



Tamil Nadu Real Estate Regulatory Authority

Annual Report & Audit Report (2021-2022)

TAMILNADU REAL ESTATE REGULATORY AUTHORITY (TNRERA)

ANNUAL REPORT (2021-22)

1. Introduction

The Government of India notified the Real Estate (Regulation & Development) Act, 2016 on 26.03.2016. This Act in its full form came into force with effect from 01-05-2017. The Government of Tamil Nadu vide G.O.Ms.No.112, H&UD Dept., dated 22.06.2017 issued the Tamil Nadu Real Estate (Regulation & Development) Rules, 2017. In order to implement the Act, the Principal Secretary to Govt., Housing & Urban Development Department initially designated as an interim Authority was replaced by full time Chairman and Members since 11.02.2019. It has jurisdiction over the entire Tamil Nadu State.

Tamil Nadu Real Estate Appellate Tribunal (TNREAT) was established on 22.12.2017 to hear the appeals from the decisions or orders of the Tamil Nadu Real Estate Regulatory Authority and the Adjudicating Officer appointed under the Real Estate (Regulation and Development) Act, 2016.

2. Objectives of the Act:

The purpose of the Act is to regulate and promote the real estate sector. The objectives of the Act are to

- (i) ensure sale of plots, apartments or buildings or sale of real estate projects, in an efficient and transparent manner
- (ii) protect the interest of consumers in the real estate sector
- (iii) establish an adjudicating mechanism for speedy dispute redressal
- (iv) establish the Appellate Tribunal to hear appeals from the decisions or orders of the Real Estate Regulatory Authority and the Adjudicating Officer.
- (v) make recommendations for the growth and promotion of a healthy, transparent, efficient and competitive Real Estate sector.
- (vi) recommend measures to encourage investment in the Real Estate sector including measures to increase the financial assistance to affordable housing segment.

3. Functions of Tamil Nadu Real Estate Regulatory Authority (TNRERA):

- 1. Registration of Real Estate Projects and Real Estate Agents
- 2. Adjudication of Complaints

4. Salient Features of the Act:

- No promoter shall advertise, market, book, sell or offer or offer for sale, or invite persons to purchase in any manner any plot, apartment or building, as the case may be, in any real estate project or part of it, in any planning area, without registering the real estate project with the Real Estate Regulatory Authority established under the Act.
- All Real Estate projects in the entire State of Tamil Nadu meant for sale where the area of the land proposed to be developed exceeds 500 square meters or number of apartments to be developed exceeds eight inclusive of all phases have to register with TNRERA.
- Advertisement or prospectus issued or published by the promoter shall mention prominently the website address of the Authority, wherein all details of the registered projects have to be entered including the registration number obtained from the Authority.
- Advertisement and Sale of property shall be on carpet area basis.
- For addition/revision/modification of plans, structural design and specifications of the plot, apartment or a building, the promoter has to get the consent of minimum two-third allottees (buyers).
- To prevent diversion of the amount collected from the allottees of one project to other projects, the Act mandates that 70% of the money collected from the allottees from a particular project to be kept in a separate Bank account (Schedule Bank) to meet the cost of that project. Amount can be withdrawn by the Promoter in proportion to the percentage of completion after it is certified by an Architect, an Engineer and a Chartered Accountant in practice.
- Both the promoter and buyer are liable to pay equal rate of interest in case of any default from either side.
- Allottee is responsible to make all the payment on time.
- Where the real estate project is to be developed in phases, every such phase shall be considered as a standalone real estate project, and the promoter/builder shall obtain registration under this Act for each phase separately.
- Builder has to provide five-year warranty for any structural defects in the building.
- Mandatory for developers to host all information on issues such as project plan, layout, government approvals, land title status, contractors to the project, and schedule for completion with the Real Estate Regulatory Authority (RERA) in the website.

5. Performance during 2021-2022

Registration has been granted for 2721 real estate projects. 881 Agents have also been registered. Final Orders were passed in 225 Complaints received before the Authority and 643 complaints are being heard. The Adjudicating Officer has passed Final Order in 952 Complaints seeking compensation and another 137 cases are in progress.

