



BOMBAY
CHARTERED
ACCOUNTANTS'
SOCIETY



Certifications



RERA FROM PRACTICE PERSPECTIVE

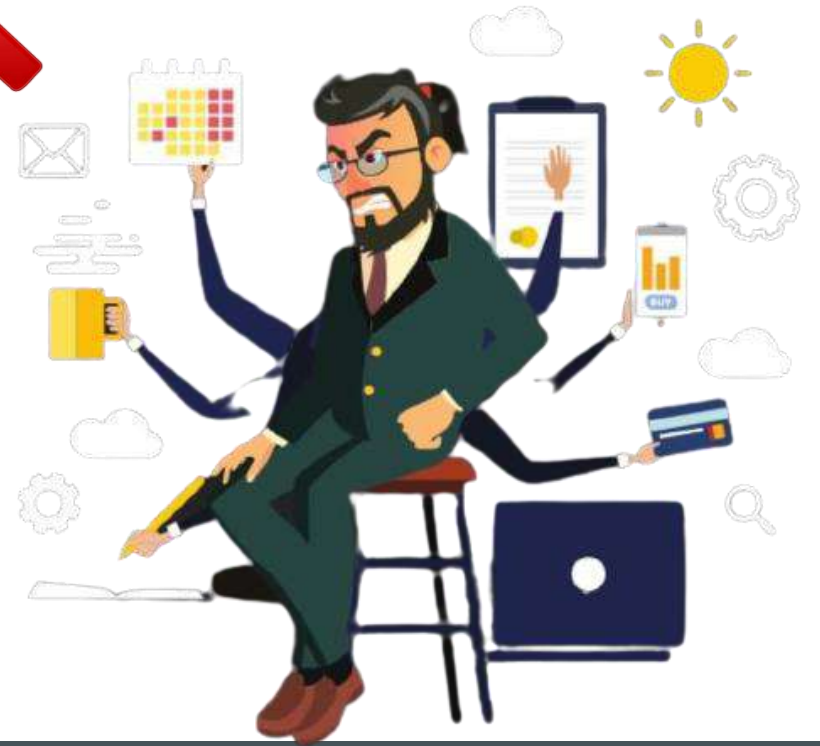
02.09.2024

BY CA. ADITYA ZANTYE, FCA, DISA

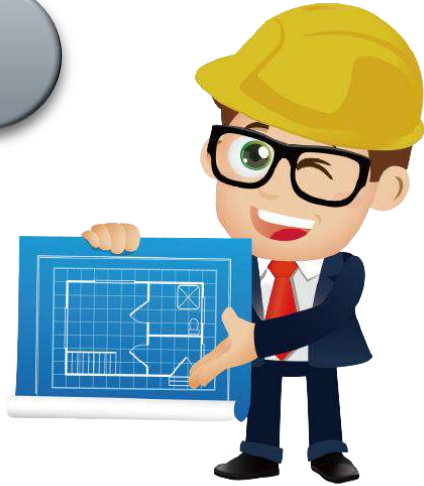
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TIMELY COMPLIANCES



1



2



2A



3



4



5



Sr. No.	Subject	Date
1.	MahaRERA General Regulations 2017	24/04/2017
2.	MahaRERA General (Amendment) Regulations 2017	11/10/2019
3.	MahaRERA General (Second Amendment) Regulations 2019	31/10/2019
4.	MahaRERA General (Amendment) Regulations 2021	22/12/2021
5.	MahaRERA General (Amendment) Regulations 2024	16/08/2024

REGULATION 4



REGULATION 4

EARLIER

- THE ANNUAL REPORT ON STATEMENT OF ACCOUNTS IN FORM 5 TO BE CERTIFIED AND SIGNED BY
- STATUTORY AUDITOR

AMENDED

- THE ANNUAL REPORT ON STATEMENT OF ACCOUNTS IN FORM 5 TO BE CERTIFIED AND SIGNED BY
- ANNUAL AUDITOR

FORM 3-CA CERTIFICATE [REGISTRATION & WITHDRAWAL



- ❑ SUBJECT CLAUSE CERTIFYING FINANCIAL PROGRESS OF WORK
- ❑ ISSUED FOR RERA COMPLIANCE
- ❑ SEVEN TABLES INTRODUCED
- ❑ CERTIFYING DEPOSIT & UTILISATION FOR LAND & CONSTRUCTION OF PROJECT
- ❑ COUNTER SIGNATURE OF PROMOTER

