,238.01 | 29,180.00 |

| | | | | | | | | | | |
|-------|-----------------|---------------|-----------------|--|------|--------------|-----------|-----------|--------|----------|
| 6 | AFSPL-F-ANS-14B | Annexure - AD | Co. Bank Rajkot | Interest Income on The Co-Op Bank of Rajkot Ltd. Fixed Deposit | 2255 | 1,183,402.00 | 16,583.55 | 52,502.00 | 759.14 | 5,251.00 |
| 7 | AFSPL-F-ANS-14B | Annexure - AR | Co. Bank Rajkot | Saving Bank Interest Income from Co-Op Bank | 2124 | 9,386.00 | 131.53 | 367.00 | 5.24 | - |
| Total | | | | | | 1,192,788.00 | 16,715.08 | 52,869.00 | 764.38 | 5,251.00 |

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| ASHUTOSH FINANCIAL SERVICES PVT. LTD. | | | | | | | | Div: Ashutosh NRI Services | | |
|--|-----------------|--------------------------|-------|--------------------------------------|-------------------------|------------------------------|--------------|------------------------------|--------------|-----------------------|
| | | | | | | | | Doc. No.: AFSPL-F-ANS-14A | | |
| Summary of Incomes & Assets for the Year (USA) (P & C) | | | | | | | | Rev. No. & Date: 01/01.01.20 | | |
| Name of Person : | | Mr. X | | | | | | | | |
| Permanent Account Number (PAN) : | | AXXXXXXXXD | | | | | | | | |
| Financial Year : | | 01/01/2020 to 31/12/2020 | | | | | | | | |
| Details of Incomes & Taxes during the Financial Year: | | | | | | | | | | |
| S. No. | Documents No. | Annexure | Payer | Particulars | Account No. / Ref. No.: | Investments as on 31/12/2020 | | Incomes during 2020 | | Withhol ded Tax (INR) |
| | | | | | | Amount (INR) | Amount (USD) | Amount (INR) | Amount (USD) | |
| 1 | AFSPL-F-ANS-14B | Annexure - M | IOC | Interest Income on Liquid Deposit | 4503 | 990,000.00 | 13,873.32 | 24,117.00 | 342.85 | 2,412.00 |
| Total | | | | | | 990,000.00 | 13,873.32 | 24,117.00 | 342.85 | 2,412.00 |
| 2 | AFSPL-F-ANS-14B | Annexure - AP | RDC | Saving Bank Interest Income from RDC | 9039 | - | - | 631.00 | 9.01 | - |
| Total | | | | | | - | - | 631.00 | 9.01 | - |
| 3 | AFSPL-F-ANS-14B | Annexure - E | SHCL | Interest Income on SHCIL Bond | 6710 | 500,000.00 | 7,006.73 | 40,000.00 | 569.93 | 4,000.00 |
| Total | | | | | | 500,000.00 | 7,006.73 | 40,000.00 | 569.93 | 4,000.00 |
| Pension Incomes | | | | | | | | | | |
| 4 | AFSPL-F-ANS-14B | Annexure - L | LIC | Pension Income on LIC | 1661 | 255,845.00 | 3,585.27 | 24,000.00 | 348.28 | - |
| Total | | | | | | 255,845.00 | 3,585.27 | 24,000.00 | 348.28 | - |

Reporting for foreign tax compliance

ASHUTOSH FINANCIAL SERVICES PVT. LTD.

Div: Ashutosh NRI Services

Doc. No.: AFSPL-F-ANS-14A

Summary of Incomes & Assets for the Year (USA) (P & C)

Rev. No. & Date: 01/01.01.20

Name of Person : Mr. X
Permanent Account Number (PAN) : AXXXXXXXD
Financial Year : 01/01/2020 to 31/12/2020

Details of Incomes & Taxes during the Financial Year:

| S. No. | Documents No. | Annexure | Payer | Particulars | Account No. / Ref. No.: | Investments as on 31/12/2020 | | Incomes during 2020 | | Withheld Tax (INR) |
|------------------|-----------------|-------------|-------|----------------------------------|-------------------------|------------------------------|--------------|---------------------|--------------|--------------------|
| | | | | | | Amount (INR) | Amount (USD) | Amount (INR) | Amount (USD) | |
| Business Incomes | | | | | | | | | | |
| 1 | AFSPL-F-ANS-14B | Annexure AV | - | Loss from Business - A Caterers | - | 568,712.96 | 7,969.63 | (1,388.00) | (19.45) | - |
| 2 | AFSPL-F-ANS-14B | Annexure AW | - | Loss from Business - B Resturant | - | 197,403.87 | 2,766.31 | (66,674.00) | (934.33) | - |
| Total | | | | | | 766,116.83 | 10,735.94 | (68,062.00) | (953.78) | - |

Capital Gain/Loss

| | | | | | | | | | | |
|--------------|-----------------|-------------|---|---|---|----------|----------|----------|----------|----------|
| 1 | AFSPL-F-ANS-14B | Annexure AY | - | Long Term Capital Gain/Loss on Sale of Immovable Property | - | - | - | - | - | - |
| 2 | AFSPL-F-ANS-14C | Annexure AZ | - | Long Term Capital Gain/Loss on Sale of Mutual Fund | - | - | - | - | - | - |
| Total | | | | | | - | - | - | - | - |

Other Incomes/Losses

| | | | | | | | | | | |
|--------------|-----------------|-------------|-------------|-------------------------------------|---|----------|------------------|----------|----------|----------|
| 2 | AFSPL-F-ANS-14B | Annexure AX | Post Office | Inheritance from Late Mrs. B (Wife) | - | - | 43,595.00 | - | - | - |
| Total | | | | | | - | 43,595.00 | - | - | - |

Grand Total

25,813,477.34405,473.89 2,505,557.00 36,043.00 207,131.00

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| | | |
|--|--------------------------|------------------------------|
| ASHUTOSH FINANCIAL SERVICES PVT. LTD. | | Div: Ashutosh NRI Services |
| | | Doc. No.: AFSPL-F-ANS-14A |
| Summary of Incomes & Assets for the Year (USA) (P & C) | | Rev. No. & Date: 01/01.01.20 |
| Name of Person : | Mr. X | |
| Permanent Account Number (PAN) : | AXXXXXXXXD | |
| Financial Year : | 01/01/2020 to 31/12/2020 | |

| S. No. | Documents No. | Annexure | Particulars | Account No. / Ref. No.: | Amount (INR) | Amount (USD) |
|---|-----------------|---------------|---------------------------|-------------------------|--------------|--------------|
| Details of Tax Paid, Liability, & Refund during the Financial Year: | | | | | | |
| 1 | AFSPL-F-ANS-14D | Annexure - BA | Total Tax Liabilities | - | 364,429.00 | 5,106.91 |
| | | | Less: | | | |
| 2 | AFSPL-F-ANS-14D | Annexure - BB | Total Tax Withheld | - | 207,131.00 | 2,902.61 |
| 3 | AFSPL-F-ANS-14D | Annexure - BB | Total Self Assessment Tax | - | - | - |
| 4 | AFSPL-F-ANS-14D | Annexure - BB | Total Advance Tax | - | - | - |
| Tax (Payable) / Refund | | | | | (157,298.00) | (2,204.30) |

| S. No. | Documents No. | Annexure | Particulars | Account No. / Ref. No.: | Amount (INR) | Amount (USD) |
|--|-----------------|---------------|---|-------------------------|---------------|--------------|
| Details of Investments in Assets during Financial Year and Closing Values: | | | | | | |
| 1 | AFSPL-F-ANS-14E | Annexure - BC | Investments in Mutual Funds | - | 1,655,937.19 | 23,205.39 |
| 2 | AFSPL-F-ANS-14E | Annexure - BD | Investments in Equity Shares | - | 20,378,313.55 | 285,570.54 |
| 3 | AFSPL-F-ANS-14E | Annexure - BE | Investments in Other Assets (Movable & Immovable) | - | 28,019,067.00 | 392,643.88 |
| Total Value of Assets | | | | | 50,053,317.74 | 701,419.81 |

Reporting for foreign tax compliance

| ASHUTOSH FINANCIAL SERVICES PVT. LTD. | | | | | | Div: Ashutosh NRI Services | |
|--|-----------------|--------------------------|--|-------------------------|---------------|------------------------------|--|
| | | | | | | Doc. No.: AFSPL-F-ANS-14A | |
| Summary of Incomes & Assets for the Year (USA) (P & C) | | | | | | Rev. No. & Date: 01/01.01.20 | |
| Name of Person : | | Mr. X | | | | | |
| Permanent Account Number (PAN) : | | AXXXXXXXXXD | | | | | |
| Financial Year : | | 01/01/2020 to 31/12/2020 | | | | | |
| S. No. | Documents No. | Annexure | Particulars | Account No. / Ref. No.: | Amount (INR) | Amount (USD) | |
| Specific Compliance Reporting: | | | | | | | |
| 1 | AFSPL-F-ANS-14F | Annexure - BF | Details of Closing Balance of Mutual Funds Units (FOR FORM 8621) | - | 1,655,937.18 | 23,205.40 | |
| 2 | AFSPL-F-ANS-14F | Annexure - BG | Details of Closing Balance of Equity Shares (FOR FORM 8621) | - | 20,378,313.55 | 285,570.54 | |
| Total | | | | | 22,034,250.73 | 308,775.93 | |

| S. No. | Date of Account Opened/Closed | Type of Account | Name of Account | Closing Balance (INR) | Closing Balance (USD) |
|---|-------------------------------|-----------------|-----------------|-----------------------|-----------------------|
| List of accounts opened/closed during the year: | | | | | |
| - | - | - | - | - | - |
| Total | | | | | |

Source for exchange rate : https://www.federalreserve.gov/releases/h10/hist/dat00_in.htm (The Federal Reserve System)

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Reporting for foreign tax compliance

| ASHUTOSH FINANCIAL SERVICES PVT. LTD. | | | | | Div: Ashutosh NRI Services | | |
|--|---|--|---------------------------|---------------------------------------|------------------------------|--------------|--------------------|
| | | | | | Doc. No.: AFSPL-F-ANS-14B | | |
| Details of Income for the Year (USA) (P & C) | | | | | Rev. No. & Date: 01/01.01.20 | | |
| Name of Person : | | 0 | | | | | |
| Annexure - A | | | | | | | |
| Dividend Income | | | | | | | |
| S. No. | Name of Entity / Company | Address | Date of Dividend Received | Amount (INR) Rounded to 2 decimals | Exchange Rate (INR) | Amount (USD) | Tax Withheld (TDS) |
| 1 | HDFC Bank Ltd. | HDFC House, H T Parekh Marg, 165-66, Backbay Reclamation, Churchgate,Mumbai - 400 020. | 25/03/2020 | 14,000.00 | 68.88 | 203.25 | |
| 2 | Co-Operative Bank Ltd. | Suvidha, Chandulal Buch Marg, Rajkot, Gujarat 360001 | 08/07/2020 | 3.00 | 68.55 | 0.04 | |
| 3 | Citizen Co-Op Bank Ltd. | Jawahar Road, Nr. Mahatma Gandhi Vidhyalay, Rajkot – 360 001. | 12/07/2020 | 625.00 | 68.57 | 9.11 | |
| 4 | HDFC Bank Ltd. | HDFC House, H T Parekh Marg, 165-166,Backbay Reclamation, Churchgate,Mumbai - 400 020. | 16/07/2020 | 30,000.00 | 68.66 | 436.94 | |
| 5 | HDFC Bank Ltd. | HDFC House, H T Parekh Marg, 165-166,Backbay Reclamation, Churchgate,Mumbai - 400 020. | 03/08/2020 | 70,000.00 | 69.65 | 1,005.03 | |
| 6 | HDFC Bank Ltd. | HDFC House, H T Parekh Marg, 165-166,Backbay Reclamation, Churchgate,Mumbai - 400 020. | 13/08/2020 | 10,000.00 | 71.41 | 140.04 | |
| 7 | Reliance Industries Ltd. | Maker Chambers - IV, Nariman Point, Mumbai 400 021. | 14/08/2020 | 24,154.00 | 71.27 | 338.91 | |
| 8 | Manglore Refinery and Petrochemicals Ltd. | Kuthethoor P.O., Via Katipalla, MANGALORE, 575 030. | 16/08/2020 | 200.00 | 71.15 | 2.81 | |
| Total | | | | 148,982.00 | | 2,136.13 | |

Reporting for foreign tax compliance

| ASHUTOSH FINANCIAL SERVICES PVT. LTD. | | | | Div: Ashutosh NRI Services | |
|--|---------------------------|---------------------------------------|---------------------|------------------------------|--------------------|
| | | | | Doc. No.: AFSPL-F-ANS-14B | |
| Details of Income for the Year (USA) (P & C) | | | | Rev. No. & Date: 01/01.01.20 | |
| Name of Person : | | 0 | | | |
| Annexure - B | | | | | |
| Interest Income on National Savings Scheme (NSS) | | | | | |
| Name of Entity: | | Post Office * | | | |
| Account No. / Ref. No.: | | 7 | | | |
| Investment INR 31/12/19: | | 0 | | | |
| Investment USD 31/12/19: | | 0 | | | |
| Date of Deposit: | | 31/03/1990 | | | |
| Date of Maturity: | | 02/05/2021 | | | |
| Address: | | Rajkot H.O. 360001. Gujarat, India. | | | |
| S. No. | Date of Interest Received | Amount (INR) Rounded to 2 decimals | Exchange Rate (INR) | Amount (USD) | Tax Withheld (TDS) |
| 1 | 02/04/2020 | 361,213.00 | 69.40 | 5,204.80 | 36,122.00 |
| Total | | 361,213.00 | | 5,204.80 | 36,122.00 |

*Final proceeds and account has been closed.

Reporting for foreign tax compliance

ASHUTOSH FINANCIAL SERVICES PVT. LTD.

Div: Ashutosh NRI Services

Doc. No.: AFSPL-F-ANS-14B

Details of Income for the Year (USA) (P&C)

Rev. No. & Date: 01/01.01.20

Name of Person :

0

Annexure - C

Interest Income on Senior Citizens Savings Scheme (SCSS)

| Name of Entity: | State Bank of India | | | | |
|---------------------------------|--|--|--------------------------------|-------------------------|-------------------------------|
| Account No. / Ref. No.: | 841 | | | | |
| Investment INR 31/12/19: | 1500000.00 | | | | |
| Investment USD 31/12/19: | 21020.18 | | | | |
| Date of Deposit: | 19/01/2018 | | | | |
| Date of Maturity: | 19/01/2023 | | | | |
| Address: | Anmol Arcade, Akshar Marg, Amin Marg, Kalawad Road, Rajkot - 360001. | | | | |
| S. No. | Date of Interest Received | Amount (INR) <i>Rounded to 2 decimals</i> | Exchange Rate (INR) | Amount (USD) | Tax Withheld (TDS) |
| 1 | 31/03/2020 | 31,125.00 | 69.16 | 450.04 | 3,113.00 |
| 2 | 30/06/2020 | 31,125.00 | 68.92 | 451.61 | 3,113.00 |
| 3 | 30/09/2020 | 31,125.00 | 70.64 | 440.61 | 3,113.00 |
| 4 | 31/12/2020 | 31,125.00 | 71.36 | 436.17 | 3,113.00 |
| Total | | 124,500.00 | | 1,778.43 | 12,452.00 |

Annexure - D

Interest Income on Public Provident Fund (PPF)

| Name of Entity: | State Bank of India | | | | |
|---------------------------------|--|--|--------------------------------|-------------------------|-------------------------------|
| Account No. / Ref. No.: | 123 | | | | |
| Investment INR 31/12/19: | 3358512.11 | | | | |
| Investment USD 31/12/19: | 47064.35 | | | | |
| Date of Deposit: | N/A | | | | |
| Date of Maturity: | N/A | | | | |
| Address: | Anmol Arcade, Akshar Marg, Amin Marg, Kalawad Road, Rajkot - 360001. | | | | |
| S. No. | Date of Interest Received | Amount (INR) <i>Rounded to 2 decimals</i> | Exchange Rate (INR) | Amount (USD) | Tax Withheld (TDS) |
| 1 | 31/03/2020 | 210,786.00 | 69.16 | 3,047.80 | - |
| Total | | 210,786.00 | | 3,047.80 | - |

Reporting for foreign tax compliance

ASHUTOSH FINANCIAL SERVICES PVT. LTD.

Div: Ashutosh NRI Services

Doc. No.: AFSPL-F-ANS-14B

Details of Income for the Year (USA) (P&C)

Rev. No. & Date: 01/01.01.20

Name of Person :

0

Annexure - E

Interest Income on SHCIL Bond

Name of Entity: 8% SAVINGS BONDS - Stock Holding Corporation of India

Account No. / Ref. No.: FH2

Investment INR 31/12/19: 500000.00

Investment USD 31/12/19: 7006.73

Investment INR 31/12/19: 500000

Date of Deposit: 27/09/2017

Date of Maturity: 27/09/2023

Address: 301, Centre Point, Dr. Babasaheb Ambedkar Road, Parel, Mumbai - 400012.

| S. No. | Date of Interest Received | Amount (INR) <i>Rounded to 2 decimals</i> | Exchange Rate (INR) | Amount (USD) | Tax Withheld (TDS) |
|--------------|---------------------------|---|------------------------|-----------------|-----------------------|
| 1 | 01/02/2020 | 20,000.00 | 71.41 | 280.07 | 2,000.00 |
| 2 | 01/08/2020 | 20,000.00 | 69.00 | 289.86 | 2,000.00 |
| Total | | 40,000.00 | | 569.93 | 4,000.00 |

Also contains the interest of Bonds received from Late Jayshreeben Vinodbhai Kakkad.

