

# Can NRIs build wealth with mutual funds? Yes, they can!

Non Resident Indians (NRIs) can invest in Indian Mutual Funds subject to the provisions of the Foreign Exchange Management Act (FEMA). Investments can be made on repatriable or non-repatriable basis from NRO or NRE accounts respectively. You only need to be KYC compliant to start investing! See below how your investments are taxed.



## Tax Rates for NRI

Category of Units	Tax rates under the Act	TDS rates under the Act
<b>Short Term Capital Gain</b>		
Units of Non-Equity Oriented Scheme	Taxable at normal rates of taxes applicable to the assessee	30% + applicable surcharge + Health and Education cess
Units of Equity Oriented Scheme	15% on redemption of units where STT is payable on redemption	15%+ applicable surcharge + Health and Education cess
<b>Long Term Capital Gain</b>		
Listed Units of a Non-Equity Oriented Scheme	20% with indexation	20% + applicable surcharge + Health and Education cess
Unlisted Units of a Non-Equity Oriented Scheme	10% with no indexation	10% + applicable surcharge + Health and Education cess
Units of an Equity Oriented Scheme	Capital Gains exempt up to Rs. 1 lakh in case of redemption of units and where STT is payable. Tax @10% (without indexation) will be charged on capital gains exceeding Rs. 1 lakhs.	10% + applicable surcharge + Health and Education cess in case of capital gains exceeding Rs. 1 lakh

**call** 1800 4190 200  
**www.ltfs.com**



**L&T Financial Services**  
Mutual Fund

An investor education initiative. Capital Gains Tax and Dividend Distribution Tax on Mutual Funds in India for FY2018-19.  
\*Investors should consult their financial advisers/tax consultant if in doubt about whether the product is suitable for them.

**Mutual Fund investments are subject to market risks, read all scheme related documents carefully.** CL06066