

Changes made in GST Law for Real Estate Sector

Government has issued most awaited notifications implementing far reaching changes in the GST regime on Real estate sector. These amendments effective from 1.04.2019. Following is a gist of these changes:

Please note, that the effective date of applicability of all the following amendments shall be 1.04.2019 and will be applicable for both intra as well inter-state transactions wherever applicable.

I. Important terms used in the notifications

1. **Ongoing Project** shall mean a project which fulfils **ALL** the following main and sub conditions:

Sr. No.	Conditions
If Construction Commencement Permission Certificate is required	
1.	Construction Commencement Permission Certificate (Raja Chithi) in respect of the project has been issued by the competent authority wherever required on or before 31.03.2019
2.	It is certified by any of the following persons that construction of the project has started on or before 31.03.2019 <ol style="list-style-type: none">ArchitectChartered EngineerLicensed Surveyor
If Construction Commencement Permission Certificate is NOT required	
1.	It is certified by any of the following persons that construction of the project has started on or before 31.03.2019 <ol style="list-style-type: none">ArchitectChartered EngineerLicensed Surveyor
For both the above, Construction of a project shall be considered to have started on or before 31.03.2019, if <ul style="list-style-type: none">Earthwork for site preparation for the project has been completed andExcavation for foundation has started on or before the 31.03.2019	

3.	Completion Certificate has not been issued or first occupation of the project has not taken place on or before 31.03.2019
4.	Apartments being constructed under the project have been, partly or wholly, booked on or before the 31.03.2019.
	<p><u>Apartment booked on or before the 31.03.2019</u> shall mean an apartment which meets all the following three conditions, namely-</p> <p>a. Part consideration has become due and payable on or before the 31.03.2019 and</p> <p>b. At least one instalment has been credited to the bank account of the registered person on or before the 31.03.2019 and</p> <p>c. An allotment letter or sale agreement or any other similar document evidencing booking of the apartment has been issued on or before the 31.03.2019</p>

2. **“Project which commences on or after 1.04.2019”** shall mean a project other than an ongoing project

3. **Affordable residential apartment** shall mean, -

(a) a residential apartment in a new project (which commences on or after 1.04.2019) or in an ongoing project in respect of which the promoter has not exercised option to pay tax @ 8%, as the case may be, having

- i. carpet area not exceeding 60 square meter in metropolitan cities or
- ii. 90 square meter in cities or towns other than metropolitan cities and
- iii. for which the gross amount charged is equal to or less then Rs. 45 lacs.

For the purpose of this clause, -

(i) Metropolitan cities are

- a. Bengaluru,
- b. Chennai,
- c. Delhi NCR (limited to Delhi, Noida, Greater Noida, Ghaziabad, Gurgaon, Faridabad),
- d. Hyderabad,
- e. Kolkata and
- f. Mumbai (whole of MMR) with their respective geographical limits prescribed by an order issued by the Central or State Government in this regard

(ii) For calculating limit of Rs 45 lacs – following shall be included:

- Consideration charged for the apartment
- Amount charged for the land portion
- Any other amount charged by the promoter from the buyer of the apartment including preferential location charges, development charges, parking charges, common facility charges etc.

(b) an apartment being constructed in an ongoing project under any of the affordable schemes specified in earlier notification, in respect of which the promoter has not exercised option to pay tax @ 8%

4. **'Promoter'** shall have the same meaning as assigned to it in in clause (zk) of section 2 of the Real Estate (Regulation and Development) Act, 2016 (16 of 2016)

Section 2 (zk) pf RERA Act reads as under:

(zk) "promoter" means,—

- (i) a person who constructs or causes to be constructed an independent building or a building consisting of apartments, or converts an existing building or a part thereof into apartments, for the purpose of selling all or some of the apartments to other persons and includes his assignees; or

- (ii) *a person who develops land into a project, whether or not the person also constructs structures on any of the plots, for the purpose of selling to other persons all or some of the plots in the said project, whether with or without structures thereon; or*
- (iii) *any development authority or any other public body in respect of allottees of—*
 - (a) *buildings or apartments, as the case may be, constructed by such authority or body on lands owned by them or placed at their disposal by the Government; or*
 - (b) *plots owned by such authority or body or placed at their disposal by the Government, for the purpose of selling all or some of the apartments or plots; or*
- (iv) *an apex State level co-operative housing finance society and a primary co-operative housing society which constructs apartments or buildings for its Members or in respect of the allottees of such apartments or buildings; or*
- (v) *any other person who acts himself as a builder, coloniser, contractor, developer, estate developer or by any other name or claims to be acting as the holder of a power of attorney from the owner of the land on which the building or apartment is constructed or plot is developed for sale; or*
- (vi) *such other person who constructs any building or apartment for sale to the general public.*