Annexure - F

Interest Income on LIC Varishth Policy

Name of Entity: Varishth Policy - Life Insurance Corporation of India

Account No. / Policy No.: 236

Investment INR 31/12/19: 330000.00

Investment USD 31/12/19: 4624.44

Investment INR 31/12/19: 330000

Date of Deposit: 13/04/2015

Date of Maturity: N/A

Address: Jeevan Prakash Bldg, Tagore Rd, Sardarnagar, Rajkot, Gujarat 360001.

| S. No. | Date of Interest Received | Amount (INR) <i>Rounded to 2 decimals</i> | Exchange Rate (INR) | Amount (USD) | Tax Withheld (TDS) |
|--------------|---------------------------|---|------------------------|-----------------|-----------------------|
| 1 | 01/05/2020 | 30,956.00 | 69.52 | 445.28 | - |
| Total | | 30,956.00 | | 445.28 | - |

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Reporting for foreign tax compliance

| | | | | | |
|---|----------------------------------|---|--------------------------------|---|-------------------------------|
| ASHUTOSH FINANCIAL SERVICES PVT. LTD. | | | | Div: Ashutosh NRI Services | |
| | | | | Doc. No.: AFSPL-F-ANS-14B | |
| Details of Income for the Year (USA) (P & C) | | | | Rev. No. & Date: 01/01.01.20 | |
| Name of Person : | | 0 | | | |
| Annexure - G | | | | | |
| Interest Income on LIC Jivandhara Policy | | | | | |
| Name of Entity: | | Jivandhara Policy - Life Insurance Corporation of India | | | |
| Account No. / Policy No.: | | 6633 | | | |
| Investment INR 31/12/19: | | 140000.00 | | | |
| Investment USD 31/12/19: | | 1961.88 | | | |
| Date of Deposit: | | 28/03/1989 | | | |
| Date of Maturity: | | N/A | | | |
| Address: | | Jeevan Prakash Bldg, Tagore Rd, Sardarnagar, Rajkot, Gujarat 360001. | | | |
| S. No. | Date of Interest Received | Amount (INR) <i>Rounded to 2 decimals</i> | Exchange Rate (INR) | Amount (USD) | Tax Withheld (TDS) |
| 1 | 01/01/2020 | 1,400.00 | 69.58 | 20.12 | - |
| 2 | 01/02/2020 | 1,400.00 | 71.41 | 19.61 | - |
| 3 | 01/03/2020 | 1,400.00 | 70.90 | 19.75 | - |
| 4 | 02/04/2020 | 1,400.00 | 68.91 | 20.32 | - |
| 5 | 01/05/2020 | 1,400.00 | 69.52 | 20.14 | - |
| Total | | 16,800.00 | | 239.08 | - |

Reporting for foreign tax compliance

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|--|--|---|
| ASHUTOSH FINANCIAL SERVICES PVT. LTD. | | Div: Ashutosh NRI Services |
| Details of Income for the Year (USA) (P & C) | | Doc. No.: AFSPL-F-ANS-14B |
| Name of Person : | | Rev. No. & Date: 01/01.01.20 |
| 0 | | |

Annexure - L

Pension Income on LIC

| | | | | | |
|---------------------------------|--|---|----------------------------|---------------------|---------------------------|
| Name of Entity: | Life Insurance Corporation of India | | | | |
| Account No. / Ref. No.: | 4741 | | | | |
| Investment INR 31/12/19: | 255845.00 | | | | |
| Investment USD 31/12/19: | 3585.27 | | | | |
| Date of Deposit: | 25/03/2004 | | | | |
| Date of Maturity: | N/A | | | | |
| Address: | Jeevan Prakash Bldg, Tagore Rd, Sardarnagar, Rajkot, Gujarat 360001. | | | | |
| S. No. | Date of Interest Received | Amount (INR) <i>Rounded to 2 decimals</i> | Exchange Rate (INR) | Amount (USD) | Tax Withheld (TDS) |
| 1 | 02/04/2020 | 24,000.00 | 68.91 | 348.28 | - |
| Total | | 24,000.00 | | 348.28 | - |

Annexure – M

Interest Income on Liquid Deposit

| | |
|---------------------------------|-----------------------------------|
| Name of Entity: | India Overseas Bank |
| Account No. / Ref. No.: | 4111 Saving Bank Account |
| Investment INR 31/12/19: | 990000.00 |
| Investment USD 31/12/19: | 13873.32 |
| Date of Deposit: | N/A |
| Date of Maturity: | N/A |
| Address: | M.V. Mahila College Road, Rajkot. |

Reporting for foreign tax compliance

ASHUTOSH FINANCIAL SERVICES PVT. LTD.

Div: Ashutosh NRI Services

Doc. No.: AFSPL-F-ANS-14B

Details of Income for the Year (USA) (P & C)

Rev. No. & Date: 01/01.01.20

Name of Person :

0

| S. No. | Date of Interest Received | Amount (INR) <i>Rounded to 2 decimals</i> | Exchange Rate (INR) | Amount (USD) | Tax Withheld (TDS) |
|--------------|---------------------------|---|------------------------|-----------------|-----------------------|
| 1 | 07/01/2020 | 131.00 | 69.78 | 1.88 | 13.00 |
| 2 | 04/02/2020 | 941.00 | 71.66 | 13.13 | 94.00 |
| 3 | 11/02/2020 | 26.00 | 71.15 | 0.37 | 2.00 |
| 4 | 04/03/2020 | 106.00 | 70.91 | 1.49 | 11.00 |
| 5 | 11/03/2020 | 1,062.00 | 69.82 | 15.21 | 106.00 |
| 6 | 02/04/2020 | 478.00 | 68.91 | 6.94 | 47.00 |
| 7 | 08/04/2020 | 186.00 | 69.56 | 2.67 | 19.00 |
| 8 | 06/05/2020 | 1,288.00 | 69.40 | 18.56 | 129.00 |
| 9 | 13/05/2020 | 27.00 | 70.62 | 0.38 | 3.00 |
| 10 | 03/06/2020 | 157.00 | 69.15 | 2.27 | 16.00 |
| 11 | 04/06/2020 | 115.00 | 69.28 | 1.66 | 11.00 |
| 12 | 04/06/2020 | 5.00 | 69.28 | 0.07 | 1.00 |
| 13 | 10/06/2020 | 1,045.00 | 69.49 | 15.04 | 104.00 |
| 14 | 24/06/2020 | 183.00 | 69.32 | 2.64 | 18.00 |
| 15 | 29/06/2020 | 499.00 | 68.92 | 7.24 | 50.00 |
| Total | | 24,117.00 | | 342.85 | 2,412.00 |

Reporting for foreign tax compliance

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|--|--|------------------------------|
| ASHUTOSH FINANCIAL SERVICES PVT. LTD. | | Div: Ashutosh NRI Services |
| Details of Income for the Year (USA) (P & C) | | Doc. No.: AFSPL-F-ANS-14B |
| Name of Person : | | Rev. No. & Date: 01/01.01.20 |
| 0 | | |

Annexure - O

Interest Income on SBI Fixed Deposit

| Name of Entity: | State Bank of India | | | | |
|--------------------------|--|---|------------------------|-----------------|-----------------------|
| Account No. / Ref. No.: | 960 | | | | |
| Investment INR 31/12/19: | 5664570.00 | | | | |
| Investment USD 31/12/19: | 79380.18 | | | | |
| Date of Deposit: | 22/01/2019 | | | | |
| Date of Maturity: | N/A | | | | |
| Address: | Anmol Arcade, Akshar Marg, Amin Marg, Kalawad Road, Rajkot - 360001. | | | | |
| S. No. | Date of Interest Received | Amount (INR) <i>Rounded to 2 decimals</i> | Exchange Rate (INR) | Amount (USD) | Tax Withheld (TDS) |
| 1 | 31/03/2020 | 112,826.00 | 69.16 | 1,631.38 | 11,283.00 |
| 2 | 06/06/2020 | 63,423.00 | 69.21 | 916.38 | 6,343.00 |
| Total | | 176,249.00 | | 2,547.76 | 17,626.00 |

Annexure - P

Interest Income on BOI Fixed Deposit

| Name of Entity: | Bank of India | | | | |
|--------------------------|---------------------------------|---|------------------------|-----------------|-----------------------|
| Account No. / Ref. No.: | 306 | | | | |
| Investment INR 31/12/19: | 0.00 | | | | |
| Investment USD 31/12/19: | 0.00 | | | | |
| Date of Deposit: | N/A | | | | |
| Date of Maturity: | 02/05/2019 | | | | |
| Address: | Lakhajiraj Road, Rajkot 360001. | | | | |
| S. No. | Date of Interest Received | Amount (INR) <i>Rounded to 2 decimals</i> | Exchange Rate (INR) | Amount (USD) | Tax Withheld (TDS) |
| 1 | 23/03/2020 | 27,684.00 | 69.01 | 401.16 | 2,768.00 |
| 2 | 02/05/2020 | 4,962.00 | 69.40 | 71.50 | - |
| Total | | 27,684.00 | | 401.16 | 2,768.00 |

Reporting for foreign tax compliance

ASHUTOSH FINANCIAL SERVICES PVT. LTD.

Div: Ashutosh NRI Services

Doc. No.: AFSPL-F-ANS-14B

Details of Income for the Year (USA) (P & C)

Rev. No. & Date: 01/01.01.20

Name of Person :

0

Annexure - R

Interest Income on Citizen Bank Fixed Deposit

Name of Entity: Citizen Co-Op Bank

Account No. / Ref. No.: 777

Investment INR 31/12/19: 0.00

Investment USD 31/12/19: 0.00

Date of Deposit: N/A

Date of Maturity: 27/09/2021

Address: Jawahar Road, Near Mahatma Gandhi Vidyalaya, Rajkot - 360001.

| S. No. | Date of Interest Received | Amount (INR) <i>Rounded to 2 decimals</i> | Exchange Rate (INR) | Amount (USD) | Tax Withheld (TDS) |
|--------------|---------------------------|---|------------------------|-----------------|-----------------------|
| 1 | 29/03/2020 | 15,579.00 | 69.16 | 225.26 | 1,559.00 |
| 2 | 27/09/2020 | 8,236.00 | 70.49 | 116.84 | 824.00 |
| Total | | 23,815.00 | | 342.10 | 2,383.00 |

Reporting for foreign tax compliance

| | | |
|--|---|------------------------------|
| ASHUTOSH FINANCIAL SERVICES PVT. LTD. | | Div: Ashutosh NRI Services |
| | | Doc. No.: AFSPL-F-ANS-14B |
| Details of Income for the Year (USA) (P & C) | | Rev. No. & Date: 01/01.01.20 |
| Name of Person : | 0 | |

Annexure - AD

Interest Income on The Co-Op Bank of Rajkot Ltd. Fixed Deposit

| Name of Entity: | The Co-Op Bank of Rajkot Ltd. | | | | |
|--------------------------|---|---|------------------------|-----------------|-----------------------|
| Account No. / Ref. No.: | 999 | | | | |
| Investment INR 31/12/19: | 1183402.00 | | | | |
| Investment USD 31/12/19: | 16583.55 | | | | |
| Date of Deposit: | 28/08/2018 | | | | |
| Date of Maturity: | 22/09/2021 | | | | |
| Address: | Sahakar Road, Panchanath Road, Rajkot - 360001. | | | | |
| S. No. | Date of Interest Received | Amount (INR) <i>Rounded to 2 decimals</i> | Exchange Rate (INR) | Amount (USD) | Tax Withheld (TDS) |
| 1 | 31/03/2020 | 52,502.00 | 69.16 | 759.14 | 5,251.00 |
| Total | | 52,502.00 | | 759.14 | 5,251.00 |

Annexure – AE

Interest Income on IOB Fixed Deposit

| Name of Entity: | Indian Overseas Bank | | | | |
|--------------------------|--|---|------------------------|-----------------|-----------------------|
| Account No. / Ref. No.: | 444 | | | | |
| Investment INR 31/12/19: | 45193.00 | | | | |
| Investment USD 31/12/19: | 633.31 | | | | |
| Investment INR 31/12/19: | 28000 | | | | |
| Date of Deposit: | 05/04/2014 | | | | |
| Date of Maturity: | 05/04/2024 | | | | |
| Address: | Indian Overseas Bank, M.V.M.C. Branch, Rajkot. | | | | |
| S. No. | Date of Interest Received | Amount (INR) <i>Rounded to 2 decimals</i> | Exchange Rate (INR) | Amount (USD) | Tax Withheld (TDS) |
| 1 | 24/03/2020 | 2,052.00 | 69.01 | 29.73 | 206.00 |
| 2 | 30/09/2020 | 2,082.00 | 70.64 | 29.47 | 208.00 |
| Total | | 4,134.00 | | 59.20 | 414.00 |

Reporting for foreign tax compliance

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|--|--|--|------------------------------|--|--|
| ASHUTOSH FINANCIAL SERVICES PVT. LTD. | | | Div: Ashutosh NRI Services | | |
| Details of Income for the Year (USA) (P & C) | | | Doc. No.: AFSPL-F-ANS-14B | | |
| Name of Person : | | | Rev. No. & Date: 01/01.01.20 | | |
| 0 | | | | | |

Annexure - AN

Saving Bank Interest Income on IOB

| Name of Entity: | | Indian Overseas Bank | | | |
|--------------------------|---------------------------|--|---------------------|--------------|--------------------|
| Account No. / Ref. No.: | | 4503 | | | |
| Investment INR 31/12/19: | | 66648.81 | | | |
| Investment USD 31/12/19: | | 933.98 | | | |
| Address: | | M.V. Mahila College Road, Rajkot. | | | |
| S. No. | Date of Interest Received | Amount (INR) <i>Rounded to 2 decimals</i> | Exchange Rate (INR) | Amount (USD) | Tax Withheld (TDS) |
| 1 | 02/02/2020 | 582.00 | 71.41 | 8.15 | - |
| 2 | 01/05/2020 | 653.00 | 69.52 | 9.39 | - |
| 3 | 05/08/2020 | 592.00 | 70.80 | 8.36 | - |
| 4 | 04/11/2020 | 629.00 | 70.79 | 8.89 | - |
| Total | | 2,456.00 | | 34.79 | - |

Annexure - AP

Saving Bank Interest Income on RDC Bank

| Name of Entity: | | Rajkot District Co-Op Bank | | | |
|--------------------------|---------------------------|---|---------------------|--------------|--------------------|
| Account No. / Ref. No.: | | 9039 | | | |
| Investment INR 31/12/19: | | 0.00 | | | |
| Investment USD 31/12/19: | | 0.00 | | | |
| Address: | | Jila Bank Bhavan, Kasturba Road, Rajkot - 360001. | | | |
| S. No. | Date of Interest Received | Amount (INR) <i>Rounded to 2 decimals</i> | Exchange Rate (INR) | Amount (USD) | Tax Withheld (TDS) |
| 1 | 23/03/2020 | 263.00 | 69.01 | 3.81 | - |
| 2 | 28/09/2020 | 280.00 | 70.49 | 3.97 | - |
| 3 | 27/11/2020 | 88.00 | 71.26 | 1.23 | - |
| Total | | 631.00 | | 9.01 | - |

Reporting for foreign tax compliance

ASHUTOSH FINANCIAL SERVICES PVT. LTD.

Div: Ashutosh NRI Services

Doc. No.: AFSPL-F-ANS-14B

Details of Income for the Year (USA) (P & C)

Rev. No. & Date: 01/01.01.20

Name of Person :

0

Annexure - AS

Saving Bank Interest Income on Citizen Co-Op Bank

| Name of Entity: | Citizen Co-Operative Bank | | | | |
|--------------------------|---|---------------------------------------|---------------------|--------------|--------------------|
| Account No. / Ref. No.: | 0771 | | | | |
| Investment INR 31/12/19: | 1012.00 | | | | |
| Investment USD 31/12/19: | 14.18 | | | | |
| Address: | Jawahar Road, Near Mahatma Gandhi Vidyalaya, Rajkot - 360001. | | | | |
| S. No. | Date of Interest Received | Amount (INR) Rounded to 2 decimals | Exchange Rate (INR) | Amount (USD) | Tax Withheld (TDS) |
| 1 | 03/09/2020 | 12.00 | 72.20 | 0.17 | - |
| Total | | 12.00 | | 0.17 | - |

Annexure - AU

Interest Income on RD of PO

| Name of Entity: | Post office | | | | |
|--------------------------|-------------------------------------|---------------------------------------|---------------------|--------------|--------------------|
| Account No. / Ref. No.: | 5097 | | | | |
| Investment INR 31/12/19: | 0.00 | | | | |
| Investment USD 31/12/19: | 0.00 | | | | |
| Date of Deposit: | N/A | | | | |
| Address: | Rajkot H.O. 360001. Gujarat, India. | | | | |
| S. No. | Date of Interest Received | Amount (INR) Rounded to 2 decimals | Exchange Rate (INR) | Amount (USD) | Tax Withheld (TDS) |
| 1 | 27/05/2020 | 10,176.00 | 69.37 | 146.69 | - |
| Total | | 10,176.00 | | 146.69 | - |

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| ASHUTOSH FINANCIAL SERVICES PVT. LTD. | | | | | Div: Ashutosh NRI Services | |
|--|------------|----------------------------|-------------------|---------------------|------------------------------|--------------------|
| | | | | | Doc. No.: AFSPL-F-ANS-14B | |
| Details of Income for the Year (USA) (P & C) | | | | | Rev. No. & Date: 01/01.01.20 | |
| Name of Person : | | 0 | | | | |
| Annexure AV | | | | | | |
| Loss from Business | | | | | | |
| S. No. | Date | Tracking / Reference No. | Amount (INR) | Exchange Rate (INR) | Amount (USD) | Tax Withheld (TDS) |
| Name of Entity: | | A Caterers | | | | |
| Address: | | AAA Road, Rajkot - 360001. | | | | |
| Investment INR 31/12/19: | | 568712.96 | | | | |
| Investment USD 31/12/19: | | 7969.63 | | | | |
| 1 | 31/12/2020 | N/A | (1,388.00) | 71.36 | (19.45) | - |
| Total | | | (1,388.00) | | (19.45) | - |

| Annexure AW | | | | | | |
|---------------------------|------------|----------------------------|--------------------|---------------------|-----------------|--------------------|
| Loss from Business | | | | | | |
| S. No. | Date | Tracking / Reference No. | Amount (INR) | Exchange Rate (INR) | Amount (USD) | Tax Withheld (TDS) |
| Name of Entity: | | B Restaurant | | | | |
| Address: | | BBB Road, Rajkot - 360001. | | | | |
| Investment INR 31/12/19: | | 197403.87 | | | | |
| Investment USD 31/12/19: | | 2766.31 | | | | |
| 1 | 31/12/2020 | N/A | (66,674.00) | 71.36 | (934.33) | - |
| Total | | | (66,674.00) | | (934.33) | - |

Reporting for foreign tax compliance

| ASHUTOSH FINANCIAL SERVICES PVT. LTD. | | | | | Div: Ashutosh NRI Services | | | |
|--|-------------------------|-------------------------------------|------------------|--------------------------|---------------------------------------|---------------------|-----------------|--|
| | | | | | Doc. No.: AFSPL-F-ANS-14B | | | |
| Details of Income for the Year (USA) (P & C) | | | | | Rev. No. & Date: 01/01.01.20 | | | |
| Name of Person : | | 0 | | | | | | |
| Annexure AX | | | | | | | | |
| Inheritance from Late Mrs. B (Wife) | | | | | | | | |
| S. No. | Initial Investment Date | Date of Asset Received | Details of Asset | Tracking / Reference No. | Amount (INR) Rounded to 2 decimals | Exchange Rate (INR) | Amount (USD) | Maturity Amount (INR) Rounded to 2 decimals |
| Investment INR 31/12/20: | | 0.00 | | | | | | |
| Investment USD 31/12/20: | | 0.00 | | | | | | |
| Address: | | Rajkot H.O. 360001. Gujarat, India. | | | | | | |
| 1 | 06/01/1990 | 26/04/2019 | NSS Post | 8015 | 124,414.00 | 69.93 | 1,779.12 | 211,758.00 |
| Investment INR 31/12/20: | | 20000.00 | | | | | | |
| Investment USD 31/12/20: | | 280.27 | | | | | | |
| Address: | | | | | | | | |
| 1 | - | 10/05/2019 | IFCI Bond | INC0039759 | 20,000.00 | 70.02 | 285.63 | 20,000.00 |
| Total | | | | | 144,414.00 | | 2,064.75 | 231,758.00 |

Source for exchange rate : https://www.federalreserve.gov/releases/h10/hist/dat00_in.htm (The Federal Reserve System)

Note: Investment amount considered as on 31/12/2020.