TABLE A- ESTIMATED COST OF THE PROJECT

- SEPARATE TABLE FOR ESTIMATED COST
- AT THE TIME OF REGISTRATION OF PROJECT SUBJECT TO CHANGE
- ONLY ESTIMATED COST OF CONSTRUCTION BY ENGINEER TO BE MENTIONED
- PROVISION FOR COST INCURRED FOR ADDITIONAL ITEMS AS PER TABLE A & B OF ENGINEER CERTIFICATE
- PASS THROUGH CHARGES/INDIRECT TAXES EXCLUDED
- CAN BE REVISED THROUGH CORRECTION APPLICATION
- ABSORBED COST OF MACHINERIES & EQUIPMENT



TABLE B- ACTUAL COST OF THE PROJECT

- SEPARATE TABLE FOR ACTUAL COST
- MINIMUM OF ACTUAL COST OF CONSTRUCTION BY ENGINEER OR CA TO BE MENTIONED
- PROVISION FOR COST INCURRED FOR ADDITIONAL ITEMS AS PER TABLE A & B OF ENGINEER CERTIFICATE
- PASS THROUGH CHARGES/INDIRECT TAXES EXCLUDED
- ABSORBED COST OF MACHINERIES & EQUIPMENT



TABLE C- STATEMENT FOR CALCULATION OF RECEIVABLES

- STATEMENT FOR CALCULATION OF RECEIVABLES
- SOLD INVENTORY
- UNSOLD INVENTORY
- PASS THROUGH CHARGES/INDIRECT TAXES EXCLUDED FROM UNIT CONSIDERATION



TABLE D- COMPARISON BETWEEN BALANCE COST & RECEIVABLES

- ESTIMATED BALANCE COST TO COMPLETE
- BALANCE AMOUNT OF RECEIVABLES-SOLD APARTMENTS
- ESTIMATED UNSOLD SALES
- TOTAL ESTIMATED RECEIVABLES
- 70%/ 100% CHECK ONLY FOR ONGOING PROJECTS
- APPLICABLE TO ALL PROJECTS



TABLE E- DESIGNATED BANK ACCOUNT DETAILS

S. NO.	PARTICULARS	DESIGNATED BANK ACCOUNT DETAILS
		ACTUAL AMOUNT TILL DATE [FROM START OF BANK ACCOUNT TO TILL DATE]
1.	OPENING BALANCE	NIL
2.	DEPOSITS	
3.	WITHDRAWALS	
4.	CLOSING BALANCE	



TABLE F-MEANS OF FINANCE

S. NO.	PARTICULARS	ESTIMATED* (AT THE TIME OF REGISTRATION)(IN ₹) (PROPOSED & INDICATIVE)	PROPOSED/ ESTIMATED (AS ON THE DATE OF THE CERTIFICATE) (IN ₹)	ACTUAL (AS ON DATE OF CERTIFICATE) (IN ₹)
1.	OWN FUNDS	ESTIMATE	ESTIMATE	ACTUAL
2.	TOTAL BORROWED FUNDS (SECURED) -DRAWDOWN AVAILED TILL DATE	ESTIMATE	ESTIMATE	ACTUAL
3.	TOTAL BORROWED FUNDS (UNSECURED) -DRAWDOWN AVAILED TILL DATE	ESTIMATE	ESTIMATE	ACTUAL
4.	CUSTOMER RECEIPTS USED FOR PROJECT	TABLE C	TABLE D	TABLE B, C
5.	TOTAL FUNDS FOR PROJECT	TOTAL(1 TO 4)	TOTAL(1 TO 4)	TOTAL(1 TO 4)
6.	TOTAL ESTIMATED COST [AS PER TABLE A]	TABLE A	TABLE D	TABLE B

