



THE SAFETY POINT



NRI living in USA should invest with Max Life Insurance

Presentation By

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 A Max Financial Services and  MS Joint Venture



THE SAFETY POINT

Rate of Return in USA's Bank Term Deposits: 0.2%



Certificate of Deposit (CD) Accounts

Featured CD account

Get started

Standard Term CD account

Get started

Minimum opening deposit

\$10,000

\$1,000

Term

Choose from multiple options.
7 month to 37 month
[See available terms and rates](#)

Choose any term.
28 days to 10 years
[See available terms and rates](#)

Annual percentage yield (APY)

0.20-0.20%¹
depending on balance and term

0.03-0.15%²
depending on balance and term

Open a Chase Certificate of Deposit

You must be an existing Chase checking customer to open online.

Open a CD account

[See rates and terms to fit your needs >](#)

CD TERM	\$0 - \$999.99	\$10K - \$24,999.99	\$25K - \$49,999.99	\$50K - \$99,999.99	\$100K - \$249,999.99	\$250K+
1-Month	0.02%	0.02%	0.02%	0.02%	0.02%	0.02%
2-Month	0.02%	0.02%	0.02%	0.02%	0.02%	0.02%
3-Month	0.02%	0.02%	0.02%	0.02%	0.02%	0.02%
6-Month	0.10%	0.20%	0.20%	0.20%	0.20%	0.20%
9-Month	0.10%	0.20%	0.20%	0.20%	0.20%	0.20%
12-Month	0.02%	0.02%	0.02%	0.02%	0.05%	0.05%

Average Income Tax Rate in USA: 30%#

NRI has to pay tax on returns from Debt market in USA as per prevailing Person Income Tax Rates as per below table for the year 2020, average rate of income tax is considered at 30% for calculation:



The table below shows the tax bracket/rate for each income level:

Tax Bracket/Rate	Single	Married Filing Jointly	Head of Household
10%	\$0 - \$9,700	\$0 - \$19,400	\$0 - \$13,850
12%	\$9,701 - \$39,475	\$19,401 - \$78,950	\$13,851 - \$52,850
22%	\$39,476 - \$84,200	\$78,951 - \$168,400	\$52,851 - \$84,200
24%	\$84,201 - \$160,725	\$168,401 - \$321,450	\$84,201 - \$160,700
32%	\$160,726 - \$204,100	\$321,451 - \$408,200	\$160,701 - \$204,100
35%	\$204,101 - \$510,300	\$408,201 - \$612,350	\$204,101 - \$510,300
37%	\$510,301+	\$612,351+	\$510,301+

Source: <https://thecollegeinvestor.com/21804/federal-tax-brackets/>

If NRI invest in Traditional Life Insurance in Products in India

> Rate of Return : 6% p.a.*

* Average returns on Traditional par products of Max Life Insurance



If NRI invest in Traditional Life Insurance in Products in India

> Income Tax Rate : 10% #

If a US tax resident takes a life insurance policy in India, As per DTAA between US & India, the maximum tax rate is 10% tax on interest (maturity - premium invested).
 US govt website IIRI for DTAA between India and USA >



ARTICLE 11 INTEREST

1. Interest arising in a Contracting State and paid to a resident of the other Contracting State may be taxed in that other State.
2. However, such interest may also be taxed in the Contracting State in which it arises, and according to the laws of that State, but if the beneficial owner of the interest is a resident of the other Contracting State, the tax so charged shall not exceed :

(a)	10 per cent of the gross amount of the interest if such interest is paid on a loan granted by a bank carrying on a <i>bona fide</i> banking business or by a similar financial institution (including an insurance company) ; and
(b)	15 per cent of the gross amount of the interest in all other cases.