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Reporting for foreign tax compliance

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|---|--|--|--|--|--|------------------------------|--|--|--|--|--|
| ASHUTOSH FINANCIAL SERVICES PVT. LTD. | | | | | | Div: Ashutosh NRI Services | | | | | |
| Statement of Income Tax (USA) (P & C) | | | | | | Doc. No.: AFSPL-F-ANS-14D | | | | | |
| Name of Person : | | | | | | Rev. No. & Date: 01/01.01.20 | | | | | |

0

| Annexure - BA | |
|---|---|
| Details of Tax Liabilities | |
| Particulars | Amount (INR) Rounded to 2 decimals |
| Tax payable on Total Income (See Tax Working) | 364,429.00 |
| Total | 364,429.00 |

Exchange Rate

71.36

Amount (in Foreign Currency)

5,106.91

| Annexure - BB | | | | | | | | | | | |
|--|------------------------------------|------------|-----------------|------------------------|-----------------|--------------------------|------------------------------------|------------|-----------------|------------------------|-----------------|
| Details of Taxes Paid/ Withheld during the Financial Year 01st Jan to 31st Dec | | | | | | | | | | | |
| Withhold Tax - As per Income Tax Dept. (26AS) Report: | | | | | | | | | | | |
| F.Y. 2018-19 | | | | | | F.Y. 2019-20 | | | | | |
| 01/01/2020 to 31/03/2020 | | | | | | 01/04/2020 to 31/12/2020 | | | | | |
| S. No. | Name of Institute Deducting TDS | Date | Amount (INR) | Exchange Rate (INR) | Amount (USD) | S. No. | Name of Institute Deducting TDS | Date | Amount (INR) | Exchange Rate (INR) | Amount (USD) |
| 1 | State Bank of India | 31/03/2020 | 3,113.00 | 71.36 | 43.62 | 1 | Post Office | 02/05/2020 | 36,122.00 | 71.36 | 506.19 |
| 2 | Stock Holding Corporation of India | 01/02/2020 | 2,000.00 | 71.36 | 28.03 | 2 | State Bank of India | 30/06/2020 | 3,113.00 | 71.36 | 43.62 |
| 3 | Indian Overseas Bank | 07/01/2020 | 13.00 | 71.36 | 0.18 | 3 | State Bank of India | 30/09/2020 | 3,113.00 | 71.36 | 43.62 |
| 4 | Indian Overseas Bank | 04/02/2020 | 94.00 | 71.36 | 1.32 | 4 | State Bank of India | 31/12/2020 | 3,113.00 | 71.36 | 43.62 |

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|---|------|-------------|----------------|--|------------------------------|
| ASHUTOSH FINANCIAL SERVICES PVT. LTD. | | | | | Div: Ashutosh NRI Services |
| | | | | | Doc. No.: AFSPL-F-ANS-14D |
| Statement of Income Tax (USA) (P & C) | | | | | Rev. No. & Date: 01/01.01.20 |
| Name of Person : | | | | | |
| Self Assessment Tax: | | | | | |
| S. No. | Date | Challan No. | Name of Entity | Amount (INR) <i>Rounded to 2 decimals</i> | |
| | | | | - | |
| Total (ii) | | | | | - |
| Advance Tax: | | | | | |
| S. No. | Date | Challan No. | Name of Entity | Amount (INR) <i>Rounded to 2 decimals</i> | |
| | | | | - | |
| Total (iii) | | | | | - |
| Total Taxes (i+ii+iii) | | | | | 207,131.00 |
| Exchange Rate | | | | | 71.36 |
| Amount (USD) | | | | | 2,902.62 |
| Net Tax (Payable)/Refund | | | | | (157,298.00) |

Note: We have calculated tax as per Senior Citizen Status as Mr. _____ Age was 79 years as on 31.12.2019. Hence no Super Senior Citizen status is not considered.

Source for exchange rate : https://www.federalreserve.gov/releases/h10/hist/dat00_in.htm (The Federal Reserve System)

Reporting for foreign tax compliance

Tax Working

Computation of Income Tax Liability as on 31/12/2020:

| | |
|---|---------------------|
| Total income | 2,505,557.00 |
| Less: Dividend income - Tax Free in 2020. | (148,982.00) |
| Less: PPF Interest - Tax Free in 2020. | (210,786.00) |
| Less: Deduction for senior citizen against Fixed Interest | (50,000.00) |
| Less: 80C deduction | (150,000.00) |
| Less: Assets received under inheritance | (144,414.00) |
| Net taxable income | 1,801,375.00 |

| Particulars | Tax Amount | Tax Slabs |
|-------------------------------------|-------------------|------------|
| No tax upto | - | 300,000.00 |
| Tax of 5% from 3 Lakhs to 5 Lakhs | 10,000.00 | 500,000.00 |
| Tax of 20% from 5 Lakhs to 10 Lakhs | 100,000.00 | 500,000.00 |
| Tax of 30% from 10 Lakhs to onwards | 240,412.50 | 801,375.00 |
| Total tax liability | 350,412.50 | |
| Add: Education cess 4% | 14,016.50 | |
| Net tax payable | 364,429.00 | |

Reporting for foreign tax compliance

| ASHUTOSH FINANCIAL SERVICES PVT. LTD. | | | | | | Div: Ashutosh NRI Services | | |
|---|--|--|-----------|---------------------|---------------|------------------------------|-------------------------|--|
| | | | | | | Doc. No.: AFSPL-F-ANS-14E | | |
| Details of Investments in Assets during Financial Year and Closing Values (USA) (P & C) | | | | | | Rev. No. & Date: 01/01.01.20 | | |
| Name of Person : | | 0 | | | | | | |
| Annexure - BC | | | | | | | | |
| Investments in Financial Assets: | | | | | | | | |
| Investments in Mutual Funds as on date: 31.12.2020 | | | | | | | | |
| S. No. | Scheme Name | Address | Folio No. | Investment Unit (B) | NAV (INR) (C) | Market Value (INR) (D) | Exchange Rate (INR) (E) | Value of Acquisition (USD) (D / E = F) |
| 1 | HDFC Balanced Advantage Fund - Regular Plan - Growth | HDFC Roman House, House, 2nd Floor, 165-166, 169, HT Parekh Marg, Backbay Reclamation, Churchgate, Mumbai, Maharashtra 400020. | 971 | 644.4190 | 201.6280 | 129,932.91 | 71.36 | 1,820.81 |
| 2 | HDFC Mid Cap Opportunities Fund - Regular Plan - Growth | 9th Floor, Crescenzo, C-38 & 39, G Block, Bandra-Kurla Complex, Bandra (East) Mumbai, Maharashtra | 003 | 2280.2250 | 53.5990 | 122,217.78 | 71.36 | 1,712.69 |
| 3 | SBI Blue Chip Fund - Regular Plan - Growth | Ground Floor, UTI Tower, GN Block, Bandra Kurla Complex, Bandra East, Maharashtra 400051 | 088 | 3179.3980 | 41.5712 | 132,171.39 | 71.36 | 1,852.18 |
| 4 | UTI Equity Fund - Regular Growth Plan | | 936 | 907.4600 | 152.0394 | 137,969.67 | 71.36 | 1,933.43 |
| 5 | UTI Fixed Term Income Fund Series XXX-I(1104 Days) - Regular Plan - Growth | | 936 | 10038.7010 | 10.0556 | 100,945.16 | 71.36 | 1,414.59 |
| 6 | UTI Fixed Term Income Fund Series XXX-I(1104 Days) - Regular Plan - Growth | | 921 | 10038.7010 | 10.0556 | 100,945.16 | 71.36 | 1,414.59 |
| Total (Closing Value) | | | | | | 1,655,937.19 | | 23,205.39 |

Reporting for foreign tax compliance

ASHUTOSH FINANCIAL SERVICES PVT. LTD.

Div: Ashutosh NRI Services

Doc. No.: AFSPL-F-ANS-14E

Rev. No. & Date: 01/01.01.20

Details of Investments in Assets during Financial Year and Closing Values (USA) (P & C)

Name of Person :

0

Annexure - BD

Investments in Equity Shares as on date: 31.12.2020

| S. No. | Date of Transaction | No. of Shares (A) | Value per Investment Unit (B) | Value of Acquisition (INR) (A X B = C) | Exchange Rate on Date of Acquisition (USD) (D) | Value of Acquisition (USD) (C / D = E) |
|------------------------------|---------------------------------|---|-------------------------------------|---|--|---|
| Name of Company: | | HDFC Bank Ltd | | | | |
| ISIN Stock Symbol: | | INE040A01034 | | | | |
| Address: | | HDFC House, H T Parekh Marg, 165-66, Backbay Reclamation, Churchgate, Mumbai - 400 020. | | | | |
| | Opening Balance 01.01.2020 | 4000.00 | 1,060.85 | 4,243,400.00 | 69.58 | 60,985.92 |
| | Details of additional purchase: | | | | | |
| 1 | | | | - | | - |
| | Closing Balance 31.12.2020 | 4000.00 | 1272.10 | 5,088,400.00 | 71.36 | 71306.05 |
| Name of Company: | | Mangalore Refinery and Petrochemicals Ltd | | | | |
| Folio / Tracking No.: | | INE103A01014 | | | | |
| Address: | | Kuthethoor P.O., Via Katipalla, MANGALORE, 575 030. | | | | |
| | Opening Balance 01.01.2020 | 200.00 | 75.50 | 15,100.00 | 69.58 | 217.02 |
| | Details of additional purchase: | | | | | |
| 1 | | | | - | | - |
| | Closing Balance 31.12.2020 | 200.00 | 44.95 | 8,990.00 | 71.36 | 125.98 |

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Reporting for foreign tax compliance

| ASHUTOSH FINANCIAL SERVICES PVT. LTD. | | | | | Div: Ashutosh NRI Services | |
|---|----------------------------|---|-------------------------------|--|--|--|
| | | | | | Doc. No.: AFSPL-F-ANS-14E | |
| Details of Investments in Assets during Financial Year and Closing Values (USA) (P & C) | | | | | Rev. No. & Date: 01/01.01.20 | |
| Name of Person : | | 0 | | | | |
| Annexure - BD | | | | | | |
| Investments in Equity Shares as on date: 31.12.2020 | | | | | | |
| S. No. | Date of Transaction | No. of Shares (A) | Value per Investment Unit (B) | Value of Acquisition (INR) (A X B = C) | Exchange Rate on Date of Acquisition (USD) (D) | Value of Acquisition (USD) (C / D = E) |
| Name of Company: | | Reliance Industries Ltd | | | | |
| Folio / Tracking No.: | | 858 | | | | |
| Address: | | Reliance Industries Limited Maker Chambers - IV Nariman Point Mumbai 400 021. | | | | |
| | Opening Balance 01.01.2020 | 3716.00 | 1,110.72 | 4,127,435.52 | 69.58 | 59,319.28 |
| Details of additional purchase: | | | | | | |
| 1 | | | | - | | |
| | Closing Balance 31.12.2020 | 3716.00 | 1514.05 | 5,626,209.80 | 71.36 | 78,842.63 |
| Name of Company: | | Reliance Infrastructure Ltd | | | | |
| Folio / Tracking No.: | | 954 | | | | |
| Address: | | Reliance Centre, Ground Floor, Mumbai - 400001 Maharashtra. | | | | |
| | Opening Balance 01.01.2020 | 68.00 | 316.20 | 21,501.60 | 69.58 | 309.02 |
| Details of additional purchase: | | | | | | |
| 1 | | | | - | | |
| | Closing Balance 31.12.2020 | 68.00 | 29.40 | 1,999.20 | 71.36 | 28.02 |
| Total (Closing Value) | | | | 20,378,313.55 | 285,570.54 | |

Reporting for foreign tax compliance

| ASHUTOSH FINANCIAL SERVICES PVT. LTD. | | | | | Div: Ashutosh NRI Services | |
|---|------------------------------|---|------------------------|------------------------------------|------------------------------|----------------------------|
| | | | | | Doc. No.: AFSPL-F-ANS-14E | |
| Details of Investments in Assets during Financial Year and Closing Values (USA) (P & C) | | | | | Rev. No. & Date: 01/01.01.20 | |
| Name of Person : | | 0 | | | | |
| Annexure - BE | | | | | | |
| Investments in Non Financial / Other Assets: | | | | | | |
| Investments in Other Assets (Movable & Immovable) as on date: 31.12.2020 | | | | | | |
| S. No. | Details of Asset | Address | Account No. / Ref. No. | Total Closing Value of Asset (INR) | Exchange Rate (INR) | Value of Acquisition (USD) |
| 1 | IFCI Bond | IFCI Limited. IFCI Tower, 61 Nehru Place, New Delhi-110 019 | 759 | 20,000.00 | 71.36 | 280.27 |
| 2 | IFCI Infra Bond | IFCI Tower, 61 Nehru Place, New Delhi-110 019. | 759 | 20,000.00 | 71.36 | 280.27 |
| 3 | LIC Jivandhara | Jeevan Prakash Bldg, Tagore Rd, Sardarnagar, Rajkot, Gujarat 360001. | - | 30,000.00 | 71.36 | 420.40 |
| 4 | LIC Jivandhara | Jeevan Prakash Bldg, Tagore Rd, Sardarnagar, Rajkot, Gujarat 360001. | - | 10,132.00 | 71.36 | 141.98 |
| 5 | LIC Jivandhara | Jeevan Prakash Bldg, Tagore Rd, Sardarnagar, Rajkot, Gujarat 360001. | - | 10,158.00 | 71.36 | 142.35 |
| 6 | LIC Premium | Jeevan Prakash Bldg, Tagore Rd, Sardarnagar, Rajkot, Gujarat 360001. | - | 29,662.00 | 71.36 | 415.67 |
| 7 | LIC Pension Scheme | Jeevan Prakash Bldg, Tagore Rd, Sardarnagar, Rajkot, Gujarat 360001. | 661 | 255,845.00 | 71.36 | 3,585.27 |
| 8 | LIC Varishtha Pension Scheme | Jeevan Prakash Bldg, Tagore Rd, Sardarnagar, Rajkot, Gujarat 360001. | 623 | 330,000.00 | 71.36 | 4,624.44 |
| 9 | PPF SBS 1844 | Anmol Arcade, Akshar Marg, Amin Marg, Kalawad Road, Rajkot - 360001. | 1844 | 3,111,894.00 | 71.36 | 43,608.38 |
| 10 | SBI SCSS | Anmol Arcade, Akshar Marg, Amin Marg, Kalawad Road, Rajkot - 360001. | 075 | 1,500,000.00 | 71.36 | 21,020.18 |
| 11 | SHCIL 8% Bond | 301, Centre Point, Dr. Babasaheb Ambedkar Road, Parel, Mumbai - 400012. | 6710 | 500,000.00 | 71.36 | 7,006.73 |
| 12 | BOI RD | Lakhajiraj Road, Rajkot 360001. | 236 | 218,724.00 | 71.36 | 3,065.08 |

