# TAMILNADU REAL ESTATE REGULATORY AUTHORITY
# Annual Report 2022-23

## INTRODUCTION

The Real Estate (Regulation and Development) Act, 2016 (Central Act 16 of 2016) was enacted by the Government of India with the objective of regulating and promoting the real estate sector and protecting the interests of homebuyers. The provisions of the Act came into force in a phased manner and became fully operational with effect from 1 May 2017.

The Government of Tamil Nadu notified the Tamil Nadu Real Estate (Regulation and Development) Rules, 2017 vide G.O. Ms. No.112, Housing and Urban Development Department, dated 22 June 2017.

In accordance with the provisions of the Act, the Tamil Nadu Real Estate Regulatory Authority (TNRERA) was established for the regulation and promotion of the real estate sector in the State of Tamil Nadu. The Authority is headed by a Chairperson and Members and exercises jurisdiction over the entire State.

The Tamil Nadu Real Estate Appellate Tribunal (TNREAT) was constituted on 22 December 2017 to hear appeals against the orders of the Authority and the Adjudicating Officer under the Act.

## OBJECTIVES OF THE ACT

The principal objectives of the Real Estate (Regulation and Development) Act, 2016 are:

1. To regulate the real estate sector and ensure transparency in real estate transactions.
2. To protect the interests of consumers and allottees.
3. To establish an efficient adjudicatory mechanism for dispute resolution.
4. To establish an Appellate Tribunal for hearing appeals against orders of the Authority and the Adjudicating Officer.
5. To promote a healthy, transparent, efficient and competitive real estate sector.
6. To encourage investment and orderly growth of the real estate sector, including affordable housing.

## FUNCTIONS OF TNRERA

The major functions of the Authority include:

1. Registration of Real Estate Projects and Real Estate Agents.
2. Monitoring compliance with the provisions of the Act and Rules.
3. Adjudication of complaints and dispute resolution.
4. Monitoring the progress of registered projects until completion.
5. Conducting awareness and outreach programmes for stakeholders across the State.
6. Maintaining and updating information relating to registered projects and agents on the Authority's website.

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## SALIENT FEATURES OF THE ACT

The salient features of the Act include:

• Mandatory registration of eligible real estate projects before advertisement, marketing, booking or sale.
• Registration requirement for projects where the land proposed for development exceeds 500 square metres or where the number of apartments exceeds eight, inclusive of all phases.
• Mandatory disclosure of project information and registration details on the Authority's website.
• Sale of apartments on the basis of carpet area.
• Requirement of consent of at least two-thirds of the allottees for major alterations or additions to sanctioned plans and specifications.
• Mandatory deposit of 70 per cent of amounts realised from allottees in a separate bank account to ensure utilisation exclusively for the concerned project.
• Equal rate of interest payable by both promoters and allottees in case of default.
• Separate registration for each phase of a phased development project.
• Liability of promoters for rectification of structural defects for a period of five years.
• Mandatory public disclosure of project approvals, layout plans, land title status, completion schedules and related information.

## REGULATORY MEASURES FOR IMPROVING COMPLIANCE

### Government Orders and Administrative Measures :

To strengthen compliance with the provisions of the Act and improve registration of eligible projects, several measures were undertaken in coordination with the Government and other departments.

Based on the recommendations of TNRERA, the Government directed the Chennai Metropolitan Development Authority (CMDA) and the Directorate of Town and Country Planning (DTCP) to incorporate registration under TNRERA as a condition in planning permissions and to ensure compliance prior to the issue of completion certificates.
(G.O. Ms. No.166, Housing and Urban Development Department, dated 29.11.2018)

The Government instructed the Registration Department to ensure compliance with the provisions of the Act by insisting upon proof of TNRERA registration, wherever applicable, before registration of conveyance documents.
(Government Letter No.6275/J1/2020-1, dated 05.09.2020)

The Inspector General of Registration issued instructions to all Sub-Registrars in the State to verify compliance with TNRERA registration requirements in respect of eligible projects prior to registration of sale deeds.

These coordinated measures contributed significantly towards improving compliance and increasing project registrations under the Act.