Number of Awareness Programmes have been conducted in various places within Tamil Nadu. District Collectors have been addressed to propagate awareness of the Act and its provisions. The advertisements being made by the Promoters of Real Estate Projects in various media are also monitored to insist the registration of the Projects under the provisions of RERA and to mention the same in their advertisements in all media.

Rule No.40 of the Tamil Nadu Real Estate (Regulation and Development) Rules, 2017 prescribes the format for preparation of the Annual Report of the Authority. Accordingly the Annual Report for the Year 2021-2022 is annexed in Form 'P' of this report.

Sd/-xxxx
SECRETARY

Sd/-xxxx
MEMBER

Sd/-xxxx
MEMBER

Sd/-xxxx
MEMBER

Sd/-xxxx
CHAIRPERSON

ABSTRACT

I – A RETURN ON REGISTRATION OF REAL ESTATE PROJECTS

No. of Projects Registered : 2721
Fees Collected : Rs.27,78,13,271.19

I – B RETURN ON REGISTRATION OF REAL ESTATE AGENTS

No. of Agents Registered : 881
Fees Collected : Rs.2,74,78,750.00

II RETURN ON NUMBER OF CASES DISPOSED

A. No. of cases disposed by Authority : 225
B. No. of cases disposed by Adjudicating officer : 952

III. PERIODICAL SURVEY CONDUCTED TO MONITOR THE COMPLIANCE OF THE PROVISIONS OF THE ACT BY THE PROMOTERS, ALLOTTEES AND REAL ESTATE AGENTS

The competent Authorities such as DTCP & CMDA, while issuing planning permission put a condition that the promoter shall register the Real Estate Project with TNRERA before advertising, marketing or booking, selling or offering for sale in any Real Estate Project and comply with Section 3 (1) of the Real Estate (Regulation and Development) Act, 2016. In addition, the Planning Authorities while issuing completion certificate ensure that the promoter has registered the project with TNRERA.

IV. STATEMENT ON STEPS TAKEN TO MITIGATE ANY NON-COMPLIANCE OF THE PROVISIONS OF THE ACT AND THE RULES AND REGULATIONS MADE THERE UNDER BY THE PROMOTERS, ALLOTTEES AND REAL ESTATE AGENTS

1. This Authority issues Show Cause Notices wherever Advertisement is released in the Press/Media without registering the project with TNRERA.
2. TNRERA also issues notices to the promoters if the TNRERA Registration No. & Website address of the Authority are not prominently mentioned in the Advertisement in any media.
3. The Government in Commercial Taxes and Registration Department in Letter No. 6275/J1/2020 dated 05.09.2020 instructed the Inspector General of Registration to give suitable instruction to all the Sub Registrar Offices to register the plots by insisting the proof of Registration with TNRERA before Registration.
4. The Banks before releasing project fund to the Developer insist Registration under TNRERA. Similarly before releasing house loan to the allottees, the Bank insists RERA Registration.
5. Whenever complaints are received and if the Complainant prays for any direction for project registration, and if the project is registrable, this Authority issues Notices to the Promoter for registration of project.
6. Where the Promoter declares that the building is for own use and not for sale/lease, this Authority issues No Objection Certificate and address the concerned Sub Registrar Office with a direction not to register any sale/lease deed pertaining to the building as it is not meant for sale/lease.
7. Awareness Programme have been organized across the State to create awareness among the promoters and the Home buyers to explain the Act and Rule provisions.

V. PENALTY IMPOSED BY THE AUTHORITY FOR CONTRAVENTIONS OF THE ACT

No. of cases	: 468
Penalty imposed	: Rs.2,07,91,087.00

Separate Audit Report of the Comptroller & Auditor General of India on the Accounts of the Tamil Nadu Real Estate Regulatory Authority for the year ended 31 March 2022

Tamilnadu Real Estate Regulatory Authority (TNRERA) constituted under the Real Estate (Regulation and Development) Act, 2016 was established on 22 June 2017. Tamilnadu Real Estate Appellate Tribunal (TNREAT) was also established as per the Act, to hear appeals from the decisions, directions or orders of TNRERA. The Tamilnadu Government has framed the Tamilnadu Real Estate (Regulation & Development) Rules, 2017 for carrying out the provisions of the Act. The financial statements of TNRERA include the accounts of TNREAT. Preparations of these financial statement is the responsibility of the management of the Authority (TNRERA) and audit responsibility is to express opinion on these financial statements based on our Audit.

