



The Institute of Chartered Accountants of India  
(Setup by an Act of Parliament)  
Navi Mumbai Branch of WIRC



**Certifications**



# CRITICAL ASPECTS OF FORM 3 & FORM 5

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## **DISCLAIMER:**

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# TIMELY COMPLIANCES





Sr. No.	Subject	Date
1.	The Real Estate (Regulation and Development) Act, 2016	01/05/2017



Sr. No.	Subject	Date
1.	Maharashtra Real Estate (Regulation and Development)(Registration of Real Estate Projects, Registration of Real Estate Agents, Rates of Interest and Disclosures on Website) Rules, 2017	01/05/2017
2.	Maharashtra Real Estate (Regulation and Development) (Registration of real estate projects, Registration of real estate agents, rates of interests and disclosures on website) (Amendment) Rules, 2019	06/06/2019



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
6.	MahaRERA General (Amendment) Regulations 2025	14/01/2025

1



2



2A



3



5



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# 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

2(d)

## ALLOTTEE

### Understanding Allottee in Real Estate



2(e)

# APARTMENT

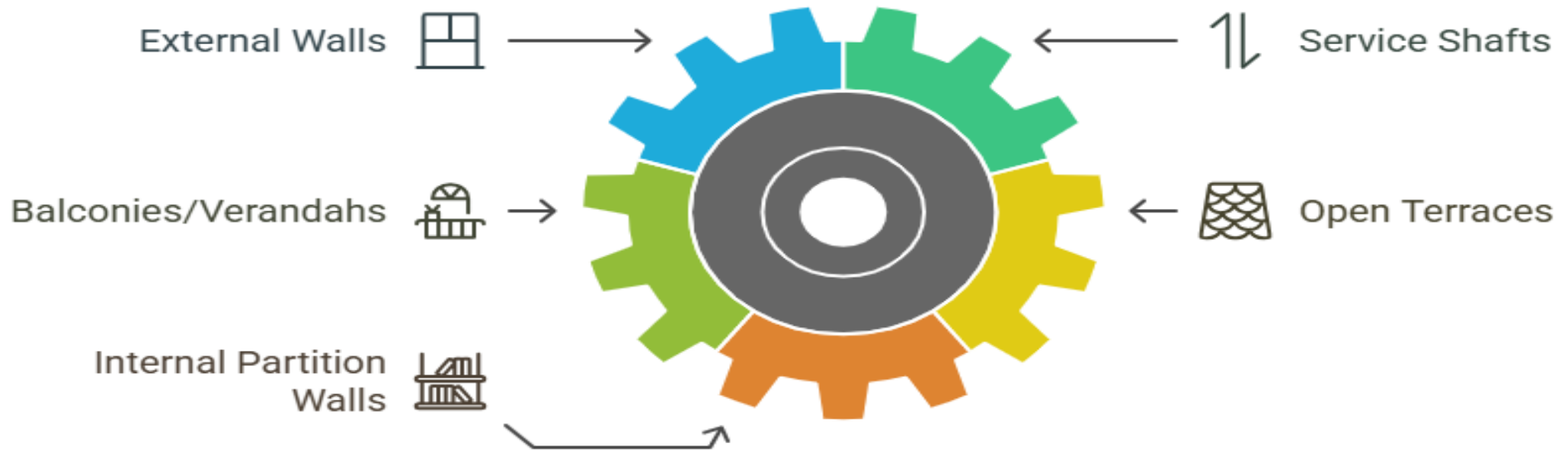
## Definition of Apartment

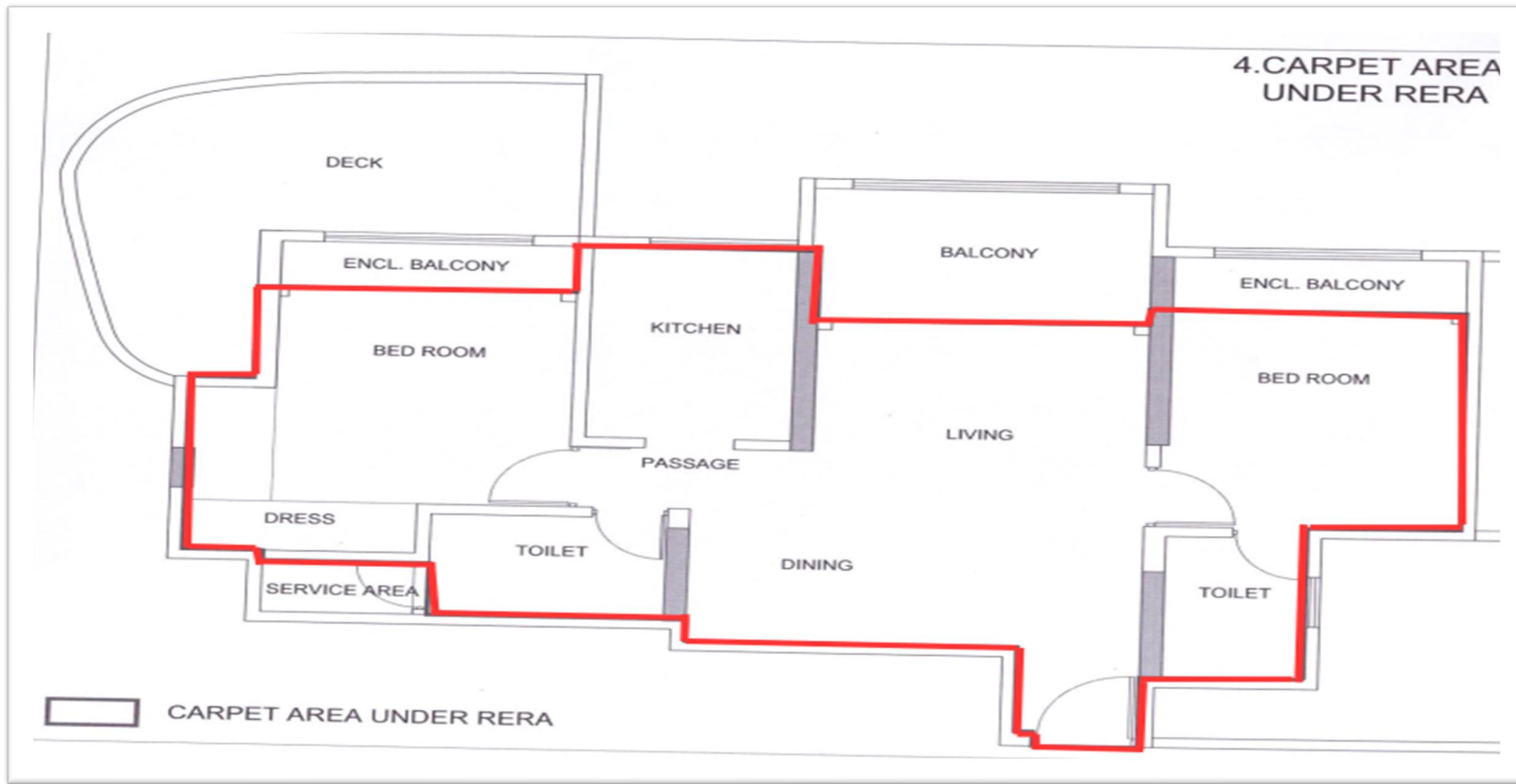


2(k)