Impact of currency fluctuation 2.74% p.a.*


* Considering last 20 years data, INR has depreciated by ~ 2.74 % p.a. to USD, see below table:

USD INR MOVEMENT LAST 20 YEARS

Year	USD	Last 20 years
May-00	44.08	-44.08
May-01	47.08	-
May-02	48.95	-
May-03	46.87	-
May-04	45.10	-
May-05	43.47	-
May-06	45.33	-
May-07	40.61	-
May-08	42.17	-
May-09	48.48	-
May-10	45.88	-
May-11	44.94	-
May-12	54.47	-
May-13	55.06	-
May-14	59.30	-
May-15	63.78	-
May-16	66.93	-
May-17	64.45	-
May-18	67.55	-
May-19	69.81	-
May-20	75.67	75.67
Fluctuation		2.74%





	USA	India
Rate of Return	0.20%	6.00%
Income Tax Rate	30%	10%
Post Tax Return	0.14%	5.40%
Impact of currency fluctuation	0%	(-) 2.74%
Net Rate of Return	0.14%	2.66% 





NRIs/OCIs can buy while in his country of residence – E model cases



Easy documentation for NRI/OCI proposal forms



Max Life accepts Foreign Currency for premium; easier for NRIs/OCIs



Exemption to NRIs/OCIs from paying GST on life insurance premium if premium received in USD or paid from their Indian NRE/FCNR account



Easy remittance of claims for NRIs/OCIs. If premium paid in USD, then maturity/withdrawal can be taken in USD or any currency of choice; no mandatory requirement of having a Indian bank account



Why should NRI Invest in India

1 Higher GDP Growth prediction than other developed countries

Corona Impact IMF World Economic Outlook

GDP Growth Projections

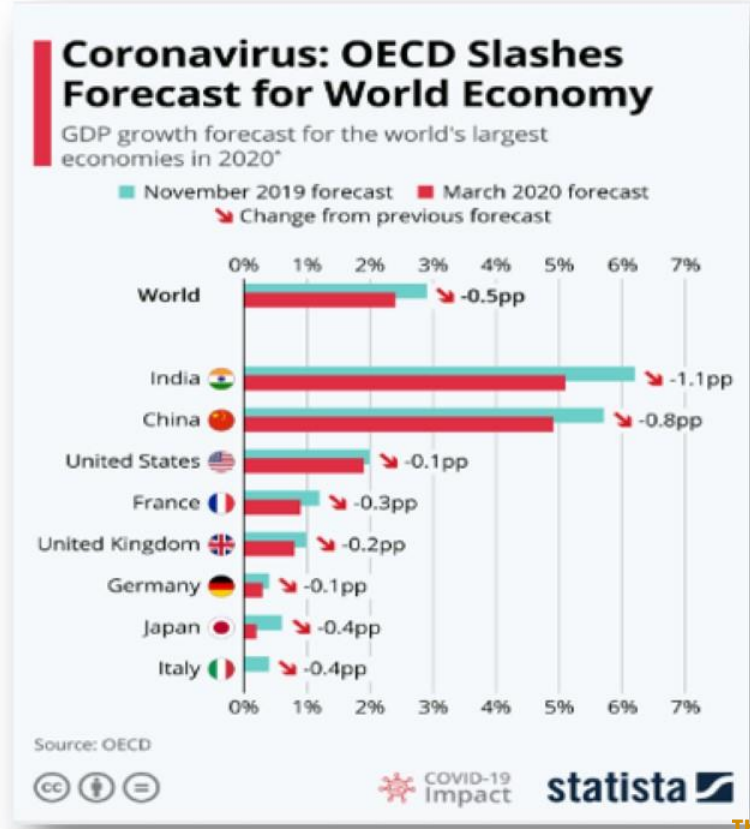
The COVID-19 pandemic will severely impact growth across all regions

Projections

(Real GDP, annual percentage change)	2019	2020	2021
World	2.9	-3.0	5.8
Advanced Economies	1.7	-6.1	4.5
United States	2.3	-5.9	4.7
Euro Area	1.2	-7.5	4.7
Japan	0.7	-5.2	3.0
Emerging Market and Developing Economies (EMDEs)	3.7	-1.0	6.6
China	6.1	1.2	9.2
India	4.2	1.9	7.4
Russia	1.3	-5.5	3.5
Brazil	1.1	-5.3	2.9
Saudi Arabia	0.3	-2.3	2.9
Pakistan	3.3	-1.5	2.0
Bangladesh	7.9	2.0	9.5
South Africa	0.2	-5.8	4.0

India's growth on fiscal basis (2020 denotes 2020-21)
 Source: IMF, World Economic Outlook, April 2020

KBK InfoGraphics



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Positive outlook ahead as more foreign companies to invest in India

Telangana Today

Thursday, May 07, 2020

Can India be the next China in manufacturing?