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## PUBLIC CAUTION NOTICE AND ENFORCEMENT ACTION

The Authority undertook a comprehensive review of planning permissions granted by CMDA and DTCP to identify projects that had not been registered with TNRERA. Notices were issued to the concerned promoters. A total of 1,052 promoters informed the Authority that their projects were intended exclusively for self-use and therefore did not require registration under the Act. Details of such projects were placed on the Authority's website under the heading "Public Caution Notice" for information of the general public.

The Authority also initiated enforcement action against projects found to be liable for registration but remaining unregistered. Penalties were imposed in accordance with the provisions of the Act, following which several projects obtained registration.

## PROJECT REGISTRATIONS

The implementation of regulatory measures, combined with increased activity in the real estate sector and post-pandemic recovery, resulted in a significant increase in project registrations.

| Year | Projects Registered |
|---|---|
| 2017-18 | 415 |
| 2018-19 | 512 |
| 2019-20 | 634 |
| 2020-21 | 720 |
| 2021-22 | 2,721 |
| 2022-23 | 10,406 |

The substantial increase in registrations during 2021-22 and 2022-23 reflects improved regulatory compliance and greater awareness among stakeholders.

## COMPLAINT REDRESSAL

Redressal of grievances is one of the core functions of the Authority. Complaints are adjudicated by the Authority and by the Adjudicating Officer appointed under the Act.

### Disposal of Complaints during 2022–23

The increasing number of complaints received indicates growing public awareness regarding the remedies available under the Act. The Authority continues to take measures to improve disposal rates and reduce pendency.

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## FINANCIAL PERFORMANCE

### Income and Expenditure

The Authority recorded a substantial increase in revenue during 2021-22 and 2022-23, corresponding to the increase in registrations and regulatory activities.

## DIGITAL INITIATIVES

### Online Registration System

To improve efficiency and facilitate stakeholder services, the Authority initiated steps towards complete online processing of project registration applications with the technical support of the National Informatics Centre (NIC).

The development of the online registration system was under progress during 2022-23 and project registrations continued to be processed through the existing system during the reporting period.

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**ABSTRACT**

**I. Return on Registration of promoters and real estate agents**

**A. In relation to Promoters**

| | |
|---|---|
| **No of Projects Registered** | **10,406** |
| **Project Registration Fees Collected** | **Rs.36,92,45,650** |

**B. In relation to Real Estate Agents**

| | |
|---|---|
| **Number of Agents registered** | **479** |
| **Agent Registration Fees collected** | **Rs.67,64,266** |

**II. Return on Number of cases filed before the Regulatory Authority and the Adjudicating Officer for settlement of disputes and adjudicated upon.**

| | **Number of cases pending at the end of 2021-22** | **Number of cases filed During 2022-23** | **Number of cases adjudicated upon In 2022-23** |
|---|---|---|---|
| **Authority (Form M)** | **629** | **455** | **406** |
| **Adjudicating Officer (Form N)** | **137** | **221** | **139** |

**III. PERIODICAL SURVEY CONDUCTED TO MONITOR THE COMPLIANCE OF THE PROVISIONS OF THE ACT BY THE PROMOTERS, ALLOTTEESS 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.

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## IV. STATEMENT ON STEPS TAKEN TO MITIGATE ANY NON-COMPLIANCE OF THE PROVISIONS OF THE ACT AND THE RULES AND REGUALATIONS 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 : 1477

Penalty imposed : Rs.3,66,76,860.64

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**AUDIT OF ACCOUNTS**

The accounts of the Authority for the year ended 31 March 2023 were audited by the Comptroller and Auditor General of India under Section 19(2) of the Comptroller and Auditor General's (Duties, Powers and Conditions of Service) Act, 1971 read with Section 77 of the Real Estate (Regulation and Development) Act, 2016.

The Comptroller and Auditor General of India expressed an unqualified opinion on the financial statements of the Authority and reported that the accounts present a true and fair view of its financial position and financial performance for the year ended 31 March 2023.

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**Opinion of the Comptroller & Auditor General of India on the Accounts of**
**Tamil Nadu Real Estate Regulatory Authority for the year ended 31 March 2023**

**Opinion**

We have audited the Financial statements of Tamil Nadu Real Estate Regulatory Authority, which comprise the statement of financial position as at 31 March 2023 and Income & Expenditure Account / Receipt & Payment Account for the year ended, and notes to the financial statements including a summary of significant account policies under Section 19(2) of the Comptroller & Auditor General's (Duties, Powers & Conditions of Service) Act, 1971 read with Section 77 of Real Estate ( Regulation and Development) Act, 2016.