Reporting for foreign tax compliance

| ASHUTOSH FINANCIAL SERVICES PVT. LTD. | | | | | Div: Ashutosh NRI Services | |
|---|------------------|---|------------------------|------------------------------------|------------------------------|----------------------------|
| | | | | | Doc. No.: AFSPL-F-ANS-14E | |
| Details of Investments in Assets during Financial Year and Closing Values (USA) (P & C) | | | | | Rev. No. & Date: 01/01.01.20 | |
| Name of Person : | | 0 | | | | |
| Annexure - BE | | | | | | |
| Investments in Non Financial / Other Assets: | | | | | | |
| Investments in Other Assets (Movable & Immovable) as on date: 31.12.2020 | | | | | | |
| S. No. | Details of Asset | Address | Account No. / Ref. No. | Total Closing Value of Asset (INR) | Exchange Rate (INR) | Value of Acquisition (USD) |
| 13 | CITI FDR | Jawahar Road, Near Mahatma Gandhi Vidyalaya, Rajkot - 360001. | 266 | 41,430.00 | 71.36 | 580.58 |
| 14 | CITI FDR | Jawahar Road, Near Mahatma Gandhi Vidyalaya, Rajkot - 360001. | 067 | 1,739,866.00 | 71.36 | 24,381.53 |
| 15 | CITI FDR | Jawahar Road, Near Mahatma Gandhi Vidyalaya, Rajkot - 360001. | 68 | 164,175.00 | 71.36 | 2,300.66 |
| 16 | CITI FDR | Jawahar Road, Near Mahatma Gandhi Vidyalaya, Rajkot - 360001. | 963 | 2,423,653.00 | 71.36 | 33,963.75 |
| 17 | CITI FDR | Jawahar Road, Near Mahatma Gandhi Vidyalaya, Rajkot - 360001. | 004 | 1,500,000.00 | 71.36 | 21,020.18 |
| 18 | CITI FDR | Jawahar Road, Near Mahatma Gandhi Vidyalaya, Rajkot - 360001. | 830 | 745,184.00 | 71.36 | 10,442.60 |
| 19 | Co-Op. Bank | Sahakar Sarita, Panchnath Road, Rajkot - 360001. | 352 | 887,232.00 | 71.36 | 12,433.18 |
| 20 | Co-Op. Bank | Sahakar Sarita, Panchnath Road, Rajkot - 360001. | 255 | 1,183,402.00 | 71.36 | 16,583.55 |
| 21 | IOB RDP | Indian Overseas Bank, M.V.M.C. Branch, Rajkot. | 11-5 | 2,219,747.00 | 71.36 | 31,106.32 |
| 22 | IOB RDP | Indian Overseas Bank, M.V.M.C. Branch, Rajkot. | 1108 | 133,383.00 | 71.36 | 1,869.16 |
| 23 | IOB RDP | 144 - Indian Overseas Bank, Dhebar Road, 360002. | 0582 | 549,094.00 | 71.36 | 7,694.70 |
| 24 | IOB RDP | 144 - Indian Overseas Bank, Dhebar Road, 360002. | 519 | 86,016.00 | 71.36 | 1,205.38 |
| 25 | IOB RDP | 144 - Indian Overseas Bank, Dhebar Road, 360002. | 520 | 476,948.00 | 71.36 | 6,683.69 |

Reporting for foreign tax compliance

| ASHUTOSH FINANCIAL SERVICES PVT. LTD. | | | | | | | | Div: Ashutosh NRI Services | | | | | |
|---|--------------|--|-------------------------------------|----------------------------|--|--|----------------------------|------------------------------|---------------------|---------------------|---------------------|--------------------------|--------------------------|
| | | | | | | | | Doc. No.: AFSPL-F-ANS-17F | | | | | |
| Details of Closing Balance of Units (USA) (FOR FORM 8621) (P & C) | | | | | | | | Rev. No. & Date: 01/01.01.20 | | | | | |
| Name of Person : | | 0 | | | | | | | | | | | |
| Annexure - BF | | | | | | | | | | | | | |
| Details of Closing Balance of Mutual Fund Units as on 31 st December,2020 (FOR FORM 8621) as on date: 31.12.2020 | | | | | | | | | | | | | |
| Name of Funds and its Date of Acquisition | Folio Number | No. of units at the end of the year | NAV as on date of acquisition (INR) | Value of Acquisition (INR) | Exchange Rate on date of acquisition (INR) | Equivalent USD value per Unit on date of acquisition | Value of Acquisition (USD) | NAV (INR) | Closing Value (INR) | Exchange Rate (INR) | Closing Value (USD) | Notional gain/loss (USD) | Notional gain/loss (INR) |
| | | 1 | 2 | 3 (1X2) | 4 | 5 (2/4) | 6 (1X5) | 7 | 8 (1X7) | 9 | 10 (8/9) | 11 (10-6) | 12(8-3) |
| Name of Asset Management Co.: | | HDFC Mutual Fund | | | | | | | | | | | |
| Scheme Details: | | HDFC Balance Advantage Fund - Regular Plan | | | | | | | | | | | |
| Address of AMC: | | HDFC Roman House, House, 2nd Floor, 165-166, 169, HT Parekh Marg, Backbay Reclamation, Churchgate, Mumbai, Maharashtra 400020. | | | | | | | | | | | |
| Opening Balance 01.01.2019 | 971 | 521.5150 | 188.6340 | 98,375.46 | 69.58 | 2.71 | 1,413.85 | 201.628 | 105,152.03 | 71.36 | 1,473.54 | 59.69 | 6,776.57 |
| Addition Purchase: | | | | | | | | | | | | | |
| 25/07/2020 | 971 | 10.1990 | 196.0990 | 2,000.01 | 69.03 | 2.84 | 28.97 | 201.628 | 2,056.40 | 71.36 | 28.82 | (0.15) | 56.39 |
| 26/08/2020 | 971 | 10.6340 | 188.0800 | 2,000.04 | 72.02 | 2.61 | 27.77 | 201.628 | 2,144.11 | 71.36 | 30.05 | 2.28 | 144.07 |
| 25/09/2020 | 971 | 10.3710 | 192.8370 | 1,999.91 | 71.00 | 2.72 | 28.17 | 201.628 | 2,091.08 | 71.36 | 29.30 | 1.13 | 91.17 |
| Total | | 644.42 | | 122,375.55 | | 36.03 | 1,754.65 | | 129,932.90 | | 1,820.80 | 66.15 | 7,557.35 |

Reporting for foreign tax compliance

| ASHUTOSH FINANCIAL SERVICES PVT. LTD. | | | | | | | Div: Ashutosh NRI Services Doc. No.: AFSPL-F-ANS-17F | | | | | | |
|--|--------------|---|-------------------------------------|----------------------------|--|--|---|-----------|---------------------|---------------------|---------------------|--------------------------|--------------------------|
| Details of Closing Balance of Units (USA) (FOR FORM 8621) (P & C) | | | | | | | Rev. No. & Date: 01/01.01.20 | | | | | | |
| Name of Person : | | 0 | | | | | | | | | | | |
| Annexure - BF | | | | | | | | | | | | | |
| Details of Closing Balance of Mutual Fund Units as on 31st December, 2020 (FOR FORM 8621) as on date: 31.12.2020 | | | | | | | | | | | | | |
| Name of Funds and its Date of Acquisition | Folio Number | No. of units at the end of the year | NAV as on date of acquisition (INR) | Value of Acquisition (INR) | Exchange Rate on date of acquisition (INR) | Equivalent USD value per Unit on date of acquisition | Value of Acquisition (USD) | NAV (INR) | Closing Value (INR) | Exchange Rate (INR) | Closing Value (USD) | Notional gain/loss (USD) | Notional gain/loss (INR) |
| | | 1 | 2 | 3 (1X2) | 4 | 5 (2/4) | 6 (1X5) | 7 | 8 (1X7) | 9 | 10 (8/9) | 11 (10-6) | 12(8-3) |
| Name of Asset Management Co.: | | SBI Mutual Fund | | | | | | | | | | | |
| Scheme Details: | | SBI Blue Chip Fund - Regular Plan - Growth | | | | | | | | | | | |
| Address of AMC: | | 9th Floor, Crescenzo, C-38 & 39, G Block, Bandra-Kurla Complex, Bandra (East) Mumbai, Maharashtra | | | | | | | | | | | |
| Opening Balance 01.01.2019 | 88 | 2565.4070 | 37.2378 | 95,530.11 | 69.58 | 0.54 | 1,372.95 | 41.5712 | 106,647.05 | 71.36 | 1,494.49 | 121.54 | 11,116.94 |
| Addition Purchase: | | | | | | | | | | | | | |
| 25/09/2020 | 088 | 50.6330 | 39.5000 | 2,000.00 | 71.00 | 0.56 | 28.17 | 41.5712 | 2,104.87 | 71.36 | 29.50 | 1.33 | 104.87 |
| 25/10/2020 | 088 | 49.5320 | 40.3779 | 2,000.00 | 70.78 | 0.57 | 28.26 | 41.5712 | 2,059.10 | 71.36 | 28.86 | 0.60 | 59.10 |
| Total | | 3,179.398 | | 119,530.10 | | 7.21 | 1,713.75 | | 132,171.39 | | 1,852.18 | 138.43 | 12,641.29 |

Reporting for foreign tax compliance

| ASHUTOSH FINANCIAL SERVICES PVT. LTD. | | | | | | | Div: Ashutosh NRI Services | | | | | | |
|---|--------------|-------------------------------------|---|----------------------------|--|--|---|-----------|---------------------|---------------------|---------------------|--------------------------|--------------------------|
| | | | | | | | Doc. No.: AFSPL-F-ANS-17F | | | | | | |
| Details of Closing Balance of Units (USA) (FOR FORM 8621) (P & C) | | | | | | | Rev. No. & Date: 01/01.01.20 | | | | | | |
| Name of Person : | | 0 | | | | | | | | | | | |
| Annexure - BF | | | | | | | | | | | | | |
| Details of Closing Balance of Mutual Fund Units as on 31st December,2020 (FOR FORM 8621) as on date: 31.12.2020 | | | | | | | | | | | | | |
| Name of Funds and its Date of Acquisition | Folio Number | No. of units at the end of the year | NAV as on date of acquisition (INR) | Value of Acquisition (INR) | Exchange Rate on date of acquisition (INR) | Equivalent USD value per Unit on date of acquisition | Value of Acquisition (USD) | NAV (INR) | Closing Value (INR) | Exchange Rate (INR) | Closing Value (USD) | Notional gain/loss (USD) | Notional gain/loss (INR) |
| | | 1 | 2 | 3 (1X2) | 4 | 5 (2/4) | 6 (1X5) | 7 | 8 (1X7) | 9 | 10 (8/9) | 11 (10-6) | 12(8-3) |
| Name of Asset Management Co.: | | | UTI Mutual Fund | | | | | | | | | | |
| Scheme Details: | | | UTI Fixed Term Income Fund Series XXX-I(1104 Days) - Regular Plan - Growth | | | | | | | | | | |
| Address of AMC: | | | Ground Floor, UTI Tower, GN Block, Bandra Kurla Complex, Bandra East, Maharashtra 400051 | | | | | | | | | | |
| Opening Balance 01.01.2019 | 456226 | 10,038.70 10 | 10.1671 | 102,064.48 | 69.58 | 0.15 | 1,466.87 | 10.0556 | 100,945.16 | 71.36 | 1,414.59 | (52.28) | (1,119.32) |
| Total | | 10,038.70 10 | | 102,064.48 | | 0.15 | 1,466.87 | | 100,945.16 | | 1,414.59 | (52.28) | (1,119.32) |
| Name of Asset Management Co.: | | | UTI Mutual Fund | | | | | | | | | | |
| Scheme Details: | | | UTI Fixed Term Income Fund Series XXX-I(1104 Days) - Regular Plan - Growth | | | | | | | | | | |
| Address of AMC: | | | Ground Floor, UTI Tower, GN Block, Bandra Kurla Complex, Bandra East, Maharashtra 400051 | | | | | | | | | | |
| Opening Balance 01.01.2020 | 456375 | 10,038.70 10 | 10.1671 | 102,064.48 | 69.58 | 0.15 | 1,466.87 | 10.0556 | 100,945.16 | 71.36 | 1,414.59 | (52.28) | (1,119.32) |
| Total | | 10,038.70 10 | | 102,064.48 | | 0.15 | 1,466.87 | | 100,945.16 | | 1,414.59 | (52.28) | (1,119.32) |

Reporting for foreign tax compliance

ASHUTOSH FINANCIAL SERVICES PVT. LTD.

Div: Ashutosh NRI Services

Doc. No.: AFSPL-F-ANS-17F

Details of Closing Balance of Units (USA) (FOR FORM 8621) (P & C)

Rev. No. & Date: 01/01.01.20

Name of Person :

0

Annexure - BG

Details of Closing Balance of Shares as on 31st December,2020 (FOR FORM 8621) as on date: 31.12.2020

| Name of Funds and its Date of Acquisition | No. of Shares at the end of the year | Market Price as on date of acquisition (INR) | Value of Acquisition (INR) | Exchange Rate on date of acquisition (INR) | Equivalent USD value per Unit on date of acquisition | Value of Acquisition (USD) | Market Price (INR) | Closing Value (INR) | Exchange Rate (INR) | Closing Value (USD) | Notional gain/loss (USD) | Notional gain/loss (INR) |
|---|--|--|----------------------------|--|--|----------------------------|--------------------|---------------------|---------------------|---------------------|--------------------------|--------------------------|
| | 1 | 2 | 3 (1X2) | 4 | 5 (2/4) | 6 (1X5) | 7 | 8 (1X7) | 9 | 10 (8/9) | 11 (10-6) | 12(8-3) |
| Name of Company | HDFC Bank Ltd | | | | | | | | | | | |
| ISIN Stock Symbol | INE040A01034 | | | | | | | | | | | |
| Address of Company | HDFC House, H T Parekh Marg, 165-66, Backbay Reclamation, Churchgate,Mumbai - 400 020. | | | | | | | | | | | |
| Opening Balance 01.01.2020 | 4000.00 | 1,060.85 | 4,243,400.00 | 69.58 | 15.25 | 60,985.92 | 1,272.10 | 5,088,400.00 | 71.36 | 71,306.05 | 10,320.13 | 1845,000.00 |
| Total | 4000.00 | | 4,243,400.00 | | 15.25 | 60,985.92 | | 5,088,400.00 | | 71,306.05 | 10,320.13 | 1845,000.00 |
| Name of Company | Mangalore Refinery and Petrochemicals Ltd | | | | | | | | | | | |
| ISIN Stock Symbol | INE103A01014 | | | | | | | | | | | |
| Address of Company | Kuthethoor P.O., Via Katipalla, MANGALORE, 575 030. | | | | | | | | | | | |
| Opening Balance 01.01.2020 | 200.00 | 75.50 | 15,100.00 | 69.58 | 1.09 | 217.02 | 44.95 | 8,990.00 | 71.36 | 125.98 | (91.04) | (6,110.00) |
| Total | 200.00 | | 15,100.00 | | 1.09 | 217.02 | | 8,990.00 | | 125.98 | (91.04) | (6,110.00) |

Reporting for foreign tax compliance

| ASHUTOSH FINANCIAL SERVICES PVT. LTD. | | | | | | Div: Ashutosh NRI Services | | | | | | | |
|---|--------------------------------------|--|----------------------------|--|--|------------------------------|--------------------|---------------------|---------------------|---------------------|--------------------------|--------------------------|--|
| | | | | | | Doc. No.: AFSPL-F-ANS-17F | | | | | | | |
| Details of Closing Balance of Units (USA) (FOR FORM 8621) (P & C) | | | | | | Rev. No. & Date: 01/01.01.20 | | | | | | | |
| Name of Person : | | 0 | | | | | | | | | | | |
| Annexure - BG | | | | | | | | | | | | | |
| Details of Closing Balance of Shares as on 31 st December, 2020 (FOR FORM 8621) as on date: 31.12.2020 | | | | | | | | | | | | | |
| Name of Funds and its Date of Acquisition | No. of Shares at the end of the year | Market Price as on date of acquisition (INR) | Value of Acquisition (INR) | Exchange Rate on date of acquisition (INR) | Equivalent USD value per Unit on date of acquisition | Value of Acquisition (USD) | Market Price (INR) | Closing Value (INR) | Exchange Rate (INR) | Closing Value (USD) | Notional gain/loss (USD) | Notional gain/loss (INR) | |
| | 1 | 2 | 3 (1X2) | 4 | 5 (2/4) | 6 (1X5) | 7 | 8 (1X7) | 9 | 10 (8/9) | 11 (10-6) | 12(8-3) | |
| Name of Company | | Reliance Capital Ltd | | | | | | | | | | | |
| ISIN Stock Symbol | | INE013A01015 | | | | | | | | | | | |
| Address of Company | | Reliance Centre, Ground Floor, Mumbai - 400001 Maharashtra. | | | | | | | | | | | |
| Opening Balance 01.01.2020 | 45.00 | 229.55 | 10,329.75 | 69.58 | 3.30 | 148.46 | 14.75 | 663.75 | 71.36 | 9.30 | (139.16) | (9,666.00) | |
| Total | 45.00 | | 10,329.75 | | 3.30 | 148.46 | | 663.75 | | 9.30 | (139.16) | (9,666.00) | |
| Name of Company | | Reliance Communications Ltd | | | | | | | | | | | |
| ISIN Stock Symbol | | INE330H01018 | | | | | | | | | | | |
| Address of Company | | H Block, 1st Floor, Dhirubhai Ambani Knowledge City, New Mumbai - 400710, Maharashtra. | | | | | | | | | | | |
| Opening Balance 01.01.2020 | 922.00 | 14.40 | 13,276.80 | 69.58 | 0.21 | 190.81 | 0.90 | 829.80 | 71.36 | 11.63 | (179.18) | (12,447.00) | |
| Total | 922.00 | | 13,276.80 | | 0.21 | 190.81 | | 829.80 | | 11.63 | (179.18) | (12,447.00) | |

Taxation of various Indian Incomes & Tax Deduction at Source (TDS) for NRI

Taxation of various Indian Incomes & TDS for NRI

Personal Taxation (Individual & HUF)

✓ Who is required to file Income Tax return in India?

1. Person whose income exceeds Rs. 2.5 lakhs in India (before giving effect of deductions under Chapter VI-A and certain capital gains exemptions).
2. Person who wants to claim refund of any taxes which have been withheld (TDS deducted).
3. Following categories of persons irrespective of the income:
 - i. Deposited an amount exceeding Rs.1 crore in current accounts by any mode during the year.
 - ii. Has incurred electricity expenditure in aggregate exceeding Rs.1 lakh during the year.
 - iii. Incurred an expenditure exceeding Rs. 2 lakh on travel out of India from Indian bank account during the year for himself or any other person.

