

CoRoof Property
Alternate investment models

Particulars	LLP		Company	
	1A	1B	2A	2B
Options				
Assumptions				
Total income of SPV	More than INR 1 crore	More than INR 1 crore	No impact on tax rate	No impact on tax rate
Total income of Investor	More than INR 50 Lacs but upto INR 1 crore	More than INR 50 Lacs but upto INR 1 crore	More than INR 50 Lacs but upto INR 1 crore	More than INR 50 Lacs but upto INR 1 crore
Purchase of Property	₹ 10,00,00,000	₹ 10,00,00,000	₹ 10,00,00,000	₹ 10,00,00,000
Funding				
- In form of Capital	₹ 10,00,00,000	₹ 1,00,00,000	₹ 10,00,00,000	₹ 1,00,00,000
- In form of Loan	-	₹ 9,00,00,000	-	₹ 9,00,00,000
Return on investment				
Rental (assumed) per annum	₹ 1,20,00,000	₹ 1,20,00,000	₹ 1,20,00,000	₹ 1,20,00,000
Less: Expenses (including Property Management Fees)	₹ -12,00,000	₹ -12,00,000	₹ -12,00,000	₹ -12,00,000
Net Rental Yield	₹ 1,08,00,000	₹ 1,08,00,000	₹ 1,08,00,000	₹ 1,08,00,000
Taxation (in hands of SPV)	₹ 37,73,952	₹ 0	₹ 27,18,144	₹ 0
Return to investor				
- Interest on loan @ 12% pa	₹ 0	₹ 1,08,00,000	₹ 0	₹ 1,08,00,000
- Profit distribution	₹ 70,26,048	₹ 0	₹ 80,81,856	₹ 0
TDS on payment to investors	₹ 0	₹ 10,80,000	₹ 0	₹ 10,80,000
Taxation (in hands of investor)	₹ 0	₹ 37,06,560	₹ 27,73,693	₹ 37,06,560
Total tax	₹ 37,73,952	₹ 37,06,560	₹ 54,91,837	₹ 37,06,560
Net return to investors	₹ 70,26,048	₹ 70,93,440	₹ 53,08,163	₹ 70,93,440
Net return to investors (%) pa	7.03%	7.09%	5.31%	7.09%
Sale of property (assuming after 24 months)				
Net sale consideration (assuming 20% appreciation)	₹ 12,00,00,000	₹ 12,00,00,000	₹ 12,00,00,000	₹ 12,00,00,000
Capital Gain	₹ 2,00,00,000	₹ 2,00,00,000	₹ 2,00,00,000	₹ 2,00,00,000
Tax on capital gain (in hands of SPV)	₹ 29,12,000	₹ 29,12,000	₹ 28,60,000	₹ 28,60,000
Distribution to investors (as profit / dividend)	₹ 1,70,88,000	₹ 1,70,88,000	₹ 1,71,40,000	₹ 1,71,40,000
Taxation (in hands of investor)	₹ 0	₹ 0	₹ 58,82,448	₹ 58,82,448
Total tax	₹ 29,12,000	₹ 29,12,000	₹ 87,42,448	₹ 87,42,448
Net return to investors	₹ 1,70,88,000	₹ 1,70,88,000	₹ 1,12,57,552	₹ 1,12,57,552
Net return to investors (%)	17.09%	17.09%	11.26%	11.26%
Investor Exit without sale of property (assuming after 24 months)				
FMV of investor's share in SPV (assuming 20% appreciation)	₹ 12,00,00,000	₹ 12,00,00,000	₹ 12,00,00,000	₹ 12,00,00,000
Capital Gain	₹ 2,00,00,000	₹ 2,00,00,000	₹ 2,00,00,000	₹ 2,00,00,000
Tax on capital gain (in hands of SPV)	₹ 29,12,000	₹ 29,12,000	₹ 0	₹ 0
Payment to investors	₹ 11,70,88,000	₹ 11,70,88,000	₹ 12,00,00,000	₹ 12,00,00,000
Tax on capital gain (in hands of investor)	₹ 0	₹ 0	₹ 28,60,000	₹ 28,60,000
Total tax	₹ 29,12,000	₹ 29,12,000	₹ 28,60,000	₹ 28,60,000
Net return to investors	₹ 11,70,88,000	₹ 11,70,88,000	₹ 11,71,40,000	₹ 11,71,40,000
Net return to investors (%)	17.09%	17.09%	17.14%	17.14%