This Audit Report contains the comments of the Comptroller & Auditor General of India (CAG) on the accounting treatment only with regard to classification, conformity with the best accounting practices, accounting standards, disclosure norms, etc, etc. Audit observations on financial transactions regarding compliance with the Law, Rules and Regulations ( Propriety & Regularity) and efficiency cum performance aspects, etc., if any, are reported through inspection reports/ CAG's audit reports separately.

In our opinion the accompanying financial statements of Tamil Nadu Real Estate Regulatory Authority, read together with the accounting policies and Notes thereon and matters mentioned in the Separate Audit Report, which follows, **give a true and fair view** of the financial position of the autonomous body as at March 31, 2023, and (of) its financial performance and its cash flows for the year then ended in accordance with format applicable to the Authority.

**Basics for Opinion**

We conducted our audit in accordance with the CAG's auditing regulations/ standards/ manuals/ guidelines/ guidance-notes/ orders/circulars etc. Our responsibilities are further described in the *Auditor's responsibilities for the Audit of the Financial Statements* section of our report. We are independent of the autonomous body in accordance with ethical requirements that are relevant to our audit of the financial statements, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

**Emphasis of Matter**

Nil

**Responsibilities of Management for the financial statements**

The Governing Body of Tamil Nadu Real Estate Regulatory Authority is responsible for the preparation and fair presentation of the financial statements in accordance with format applicable to the Authority and for internal control as management determines it necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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**Auditor's Responsibilities for the Audit of the Financial Statements**

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion in accordance with CAG's auditing regulation / standards/ manuals/ guidelines/ guidance-notes/ orders/ circulars etc.

For and on behalf of the CAG of India

Sd/-

Principal Accountant General

Place: Chennai

Date: 12-05-2026

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Separate Audit Report on the Accounts of

Tamil Nadu Real Estate Regulatory Authority

A. Balance Sheet – No comments
B. Income and Expenditure Account – No comments
C. Receipt and Payments Account – No comments
D. Accounting Policies – No comments
E. General – No comments
F. Management Letter
   Deficiencies which have not been included in this Separate Audit Report have been brough to the notice of the Management through a Management Letter issued separately for remedial / corrective action.

G. Assessment of Internal Controls
   (i) Adequacy of Internal Control System: The Internal Control System is adequate and commensurate with the siize and nature of the Regulatory Authority.
   (ii) Adequacy of Internal Audit System: The Regulatory Authority does not have any Internal Audit System in place.
   (iii) System of Physical Verification of fixed assets: Physical verification of fixed assets is conducted by the Regulatory Authority.
   (iv) System of Physical verification of inventory: Physical verification of inventory is conducted by the Regulatory Authority.
   (v) Regularity in payment of staturoty dues: The Regulatory Authority is regular in depositing the statutory dues.
   (vi) Other matters relating to the functioning of the entity: Nil
H. Grants in aid – Nil
I. Lack of response: - Nil