Taxation of various Indian Incomes & TDS for NRI

Personal Taxation (Individual & HUF)

✓ Income Tax slab rates for old tax regime

| Taxable income | Tax Rate* |
|-------------------------------|-----------|
| Up to Rs. 2,50,000 | Nil |
| Rs. 2,50,000 to Rs. 5,00,000 | 5% |
| Rs. 5,00,000 to Rs. 10,00,000 | 20% |
| Above Rs. 10,00,000 | 30% |

Note: Advantage of the basic exemption limit of Rs.2.5 Lakhs is not available for incomes taxable at special rates (including DTAA rates) to NRI.

Taxation of various Indian Incomes & TDS for NRI

Personal Taxation (Individual & HUF)

- ✓ Concessional Rate of tax offered U/s. 115BAC (New tax regime).

| Income | Tax Rate* |
|------------------------|-----------|
| 0 to 2,50,000 | Nil |
| 2,50,000 to 5,00,000 | 5% |
| 5,00,000 to 7,50,000 | 10% |
| 7,50,000 to 10,00,000 | 15% |
| 10,00,000 to 12,50,000 | 20% |
| 12,50,000 to 15,00,000 | 25% |
| 15,00,000 and above | 30% |

Taxation of various Indian Incomes & TDS for NRI

✓ Concessional rates of tax offered U/s. 115BAC.

CONDITIONS

Deductions not available in order to arrive at taxable income.

| | | |
|---|---------------------------------------|---------------------------------|
| I | Related to Income from Salaries | ■ Leave Travel Concession |
| | | ■ House Rent Allowance |
| | | ■ Some allowance of Sec. 10(14) |
| | | ■ Allowance to MPs / MLAs |
| | | ■ Standard deductions |
| | | ■ Professional Tax |
| | | ■ Entertainment Allowance |

Taxation of various Indian Incomes & TDS for NRI

✓ Concessional rates of tax offered U/s. 115BAC.

CONDITIONS

Deductions not available in order to arrive at taxable income.

| | | |
|-----|---------------------------------------|---|
| II | Related to Income from House Property | ■ Interest on housing loan – Self occupied U/s. 24 or let out U/s. 23(2). |
| III | Related to Income from Other Sources | ■ Deduction from family pension U/s. 57 (iia) |

Taxation of various Indian Incomes & TDS for NRI

✓ Concessional rates of tax offered U/s. 115BAC.

CONDITIONS

Deductions not available in order to arrive at taxable income.

| | | |
|----|----------------------------|--|
| IV | Related to Business Income | ■ Additional depreciation U/s. 32 |
| | | ■ Deduction U/s. 32AD, 33AB, 33ABA |
| | | ■ Deduction on Scientific Research 35(2AA)(ii)(iia)(iii) |
| | | ■ Deduction U/s. 35AD, 35CCC |
| | | ■ Deduction U/s. 10AA |

Taxation of various Indian Incomes & TDS for NRI

✓ Concessional rates of tax offered U/s. 115BAC.

CONDITIONS

Deductions not available in order to arrive at taxable income.

| | | |
|---|--------------------------------|---|
| V | Deduction under chapter VI – A | 80C, 80CCC, 80CCD, 80D, 80DD, 80DDB, 80E, 80EE, 80EEA, 80EEB, 80G, 80GG, 80GGA, 80GGC, 80IA, 80IAB, 80IAC, 80IB, 80IBA etc. |
|---|--------------------------------|---|

Taxation of various Indian Incomes & TDS for NRI

✓ Concessional rates of tax offered U/s. 115BAC.

CONDITIONS

Deductions will be available in order to arrive at taxable income.

| | | |
|----|---------------------------|---|
| I | Related to Chapter VI – A | ■ 80CCD (2) (Employer's contribution on account of employees in pension scheme) |
| | | ■ 80JJAA (New employment) |
| II | Related to Salaries | ■ Transport allowance to Divyang employees |
| | | ■ Conveyance allowance for office duty |
| | | ■ Allowance to meet cost of travel on tour or on transfer. |
| | | ■ Daily allowance at place other than normal place of duty. |

Taxation of various Indian Incomes & TDS for NRI

Concessional rates of tax offered U/s. 115BAC.

OTHER CONDITIONS

- ✓ Brought forward losses and depreciation of earlier year shall not be allowed.
- ✓ Loss under the head house property shall not be allowed.
- ✓ Loss and depreciation will not be carried forward.
- ✓ If the Individual / HUF has income from the head of business & profession, he can exercise the option of new tax regime before due date of return. Option once exercised, can only be changed one more time only.

Taxation of various Indian Incomes & TDS for NRI

Concessional rates of tax offered U/s. 115BAC.

OTHER CONDITIONS

- ✓ If the Individual /HUF has income other than business & profession, he can choose the option every year.
- ✓ Concessional rate of tax be availed only if return is filed in time before the due date U/s 139(1), while benefit is not available to late returns.

Taxation of various Indian Incomes & TDS for NRI

Various incomes and its taxation

| Sr. No. | Type of Income | Taxation levy for NRI * | TDS rate (withholding tax rate) * |
|---------|---|---|-----------------------------------|
| 01 | Salaries. | At slab rates, after all deductions - including standard deduction. | At Slab rates (U/s. 192) |
| 02 | Rental Income Received or Annual Letting Value (ALV) on all the house property - other than one self occupied property. | At slab rates, after deduction of 30%. | 30% (U/s. 195) |

Taxation of various Indian Incomes & TDS for NRI

| Sr. No. | Type of Income | Taxation levy for NRI * | TDS rate (withholding tax rate) * |
|---------|---|-------------------------|-----------------------------------|
| 03 | Remuneration in Partnership Firm / LLP. | At slab rates. | 30% (U/s. 195) |
| | Interest on Capital (Max. 12% as per law) | | |
| | Share in profits of partnership Firm / LLP. | Exempted (U/s. 10(2A)) | NIL |
| 04 | Professional Fees, Business Income. | At slab rates. | 30% (U/s. 195) |

Taxation of various Indian Incomes & TDS for NRI

| Sr. No. | Type of Income | Taxation levy for NRI * | TDS rate (withholding tax rate) * |
|---------|---|---|-------------------------------------|
| 05 | Sale of Immovable Assets including Agricultural Land located within specified area. | Period of holding more than 2 years – Long Term Capital Gain. 20% Tax after indexation on Capital Gain. (U/s. 112) | 20% on the capital gains (U/s. 195) |
| | | Period of holding less than 2 years – Short Term Capital Gain. At slab rates. (U/s. 112) | 30% (U/s. 195) |

Taxation of various Indian Incomes & TDS for NRI

| Sr. No. | Type of Income | Taxation levy for NRI * | TDS rate (withholding tax rate) * |
|---------|---|--|-----------------------------------|
| 06 | Sale of Listed Shares – STT paid at the time of purchase and sale (except for shares purchased before STT came in force). | Period of holding less than 1 year – Short Term Capital Gain. Capital gain @ 15%. (U/s. 112A) | 15% (U/s. 195) |
| | | Period of holding more than 1 year – Long Term Capital Gain. Capital gain @ 10%. Exempted up to Rs. 1,00,000. (U/s. 112A) | 10% (U/s. 195) |

Taxation of various Indian Incomes & TDS for NRI

| Sr. No. | Type of Income | Taxation levy for NRI * | TDS rate (withholding tax rate) * |
|---------|---|---|-----------------------------------|
| 07 | Mutual Fund Investments. <ul style="list-style-type: none"> ▪ Equity Oriented. | Period of holding less than 1 year – Short Term Capital Gain. Short Term Capital Gain @15% (U/s. 111A). | 15% (U/s. 195) |
| | | Period of holding more than 1 year – Long Term Capital Gain. Capital gain @ 10%. Exempted upto Rs. 1,00,000 (U/s 112A) | 10% (U/s. 195) |

Taxation of various Indian Incomes & TDS for NRI

| Sr. No. | Type of Income | Taxation levy for NRI * | TDS rate (withholding tax rate) * |
|---------|--|---|-----------------------------------|
| 08 | 1. UNLISTED Securities | Period of holding less than 2 years (unlisted shares) / 3 years (unlisted securities/mutual funds) – Short Term Capital Gain. At Slab rates without Indexation | 30% (U/s. 195) |
| | 2. UNLISTED Shares (Calculation as per Sec. 48) | Period of holding more than 2 years (unlisted shares) / 3 years (unlisted securities/mutual funds)– Long Term Capital Gain. (Without giving effect of any foreign currency fluctuation) -- | 10% (U/s. 195) |
| | 3. UNLISTED Non Equity based Mutual Fund Investments | Capital gain @ 10% without Indexation benefit. U/s. 112(1)(C)(iii) | |

Taxation of various Indian Incomes & TDS for NRI

| Sr. No. | Type of Income | Taxation levy for NRI * | TDS rate (withholding tax rate) * |
|---------|---|--|-----------------------------------|
| 09 | LISTED Non Equity based Mutual Fund Investments | Period of holding less than 3 years— Short Term Capital Gain. At Slab rates without Indexation | 30% (U/s. 195) |
| | | Period of holding more than 3 years— Long Term Capital Gain. (Without giving effect of any foreign currency fluctuation) Capital gain @ 20% with Indexation benefit. U/s. 112(1)(C)(ii) | 20% (U/s. 195) |

Taxation of various Indian Incomes & TDS for NRI

| Sr. No. | Type of Income | Taxation levy for NRI * | TDS rate (withholding tax rate) * |
|---------|--|---|--|
| 10 | Other listed securities (Bonds, debentures, etc.) | Period of holding less than 1 year – Short Term Capital Gain. At slab rates | 30% (U/s. 195) |
| | | Period of holding more than 1 year – Long Term Capital Gain. Capital gain @ 20% with Indexation. U/s. 112(1)(C)(ii) OR Capital gain @ 10% without Indexation. (U/s. 112(1)(C)(iii)). (Whichever is beneficial to the assessee) | 20% (U/s. 195) OR 10% (U/s. 195) |

Taxation of various Indian Incomes & TDS for NRI

| Sr. No. | Type of Income | Taxation levy for NRI * | TDS rate (withholding tax rate) * |
|---------|---|---------------------------------|-----------------------------------|
| 11 | Interest income on Bank Deposits (NRO A/c). | At slab rates. | 30% (U/s. 195) |
| 12 | Interest on Private Deposits | | |
| 13 | Interest Income on Small Savings Schemes. | | |
| 14 | Dividend income from Shares | 20 % U/s 115A (1) (a) (i) | 20 % (U/s. 195) |
| 15 | Dividend income from units of Mutual Funds | 20 % U/s. 115A (3) | 20 % (U/s. 196A) |

Taxation of various Indian Incomes & TDS for NRI

* Additional levies to the above tax rates

- For Incomes more than Rs. 50 lakh but less than Rs. 1 Cr. : Surcharge @ 10% on the total of tax.
- For Incomes more than Rs.1 Cr but less than Rs.2 Cr : Surcharge @ 15% on the total of tax.
- For Incomes more than Rs.2 Cr but less than Rs.5 Cr : Surcharge @ 25% on the total of tax.

Taxation of various Indian Incomes & TDS for NRI

* Additional levies to the above tax rates

- Incomes more than Rs.5 Cr : Surcharge @ 37% on the total of tax.
- On final tax liability, after surcharge (if applicable) : Health and Education Cess (HEC) @ 4%.
 - If total income includes an income by way of dividend or income arising from transfer of capital asset being an equity share, or a unit of equity oriented fund or a unit of business trust i.e. REIT and InvIT (Chargeable to tax under the provisions of Section 111A or 112A), the rate of surcharge in respect of that part of income shall not exceed 15%.
 - The additional levies on TDS shall be on the basis of payments made which are liable to tax in the above slabs. Ex- In a sale of immovable property with income of Rs. 40 lakh (HEC @ 4%) while on income of Rs. 60 lakh (Sur 10% + HEC 4%).

Taxation of various Indian Incomes & TDS for NRI

Marginal Relief in case of surcharge

| | | |
|--|---|---------------|
| ■ Basic Tax on income of Rs.51,00,000 | : | Rs.11,52,500 |
| ■ Surcharge at 10% since income exceeds Rs. 50 lakhs | : | Rs.1,15,250 |
| | | <hr/> |
| ■ Total | : | Rs.12,67,750 |
| ■ Less: Basic Tax on Rs. 50,00,000 | : | Rs.11,22,500 |
| | | <hr/> |
| | | Rs.1,45,250 |
| ■ Less: Since the income is exceeding Rs.50 lakhs, additional income on account of which the surcharge was levied. | : | Rs.1,00,000 |
| | | <hr/> |
| ■ Marginal Relief Available | : | Rs. 45,250 |
| ■ Tax payable on income of Rs. 51,00,000 + Surcharge | : | Rs. 12,67,750 |
| ■ Less: Marginal Relief Available | : | Rs. 45,250 |
| | | <hr/> |
| ■ Net tax payable on Rs. 51,00,000 + Surcharge | : | Rs. 12,22,500 |

Taxation of various Indian Incomes & TDS for NRI

Tax Deduction at source (TDS) for NRI :

Basic Provisions - Sec. 195 of the Income Tax Act.

- ✓ **Sec. 195 (1) : Any person responsible for paying to a Non Resident...any other sum chargeable under the provision of this Act...deduct income tax thereon at the rates in force.**
- **Payer : Any person.**
- **Payee : A NRI, not being a company or foreign company.**
- **Payment : Any sum, other than salaries chargeable under the provision of Income Tax Act.**
- **Rate of TDS : At the prescribed rates of tax**
- **Section 195 does not apply to sums paid to Non Residents which are exempt from tax, as it applies to only “any sum chargeable to tax.”**

Taxation of various Indian Incomes & TDS for NRI

Tax Deduction at source (TDS) for NRI :

Basic Provisions - Sec. 195 of the Income Tax Act.

✓ Sec. 195 (2) :

Application by Payer (no prescribed format) for determination of such sum on which TDS to be deducted. Rejection is appealable.

✓ Sec. 195 (3) :

Application by Payee for NIL TDS.

✓ Sec. 197 :

It can be obtained by the payee (Form No. 13) for lower or Nil TDS, for TDS to be made U/s 195. Rejection is not appealable.

Taxation of various Indian Incomes & TDS for NRI

Judgements where TDS u/s 195 to be done only on the Income component

✓ TDS on sale of immovable property u/s 195 has to be made on the gain on sale and not the entire consideration:

- *Shri Bhagwandas Nagla Hyderabad Vs ITO (International Taxation)-2 Hyderabad (ITAT Hyderabad) [ITA No 143 of 2017]*

✓ Comments:

- In the above ruling, the assessee failed to deduct tax on the sale of property. However, he was not considered to be in default when he paid applicable taxes along with interest for non-deduction of tax on such gains.

Taxation of various Indian Incomes & TDS for NRI

Judgements where TDS u/s 195 to be done only on the Income component

✓ Comments:

- This indirectly establishes the fact that the taxpayer is not required to deduct tax on entire sale consideration but only on the portion of the applicable gains.
- In our view, the above ruling is indirect and relate fundamentally to matters which are on different aspects.
- It is more appropriate to rely on direct judgements for interpretation.

Taxation of various Indian Incomes & TDS for NRI

Judgements where TDS u/s 195 to be done only on the Income component

- ✓ TDS on sale of immovable property u/s 195 has to be made on the gain on sale and not on entire sale consideration can also be inferred indirectly from the following judicial ruling:
 - *Transmission Corporation of AP Ltd. Vs. CIT 105 Taxmann 742 (SC)*
 - *GE India Technology Centre (P) Ltd. Vs. CIT 193 Taxmann 193 (SC)*
 - *Danfoss Industries (P) Ltd. 138 Taxmann 280 (AAR-New Delhi)*
- ✓ Comments:
 - The above rulings relate to matters where there is composite payments which are involved, which can be a trading receipt, an exempt income, a reimbursement, etc. and the deductibility of tax is an area of dispute between the non resident assessee (payee) and a resident payer.

Taxation of various Indian Incomes & TDS for NRI

Judgements where TDS u/s 195 to be done only on the Income component

✓ Comments:

- It was held by the courts in the above ruling that the phrase '*sum chargeable to tax*' represents the 'pure income' portion in the respective payment involved under section 195.
- Hence, the deduction of the tax has to be made only on the income element of the payment and not the entire consideration.
- In our view, the above rulings are also indirect since they relate fundamentally to matters which are on different aspects.
- It is more appropriate to rely on direct judgements for interpretation.

Taxation of various Indian Incomes & TDS for NRI

Judgements where TDS u/s 195 to be done on entire sale consideration

- ✓ The following two rulings clearly establish the fact that TDS on sale of immovable property of NRI has to be made on the entire sale consideration:
 - *[2012] 26 taxmann.com 6 (Bangalore - Trib.) Syed Aslam Hashmi v. Income-tax Officer, (International Taxation), Ward 2(1), Bangalore.*
 - *[2013] 38 taxmann.com 123 (Bangalore - Trib.) R. Prakash v. Income-tax Officer, International Taxation, Ward -2(1), Bangalore.*
- ✓ Comments:
 - The above two rulings are direct and straightforward on this matter as compared to the other rulings.
 - Therefore, we can conclusively establish the fact that TDS on sale of immovable property of NRI has to be made on the entire sale consideration.