Though not impossible, experts say scale, infrastructure, investment and ecosystem need to be built first to overcome competition and attract opportunities



THE TIMES OF INDIA
BUSINESS

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TOP STORIES Screen Calc Netaji Situation AI Jobs WASH STATE Risk Calc

Covid-19: India looks to lure more than 1,000 US companies out of China

Bloomberg | Updated May 7, 2020, 10:37 ET

NEW DELHI India is seeking to lure US businesses, including medical devices giant Abbott Laboratories, to relocate from China as President Donald Trump's administration steps

Coronavirus Advisory Business Standard Business Standard PODCAST

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India offers land twice Luxembourg's size to companies leaving China

Land has been one of the biggest impediments for companies looking to invest in India, with the plans of Saudi Aramco to Posco frustrated by delays in acquisition

FINANCIAL EXPRESS HOME MARKETS STOCKS INDUSTRY ECONOMY MONEY AUTO INFRA SME BRANDWAGON INDIA HINDI

Waking up 'sleeping giant': PM Modi urges India's states to woo global cos leaving China

By: Samrat Sharma | Published: April 28, 2020 2:00:00 PM

Narendra Modi has asked Chief Ministers to prepare well to attract investments from the global companies as they might want to exit China.



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3 Indian Equity market has outperformed world equity market in past

Past 15 years

Date	BSE Sensex	FTSE 100	NYSC Composite	Nikkei 225	Dow Jones	Hang Seng	Straits Times
Jan' 2005	6626	4814	7250	11458	10784	14216	2065
Dec' 2019	41254	7542	13913	23771	28538	28190	3223
Annualized return	12.96%	3.04%	4.44%	4.98%	6.70%	4.67%	3.01%

Past 20 years

Date	BSE Sensex	FTSE 100	NYSC Composite	Nikkei 225	Dow Jones	Hang Seng	Straits Times
Jan' 2000	5210	6930	6762	18937	11502	17058	2502
Dec' 2019	41254	7542	13913	23771	28538	28190	3223
Annualized return	10.89%	0.42%	3.67%	1.14%	4.65%	2.54%	1.27%



4

Higher interest rates in India at present than other countries

India	USA	UK	UAE	Australia	New Zealand	Singapore	China
6.00%	0.20%	0.70%	1.40%	1.00%	1.85%	0.90%	2.75%



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**Maximum Interest rates offered by leading Banks for Term Deposits*



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Products

 A Max Financial Services and  MS Joint Venture

Smart Wealth Plan – Lump sum Benefit Option



Mr. Ravi & his Daughter

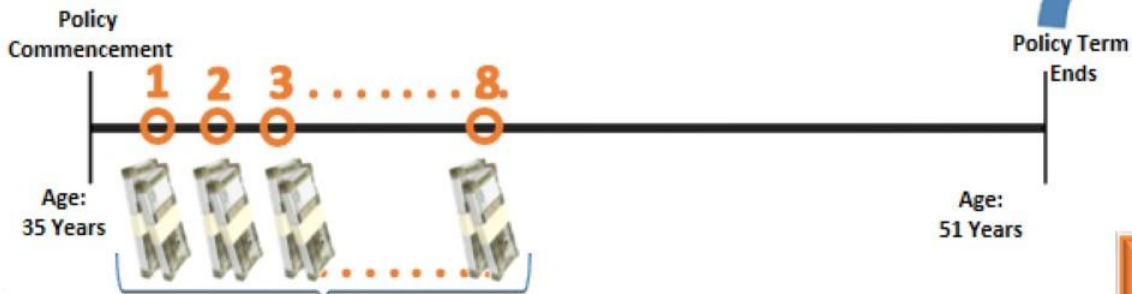
Mr. Ravi,
Age: 35 Years

Need Identified:
Build a corpus
for his
Daughter's
Education

Daughter's
Details:
Name: Ria
LI Age: 2 Years

Solution:
Max Life
Smart
Wealth
Plan

PPT: 8 years
PT: 16 years
Premium:
10 Lac p.a.