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**FORM 'O'**

**TAMILNADU REAL ESTATE REGULATORY AUTHORITY**

**ANNUAL STATEMENT OF ACCOUNTS**

**Receipts & Payments Account For the year ended 31st March, 2023**

| A/c Code | Receipts | Current year as on 31.3.2023 | Previous year as on 31.3.2022 | A/c Code | Payments | Currnent year as on 31.3.2023 | Previous year as on 31.3.2022 |
|---|---|---|---|---|---|---|---|
| 1 | **To Balance Brought down :** | | | 13 | **By Chairperson and Members :** | | |
| 1.1 | Bank | 160,526,022 | 11,096,316 | 13.1 | Pay and Allowances | 16,629,998 | 13,118,245 |
| 2 | **To Fee, Charges And Fine :** | | 7,203,441 | 13.2 | Other Benefits | 197,477 | |
| 2.1 | Fees | 381,572,287 | | 13.3 | Travelling Expenses | 1,832,604 | 428,962 |
| 2.2 | Charges | 49,316 | | 14 | **By Officers :** | | |
| 2.4 | Others | 2,292,261 | | 14.1 | Pay and Allowanes | 16,602,742 | |
| 12 | To Miscelleneous | 119,890 | 3,669,452 | 15.1 | **By Staff - Pay and Allowances** | 14,940,863 | 19,868,809 |
| 7 | **To Income on Investments and Deposits** | | 4,356,394 | 15.3 | Other Benefits | | 10,500 |
| 7.2 | Income on Deposits | 60,786,382 | | 16 | By Hire of Conveyance | 347,610 | 17,955 |
| 20.00 | Indirect Expenses by others Office Expenses | | 91,537 | 17 | By Wages | | 672,942 |
| 51 | To Others (current Liabilities) | | 96,030,812 | 20 | By Books and Periodicals | 62,950 | 60,472 |
| | To Others | | 499,880,034 | 20.1 | By Office Maintenance | | 14,536,667 |
| | CM Relief Fund | | 169,639 | 20 | By Other Office Expenses | 15,726,962 | |
| | | | | 20.2 | By Outsourcing Charges | 19,275,561 | |
| | | | | 20.3 | By Postage Charges | 682,359 | |
| | | | | 20.4 | By Printing and Stationary | 1,203,888 | |
| | | | | 20.5 | By Telephone Charges | 443,896 | |
| | | | | 20.6 | By Vehicle Insurance | 110,517 | |
| | | | | 20.7 | By Vehicle Maintenance (Fuel) | 1,352,969 | 1,266,884 |
| | | | | 20.8 | By VIP Refreshment Charges | 231,310 | |
| | | | | 20.9 | By Fee, Charges and Fine | | 871,989 |
| | | | | 22 | By Consultation Expenses | 2,517,771 | |
| | | | | 23 | By Seminars and Conferences | | 14,010 |
| | | | | 25 | By Rent and Taxes | 13,004,216 | 7,970,000 |
| | | | | 27 | By Promotional Expenses | 2,498,843 | |
| | | | | 29 | By Subscription | 590,000 | 354,000 |
| | | | | 30 | By Car | 2,063,013 | |
| | | | | 30.1 | By Furnitures & Fittings | 719,700 | |
| | | | | 30.2 | By Computer & Accessories | 1,161,176 | |
| | | | | 30.3 | By Equipment | 37,455 | |
| | | | | 30.5 | By Bank charges | 20,311 | 21,986 |
| | | | | 30.6 | By Software Development | 1,652,887 | |
| | | | | 30.7 | By Legal Charges | 520,000 | 373,000 |
| | | | | 31 | **By Investments and Deposits** | | 352,333,331 |
| | | | | 31.1 | Investments | 400,000,000 | |
| | | | | | Current Liabilities & Provisions | 42,671,449 | 45,413,771 |
| | | | | 33.3 | Others | | 184,537 |
| | | | | 35.3 | Audit Fee | 29,500 | |
| | | | | 35.4 | Miscellaneous | 241,366 | 34,400 |
| | | | | | CM Relief Fund | | 169,639 |
| | | | | 36 | **By Balance carried down :** | | |
| | | | | 36.1 | Bank | 47,976,764 | 160,526,022 |
| | | | | 43.00 | **By Fixed Asset** | | |
| | | | | | Fixed Asset | | 4,249,504 |
| | | **605,346,158** | **622,497,625** | | | **605,346,158** | **622,497,625** |

| | | | |
|---|---|---|---|
| Sd/- | Sd/- | Sd/- | Sd/- |
| **Secretary** | **Member** | **Member** | **Chairperson** |