TABLE G- ANY COMMENTS / OBSERVATIONS OF CA

- ANY EXCEPTIONS IN LAND COST AND CONSTRUCTION COST
- ANY DISCREPANCY IN BANK ACCOUNT OPERATIONS
- SOLD & UNSOLD INVENTORY
- PASS THROUGH CHARGES/INDIRECT TAXES INCLUDED IN UNIT CONSIDERATION
- DEPOSIT & UTILISATION OF CUSTOMER RECEIPTS
- OTHER EXCEPTIONS RELATED TO PROJECT



FORM 5-ANNUAL REPORT ON STATEMENT OF ACCOUNTS



- ❑ SUBJECT CLAUSE CERTIFYING DEPOSIT,
UTILIZATION & WITHDRAWAL
- ❑ FOUR TABLES & 2 SUB-TABLES INTRODUCED
- ❑ SHORTFALL DEPOSIT AMOUNT TO BE PROVIDED
- ❑ DATE WISE DETAILS OF EXCESS
WITHDRAWALS TO BE PROVIDED
- ❑ DATE WISE DETAILS OF NON-UTILISATION FOR
PROJECT COST TO BE PROVIDED
- ❑ COUNTER SIGNATURE OF PROMOTER

TABLE A-DEPOSITS

S. NO.	PARTICULARS	FOR THIS FISCAL YEAR	TOTAL FOR THIS PROJECT TILL DATE
1.	TOTAL AMOUNT COLLECTED FROM ALLOTTEES	50	100
2.	% OF AMOUNT TO BE DEPOSITED AS PER ACT	70%/100%	70%/100%
3.	AMOUNT TO BE DEPOSITED AS PER ACT (1*2)	35	70
4.	TOTAL AMOUNT DEPOSITED IN THE DESIGNATED BANK ACCOUNT	30	60
5.	% OF AMOUNT DEPOSITED IN DESIGNATED BANK ACCOUNT $[(4)/(1)*100]$	60%	60%
6.	SHORTFALL/(EXCESS) DEPOSIT (3-4)	5	10

TABLE B-WITHDRAWALS

S. NO.	PARTICULARS	FOR THIS FISCAL YEAR	TOTAL FOR THIS PROJECT TILL DATE
1.	OPENING BALANCE OF DESIGNATED BANK ACCOUNT		
2.	TOTAL DEPOSITS		
3.	TOTAL AMOUNT WITHDRAWN		
4.	CLOSING BALANCE		



TABLE D- ANY COMMENTS / OBSERVATIONS OF CA

- EXCEPTIONS RELATING TO DEPOSIT, UTILISATION & WITHDRAWALS
- ANY DISCREPANCY IN FORM 1, 2 & 3
- OTHER EXCEPTIONS RELATED TO PROJECT



FORM 1-ARCHITECT CERTIFICATE [REGISTRATION & WITHDRAWAL]



- ❑ PLOT DETAILS, LATTITUDE & LONGITUDE, AREA, NEWS DELETED FROM SUBJECT CLAUSE
- ❑ CERTIFICATE CAN BE ISSUED FOR THE ENTIRE LAYOUT
- ❑ LIST OF TECHNICAL PROFESSIONALS DELETED
- ❑ NUMBER OF BASEMENTS, PODIUMS, PLINTH & SLABS OF SUPER STRUCTURE DELETED
- ❑ COUNTER SIGNATURE OF PROMOTER

FORM 2-ENGINEER CERTIFICATE [REGISTRATION & WITHDRAWAL]



- ❑ PLOT DETAILS, LATTITUDE & LONGITUDE, AREA, NEWS DELETED FROM SUBJECT CLAUSE
- ❑ CERTIFICATE CAN BE ISSUED FOR THE ENTIRE LAYOUT
- ❑ LIST OF TECHNICAL PROFESSIONALS DELETED
- ❑ ESTIMATED COST OF CIVIL, MEP, ALLIED WORKS, INTERNAL & EXTERNAL WORKS AS PER SPECIFICATIONS MENTIONED IN AGREEMENT OF SALE

FORM 2-ENGINEER CERTIFICATE [REGISTRATION & WITHDRAWAL]