Explanation.—For the purposes of this clause, where the person who constructs or converts a building into apartments or develops a plot for sale and the persons who sells apartments or plots are different persons, both of them shall be deemed to be the promoters and shall be jointly liable as such for the functions and responsibilities specified, under this Act or the rules and regulations made thereunder;

5. Term “**Real Estate Project (REP)**” shall have the same meaning as assigned to it in in clause (zn) of section 2 of the Real Estate (Regulation and Development) Act, 2016 (16 of 2016);

Section 2 (zn) pf RERA Act reads as under:

"real estate project" means the development of a building or a building consisting of apartments, or converting an existing building or a part thereof into apartments, or the development of land into plots or

apartment, as the case may be, for the purpose of selling all or some of the said apartments or plots or building, as the case may be, and includes the common areas, the development works, all improvements and structures thereon, and all easement, rights and appurtenances belonging thereto;

6. Term **“Residential Real Estate Project (RREP)”** shall mean a REP in which the carpet area of the commercial units is not more than 15 % of the total carpet area of all the units in the REP
7. The term **“carpet area”** shall have the same meaning assigned to it in in clause (k) of section 2 of the Real Estate (Regulation and Development) Act, 2016 (16 of 2016)

Section 2 (k) pf RERA Act reads as under:

"carpet area" means the net usable floor area of an apartment, excluding the area covered by the external walls, areas under services shafts, exclusive balcony or verandah area and exclusive open terrace area, but includes the area covered by the internal partition walls of the apartment. Explanation.— For the purpose of this clause, the expression "exclusive balcony or verandah area" means the area of the balcony or verandah, as the case may be,

8. **“Floor space index (FSI)”** shall mean the ratio of a building’s total floor area (gross floor area) to the size of the piece of land upon which it is built.
9. **“Developer- promoter”** is a promoter who constructs or converts a building into apartments or develops a plot for sale,
10. **“Landowner- promoter”** is a promoter who transfers the land or development rights or FSI to a developer- promoter for construction of apartments and receives constructed apartments against such transferred rights and sells such apartments to his buyers independently.

II. Changes in Rates and conditions to be fulfilled [Noti. 3/2019-CTR amending 11/2017-CTR]

A. Rates from 1.04.2019 on different types of real estate

Type of Project	New or Ongoing Project	Option of Low Rate exercised	Rate of GST
Affordable Housing Project	Ongoing Project	No	8 %
	Ongoing Project	Yes	1 %
	New Project	Not Required	1 %
Normal Residential Project (Non-Affordable)	Ongoing Project	No	12 %
	Ongoing Project	Yes	5 %
	New Project	Not Required	5 %
Mix Residential Project - Affordable Flat - Normal Flat	Ongoing Project	No	8 % 12 %
	Ongoing Project	Yes	1 % 5 %
	New Project	Not Required	1 % 5 %
Units in a mix project where Commercial units are LESS THAN 15% of the total carpet area - Affordable Flat - Normal Flat - Commercial unit	Ongoing Project	No	8 % 12 % 12 %
	Ongoing Project	Yes	1 % 5 % 5 %
	New Project	Not Required	1 % 5 % 5 %
Units in a mix project where Commercial units are MORE THAN 15% of the total carpet area - Affordable Flat - Normal Flat - Commercial unit	Ongoing Project	No	8 % 12 % 12 %
	Ongoing Project	Yes	1 % 5 % 12 %
	New Project	Not Required	1 % 5 % 12 %
Commercial units in a Commercial Project	Ongoing or New	Not Applicable	12 %

Please note:

In case of Affordable Housing projects if one wants to opt for paying GST at old rate of 8% in an ongoing project than schemes as specified prior to this amendment will still have to be complied with. Definition of affordable housing as discussed in this alert will apply only if the builders opt for paying 1% for that project.

For residential projects commencing on or after 1.04.2019, there would be only 2 categories available as defined and explained in this alert.