Annual Premium Paid = Rs. 10 Lac
Total Premium Paid in 8 years (10*8) = Rs. 80 Lacs



Rs. 1,60,67,600
(Rs. 1.60 cr)
Guaranteed Maturity
Benefit



Smart Wealth Plan - Long Term Income Benefit Option



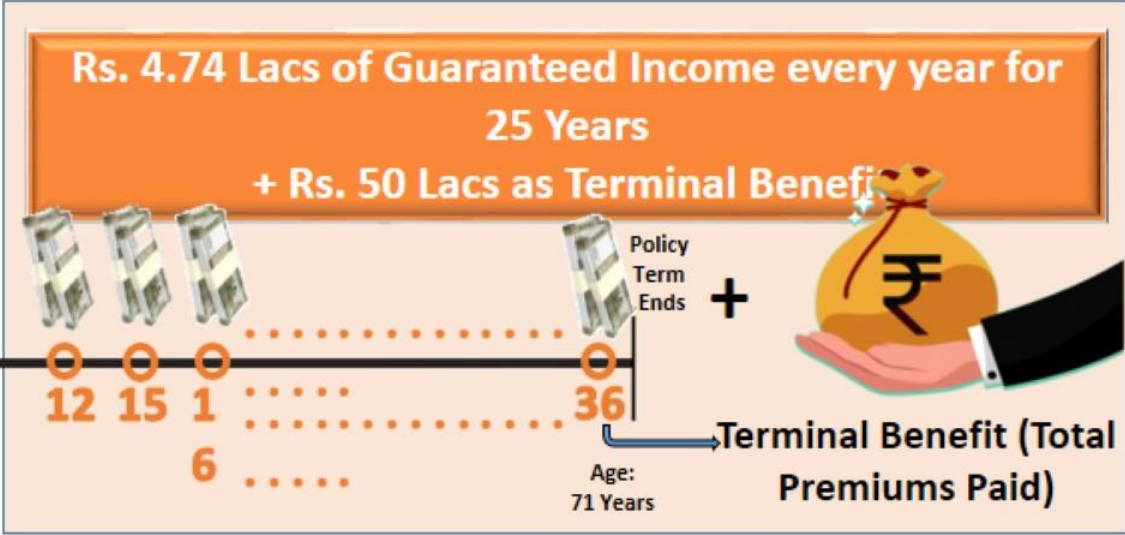
Mr. Agrim

Mr. Agrim,
Age: 35 Years

Need Identified:
Wants guaranteed income to fulfill his Early Retirement needs

Solution:
Max Life Smart Wealth Plan

PPT: 10 years
Premium: 5 Lacs p.a.



Annual Premium Paid = Rs. 5 Lac
Total Premium Paid in 10 years = Rs. 50 Lacs

LIVING BENEFITS

Annualized Premium : Rs 10,03,500
 Total Premium Paid: Rs 12,042,000.00

Guaranteed Monthly Income for 10 years = Rs 1,25,000

Lump- sum payable at Maturity
 @4% = Rs 9,73,896
 @8% = Rs 1,19,22,959



Year 1
 Age: 35 years



Year 13
 Age: 47 years
 End of Premium Paying term

Year 22
 Age: 56 years

DEATH BENEFITS

Annualized Premium : Rs 10,03,500
 Total Premium Paid: Rs 5,017,500

Death benefit = 1,50,00,000

Future premiums due from year 6 to year 12 are waived off by Max life

Guaranteed Monthly Income for 10 years = Rs 1,25,000



Lump- sum payable at Maturity
 @4% = Rs 9,73,896
 @8% = Rs 1,19,22,959



Year 1
 Age: 35 years



Year 5
 Age: 40 years



Year 13

Annualized Income :Rs 15,00,000
 Total Income : Rs 150,00,000



Name: Rahul
Age: 35
Male; Non Smoker

Annual Premium : Rs 10,00,000
Total Premium : Rs 50,00,000

End of Premium Paying Term

Maturity Benefit @8% : Rs 81,00,405

Year 1
Age: 35



Year 5
Age: 40



Year 10
Age: 45

Annual Premium : Rs 10,00,000
Total Premium : Rs 50,00,000

End of Premium Paying Term

Death Benefit: Rs 1,00,00,000

Year 1
Age: 35



Year 5
Age: 40



Year 10
Age: 45



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Thank You

 A Max Financial Services and  MS Joint Venture