We have audited the Annual Financial Statements viz: Receipts and Payments Account, Income and Expenditure Account and Balance Sheet for the year ended 31st March 2022 of TNRERA under Section 19(2) of the Comptroller and Auditor General's (Duties, Powers and conditions of Service) Act, 1971 read with Section 77 of Real Estate (Regulation and Development) Act, 2016

We have conducted our audit in accordance with auditing standards generally accepted in India. These standards require that we plan and perform the audit to obtain a reasonable assurance about whether these financial statements are free from material misstatements. An audit includes examining, on a test basis, evidence supporting the amounts and disclosure in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management as well as evaluating to overall presentation of financial statements. We believe that our audit provides a reasonable basis for our opinion.

Based on our audit, we report that:

- i) We have obtained all the information and explanations, which to the best of our knowledge and belief were necessary for the purpose of our audit;
- ii) The Receipt and Payments Accounts, Income and Expenditure Account and Balance Sheet dealt with by this report have been drawn up in the formats laid down in the Tamilnadu Real Estate (Regulation & Development) Rules, 2017;
- iii) In our opinion, proper books of accounts and other relevant records have been maintained by the Authority, as required under Rule 39 of the Tamil Nadu Real Estate (Regulation and Development) Rules, 2017 in so far as it appears from the examination of such books

iv) Based on our audit, we further report that,

A. Based on the provisional comments to Separate Audit Report, the Annual Financial Statements approved by the Authority on 9 December 2022 have been revised. Consequently, excess of income over expenditure has been increased by ₹ 65,63,177. The revised Annual Financial Statements have been approved by the Authority on 16.08.2023

B. Deficiencies which have not been included in the Audit Report have been brought to the notice of the Chairman, TNRERA through a management letter issued separately for remedial / corrective action.

v) Subject to our observations in the preceding paragraphs, we report that the Balance Sheet and Receipts and Payments Account and Income and Expenditure Account dealt with by this report are in agreement with the books of accounts.

vi) In our opinion and to the best of our information and according to the explanations given to us, the said financial statements read together with the Accounting Policies and Notes on Accounts and subject to the significant matters stated above and other matters mentioned in Annexure -I to this Audit Report gives a true and fair view in conformity with the accounting principles generally accepted in India:

a. In so far as it relates to the Balance Sheet of the state of affairs of the TNRERA as at 31 March 2022; and

b. In so far as it relates to the Income & Expenditure Account of the surplus for the year ended on that date.

A review of the accounts showing the summarized financial results of the Authority for the last three years is given in Annexure -II.

For and on behalf of the C&AG of India

Sd/-xxxx

Principal Accountant General

Place : Chennai

Date: 25.09.2023

Annexure I

Separate Audit Report of the Comptroller & Auditor General of India on the Accounts of the Tamil Nadu Real Estate Regulatory Authority for the year ended 31 March 2022

1. Adequacy of Internal Audit System:

The Regulatory Authority does not have any Internal Audit system in place.

2. Adequacy of Internal Control System:

The Internal Control system is adequate and commensurate with the size and nature of the Regulatory Authority.

3. System of Physical Verification of fixed assets:

Physical verification of fixed assets is conducted by the Regulatory Authority.

4. System of Physical Verification of Inventory:

Physical verification of Inventory is conducted by the Regulatory Authority..

5. Regularity in payment of statutory dues:

The Regulatory Authority is regular in depositing the statutory dues.