- a. Affordable Housing Projects – taxable @ 1%
- b. Normal or Non-Affordable Housing Projects – taxable @ 5%

B. Conditions to be met for becoming eligible for low rate option

1. Tax will have to be paid in cash only. In other words tax payable @ 5% or 1% cannot be paid by using credit lying in balance.
2. Input Tax Credit (ITC) on goods or services must not be availed except as prescribed
3. Builder will have to reverse ITC availed pre 31.03.2019 which is equivalent to the ITC attributable to construction in a project, time of supply of which is on or after 1.04.2019, which shall be calculated as prescribed. This reversal will have to be made by reversing credit lying in balance or by cash.
4. Builder will have to compulsorily maintain project wise accounting; common expenses will have to be bifurcated in some prudent manner between projects.
5. ITC reversal as prescribed will have to be done on Project wise basis and not on company basis, if a company has 5 projects running at a time then the ITC availment as well as reversal will be done per project basis.
6. Where a landowner-promoter who transfers development right or FSI to a developer against consideration, wholly or partly, in the form of construction of apartments

- (i) Developer shall pay tax on such supply of construction of apartments, and
 - (ii) Such landowner-promoter shall be eligible for ITC of taxes charged from him by the developer towards such supply apartments, provided the landowner further sells these apartments to his buyers before issuance of completion certificate or first occupation, whichever is earlier, and pays tax on the same which is not less than the amount of tax charged from him on construction of such apartments by the developer- promoter.
7. 80% of value of input and input services used in supplying the service except the following **must be received from registered supplier only.**
- a. Services by way of grant of TDR, long term lease of land or FSI,
 - b. Electricity,
 - c. High speed diesel, motor spirit,
 - d. Natural gas,
8. Inputs and input services on which tax is paid on RCM basis shall be deemed to have been purchased from registered person
9. In case procurements from registered supplier are below 80%, then the builder will have to pay GST on the differential portion at a flat rate of 18% so as to reach the 80% mark. In case Cement is purchased from an unregistered person, then the builder will be liable to pay tax under RCM @ 28% on the same. Tax on cement received from unregistered person shall be paid in the month in which cement is received.
10. The promoter shall maintain project wise account of inward supplies from registered and unregistered supplier and calculate tax payments on the shortfall at the end of the financial year and shall submit the same in the prescribed form electronically on the common portal by end of the quarter following the financial year. The tax liability on the shortfall of inward supplies from unregistered person so determined shall be added to his output tax liability in the month not later than the month of June following the end of the financial year.

11. ITC not availed shall be reported every month by reporting the same as ineligible credit in GSTR-3B [Row No. 4 (D)(2)].
12. If a builder wants to opt for the existing 12% / 8% scheme then he will have to submit the same in writing to the Jurisdictional Commissioner as per the format given in Annexure IV below. This letter has to be physically submitted in the department office.
13. Option has to be submitted project wise and not unit wise or company wise.
14. Builders can exercise this option latest by 10th May 2019. Demand Notes / Invoices can be issued during this intervening period of 1.04.2019 to 10.05.2019 before exercising the option, but such invoices shall be in accordance with the option to be exercised.
15. If above option letter is not submitted by 10th May 2019, then it will be deemed that the builder has opted for the lower rate scheme of 5% / 1%.

Please note there is no change in GST rates for purely Commercial Projects or sale of Commercial units in a mix real estate project having commercial content of more than 15% of the total project carpet area.

C. Contractor providing Works Contract services to builder of an affordable residential apartment

Contractors providing construction, erection, commissioning, installation, completion, fitting out, repair, maintenance, renovation, or alteration in relation to a **new or ongoing Affordable residential apartment** would be liable to pay GST @ 12%. Following conditions will have to be fulfilled:

1. Builder of such affordable residential apartment will have to opt for paying GST @ 1% on such apartments
2. In case of a project having affordable as well as normal apartments or commercial units in the project then Carpet area of the affordable residential apartments must not be less than 50 % of the total carpet area of all the entire project

3. For the purpose of determining whether the apartments at the time of construction are affordable residential apartments or not, value of the apartments shall be the value of similar apartments booked nearest to the date of signing of the contract for Supply of construction service.
4. In case it finally turns out that the carpet area of the affordable residential apartments booked or sold before or after completion, for which gross amount actually charged was Rs. 45 lakhs or less and the actual carpet area was within the limits prescribed, was less than 50% of the total carpet area of the project, the recipient of the service, that is, the builder shall be liable to pay such amount of tax on RCM basis as is equal to the difference between the tax payable on the service at the applicable rate but for the rate prescribed herein and the tax actually paid at the rate prescribed herein.