Taxation of various Indian Incomes & TDS for NRI

Our opinion for the amount on which tax is to be deducted u/s 195(1)

| Sr. No. | Type of Asset sale | Provision for tax deduction | Deductor |
|---------|--|--|--------------------------|
| 01 | Immovable property | <u>Entire sale consideration</u> unless lower tax deduction certificate is obtained u/s 197 or 195(2). | Property seller |
| 02 | Equity shares | | Share broker |
| | i) If purchase details are unavailable with broker | <u>Entire sale consideration</u> as a short term capital gain. | |
| | ii) If purchase details are available with broker | On the portion of the <u>capital gains</u> as a long or short term capital gain, as the case may be. | |
| 03 | Equity mutual funds | On the portion of the <u>capital gains</u> as a long or short term capital gain, as the case may be. | Asset Management Company |

Taxation of various Indian Incomes & TDS for NRI

Incomes which are completely exempted from Income Tax and there is no Tax Deduction at Source (TDS) on these incomes.

| Sr. No. | Type of Income | Income exempted under the provision |
|---------|--|--|
| 01 | Interest income on NRE A/c | U/s. 10(4) |
| 02 | Interest income on PPF A/c | U/s. 10(11) |
| 03 | Agricultural Income | U/s. 10(1) |
| 04 | Gain on sale of Agricultural land situated beyond the below limits | Not considered as a Capital Assets U/s. 2(14)(iii), hence exempted |
| | <u>Population of nearest city / town etc.</u> | <u>Aerial Distance Limit</u> |
| | 10,000 to 1,00,000 | 2 kms. |
| | 1,00,000 to 10,00,000 | 6 kms. |
| | Above 10,00,000 | 8 kms. |
| 05 | Share in profits of a partnership Firm | U/s. 10(2A) |
| 06 | Maturity proceeds under a life insurance policy where the sum assured is 10 times of the premium or death claim under the insurance policy. Unit Linked Insurance Plan (ULIP Policies) with premium above Rs. 2.5 lakhs are taxable. | U/s. 10(10D) |

Taxation of various Indian Incomes & TDS for NRI

Computation of capital gain on sale of unlisted shares and debentures of Indian company (Proviso 1 to Section 48 & rule 115A) for foreign currency fluctuations.

- ✓ No indexation allowed because benefit of Foreign Currency Fluctuations is allowed.
- ✓ Mandatory manner of computation for all Non Residents (not just NRI) who have invested in foreign currency.
- ✓ Applicable only on the sale of Unlisted Shares & Debentures acquired in foreign exchange.
- ✓ The above method is applicable for short term as well as long term capital gains calculations.

Taxation of various Indian Incomes & TDS for NRI

METHOD OF COMPUTATION OF CAPITAL GAINS u/s 48 for NRI

| | | | | |
|-------------|-------------------------|--------------------------|---|--|
| | Sale consideration | Received in INR | Converted by foreign currency used in purchase. Avg. of Buy & Sell TT <u>Rate on the date of Sale</u> | Sale consideration in foreign currency |
| <u>Less</u> | Purchase consideration | Paid in INR | Converted by foreign currency used in purchase. Avg. of Buy & Sell TT <u>Rate on the date of Purchase</u> | Purchase consideration in foreign currency |
| <u>Less</u> | Cost of Improvement | Paid in INR | Converted by foreign currency used in cost of Improvement. Avg. of buy & Sell TT <u>Rate on the date of Improvement</u> | Cost of Improvement in foreign currency |
| <u>Less</u> | Expenditure on transfer | Paid in INR | Converted by foreign currency used in <u>cost of Transfer</u> . | Cost of expenditure in foreign currency |
| | Net Gain | Gain in foreign currency | Converted in Indian Rupees Buying Rates on date of TT of <u>Transfer</u> | Net gain in Indian Rupees |

Taxation of various Indian Incomes & TDS for NRI

Special tax regime for NRI – Chapter XII-A

- ✓ Applicable to all “Non Resident Indians”.
- ✓ Non Resident Indian means an individual being a citizen of India or a person of Indian Origin who is not a “resident”.
Explanation – A person shall be deemed to be of Indian origin if he or either of his parents or any grandparents was born in undivided India.
- ✓ Provisions for investment incomes (from assets other than shares of Indian company) are also available to returning NRIs based on declaration under section 115H.
- ✓ A NRI can opt not to be governed by these special provisions under chapter XII-A u/s 115I.

Taxation of various Indian Incomes & TDS for NRI

Special tax regime for NRI – Chapter XII-A

- ✓ Tax rates of Income from Specified assets purchased in convertible foreign exchange under section 115E -

| Income from Specified assets | Tax Rate |
|--|----------|
| • Investments Income | 20% |
| • Long Term Capital Gains (without indexation) | 10% |

- ✓ Meaning of Specified assets under the regime (section 115C) –
- Shares of an Indian company
 - Debentures of or deposits with a Public Limited Indian company (Includes Bank/NBFC deposits as per AAR New Delhi ruling of V. Ravi Narayanan [2008] 168 Taxman 65)
 - Government Securities.

Taxation of various Indian Incomes & TDS for NRI

Special tax regime for NRI – Chapter XII-A

Meaning of Convertible foreign exchange under the regime (section 115C) -

- ✓ Purchased from convertible foreign exchange means that the direct source of funds used to purchase the specified asset is 'Convertible foreign exchange.'
- ✓ Hence, if foreign exchange is received even in NRE A/c or NRO A/c and from there investment is made it would be regarded as investment from Convertible foreign exchange.
- ✓ Indian sourced funds credited in NRE A/c would not qualify for being called sourced from 'Convertible foreign exchange.'
- ✓ If convertible foreign exchange converted is invested in any asset, the redemption of such investment credited to NRE A/c account cannot be called from 'Convertible foreign exchange' as the direct source is a different source.
- ✓ Decision relied upon for the above interpretation: Commissioner of Income-tax v. M.C. George (High Court Of Kerala) Income Tax Appeal No. 1734 Of 2009.

Taxation of various Indian Incomes & TDS for NRI

Special tax regime for NRI – Chapter XII-A

If a NRI opts for these provisions against the incomes from specified assets, the following provisions shall be applicable –

- ✓ No deduction of any expenditure or allowance is allowed (U/s. 115D(1)).
- ✓ No deduction under Chapters VI-A of section 80C to 80U and Indexation U/s. 48 (Proviso 2) not applicable. (U/s. 115D(2)).
- ✓ No advantage of grandfathering on long term capital gains on sale of listed equity shares or equity oriented Mutual Funds.
- ✓ No return of Income required to be filed, if long term capital gains income and investment income only from specified assets & appropriate TDS has been deducted. (U/s. 115G).
- ✓ Provisions are also applicable interest on balances of NRE, FCNR & RFC bank deposits continued by returning NRI u/s 115H.

Taxation of various Indian Incomes & TDS for NRI

Special tax regime for NRI – Chapter XII-A

Long term capital gain not liable to taxation if (U/s. 115F) –

- ✓ Consideration on sale of specified assets (acquired from Convertible Foreign Exchange) invested in new specified assets within 6 months.
- ✓ New specified assets has to be held for 3 years.
- ✓ Loan cannot be availed against such “new specified assets.”
- ✓ If consideration is partially invested, proportionate deduction is allowable.

Some important aspects of Income Tax for NRI

- **Representative Assessee – Agent of a Non Resident**
 - **PAN Card & NRI**

Representative Assessee – Agent of a Non Resident

- ✓ Representative Assessee, u/s 160(1) in respect of Non Resident is his / her agent or person who are treated as an agent U/s. 163 of the Income Tax Act.
- ✓ Section 163 of the Income Tax Act states – agent in relation to non – resident (NR) is :
 - One who is employed by NR.
 - Having business connection with NR.
 - From or through whom NR receives income directly or indirectly.
 - Trustee of a NR.
- ✓ A broker dealing with NR through NR broker is not an agent.

Representative Assessee – Agent of a Non Resident

- ✓ A Power of Attorney (POA) holder is an agent of a Non Resident u/s 163(1a) (since he is employed on behalf of Non-Resident), hence he is Representative Assessee of a Non Resident.
- ✓ Every representative assessee shall be deemed to be an assessee for the purpose of the Income Tax.
- ✓ Hence, a representative assessee's liability, duties, responsibilities are at par with his own (u/s 161), as if it were his own assessment proceedings.

PAN Card & NRI

- ✓ Permanent Account Number (PAN) is a unique code allotted by Income Tax Department that acts as an identification for financial transactions of individuals.
- ✓ It is similar to Tax Identification Number (TIN) in foreign countries.
- ✓ The application for PAN can be made by non residents by filing Form No. 49AA.
- ✓ Online application for PAN card requires Aadhar card details. Hence, application can be made only in offline mode.
- ✓ Application requires either OCI card OR details of Passport + Foreign Bank account statement/Foreign utility bill/Foreign identity proof of the Non-resident applicant.
- ✓ PAN card application for delivery at a foreign address costs approx. Rs.1200 and delivery at any Indian address costs approx. Rs.100. Address proof in respect of the address of the applicant is mandatory for delivery in either case.

PAN Card & NRI

Requirements for obtaining PAN :

✓ It is mandatory to quote PAN for below mentioned transactions :

- Several financial transactions in India.
- Opening of an account with a bank (can be opened by Form no. 60), Demat Account for shares.
- Filing of Income Tax Return, if the income exceeds the minimum taxable amount. It is not compulsory to file a Return of income if you have a PAN.

PAN Card & NRI

Requirements for obtaining PAN :

- ✓ It is mandatory to quote PAN for below mentioned transactions :
- For Filing a Return of Income if Income is above taxable limits.
 - For claiming of refund of TDS, if deducted.
 - For carry forward of losses.
 - All the dealings with Income Tax department, e.g. Form 15CA – 15CB.

Penalty for various contraventions by NRI under Income Tax Act

Penalty for various contraventions by NRI under Income Tax Act

Nature of contravention – Filing Income Tax Return (ITR) in Resident Indian status being a Non-Resident

- ✓ **Taxation** – The A.O. will attempt to tax global income as the assessee has claimed the Resident Indian status.
- ✓ **Penalty** – Misreporting or Underreporting of income u/s 270A depending on the facts of the case as only the Indian incomes were offered to tax.
- ✓ **Incorrect information** – When the Income Tax Dept. attempts to tax global income while the assessee claims himself as a Non-Resident, and the Dept. accepts the view of the assessee, penalty u/s 277 for such incorrect information can be levied.

Penalty for various contraventions by NRI under Income Tax Act

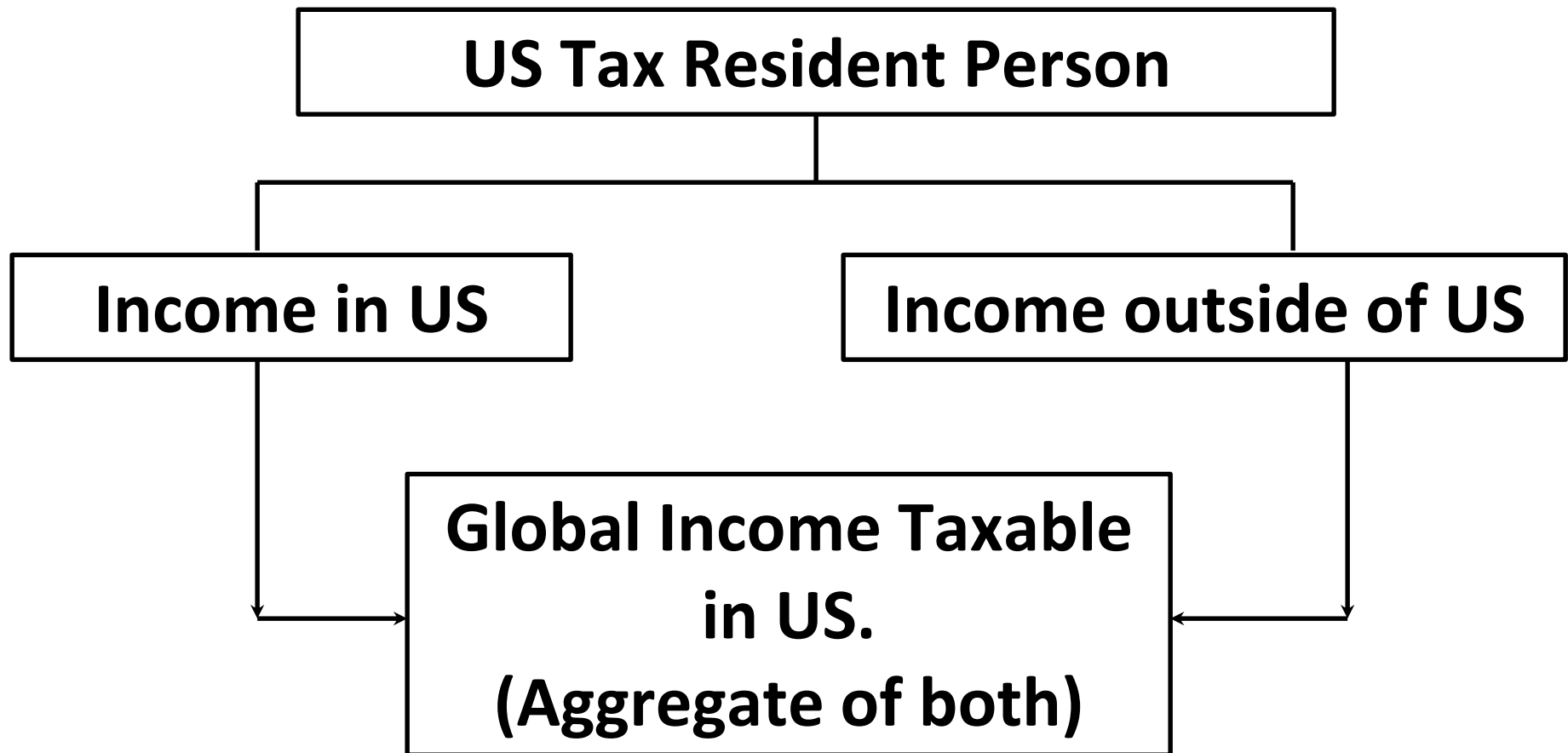
Nature of contravention – Filing Income Tax Return (ITR) in Non-Resident residential status being a Resident Indian

- ✓ **Taxation** – The A.O. will tax global income as the assessee is not an Non-Resident but a Resident Indian.
- ✓ **Penalty** – Misreporting or Underreporting of income u/s 270A depending on the facts of the case as only the Indian incomes were not offered to tax.
- ✓ **Incorrect information** – When the assessee claims himself as a Non-Resident despite being a Resident Indian under Income Tax, he can be liable for penalty u/s 277 for giving such incorrect information.