Sd/-xxxx

Deputy Accountant General

Annexure II

Separate Audit Report of the Comptroller and Auditor General of India on the Accounts of the Tamil Nadu Real State Regulatory Authority for the year ended 31 March 2022

Financial Performance:

The summarized Financial Position and Working Results of the Authority for the year 2019-20 to 2021-22 are furnished below:

(a) Financial Position:

Particulars	2021-22	2020-21	2019-20
	(₹in lakh)	(₹in lakh)	(₹in lakh)
Assets:			
Fixed Assets (Net Block)	252.28	252.27	299.26
Cash and Bank balances	1605.26	110.96	242.32
Investments	3486.87	1922.44	1435.55
Other Assets	0.70	0.10	58.76
Other Current Assets	130.20	52.40	Nil
Total Assets	5475.31	2338.17	2035.89
Liabilities			
Capital Fund	4443.66	1858.68	1793.44
Current Liabilities	1031.65	479.49	242.45
Total	5475.31	2338.17	2035.89

(b) Working Results:

Particulars	2021-22	2020-21	2019-20
	(₹in lakh)	(₹in lakh)	(₹in lakh)
Income:			
Fees and other Receipts	3153.94	818.25	832.43
Other Income	139.14	97.47	99.64
Total Income	3293.08	915.29	932.07
Expenditure:			
Employee Cost	393.95	364.58	376.94
Administrative & General Expenses	260.95	426.77	388.17
Depreciation	42.49	56.97	54.27
Others	10.72	1.73	Nil
Total Expenditure	708.11	850.05	819.38
Excess of Income over Expenditure	2584.97	65.24	112.69

Sd/-xxxx
Deputy Accountant General

FORM 'O'
TAMILNADU REAL ESTATE REGULATORY AUTHORITY
ANNUAL STATEMENT OF ACCOUNTS (Revised as per AG Audit Observation)
Receipts & Payments Account For the year ended 31st March, 2022

(In Rupees)							
A/c Code	Receipts	Current year as on 31.3.2022	Previous year as on 31.03.2021	A/c Code	Payments	Curnrent year as on 31.3.2022	Previous year as on 31.03.2021
1	To Balance Brought down :		-	13	By Chairperson and Members :		
1.1	Bank	11,096,316	24,231,879	13.1	Pay and Allowances	13,118,245	12,630,275
1.2	Cash in Hand		-	13.2	Other Benefits		
2	To Fee, Charges And Fine :	7,203,441	-	13.3	Travelling Expenses	428,962	-
2.1	Fees		82,178,180	13.3.1	Overseas		-
2.2	Charges		-	13.3.2	Domestic		-
2.3	Fines		-	14	By Officers :		-
2.4	Others	3,669,452	-	14.1	Pay and Allowanes		7,548,473
3	To Grants :		-	14.2	Retirement Benefits		-
3.1	Accounts with Government		-	14.3	Other Benefits		-
3.2	Others		-	14.4	Travelling Expenses :		-
4	To Gifts		-	14.4.1	Overseas		-
5	To Seminars and Conferences		-	14.4.2	Domestic		-
6	To Sale of Publications		-	15	By Staff :		-
7	To Income on Investments and Deposits	4,356,394	-	15.1	Pay and Allowances	19,868,809	20,739,367
7.1	Income on Investments		9,922,061	15.2	Retirement Benefits		-
7.2	Income on Deposits		-	15.3	Other Benefits	10,500	-
8	To Loans :		-	15.4	Travelling Benefits		-
8.1	Government		-	15.4.1	Overseas		-
8.2	Others		-	15.4.2	Domestic		-
9	To Sale of Assets		-	16	By Hire of Conveyance	17,955	82,254
10	To Sale on Investments		-	17	By Wages	672,942	747,995
11	To Recoveries from pay bill		-	18	By Overtime		-
11.1	Loans and Advances Principal amount		-	19	By Honorarium		-
11.2	Interest on Loans And Advances		-	20	By Books and Periodicals	60,472	28,164
11.3	Miscellaneous Income		102,932	20.1	By Office Maintenance	14,536,667	5,753,650
20.00	Indirect Expenses by others Office Expenses	91,537					