Please note above reduction in GST rate is applicable only for contractors providing construction and allied services to an affordable residential apartment only and not otherwise. Contractors providing construction services to commercial or Non affordable residential real estate apartment would be taxable @ 18% as earlier. **This rate is qua the individual apartments and not the project.**

III. Valuation of Transfer or Development Rights or FSI [Noti.3/2019-CTR]

Where a registered person transfers development right (TDR) or FSI to a promoter against consideration in the form of construction of apartments, the value of construction service in respect of such apartments shall be deemed to be equal to the Total Amount charged for similar apartments in the project from the independent buyers, nearest to the date on which such TDR or FSI is transferred to the promoter, less the value of transfer of land if any.

IV. Exemption from levy of GST on TDR, FSI or Long-term Lease of Land [Noti. 4/2019-CTR – amends 12/2017-CTR]

Following would be exempt from levy of GST effective from 1.04.2019.

A. Sale of TDR or FSI on or after 1.04.2019 for construction of residential apartments by a promoter in a project which is intended for sale to a buyer. Conditions attached for this exemption are as under:

- Amount of GST exemption available for construction of residential apartments in the project under this notification shall be calculated as under:

[GST payable on TDR or FSI for construction of the project] x (carpet area of the residential apartments in the project ÷ Total carpet area of the residential and commercial apartments in the project)

- Builder purchasing (recipient) the TDR or FSI shall be liable to pay tax at the applicable rate, on RCM basis, on such proportion of value of TDR or FSI, as is attributable to the residential apartments, which remain un-booked on the date of issuance of completion certificate, or first occupation of the project, as the case may be, in the following manner:

[GST payable on TDR or FSI (including additional FSI) or both for construction of the residential apartments in the project but for the exemption contained herein] x (carpet area of the residential apartments in the project which remain un- booked on the date of issuance of completion certificate or first occupation ÷ Total carpet area of the residential apartments in the project)

- Tax payable by the recipient of TDR as explained above shall not exceed 0.5% of the value in case of affordable residential apartments and 2.5% of the value in case of residential apartments other than affordable residential apartments remaining un- booked on the date of issuance of completion certificate or first occupation. The liability to pay central tax on the said portion of the TDR or FSI, calculated as above, shall arise on the date of completion or first occupation of the project, as the case may be, whichever is earlier.

B. Long term Lease of Land

Upfront amount (called as premium, salami, cost, price, development charges or by any other name) payable in respect of service by way of granting of long-term lease of 30

years, or more, on or after 01.04.2019, for construction of residential apartments by a promoter in a project, intended for sale to a buyer. Conditions for this exemption are as under:

- The amount of GST exemption in case of a mix project having residential as well as commercial units for construction under this notification shall be calculated as under.:

[GST payable on upfront amount (called as premium, salami, cost, price, development charges or by any other name) payable for long term lease of land for construction of the project] x (carpet area of the residential apartments in the project ÷ Total carpet area of the residential and commercial apartments in the project).

- Purely residential project will get full exemption at the initial stage, only if some flats remain unsold post CC, builder will have to pay tax under RCM on proportionate basis.
- Recipient (builder) of the long term lease shall be liable to pay tax at the applicable rate, on RCM basis, on such proportion of value of upfront amount, as is attributable to the residential apartments, which remain un-booked on the date of issuance of completion certificate, or first occupation of the project, as the case may be, in the following manner:

[GST payable on upfront amount for long term lease of land for construction of residential apartments in the project but for the exemption contained herein] x (carpet area of the residential apartments in the project which remain un- booked on the date of issuance of completion certificate or first occupation ÷ Total carpet area of the residential apartments in the project)

- Tax payable by the recipient of Upfront amount as explained above shall not exceed 0.5% of the value in case of affordable residential apartments and 2.5% of the value in case of residential apartments other than affordable residential apartments remaining un- booked on the date of issuance of completion

certificate or first occupation. The liability to pay central tax on the said portion of the Upfront amount, calculated as above, shall arise on the date of completion or first occupation of the project, as the case may be, whichever is earlier.

