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Charge

Extra provisions for detailed and comprehensive study

31.4 REAL ESTATE SERVICES

In the case of following services also, tax is payable by the recipient under RCM:

Entry No.	Category of supply of services	Supplier of service	Recipient of service
5B Transfer of TDR/FSI	Transfer of development rights (TDR) or Floor Space Index (FSI) (including additional FSI) for construction of a project by a promoter.	Any person	Promoter

Such service is exempt subject to conditions [para 53]. If not exempt, tax is payable by promoter under RCM.

Floor Space Index (FSI) – It means 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. It denotes the maximum permissible floor area that a builder can build on a particular plot or piece of land. It is also known as Floor Area Ratio (FAR). For example, if land is 1,000 sq. ft. and FSI is 1.5, one can build up to 1,500 sq. ft. of covered structure thereon.

Transferable Development Rights (TDR) – These are transferable development rights which the owner of a property obtains in the form of certificates from the local authority upon surrender of his land for construction of public utilities like roads, bridges, etc. These can be traded in the market and can be purchased and used by builders to develop their area beyond the permissible FSI.

5C – Lease of land	Long term lease of land (30 years or more) 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 project by a promoter.	Any person	Promoter
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Such service is exempt subject to conditions [para 53]. If not exempt, tax is payable by promoter under RCM.

Sale (not lease) of land is a non-supply under Schedule III [para 21.1-5]. Since tax is not applicable, RCM does not apply.

31.5 BANKING, FINANCIAL, INSURANCE SERVICES (BFSI)

In the case of following services also, tax is payable by the recipient under RCM:

Entry No.	Category of supply of services	Supplier of service	Recipient of service
10 – RBI	Supply of services by the members of Overseeing Committee to RBI .	Members of Overseeing Committee constituted by RBI	RBI
16 – Lending of securities	Services of lending of securities under Securities Lending Scheme, 1997 of SEBI.	Lender	Borrower

Lender – Is a person who deposits the securities registered in his name or in the name of any other person duly authorised on his behalf with an approved intermediary for the purpose of lending under the Scheme of SEBI.

Borrower – Is a person who borrows the securities under the Scheme through an approved intermediary of SEBI.