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**TAMILNADU REAL ESTATE REGULATORY AUTHORITY**

**ANNUAL STATEMENT OF ACCOUNTS**

**Income & Expenditure Account**

**For the 1st April 2022 to 31st March 2023**

| A/c Code | Expenditure | Current year as on 31.3.2023 | Previous year as on 31.3.2022 | A/c Code | Income | Current year as on 31.3.2023 | Previous year as on 31.3.2022 |
|---|---|---|---|---|---|---|---|
| 13 | **To Chairperson and Members** | | | 2 | **By Fee, Charges and Fine** | | 315,393,795 |
| 13.1 | Pay and Allowances | 16,629,998 | 15,389,317 | 2.1 | Fee | 381,572,287 | |
| 13.2 | Other Benefits | 197,477 | | 2.2 | Charges | 49,316 | |
| 13.3 | Travelling Expenses | 1,832,604 | 428,962 | 2.4 | Others | 2,292,261 | |
| 14 | **To Officers** | | | 3 | **By Grants** | | |
| 14.1 | Pay and Allowances | 16,602,742 | | 7 | **By Income on Investments and Deposits** | | |
| 15 | **To Staff** | | | 7.1 | Income on Investments | | 13,864,187 |
| 15.1 | Pay and Allowances | 14,940,863 | 23,552,181 | 7.2 | Income on Deposits | 47,734,328 | |
| 15.3 | Other Benefits | | 24,550 | 12 | By Miscellaneous | 119,890 | 50,042 |
| 16 | To Hire of Conveyance | 333,963 | 17,955 | | | | |
| 17 | To Wages | | 672,942 | | | | |
| 20 | To Books and Periodicals | 62,950 | 67,317 | | | | |
| 20.1 | To Other Office Expenses | 15,726,962 | 18,367,294 | | | | |
| 20.2 | To Outsourcing Charges | 19,275,561 | | | | | |
| 20.3 | To Postage Charges | 682,359 | | | | | |
| 20.4 | To Printing and Stationary | 1,203,888 | | | | | |
| 20.5 | To Telephone Charges | 443,896 | | | | | |
| 20.6 | To Vehicle Insurance | 110,517 | | | | | |
| 20.7 | To Vehicle Maintenance (Fuel) | 1,352,969 | 1,428,043 | | | | |
| 20.8 | To Refreshment Charges | 231,310 | | | | | |
| 20.9 | To Bank charges | 20,311 | 21,986 | | | | |
| 22 | To Consultation Expenses | 2,517,771 | | | | | |
| 23 | To Seminars and Conferences | | 14,010 | | | | |
| 25 | To Rent and Taxes | 21,535,092 | 5,503,248 | | | | |
| 27 | To Promotional Expenses | 2,498,843 | | | | | |
| 29 | To Subscription | 590,000 | 374,273 | | | | |
| 35 | **To Others** | | 260,160 | | | | |
| | Legal Charges | 520,000 | 438,000 | | | | |
| 35.3 | Audit Fee | 29,500 | | | | | |
| 35.4 | Miscellaneous | 241,366 | | | | | |
| 37 | To Depreciation | 4,293,441 | 4,248,690 | | | | |
| | Conveyance Expenses | 13,647 | 2,230 | | | | |
| | **To Excess of Income over Expenditure** | **309,880,051** | **258,496,866** | | | | |
| | | **431,768,082** | **329,308,024** | | | **431,768,082** | **329,308,024** |

| Sd/- | Sd/ - | Sd/ - | Sd/ - |
|---|---|---|---|
| **Secretary** | **Member** | **Member** | **Chairperson** |

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| TAMILNADU REAL ESTATE REGULATORY AUTHORITY | | | | | | | |
|---|---|---|---|---|---|---|---|
| ANNUAL STATEMENT OF ACCOUNTS | | | | | | | |
| Balance Sheet as on 31st March 2023 | | | | | | | |
| **A/c Code** | **Liabilities** | **Current year as on 31.3.2023** | **Previous year as on 31.03.2022** | **A/c Code** | **Assets** | **Current year as on 31.3.2023** | **Previous year as on 31.03.2022** |
| 40 | **Funds** | | | 43 | **Fixed Assets** | | |
| 40.1 | Capital Fund | 754,245,576 | 444,365,525 | 43.1 | Gross Block at Cost | 35,504,980 | 44,523,114 |
| 42 | Current Liabilities and Provisions | 180,874,510 | 103,165,737 | | Cumulative Depreciation | 18,169,850 | 19,295,300 |
| | | | | 42.2 | Net Block | 17,335,130 | 25,227,814 |
| | | | | 31 | **Investments & Deposits** | | |
| | | | | 31.2 | Deposits | 842,605,620 | 348,687,463 |
| | | | | | Loans and advances | 10,000 | 60,000 |
| | | | | 32 | Security Deposit | 10,000 | 10,000 |
| | | | | 36 | Bank Balances | 47,976,764 | 160,526,022 |
| | | | | | **Other Current Assets** | | |
| | | | | 46.1 | Interest Receivable on Fixed Deposits | 27,102,245 | 12,904,725 |
| | | | | 46.2 | TDS on Fixed Deposits | 80,327 | 80,327 |
| | | | | | Pre Paid Expenses | | 34,911 |
| | | **935,120,086** | **547,531,262** | | | **935,120,086** | **547,531,262** |
| | | | | | | | |
| | Sd/- | Sd/- | | | Sd/- | | Sd/- |
| | Secretary | Member | | | Member | | Chairperson |