Overview of FATCA & FBAR

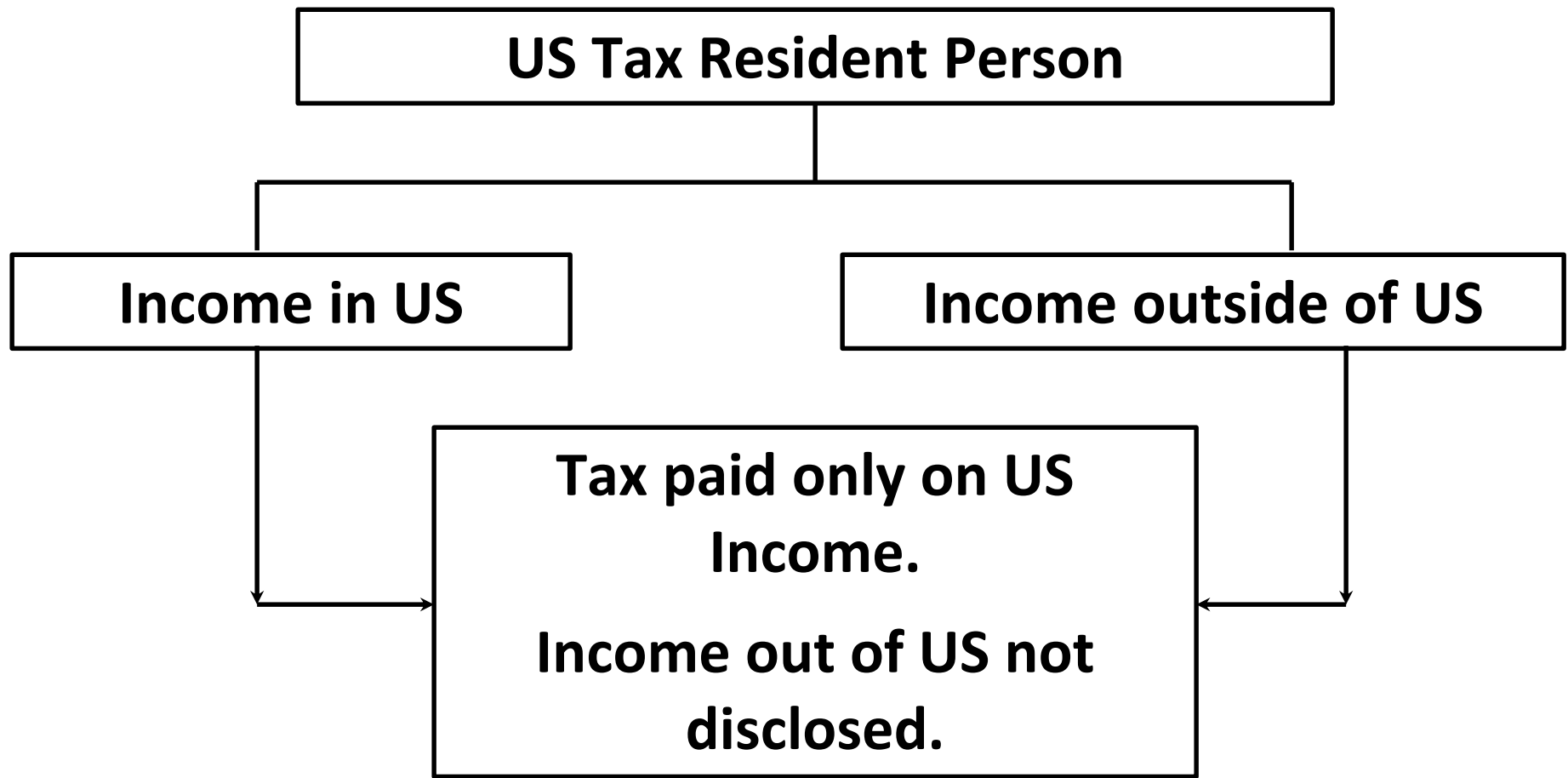
Overview of FATCA & FBAR

Why was FATCA and FBAR introduced ? Requirement of US Tax Laws



Overview of FATCA & FBAR

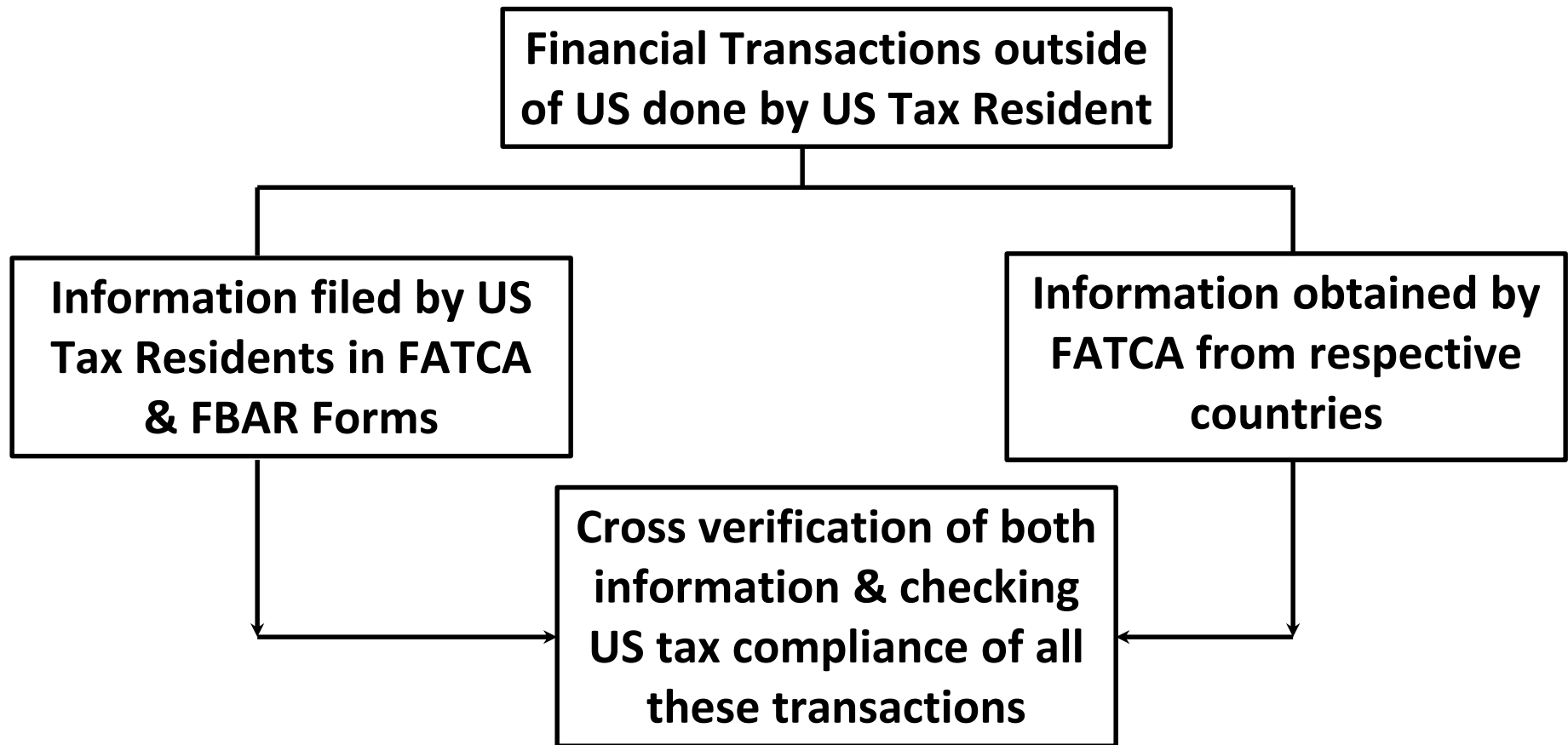
Why was FATCA and FBAR introduced ?
On ground scenario



Overview of FATCA & FBAR

Why was FATCA and FBAR introduced ?

FATCA & FBAR – effective tools to check evasion of taxes on income outside of US



Overview of FATCA & FBAR

FBAR (Foreign Bank and Financial Account Report) :

- ✓ United States Persons are required to File Form 114 if :
- The United States person had a Financial Interest in or signature authority over at least one financial account located outside the United States
- and
- The aggregate value of all foreign financial accounts exceeded US \$ 10000 at any time during the calendar year reported.

Overview of FATCA & FBAR

FATCA (Foreign Account Tax Compliance Act) :

- ✓ FATCA targets tax non – compliance by US tax payers with Foreign Accounts.
- ✓ FATCA requires US Tax payers to file Form 8938 on Foreign Financial Assets.
- ✓ FATCA requires Foreign Financial Institutions (FFI's) to report to the I.R.S; information about financial accounts held by US tax payers.

Overview of FATCA & FBAR

FATCA Compliance by Indian (FFI's) :

- ✓ Determination date for FATCA : 30th June, 2014.
- ✓ All new accounts opened after the determination date.
- ✓ Pre existing accounts electronic search of information in the system.
- ✓ High value accounts (US\$ 1 mn +) paper record search + inquiry of Relationship Manager, additional requirement.
- ✓ Closed accounts also subject to the above process.

Overview of FATCA & FBAR

| | FATCA | FBAR |
|--|--|---|
| | Form 8938, Statement of Specified Foreign Financial Assets | FinCEN Form 114, Foreign Bank and Financial Account Report (FBAR) |
| Reporting Threshold (Total Value of Assets) | <p>\$50,000 on the last day of the tax year or \$75,000 at any time during the tax year. (if you are <u>unmarried and lived in U.S.</u>)</p> <p>\$100000 on last day of the tax year or & \$150000 at any time during the tax year. (if you are <u>married and lived in U.S.</u>)</p> <p>\$200000 on last day of the year or \$300000 at any time during the year. (<u>if you are unmarried and lived abroad.</u>)</p> <p>\$400000 on last day the year or \$600000 at any time during the year. (<u>if you are married and lived abroad.</u>)</p> | <p><u>\$10,000 at any time</u> during the calendar year. This is a <u>cumulative balance</u>, meaning if you have <u>2 accounts</u> with a combined account balance (individually or jointly) greater than \$10,000 at any one time, both accounts would have to be reported.</p> |

Overview of FATCA & FBAR

| | FATCA | FBAR |
|---------------------------|--|--|
| What is <u>Reported</u> ? | Specified <u>foreign financial assets</u> , and certain other <u>foreign non-account investment assets</u> . | <u>Financial interest</u> : you are the owner of record or holder of legal title. <u>Signature authority</u> : you have authority to control the disposition of the assets. |
| Where to <u>File</u> ? | File <u>with income tax return</u> pursuant to instructions for filing the return | File <u>electronically through FinCENs BSA E-Filing System</u> . The FBAR is not filed with a federal tax return. |

Overview of FATCA & FBAR

| Types of Foreign Assets and Whether They are Reportable | | |
|--|--|---|
| | FATCA | FBAR |
| Financial (deposit and custodial) accounts held at foreign financial institutions | Yes | Yes |
| Foreign stock or securities held in a financial account at a foreign financial institution | The account itself is subject to reporting, but the contents of the account do not have to be separately reported | The account itself is subject to reporting, but the contents of the account do not have to be separately reported |
| Foreign partnership interests | Yes | No |
| Foreign mutual funds | Yes | Yes |
| Foreign-issued life insurance or annuity contract with a cash-value | Yes | Yes |
| Foreign <u>real estate</u> held directly | No | No |
| Foreign real estate held through a foreign entity | No, but the foreign entity itself is a specified foreign financial asset and its maximum value includes the value of the real estate | No |
| Foreign currency held directly | No | No |
| <u>Precious Metals</u> held directly | No | No |
| Personal property, held directly, such <u>as art, antiques, jewellery, cars</u> and other collectibles | No | No |

Overview of CRS

Overview of CRS

CRS – Common Reporting System :

- ✓ FATCA version of OECD (Organisation for Economic Co-operation & Development) countries.
- ✓ Platform to exchange financial information in respect of residents of 112 countries.
- ✓ Countries include – India, United Kingdom, UAE, Singapore, Hong Kong, China, Australia, Canada, Germany, Switzerland etc.
- ✓ Determination date : 31st December 2015.

Overview of CRS

CRS – Common Reporting System :

✓ CRS has a broader scope than FATCA

- All Accounts supposed to be reported (without minimum balance exclusion).
- Income to be reported under CRS over & above the accounts and investments.
- Transactions with all entities are to be reported. FI with local client base, retirement funds etc. not exempted in CRS.

Overview of CRS

Exchange of information

- ✓ As per the article on 'Exchange of Information' in several DTAA's, the tax authorities of both jurisdictions shall exchange information relating to all taxes applicable to residents to avoid evasion of taxes or frauds.
- ✓ Such exchange can be on a routine basis or on request with reference to particular cases. Either jurisdiction shall provide the other with such information and documents as requested unless it involves certain confidential data.

Tax Planning for NRI in India

Tax Planning for NRI in India

- ✓ Deduction for investments U/s. 80C maximum of Rs. 1,50,000.
 - Life Insurance Premium
 - Equity Linked Savings Scheme of Mutual Fund (ELSS)
 - 5 Year Bank FD
 - Repayment of Housing Loan
 - PPF (In existing A/c)
- ✓ Deduction for Health Insurance U/s. 80 D.
 - Maximum of Rs. 25,000 for age below 60 Years and Rs. 50,000 for age above 60 Years PLUS additional Rs. 50,000 for Senior Citizen Parents.
- ✓ Deduction for donation U/s. 80G – 50%/100% of sum donated, maximum upto 10% of Gross Total Income.
- ✓ Deduction U/s. 80TTA on interest earned on Savings Bank Account (NRO A/c) maximum of Rs. 10,000.

Tax Planning for NRI in India

- ✓ Increased taxable limit is not available to Senior Citizen (above 60 years) or Super Senior Citizen (above 80 years).
- ✓ Rebate U/s. 87A of Rs. 12,500 is not available for Non-residents.
- ✓ Deduction U/s. 24 is available on interest paid on Housing Loan against Income from House Property. Loss under this head can be claimed, maximum of Rs. 2,00,000 against other incomes in the year of income.
- ✓ If a NRI intends to stay for a long period in India, in order to ensure that he does not become a resident, he can split stay in two financial years.

Tax Planning for NRI in India

Capital gain related exemptions

| Sr. No. | Exemption | Relevant Provision |
|---------|--|--------------------|
| 01 | Investment of Capital gain in Capital Gain Bonds to the extent of Rs. 50 Lakhs - gain from land & building | 54 EC |
| 02 | Investment of capital gain in residential house on sale of a residential house | 54 |
| 03 | Investment of consideration in residential house on sale of any other asset other than residential house | 54F |

Tax Planning for NRI in India

Following receipts in cash or kind are tax free U/s. 56 (2) of the Income Tax Act:

- 1. Any amount to the extent of Rs 50,000**
- 2. From following persons without any upper limit:**
In case of an individual :
 - A. Spouse of the individual.**
 - B. Brother or Sister of the individual.**
 - C. Brother or Sister of the spouse of the individual.**
 - D. Brother or Sister of either of the parents of the individual.**
 - E. Any lineal ascendant or descendant of the individual.**
 - F. Any lineal ascendant or descendant of the spouse of an individual.**Spouse of the person referred to in items (B) to (F).
- 3. On the occasion of the marriage of an individual.**
- 4. Under a Will or by way of inheritance.**

Tax Planning for NRI in India

- ✓ Section 10(6)(vi), 10(6)(viii), 10(6)(xi), 10(7), 10(8), 10(8A), 10(8B), 10(9) provide for relief to NR's drawing salaries and remuneration in special cases.
- ✓ In case of refund, NRI can quote Foreign Bank Account in return of income, if Indian bank account is not available.
- ✓ Non Resident should receive his incomes abroad, and then remit such incomes credited in the foreign accounts, to India. If the incomes are received in India, they become taxable in India.
- ✓ All incomes exempt under Income Tax in India such as proceeds of insurance policy u/s 10(10D), interest on NRE account u/s 10(4), capital gain exemptions u/s 54/54EC/54F, etc. shall be taxable in the respective country of tax residence.

Tax Planning for NRI in India

- ✓ Interest on NRO A/c (Savings of Fixed Deposits) is taxable. A NRI can transfer his NRO A/c balances, within the limit of 1 Million US\$, per person per year to NRE A/c / FCNR deposits and make the interest income tax free.
- ✓ HUF (Hindu Undivided Family) are recognized as a separate legal entity under Indian Tax laws. Income of HUF is not the income of and individual.
- ✓ Utility of HUF as an entity for investments can be looked into for planning the tax liability abroad. NRO Bank A/c of HUF can be opened, if all the members are NRI to take advantage of separate income tax head.

Tax Planning for NRI in India

TAX PLANNING FOR H.U.F. IN CONTEXT OF U.S.A tax laws

- ✓ As per U.S. tax laws, HUF may be recognized as foreign non-grantor trust since the property is not contributed solely by the Karta or any coparcener who is the 'owner' of such trust.
- ✓ Therefore, it shall be assessed as a separate person under the taxation law in U.S.A. However, if the corpus of the H.U.F. is built through incomes derived out of loans granted by the Karta or any other coparcener, it may be recognized as the property contribution such person to the trust.
- ✓ In such cases, the tax authorities may regard the trust as a foreign grantor trust and tax the incomes in the hands of respective individual.
- ✓ When the Karta is a U.S. tax-resident, he should make appropriate declarations under FBAR since he is a signing authority to Indian bank accounts/financial assets if the aggregate value of all foreign financial accounts exceeded US \$ 10000.

Benefits of faceless operations of Indian Income Tax Department

Benefits of faceless operations of Indian Income Tax Department

Absolute change on the Tax compliance front

- ✓ All filings with the Income Tax Authorities are E-filing. Complete change on the Tax compliance front.
- ✓ Scrutiny of all Filings, Assessments, Appeals, are faceless.
- ✓ All financial transactions are mapped with Permanent Account Number (PAN).

Benefits of faceless operations of Indian Income Tax Department

Absolute change on the Tax compliance front

- ✓ No scope of any personal interaction with / by any Income Tax authorities for any reasons.
- ✓ Functioning of the Income Tax Department undergoes major changes. A landmark reform going unnoticed.
- ✓ A march towards ending a parallel economy and making India a cashless & compliant economy.

Benefits of faceless operations of Indian Income Tax Department

Information available with the Income Tax Department in the new scenario

- ✓ Annual Information Statement (AIS) with Income Tax Department, has all the information of the financial transactions fetched by PAN.
- ✓ AIS has information like :
 - Incomes Expenditures Deposits & Withdrawals of cash from Bank
 - All transactions of :
 - Scrip wise Sale & Purchases of Mutual Funds and Shares
 - Short Term & Long Term Capital Gains bifurcations
 - Credit Card Transactions aggregating Rs. 2 lakh & above
 - Sale / Purchase of Immovable Properties
 - Investments in Fixed Deposits etc.
- ✓ Assessee can give a response with evidence if the information in AIS is incorrect / inaccurate.

Benefits of faceless operations of Indian Income Tax Department

In the new scenario what NRI should be particular about :

- ✓ ALS information needs to be considered while filing annual Income Tax Return and pay tax accordingly.
- ✓ NRI should share complete information with the Tax Advisor, filing return in India, without fail.
- ✓ Contact details like Mobile Number & E-mail id with Income Tax records should be same as registered with Bank Account and should be regularly updated.

Benefits of faceless operations of Indian Income Tax Department

Details for which NRI should be very particular about :

- ✓ In India, the 1st Account holder is to be considered as the owner of a bank account and for other financial assets.

The 2nd & 3rd holders are merely for E OR S purpose or for signing / operating the bank account.

Do not route the transactions of 2nd / 3rd holder in the same account.

Open separate account for all persons having financial transactions in India.

- ✓ Refrain from opening multiple bank accounts of the same person.

Streamlined Filing Compliance Procedures (SFCP)

Streamlined Filing Compliance Procedures (SFCP)

- ✓ Individuals can take benefit of Streamlined Filing Compliance Procedures (SFCP) in U.S.A. to report and pay taxes on undisclosed foreign financial assets. It has to be done before detection of incompliance.
- ✓ SFCP can be Streamlined Domestic Offshore Procedures (SDOP) for tax residents residing in U.S.A. and Streamlined Foreign Offshore Procedures (SFOP) for tax residents not residing in U.S.A.
- ✓ The eligibility requirements for each of the two procedures, the types of costs to be incurred and the compliance procedures to be followed have been listed in the following slides.
- ✓ Taxpayers who fail to meet the eligibility conditions of both the categories shall not be eligible for SFCP disclosure program.

Streamlined Filing Compliance Procedures (SFCP)

Streamlined Domestic Offshore Procedures (SDOP)

- ✓ In order to be eligible for SDOP, the Individual U.S. taxpayers, or estates of individual U.S. taxpayers, must:
- fail to meet the applicable non-residency test for the number of days of stay in previous years (as stated);
 - have previously filed a U.S. tax return (if required) for each of the most recent 3 years for which the U.S. tax return due date (or properly applied for extended due date) has passed;
 - have failed to report the income from a foreign financial asset and pay tax as required by U.S. law, and may have failed to file an FBARs and/or international information returns; and
 - certify that such failures resulted from non-willful conduct.

Source: <https://www.grantthornton.in/globalassets/1.-member-firms/india/assets/pdfs/streamlined-filing-workbook.pdf>
<https://www.irsvideos.gov/business/FilingPayingTaxes/StreamlinedFilingComplianceProceduresAComplianceOptionForSomeTaxpayers>

Streamlined Filing Compliance Procedures (SFCP)

- The costs to be incurred for SDOP shall be as follows:
 - ✓ There is a flat 5% penalty (inclusive of all penalties including FATCA, FBAR, etc.) on unreported foreign financial assets.
 - ✓ It is calculated on the highest aggregate value of all unreported foreign financial assets on the year end balance in the past six years.
 - ✓ The taxpayer also has to pay appropriate additional taxes in the revised Tax Returns for the past three years and statutory interest as applicable on it.
 - ✓ The legal fees of the U.S. tax attorney/CPA assisting in the compliance and advisory functions.