51	To Others (current Liabilities)	96,030,812	20,967,235	20.2	By Outsourcing Charges		
	To Others	499,880,034	158,433	20.3	By Postage Charges		226,032
	To Investments and Deposits		100,000,000	20.4	By Printing and Stationary		677,846
	To Loans and advances		16,393	20.5	By Telephone Charges		455,884
	To Other current Assets		353,820	20.6	By Vehicle Insurance		
	CM Relief Fund	169,639		20.7	By Vehicle Maintenance	1,266,884	1,265,687
				20.8	By VIP Refreshment Charges		42,124
				20.9	By Web Page Portal Charges		
				21	By Expenditure on Research		
				21.1	By Fee, Charges and Fine	871,989	353,564
				22	By Consultation Expenses		
				23	By Seminars and Conferences	14,010	
				24	By Publications of Authority		
				25	By Rent and Taxes	7,970,000	9,564,000
				26	By Interest on Loans		
				27	By Promotional Expenses		
				28	By Membership Fee		
				29.1	By Subscription	354,000	106,200
				29.2	By Bank charges	21,986	3,166
				29.3	By Legal Charges	373,000	248,000
				30.1	By Furnitures & Fittings	375,227	
				30.2	By Computer & Accessories		277,536
				30.3	By Equipment		337,244
				30.4	By Telephone Instruments		
				30.5	By Software Development		
				30.6	By Vehicles		
				31	By Investments and Deposits	352,333,331	
				31.1	Investments		140,000,000
				31.2	Loans and advances		299,633
					Other current Assets		
				32	By Security Deposits		
				33	By Loans and Advances to :		
				33.1	Employees :		
				33.1.1	Bearing Interest		
				33.1.2	Not Bearing Interest		
				33.2	Suppliers/Contractors		
					Current Liabilities & Provision	45,413,771	24,977,032

				33.3	Others	184,537	95,264
				34	By Repayment of Loan		
				35	By Others		
				35.1	Leave Salary and Pension		
				35.2	Contribution		
				35.3	Audit Fee		
				35.4	Miscellaneous	34,400	
					CM Relief Fund	169,639	
				36	By Balance carried down :		
				36.1	Bank	160,526,022	11,096,316
				36.2	Cash in Hand		-
				43	By Fixed Asset		
					Fixed Asset	4,249,504	
		622,497,625	237,930,933			622,497,625	237,930,933
Sd/-xxxx Secretary	Sd/-xxxx Member			Sd/-xxxx Member	Sd/-xxxx Member		Sd/-xxxx Chairperson

TAMILNADU REAL ESTATE REGULATORY AUTHORITY
ANNUAL STATEMENT OF ACCOUNTS (Revised as per AG Audit Observation)
Income & Expenditure Account
For the 1st April 2021 to 31st March 2022

(In Rupees)

A/c Code	Expenditure	Note No.	Current year as on 31.3.2022	Previous year as on 31.03.2021	A/c Code	Income	Note No.	Current year as on 31.3.2022	Previous year as on 31.03.2021
13	To Chairperson and Members				2	By Fee, Charges and Fine	4	315393795	
13.1	Pay and Allowances		15,389,317	13,772,750	2.1	Fee			81,824,616
13.2	Other Benefits			-	2.2	Charges			-
13.3	Travelling Expenses		428,962	-	2.3	Fines			-
13.3.1	Overseas			-	2.4	Others			-
13.3.2	Domestic			-	3	By Grants			-
14	To Officers			-	3.1	Account with Government			-
14.1	Pay and Allowances			-	3.2	Others			-
14.2	Retirement Benefits			-	4	By Gifts			-
14.3	Other Benefits			-	5	By Seminars and Conferences			-
14.4	Travelling Expenses			-	6	By Sale of Publications			-
14.4.1	Overseas			-	7	By Income on Investments and Deposits			-
14.4.2	Domestic			-	7.1	Income on Investments		13864187	-
15	To Staff			-	7.2	Income on Deposits			9,640,113
15.1	Pay and Allowances		23,552,181	22,684,730	11.2	By Interest on Loans and Advances			-
15.2	Retirement Benefits			-	12	By Miscellaneous		50042	64,302
15.3	Other Benefits		24,550	-					
15.4	Travelling Expenses								
15.4.1	Overseas			-					
15.4.2	Domestic			-					
16	To Hire of Conveyance		17,955	83,080					
17	To Wages		672,942	749,295					
18	To Overtime			-					
19	To Honorarium			-					
20	To Books and Periodicals		67,317	40,571					
20.1	To Other Office Expenses		18,367,294	6,892,958					
20.2	To Outsourcing Charges			8,347,187					
20.3	To Postage Charges			241,792					
20.4	To Printing and Stationary			729,281					
20.5	To Telephone Charges			500,125					
20.6	To Vehicle Insurance								
20.7	To Vehicle Maintenance (Fuel)		1,428,043	1,268,529					