V. New supplies brought under Reverse Charge Mechanism [Noti.5/2019-CTR – amends 13/2017-CTR]

Following services have been added to the list of RCM

- Services supplied by any person by way of transfer of development rights (TDR) or Floor Space Index (FSI) for construction of a **residential or commercial** project by a promoter
- Long term lease of land (30 years or more) by any person against consideration in the form of upfront amount (called as premium, salami, cost, price, development charges or by any other name) and/or periodic rent for construction of a **residential or commercial** project by a promoter.

In both the above cases, builder (promoter) receiving above supplies will be liable to pay tax under RCM. Please note that both the services have also been granted exemption as discussed in point no. 4, however there are certain instances where tax will be leviable which will now be payable by the recipient (builder) and not the supplier of TDR, FSI or long-term lease.

VI. Procurement of Goods and services from an unregistered person brought under Reverse Charge Mechanism [Noti. 7 & 8/2019-CTR]

Promoter into construction of projects which are taxed 5% / 1% and who procure goods or services from an unregistered person will be required to pay GST on these procurements under RCM. Following is the gist of this change:

1. Promoter is required to procure 80% of goods and services from a registered person. For calculating this 80% mark following goods or services will not be taken into consideration:

- TDR, FSI or long-term lease of land
 - Electricity,
 - High speed diesel, motor spirit,
 - Natural gas
2. RCM will apply on all types of goods or services procured from an unregistered person which constitute the shortfall from the minimum value of goods or services or both required to be purchased by a promoter for construction of project, in a financial year or part of the financial year till the date of issuance of completion certificate or first occupation, whichever is earlier.
 3. Every builder executing a residential project (taxable @ 5% / 1%) will have to calculate this 80% value, if the actual value is less than 80% then he will be required to pay tax on the differential value at a flat rate of 18% on it irrespective of the rate applicable on that item.
 4. If Cement is purchased from an unregistered person then builder will be required to pay GST @ 28% under RCM.
 5. Harmonised reading of this rule would mean that first one must cull out if any cement is purchased from an URP, if so then calculate 28% thereon straightaway. Now calculate 80% mark considering cement in it, if the procurement still do not reach the 80% mark then one will have to pay GST @ 18% on the differential value.
 6. If Capital goods are purchased from an unregistered person then builder will be required to pay GST under RCM at the rate applicable

VII. Time of Supply in case TDR, FSI and long-term lease of land are given in barter for constructed units [Noti. 6/2019-CTR]

Persons who receive on or after 1.04.2019

1. TDR or FSI for construction of any type of project, or

2. Long-term lease of land for construction of residential apartments in a project

Time of Supply (date on which tax liability arises) on the following transactions shall arise on the date of issuance of completion certificate for the project or on its first occupation, whichever is earlier.

- b) Consideration in form of Constructed residential or commercial units for supply of TDR or FSI
- c) Consideration in form of Money relatable to construction of residential apartments in project
- d) Upfront amount paid by him for long term lease of land relatable to construction of residential apartments in the project
- e) Consideration in form of Supply of construction service (contractors) for TDR or FSI

VIII. Input Tax Credit Reversal norms changed [Notification 16/2019-CT]

Norms for reversal of credit for real estate industry has been completely restructured. Earlier one was required to reverse ITC based on taxable and exempt turnovers achieved in a particular financial year, accordingly ITC in the year when the builder received completion certificate were only considered for ITC reversal calculations and not the entire project ITC.

Effective from 1.04.2019, criteria for ITC reversal for builders is being shifted from Turnover based to area based. ITC availed (starting 1.07.2017) during the entire project would have to be considered while calculating ITC reversal.

Lets understand this change with help of an example:

A. ITC reversal norms existing pre 1.04.2019

Project started on 1.04.2018 and completion certificate was received on 1.10.2020, financials for the project looked like this:

(Amounts in Crore)

Year	Carpet Area	Turnover	Tax payable	ITC Availed	Net Tax paid
2018-19	1,000 Sq Ft	10	1.20	3	0
2019-20	2,000 Sq Ft	20	2.40	5	0
2020-21 (1 st 6 mnths)	3,000 Sq Ft	30	3.60	1	0
2020-21 (2 nd 6 mnths)	1,000 Sq Ft	10	1.20	1	0
2021-22	3,000 Sq Ft	30	Nil	Nil	Nil
Total	10,000 Sq Ft	100	8.40	10	1.60 ITC C/F
Less: ITC Reversal				1.50	
Net Totals			8.40	8.50	0.10 ITC C/F