Source: <https://www.grantthornton.in/globalassets/1.-member-firms/india/assets/pdfs/streamlined-filing-workbook.pdf>
<https://www.irsvideos.gov/business/FilingPayingTaxes/StreamlinedFilingComplianceProceduresAComplianceOptionForSomeTaxpayers>

Streamlined Filing Compliance Procedures (SFCP)

- ✓ The taxpayer needs to fulfill the following compliances for SDOP:
- Amended Tax returns for the most recent 3 year period for which the due date (or properly applied for extended due date) has passed.
 - FBARs for the most recent 6 year period for which the FBAR due date has passed.
 - Self Certification, signed under penalties of perjury –
 - that Taxpayer is eligible for the Streamlined Domestic Offshore Procedures;
 - that all required FBARs have now been filed; and
 - that the failure to file tax returns, report all income, pay all tax, and submit all required information returns, including FBARs, resulted from nonwillful conduct.

Source: <https://www.grantthornton.in/globalassets/1.-member-firms/india/assets/pdfs/streamlined-filing-workbook.pdf>
<https://www.irsvideos.gov/business/FilingPayingTaxes/StreamlinedFilingComplianceProceduresAComplianceOptionForSomeTaxpayers>

Streamlined Filing Compliance Procedures (SFCP)

Streamlined Foreign Offshore Procedures (SFOP)

✓ In order to be eligible for SFOP, the Individual U.S. taxpayers, or estates of individual U.S. taxpayers, must:

- meet the applicable non-residency requirement test;
- have failed to report the income from a foreign financial asset and pay tax as required by U.S. law, and may have failed to file an FBAR (FinCEN Form 114, previously Form TD F 90-22.1) with respect to a foreign financial account; and
- certify that such failures resulted from non-willful conduct.

Source: <https://www.grantthornton.in/globalassets/1.-member-firms/india/assets/pdfs/streamlined-filing-workbook.pdf>
<https://www.irsvideos.gov/business/FilingPayingTaxes/StreamlinedFilingComplianceProceduresAComplianceOptionForSomeTaxpayers>

Streamlined Filing Compliance Procedures (SFCP)

- The costs to be incurred for SFOP shall be as follows:
 - ✓ There is a flat NO penalty on disclosing the unreported foreign financial assets.
 - ✓ The taxpayer also has to pay appropriate additional taxes in the amended Tax Returns or delinquent/new tax returns (if not filed earlier) for the past three years and statutory interest as applicable on it.
 - ✓ The legal fees of the U.S. tax attorney/CPA assisting in the compliance and advisory functions.

Source: <https://www.grantthornton.in/globalassets/1.-member-firms/india/assets/pdfs/streamlined-filing-workbook.pdf>
<https://www.irsvideos.gov/business/FilingPayingTaxes/StreamlinedFilingComplianceProceduresAComplianceOptionForSomeTaxpayers>

Streamlined Filing Compliance Procedures (SFCP)

- ✓ The taxpayer needs to fulfill the following compliances for SFOP:
- Delinquent (If not filed earlier) or Amended Tax returns for the most recent 3 year period for which the due date (or properly applied for extended due date) has passed.
 - FBARs for the most recent 6 year period for which the FBAR due date has passed.
 - Certification, signed under penalties of perjury –
 - that Taxpayer is eligible for the Streamlined Foreign Offshore Procedures;
 - that all required FBARs have now been filed; and
 - that the failure to file tax returns, report all income, pay all tax, and submit all required information returns, including FBARs, resulted from nonwillful conduct.

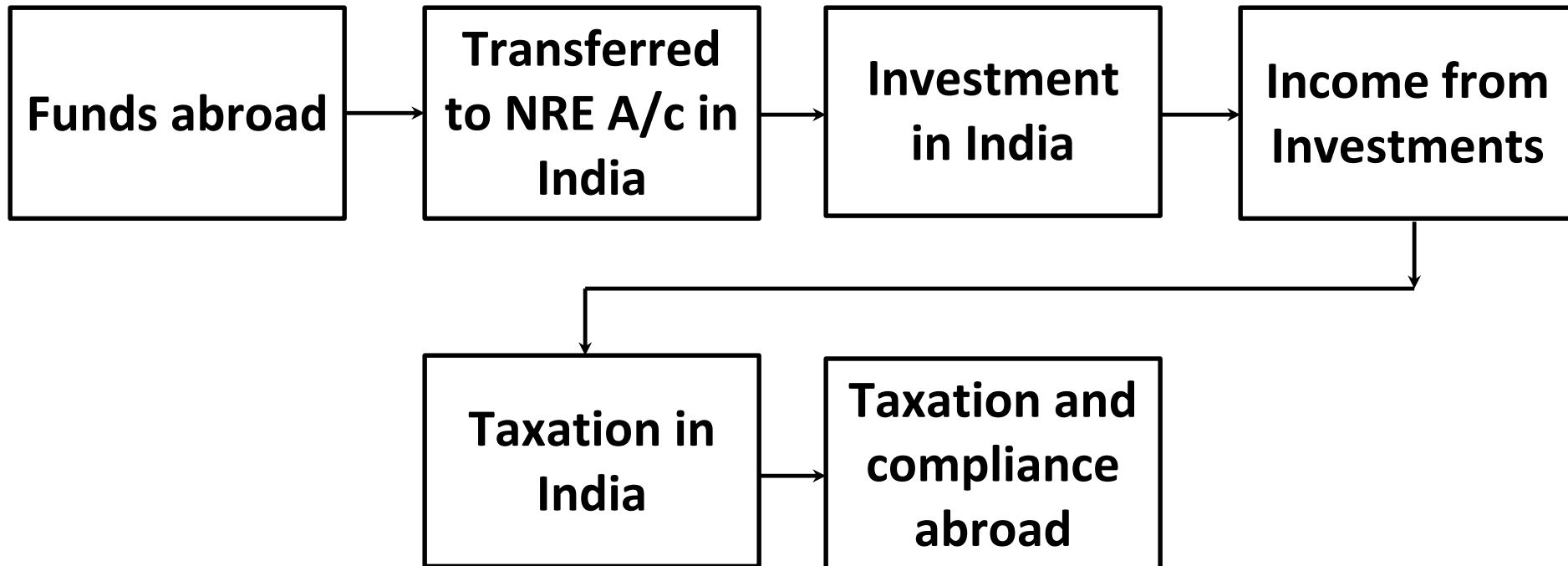
Source: <https://www.grantthornton.in/globalassets/1.-member-firms/india/assets/pdfs/streamlined-filing-workbook.pdf>
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Investment in India in a tax friendly manner : Interesting Case Study

Interesting case study of NRI Planning

Investment intended in India by NRI :

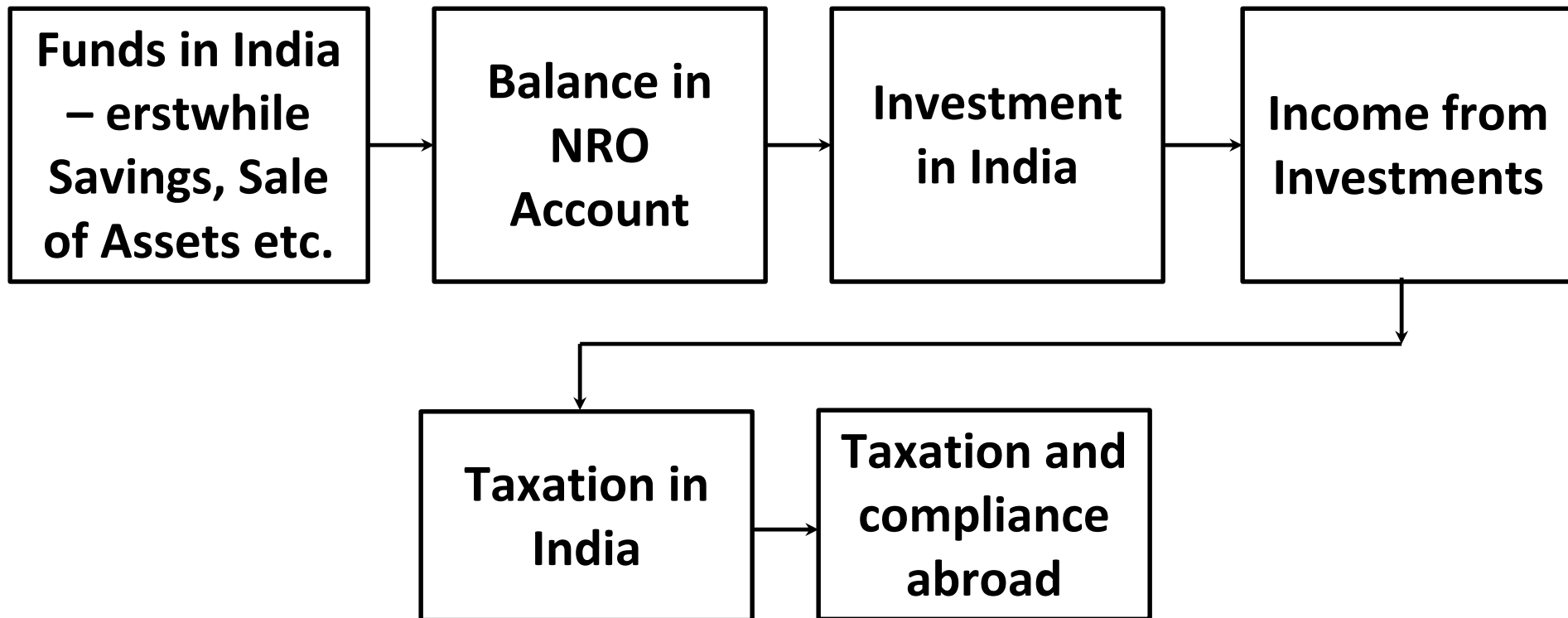
Case 1



Interesting case study of NRI Planning

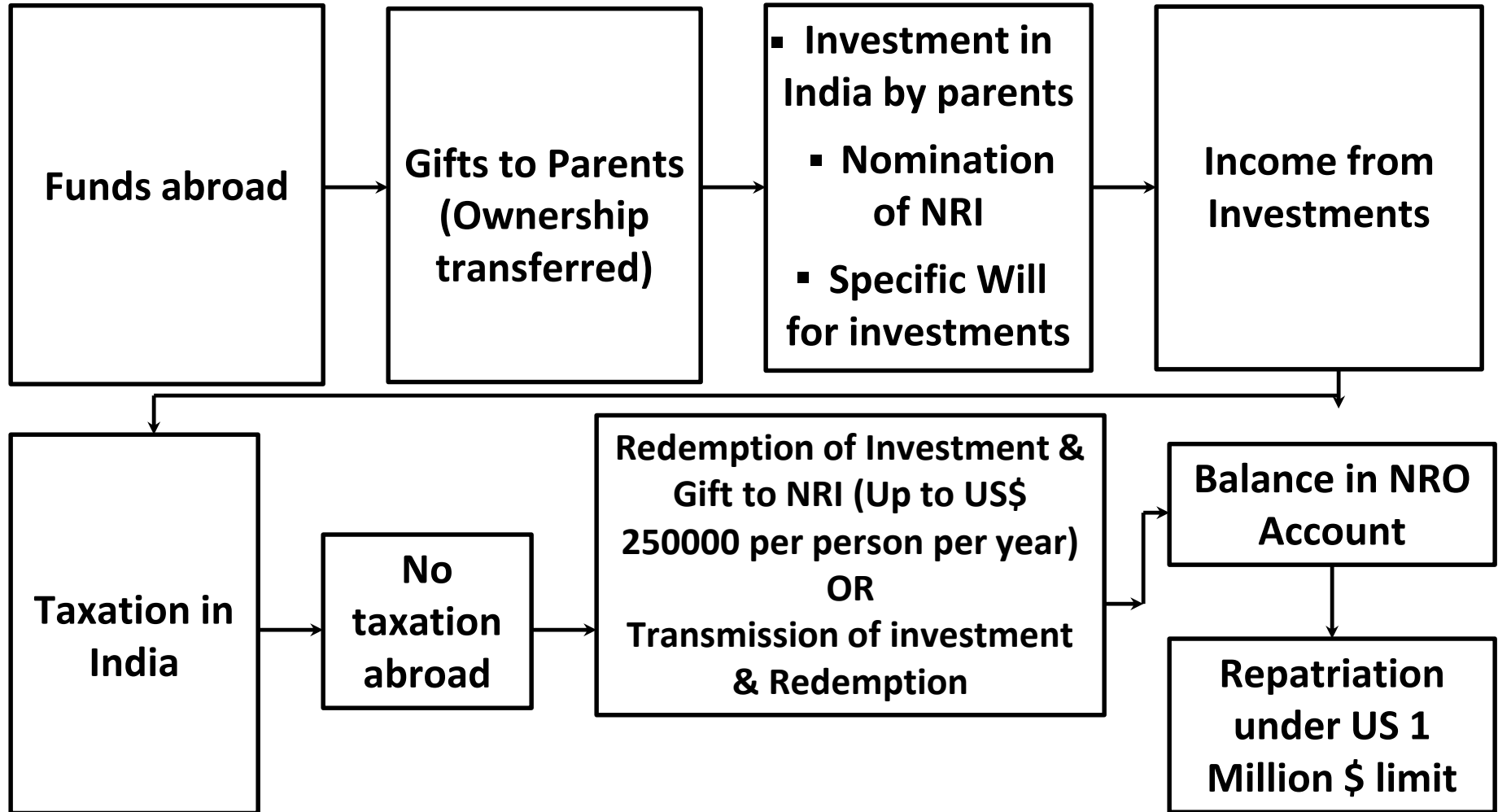
Investment intended in India by NRI :

Case 2



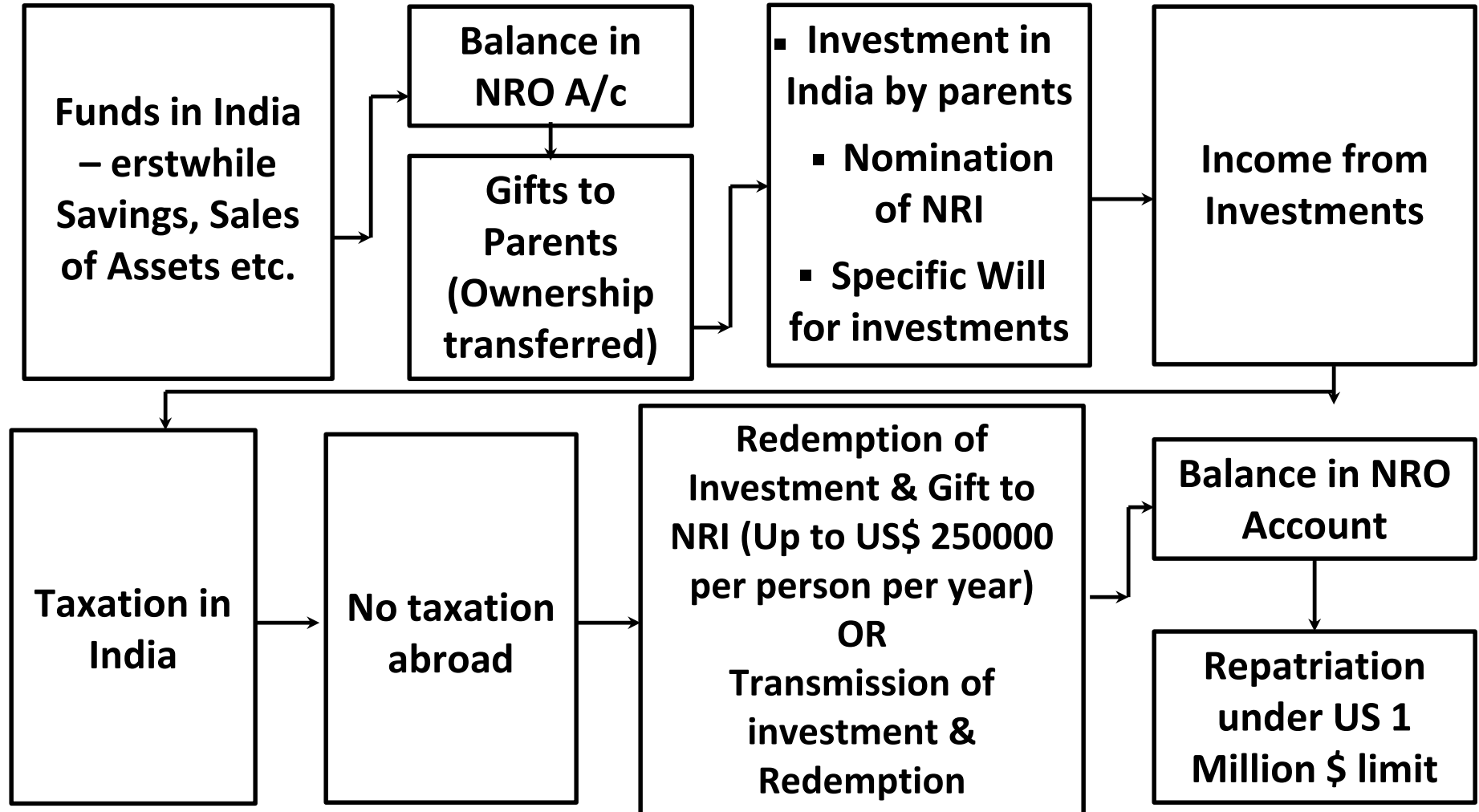
Interesting case study of NRI Planning

Investment intended in India by NRI : Improved version Case 1



Interesting case study of NRI Planning

Investment intended in India by NRI : Improved version Case 2



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