20.8	To Refreshment Charges			104,957					
20.9	To Bank charges		21,986	4,392					
20.10	To Web Page Portal Charges								
21	To Expenditure on Research								
22	To Consultation Expenses			248,000					
23	To Seminars and Conferences		14,010						
24	To Publications of Real Estate Authority								
25	To Rent and Taxes		5,503,248	23,006,896					
26	To Interest on Loans			-					
27	To Promotional Expenses								
28	To Membership Fee			354,000					
29	To Subscription		374,273	106,200					
35	To Others		260,160						
	Legal Charges		438,000						
35.1	Leave Salary and Pension								
35.2	Contribution								
35.3	Audit Fee			59,000					
35.4	Miscellaneous			114,348					
37	To Depreciation		4,248,690	5,696,633					
48	To Loss on sale of Assets								
49	To Bad debts Written off								
50	To Provision for bad & Doubtful Debts								
	Conveyance Expenses		2,230						
	To Excess of Income and Expenditure (Transferred to Capital Fund Account)		258,496,866	6,524,307					
			329,308,024	91,529,031				329,308,024	91,529,031
Sd/-xxxx Secretary Sd/-xxxx Member Sd/-xxxx Member Sd/-xxxx Member Sd/-xxxx Chairperson									

TAMILNADU REAL ESTATE REGULATORY AUTHORITY
ANNUAL STATEMENT OF ACCOUNTS (Revised as per AG Audit Observation)
Balance Sheet as on 31st March 2022

(In Rupees)

A/c Code	Liabilities	Note No.	Current year as on 31.3.2022	Previous year as on 31.03.2021	A/c Code	Assets	Note No.	Current year as on 31.3.2022	Previous year as on 31.03.2021
40	Funds				43	Fixed Assets	3		
40.1	Capital Fund	1	444,365,525	185,868,659	43.1	Gross Block at Cost		44,523,114	40,273,610
								19,295,300	15,046,610
40.2	Other Funds				42.2	Net Block		25,227,814	25,227,000
41	Reserves			-	44	Capital Work-in-progress			-
8	Loans			-	31	Investments & Deposits			-
8.1	Government			-	31.1	Investments			-
					31.2	Deposits		348,687,463	192,244,356
						Loans and advances		60,000	
					32	Security Deposit		10,000	10,000
42	Current Liabilities and Provisions	2	103,165,737	47,948,826	3.1	Account with Government			-
					45	Sundry Debtors			-
					36	Bank Balances		160,526,022	11,096,316
					46				
						Other Current Assets			
					46.1	Interest Receivable on Fixed Deposits		12,904,725	5,159,486
					46.2	TDS on Fixed Deposits		80,327	80,327
						Pre Paid Expenses		34,911	
			547,531,262	233,817,485				547,531,262	233,817,485

Sd/-xxxx
Chairperson

TAMIL NADU REAL ESTATE REGULATORY AUTHORITY

Notes forming part of the Balance Sheet and Income & Expenditure Account 2021-22

Note No: 1

40.1 Capital Fund 44,43,65,525

Note No: 2

	Debit	Credit
Current Liabilities		
42 Current Liabilities and Provisions		47948826
Chennai Metropolitan Development Authority (CMDA)		11812159
EMD		21480
Expense Payable		1843265
Prison Department		11919581
Retention - G.Venkatesan		6040
Retention - Sri Lakshmi Electricals		77380
Salary Payable		3098158
Provision towards GST		5738400
Contribution	171919	
Security Deposit		244635
Appeal Deposits		12264145
Sri Lakshmi Electricals		130142
Audit fees (Collected & paid from Client)		100000
Penalty charges collected		865360
Grand Total	171919	48120745
		47948826