- ❑ ACTUAL COST INCURRED TO BE ON THE BASIS OF INPUT MATERIAL OR SERVICES USED & UNIT COST OF THESE ITEMS
- ❑ COMPLETE PROJECT AS PER APPROVED DRAWINGS & SPECIFICATIONS MENTIONED IN AGREEMENT FOR SALE
- ❑ AMENDMENT IN COST INCURRED OR TO BE INCURRED DUE TO DEVIATION IN QTY REQUIRED OR ESCALATION OF COST

FORM 2-ENGINEER CERTIFICATE [REGISTRATION & WITHDRAWAL]



- ❑ DEVIATION IN MATERIAL USED TO BE REPORTED
- ❑ LOCAL AUTHORITY LICENSE NO IF APPLICABLE
- ❑ DELETED ITEMS TO BE MENTIONED IN TABLE C
- ❑ COUNTER SIGNATURE OF PROMOTER

FORM 2A- QUALITY ASSURANCE



- ❑ TO BE ISSUED YEARLY
- ❑ STRUCTURAL DESIGN, STABILITY & TESTING
- ❑ INPUT MATERIALS
- ❑ QUALITY OF WORKMANSHIP
- ❑ MISCELLANEOUS
- ❑ COUNTER SIGNATURE OF PROMOTER

FORM 4- ARCHITECT CERTIFICATE [ON COMPLETION]



- ❑ PLOT DETAILS, LATITUDE & LONGITUDE, AREA, NEWS DELETED FROM SUBJECT CLAUSE
- ❑ CERTIFICATE CAN BE ISSUED FOR THE ENTIRE PROJECT
- ❑ LIST OF TECHNICAL PROFESSIONALS DELETED
- ❑ ON THE BASIS OF INSPECTION & CERTIFICATE FROM STRUCTURAL ENGINEER
- ❑ COMPLETE AS PER AGREEMENT OF SALE
- ❑ COUNTER SIGNATURE OF PROMOTER

SECTION 11

CHAPTER III

FUNCTIONS AND DUTIES OF PROMOTER

11. (1) The promoter shall, upon receiving his Login Id and password under clause (a) of sub-section (1) or under sub-section (2) of section 5, as the case may be, create his web page on the website of the Authority and enter all details of the proposed project as provided under sub-section (2) of section 4, in all the fields as provided, for public viewing, including—

- (a) details of the registration granted by the Authority;
- (b) quarterly up-to-date the list of number and types of apartments or plots, as the case may be, booked;
- (c) quarterly up-to-date the list of number of garages booked;
- (d) quarterly up-to-date the list of approvals taken and the approvals which are pending subsequent to commencement certificate;
- (e) quarterly up-to-date status of the project; and
- (f) such other information and documents as may be specified by the regulations made by the Authority.

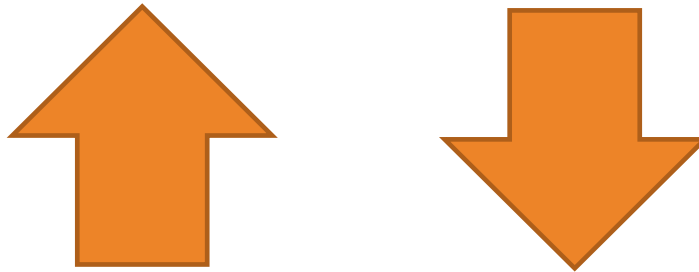
RULE 20

20. Details to be published on the website regarding real estate projects.- (1) For the purpose of clause (b) of section 34, the Authority shall ensure that all the disclosures made by the promoters to the authority with regard to the Real Estate project for which registration has been given, shall be made available on its website, except for the following:

- (i) Details provided under clauses (b), (e), (g), (h), (i) and (l) of sub-section (2) of Section 4;
- (ii) Details provided under sub-rule (2) of rule 3 of these Rules.

(2) The exceptions under sub-rule (1) shall not apply to promoters who shall, in accordance with sub-section (1) of section 11, enter all details of the proposed project as provided under sub-section (2) of section 4 of the Act and under sub-rule (2) of rule 3, in all the fields as provided, for public viewing in the web page created on the web site of the Authority. The authority may through Regulation specify further details of the registered Real Estate Projects to be made available on the Website. The authority shall ensure that such information is updated at the interval of every quarter.