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# TAMIL NADU REAL ESTATE REGULATORY AUTHORITY

## Notes forming part of the Annual Accounts - 2022-23

| **Note No: 1** | | |
|---|---|---|
| **Current Liabilities And Provisions** | Debit | Credit |
| **Opening Balance** | | **18,08,74,510** |
| Chennai Metropolitan Development Authority (CMDA) | | 1,64,22,873 |
| EMD | | 5,780 |
| Expense Payable | | 23,02,490 |
| Prison Department | | 1,83,97,236 |
| Retention - G.Venkatesan | | 6,040 |
| Retention - Sri Lakshmi Electricals | | 77,380 |
| Salary Payable | | 38,19,208 |
| Contribution | | 1,03,816 |
| Security Deposit | | 1,27,220 |
| Appeal Deposits | | 13,48,14,280 |
| Deposit S.R.395/2022 | | 1,00,000 |
| Sri Lakshmi Electricals | | 1,30,142 |
| Audit fees (Collected & paid from Client) | | 1,00,000 |
| TDS Collected & Paid | | 5,68,415 |
| Penalty charges collected | | 38,58,850 |
| Statutory Deduction | | 13,196 |
| Sundry Creditors | | 27,584 |
| **Grand Total** | | **18,08,74,510** |
| | | |
| | | |
| | | |

| **Note No: 2** | | |
|---|---|---|
| **Fixed Assets** | Debit | Credit |
| **Opening Balance** | **1,81,69,850** | **3,55,04,980** |
| 43.1 Computer & Accessories | | **80,18,040** |
| Computers & Accessories | | 48,02,762 |
| Software Development | | 32,15,278 |
| 43.2 Office Equipment | | **35,28,537** |
| Equipments | | 35,12,462 |
| Telephone Instruments | | 16,075 |
| 43.3 Furniture & Fittings | | **62,03,897** |
| Civil Works | | |
| Furniture and Fittings | | |
| Interior & Partition Work | | |
| 43.4 Electricals | | |
| Electrical Works | | |
| 43.5 Vehicles (Cars) | | **1,77,54,506** |
| **Cumulative Depreciation** | **1,81,69,850** | |
| Depreciation for 43.1 | 57,45,662 | |
| Depreciation for 43.2 | 12,92,542 | |
| Depreciation for 43.3 | 21,62,540 | |
| Depreciation for 43.4 | | |
| Depreciation for 43.5 | 89,69,106 | |
| | **-1,81,69,850** | **3,55,04,980** |
| **NET BLOCK (Balance Sheet / Assets)** | | **1,73,35,130** |

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| Note – 3 | | |
|---|---|---|
| **Fees** | Debit | Credit |
| Complaint Fees | | 1600 |
| Project Registration Fees | | 36,92,45,650 |
| Registration Fees – Agent Individual | | 39,54,666 |
| Registration Fees - Agent - Firm | | 28,09,600 |
| Project Extn Fees | | 67,31,348 |
| Appeal Fees | | 2,66,000 |
| Review Petition Fees | | 1,200 |
| Copy of Document | | 12,520 |
| Examination of Document | | 10.000 |
| Refund of Registration Fees | **-1460297** | **38,30,32,584** |
| **TOTAL FEES (I&E / Income /Fee)** | | **38,15,72,287** |

| Note - 4 | | |
|---|---|---|
| **Fines** | Debit | Credit |
| C- Form Change Fees | | 2,49,200 |
| Complaint Fees – Form M | | 8,70,280 |
| Complaint Fees – Form N | | 8,98,400 |
| NOC - Fees | | 1,55,600 |
| Other Charges ( TNREAT ) | | 1,18,781 |
| **TOTAL OTHER FEES (I&E/Income/ Other Fees)** | | **22,92,261** |

**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

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**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.

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**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.

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**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 Equivalents**

Cash and cash equivalents 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.

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|---|---|---|---|
| Sd/- | Sd/- | Sd/- | Sd/- |
| **SECRETARY** | **MEMBER** | **MEMBER** | **CHAIRPERSON** |

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