Note No: 3

Fixed Assets

	Debit	Credit
43 Fixed Assets	40273610	15046610
43.1 Computer & Accessories	4634829	
Computers & Accessories	3450586	
Software Development	1184243	
43.2 Office Equipment	2734794	
Equipments	2718719	
Telephone Instruments	16075	
43.3 Furniture & Fittings	16723821	
Civil Works	4138086	
Furniture and Fittings	4855735	
Interior & Partition Work	7730000	
43.4 Electricals		
Electrical Works	2623546	
43.5 Vehicles		
Car	13556620	
43.9 Cumulative Depreciation		15046610
Depreciation for 43.1		5260702
Depreciation for 43.2		694102
Depreciation for 43.3		3757322
Depreciation for 43.4		905124
Depreciation for 43.5		4429360
	40273610	15046610
Grand Total	25227000	

Note No: 4

	Credit
2.1To Fees	81824616
Complaint Fees	2090700
Fees-Change in Regn Certificate	130816
Project Renewal Fees	3440115
Registration Fees - Agent - Firm	2450000
Registration Fees - Agent - Individual	3685002
Registration Fees Projects	69854405
TRIBUNAL APPEAL FEE	172700
RTI Fees	878
Grand Total	81824616

Note No: 5 – Accounting Policies for measurement and compilations of Annual Statement of Accounts of Tamil Nadu Real Estate Regulatory Authority.

The Tamil Nadu Real Estate Regulatory Authority (TNRERA) is functioning in Door No.1A, 1st Floor, Gandhi Irwin Bridge Road, Egmore, Chennai - 600008. The TNRERA have been established on 22.06.2017 by the Housing and Urban Development (UD (2)) Department, Government of Tamil Nadu as per the Real Estate (Regulation and Development) Act, 2016. This Act provides for establishing the Real Estate Regulatory Authority (RERA) and Appellate Tribunal for monitoring and adjudicating disputes relating to real estate projects and also to frame Rules under this Act. Registration of all Real Estate projects and Real Estate agents is made mandatory with the Authority. No sale in a real estate project can be made without registration of the project with the Authority. These Rules will apply to all ongoing projects and future projects where the area of land exceeds five hundred square meters or the number of apartments proposed to be developed exceed eight inclusive of all phases.

5.1 Statement of compliance

The Annual Statement of Accounts of the Authority have been prepared in accordance with and to comply in all material aspects with the Tamil Nadu Real Estate (Regulation and Development) Rules, 2017 as framed by the powers under section 84 of the Real Estate (Regulation and Development) Act 2016

5.2 Basis of Measurement:

The Annual Statement of Accounts have been prepared on accrual and going concern basis under the historical cost convention. The accounting policies have been consistently applied by the Authority unless stated otherwise. Previous year figures have been regrouped / reclassified wherever necessary to conform with the current years classification/ disclosures.

5.3 Financial Year

The Authority has opted the period of 1st day of April to 31st day of March, each year as its financial year for the purpose of preparation of Annual Statement of Accounts.

5.4 Functional and Presentation Currency

The Annual Statement of Accounts have been prepared and presented in Indian Rupees, which is also the Authority's functional currency.

5.5 Rounding off

All amounts in the financial statement and accompanying notes are presented in a rupee and have been rounded-off to nearest rupee.

5.6 Current and Non-current Classification

The Authority has ascertained its operating cycle as 12 months for the purpose of current / non-current classification of assets and liabilities.

5.7 Use of Estimates and Judgement:

The preparation of Annual Accounts requires members to exercise judgement and make estimates and assumptions that affects the reported amounts of income, expenses, assets and liabilities. These estimates and assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances. Actual results may differ from these estimates. These estimates and underlying assumptions are reviewed on a periodic basis. Revisions to accounting estimates are recognised in the period in which the results are known/materialise. The areas involving significant estimates and judgement include determination of useful life of property, plant and equipment, measurement of defined benefit obligations, recognition and measurement of provisions and contingencies.