Order no. 33/2022 dated 05/07/2022



Order no. 18/2021 dated 28/07/2021

PROMOTER- COMPLIANCES



QUARTERLY UPDATES



FINANCIAL QUARTER BASED PROJECT PROGRESS REPORTING SYSTEM

FINANCIAL QUARTERS	DUE-DATE
APR-MAY-JUN	20 TH JUL
JUL-AUG-SEP	20 TH OCT
OCT-NOV-DEC	20 TH JAN
JAN-FEB-MAR	20 TH APR

FINANCIAL QUARTER BASED PROJECT PROGRESS REPORTING SYSTEM

*BUILDING PLAN
APPROVALS*

*PHYSICAL
PROGRESS*

*BOOKING
STATUS*

PARKING

*NO
WITHDRAWAL-
SELF
DECLARATION*

*MENTION
DEPOSIT IN
DECLARATION*

QUARTERLY-COVEYANCE REPORT?

***QUARTERLY UP-TO-DATE STATUS REGARDING STEPS BY
PROMOTER FOR CONVEYANCE DEED***

ORDER NO 20/2021 DATED 28/07/2021

PROMOTER- COMPLIANCES



ANNUAL UPDATES

TYPE OF FORM	DUE-DATE
FORM 2A	30 TH JUN
FORM 5	30 TH SEP

FORM 1,2,3 UPDATION



**AT THE TIME
OF
REGISTRATION**

**PREVIOUS
LIMIT FULLY
UTILISED**

**INTERVAL
OF 90 DAYS**

STATUTE	CERTIFICATES TO BE SUBMITTED TO BANK?
RERA Act	YES
Maharera Rules & Regulations	YES
Circular No. 3/2017 dated 07 th June 2017	NO. ONLY SELF-DECLARATION TO BE SUBMITTED <i>[DELETED]</i>
FAQ No. 58 dated 23rd July 2019	YES. ORIGINAL TO BE RETAINED & COPIES TO BE SUBMITTED TO BANK
Circular No. 39/2021 dated 28th Dec 2021	YES. SUBMIT TO BANK AT THE TIME OF EVERY WITHDRAWAL & COPIES ONLINE TO MAHARERA
Circular No. 39A/2022 dated 17th Mar 2022	YES. BUT IF WITHDRAWAL IN TRANCHES SAME CERTIFICATE & DECLARATION



PROMOTER- COMPLIANCES



REGULAR UPDATES

***ENCUMBRANCE
REPORT***

CERSAI

***PROJECT
PROFESSIONALS***

***FORMATION OF
SOCIETY***

***LITIGATION
DETAILS***

PROMOTER- COMPLIANCES



ON COMPLETION OF PROJECT



FORM 4

OC

*DISCLOSURE BY
PROMOTER &
AOA ON
CONVEYANCE*

MahaRERA issues notices to 78% of new projects for not updating mandatory info

Sanjeev.Devasia
@timesgroup.com

Mumbai: MahaRERA has served notices to 584 of the 746 new housing projects registered with it in January this year, for not providing tri-monthly details of the amount that has been spent on the project, the money collected from home buyers and number of flats booked. Those sent notices constitute 78% of the total projects.

The 746 projects have in

all more than 50 thousand flats with a value of over Rs 22,000 crore. Promoters need to provide information about the project by submitting forms 1, 2 and 3 on the MahaRERA website. The forms contain details of the flats that have been booked in the project, the money received from allottees and also the money spent on the project among other info.

According to MahaRERA officials, the idea is to make basic information about the

project on the fingertips of the customer, who is interested in investing in the project.

The promoters of the 746 projects were expected to provide the first quarterly report by April 20. Those who did not give the details have been given 15 days to update the form. The promoters are also expected to provide info about the project on a quarterly and annual basis. The info also includes changes, if any, in the approved building plan and the status of the project.

MahaRERA has been reviewing projects registered since its inception in May 2017 and has issued show cause notices to promoters of 19,500 projects, who did not update required project information by way of forms and certificates on its website. Of those who were served the notice, around 3,500 promoters responded to the notice. The regulator body had to issue a second notice to promoters of as many as 16,000 projects.