In the first 2 years one was not required to reverse any ITC because company had no exempt turnover in those years, in FY 2020-21 company received completion certificate and, in this year taxable turnover is 10 Cr and exempt turnover is 30 Cr. It had availed ITC of Rs. 2 Cr in the year. 75% of the turnover in 2020-21 was exempt accordingly company was required to reverse ITC on proportionate basis which comes to Rs. 1.50 Cr (2 Cr x 75%)

B. New ITC reversal norms

Considering the same financials ITC Reversal as per new norms would be as under:

(Amounts in Crore)

Year	Carpet Area	Turnover	Tax payable	ITC Availed	Net Tax paid
2018-19	1,000 Sq Ft	10	1.20	3	0
2019-20	2,000 Sq Ft	20	2.40	5	0
2020-21 (1 st 6 mnths)	3,000 Sq Ft	30	3.60	1	0
2020-21 (2 nd 6 mnths)	1,000 Sq Ft	10	1.20	1	0
2021-22	3,000 Sq Ft	30	Nil	Nil	Nil
Total	10,000 Sq Ft	100	8.40	10	1.60 ITC C/F
Less: ITC Reversal				3.00 Cr	
Net Totals			8.40	7.00 Cr	1.40 Cr payable

As per new norms ITC reversal will now be done basis the carpet area of the units which have not be sold till the receipt of Completion Certificate (CC) and total carpet area of the project. In the above example, 3000 Sq Ft of space has been sold after receiving CC and

aggregate area is 10,000 Sq ft, accordingly builder will be required to reverse 30% (3000 / 10000) of the total project credit which comes to 3.00 Cr (30% of 10 Crores).

In the earlier norms even after reversal, company carried forward credit of Rs. 10 lacs and was not required to pay a penny in cash, however as per new norms company would be required to reverse credit of Rs. 3 crores and therefore will have to pay 1.40 crores in cash.

Credits carried forwarded during transition vide tran 1 returns will also have to be taken for calculating final reversal figures. However, credit availed and utilized prior to 1.07.2017 will not form part of this calculation.

This change will be applicable to all projects where Completion certificate is received on or after 1.04.2019 and working would be done on project basis and not company wise basis.

Conclusion

Most home buyers were awaiting reduction of rates in residential real estate as 12% proved to be too high and many times it became prohibitory. Many of the Builders were not passing on the benefit of increase in ITC post GST to their customers. Pendulum in this case was skewed completely in favour of builders as they were the sole beneficiaries of the excess ITC reducing their cost of projects.

One of the promises of GST was that it will be simple to understand, execute and comply for taxpayers. After last council meeting everyone understood that rates on residential projects were going down to 5% / 1% - Simple!!!

But as they say in Taxation, devil is always in the fine print. 8 notifications running into 51 pages have been issued for implementing this simple sounding amendment. This change has been made so difficult for the builders that it will be near impossible not to commit a mistake. Pendulum which was skewed in favour of builders has been completely swung in favour of Government whereas it should have swung in favour of the most important stakeholder – the home buyer. Based on the massive changes announced, builders will simply pass on the

increased tax costs to their hapless customers and the entire purpose of bringing about this change will be lost.

Drafters of Tax policy must not succumb to perception management but must make an honest effort of marrying simplicity with revenue maximisation. With these amendments, entire GST structure for real estate sector has been messed up.

Formulated by:

N J Jain & Associates

Chartered Accountants

CA Nitesh Jain

Managing Partner

CA Gaurav Khetan

Partner

CA Praveen Maheshwari

Partner

CA Jay Dalwadi

Partner

Disclaimer

This GST Alert is only for the purpose of information and does not constitute or purport to be an advise or opinion in any manner. The information provided is not intended to create advisor-client relationship and is not for advertising or soliciting. N J Jain & Associates do not intend in any manner to solicit work through this Tax Alert. The Tax Alert is only to share information based on recent developments and regulatory changes. N J Jain & Associates is not responsible for any error or mistake or omission in this Tax Alert or for any action taken or not taken based on the contents of this Tax Alert. Business decisions are best taken in close consultation with the advisors.