5.8 Revenue Recognition:

The Fee collected from the promoter or agent for one time registration and subsequent extension of registration of their projects are collected at the rate as determined by the orders of the Authority which is published on the website of the Authority from time to time is recognised on cash basis or actual receipt basis at the time of application received by the Authority. Fee is measured at the rate provided in the chapter III of the Tamil Nadu Real Estate Regulatory Authority (General) Regulations, 2018. Interest income is recognised using accrual basis method.

5.9 Government Grants

Government grant in relation to capital nature i.e. supply of fixed asset is treated as deferred income and is recognised in the statement income and expenditure account on a systematic basis over the useful life of the asset. Government grant in relation to revenue outlay is recognised as income in the income and expenditure account on fulfilment of the conditions imposed while sanction.

5.10 Employee Benefits

The Authority makes contributions to Provident Fund, Employee State Insurance, National Pension System etc. for eligible employees and these contributions are charged to income and expenditure account on accrual basis. Outsourced employee benefits including the contributions to PF and ESI are paid to the manpower agencies and directly charged to income and expenditure account on an accrual basis during the period of outsourcing.

5.11 Payables/Deposits/ Current Liabilities:

Any penalties levied by the Authority against non compliance of the provisions of the Act / orders and / or instructions of the Authority will be treated as amount payable to the Government at the time of its receipt and the same will be remitted in to Government account. Since this penalty is due to Government and not revenue to the Authority, this will be treated on cash basis as and when the same is collected in TNRERA.

5.12 Property, Plant and Equipment:

Items of property, plant & equipment are stated at cost less accumulated depreciation. Cost is inclusive of freight, duties, taxes or levies (net of recoverable taxes) and any directly attributable cost of bringing the assets to their working condition for intended use. Property, plant and equipment which are not ready for intended use as on the date of Balance Sheet are disclosed as a Capital work-in-progress. Profit or loss on disposal/ scrapping/ write off/ retirement from active use of an item of property, plant and equipment is recognised in the income and expenditure account.

5.13 Depreciation / Amortisation

The Authority has assessed the useful lives of property, plant and equipment as per the provisions of the Income Tax Act 1961. Accordingly, depreciation has been computed on useful lives based on technical evaluation of relevant class of assets including components thereof. Useful lives and residual values are reviewed annually. Depreciation is provided as per the straight line method computed basis adopting depreciation rate at 10% for Civil Works, Electrical Works,Interior Works, Furniture and fixtures and Office Equipments. Depreciation rate at 40% on IT Equipments, Telephone Instruments and Software and at 15% for Vehicles.

5.14 Provisions and Contingent Liabilities & Assets

Provisions for Contingencies/ Contingent liabilities are recognised/disclosed after evaluation of facts and legal aspects of the matter involved.Provisions are recognised when the Authority has a present obligation (legal/constructive) and on judgement as a result of a past event, for which it is probable that a cash outflow will be required and a reliable estimate can be made of the amount of the obligation. As the timing of outflow of resources is uncertain, being dependent upon the outcome of the future proceedings, these provisions are not discounted to their present value. A disclosure for a contingent liability is made when there is a possible obligation or a present obligation that may, but probably will not require an outflow of resources. When there is a possible obligation or a present obligation in respect of which likelihood of outflow of resources is remote, no provision or disclosure is made. Contingent assets are not recognised in the financial statements since this may result in the recognition of income that may never be accrued/ realised.

5.15 Cash and Cash Equivalentents

Cash and cash equivalentents for the purpose of Statement of Receipts and Payments include bank balances, cheques and drafts on hand including remittances in transit, and other short term highly liquid investments that are readily convertible into cash and which are subject to an insignificant risk of changes in value.

Sd/-xxxx
SECRETARY

Sd/-xxxx
MEMBER

Sd/-xxxx
MEMBER

Sd/-xxxx
MEMBER

Sd/-xxxx
CHAIRPERSON