MONEYCONTROL.COM

MC Exclusive: MahaRERA may suspend registration of over 500 projects for non-compliance

CONCERN AREAS

19,009 | Total complaints received



18,115 | Complaints against registered projects



12,061 | Orders passed

894 | Complaints against unregistered projects

825 | Orders passed

➤ Deficiencies in applications like incomplete filling up of Form 3 with developers not listing sold and unsold inventory

➤ Designated bank accounts not mentioned

➤ Means of finance not submitted

➤ Mismatch in estimated project cost

➤ Non-lien declaration of separate bank account not submitted on promoter's letterhead

➤ Layout approvals not legible, clear and duly scanned

➤ Mismatch in permissible and proposed built-up area details in project registration application and sanctioned plans

➤ Mismatch in parking details in project registration application and sanctioned plans

➤ Mismatch in details in project registration application and sanctioned plans

➤ Building plan approvals not legible, clear and duly scanned

UNDER SCRUTINY



MahaRERA issues notices to 261 projects with slow progress

TIMES NEWS NETWORK

Mumbai: The Maharashtra Real Estate Regulatory Authority (MahaRERA) has issued show-cause notices to 261 projects in which less than 40% of work has been completed, while the possession of the flats has been promised by December 2023.

The projects in all have a total of 45,539 flats, of these 26,178 flats are booked by home buyers. The MahaRERA has issued these notices only on the basis of the information submitted to it by the developers.

The regulatory authority has been scrutinising projects registered with it, as part of its monitoring exercise. The show-cause notices have been issued to the developers by MahaRERA to ascertain how the devel-

opers intend to complete these projects in the next nine months.

The promoters have been given 15 days' time to respond. Of the 261 projects served notices, 26 are from Mumbai city and 94 from Mumbai suburbs, 43 from Thane, 15 from Raigad, six from Palghar and 67 from Pune.

A MahaRERA official said, "We will find out what is the problem in each of the projects and how it can be expedited. The worry is that these projects can lapse. So, we want to warn them in the beginning itself. The promoters should not think that it is a free for all, they should know that we are watching them. If there is a need, we may also send our investigator to the sites and summon them for a hearing."

MahaRERA upgrades software to prevent builders from using designated bank account for multiple projects

SWEETY ADIMULAM
MUMBAI, MARCH 2

REAL ESTATE builders in Maharashtra will no longer be able to link their common designated bank account for multiple projects. The Maharashtra Real Estate Regulatory Authority (MahaRERA) has upgraded its software so as to avoid the same designated bank account details being linked to another registered project, said the official.

This step was taken after MahaRERA found 1,781 projects where the same/common designated bank account has been linked with multiple real estate projects. Under the MahaRERA Act, there is a provision that every registered project should have a separate designated bank account in compliance with section 4(2) (1) (d). However, it was found that several projects violated the RERA norms, said an official of the Authority. For every real estate development project, the concerned builder needs to create a designated scheduled bank account separately.

MahaRERA has also issued show-cause notices to 1,781 project developers, asking them why the same bank details were updated for multiple projects. Additionally, builders will also have to submit for each of the projects figures on the total units and units sold, as well as receipts and withdrawal details.

The designated bank account helps MahaRERA track the progress of the project and carry out effective monitoring

"Post review of the reply of show-cause notice along with supporting documentation as requested above, hearings are being held and appropriate actions as deemed fit are taken," said the MahaRERA official.

The developers have to maintain the designated bank accounts as 70 per cent of the amount realised for the real estate project from home buyers, from time to time, needs to be deposited in the bank account, to cover the cost of construction and the land cost. The amount can only be used for that purpose.

The designated bank account helps MahaRERA track the progress of the project and carry out effective monitoring, allowing it further to make informed decisions about project risks, corrective actions and project advancement. Recently, MahaRERA has also made it mandatory for builders to take prior permission in case of change or transfer of bank account, ensuring that the homebuyers' money remains secure and money is only used for that particular registered project with which it is linked.

Fixing Loopholes



To avoid such irregularities in future, the regulator has updated its systems

The new system will not allow changes to mutual account

Any linking of accounts of a designated project with that of another project will be blocked



The regulator has also flagged **313 projects** for discrepancies in expenditure and completion status and started a thorough inspection



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Thank You!