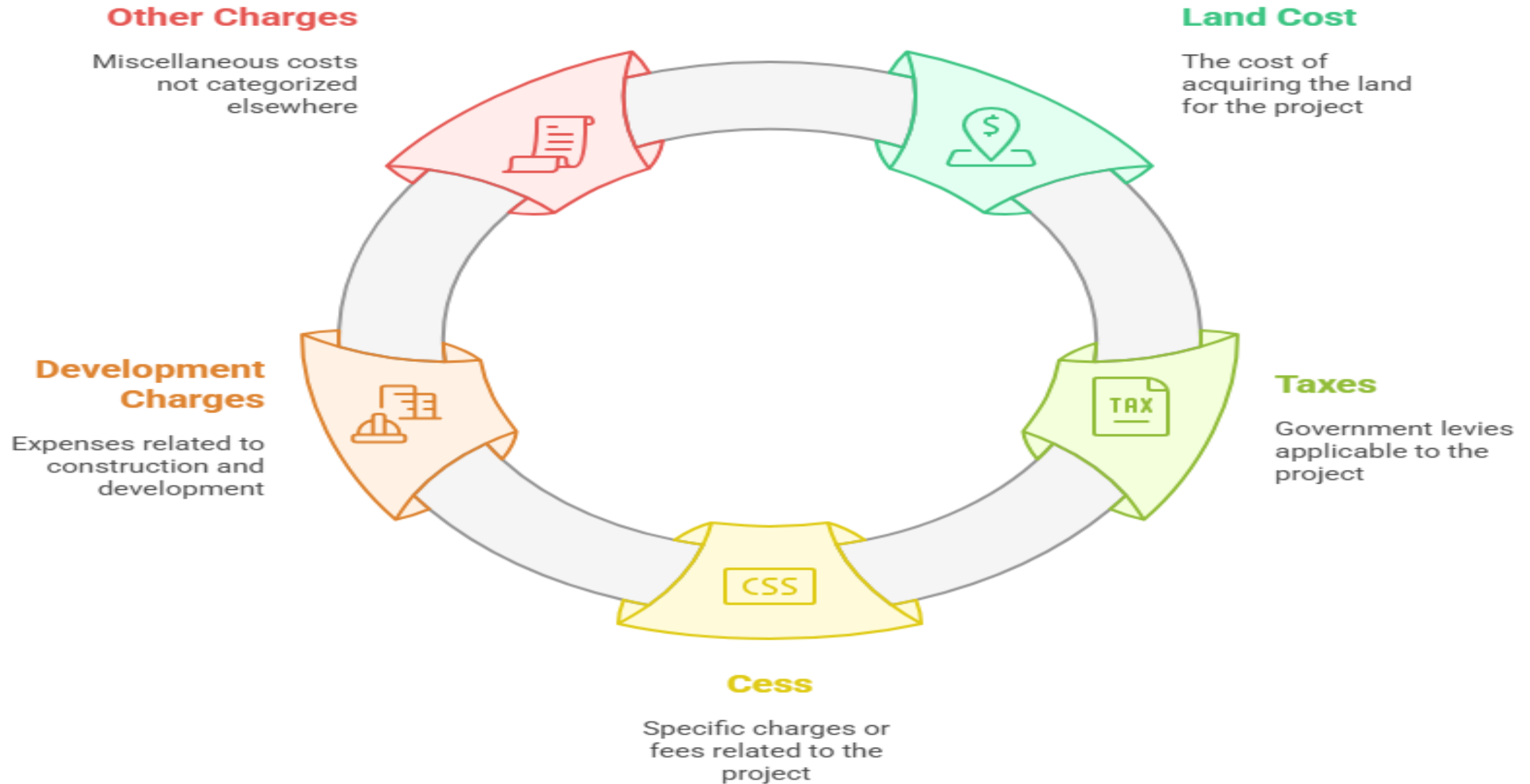
## CARPET AREA

### Understanding Carpet Area

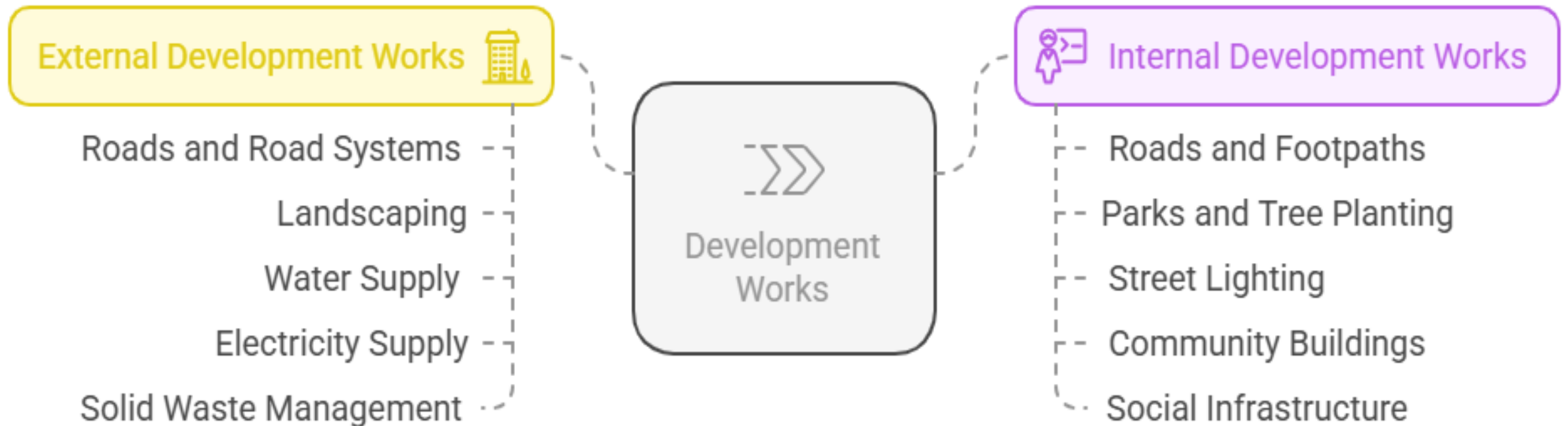




## Breakdown of Real Estate Project Costs



## Development Works: External and Internal Components



2(zk)

# PROMOTER

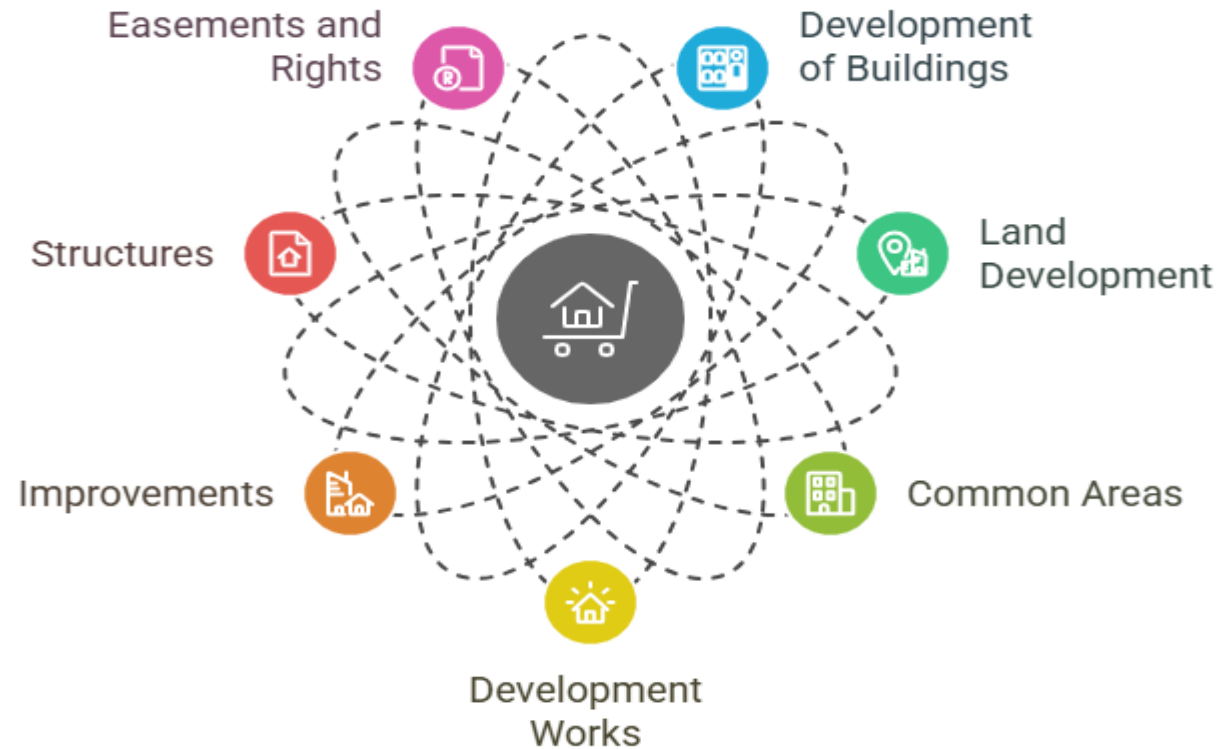
## Comprehensive Overview of Promoter Roles in Real Estate Development



2(zn)

# REAL ESTATE PROJECT

## Components of a Real Estate Project



2(zq)

## SANCTIONED PLAN

### Sanctioned Plans

**Site Plan**

**Building Plan**

**Service Plan**

**Parking Plan**

**Circulation  
Plan**

**Landscape  
Plan**

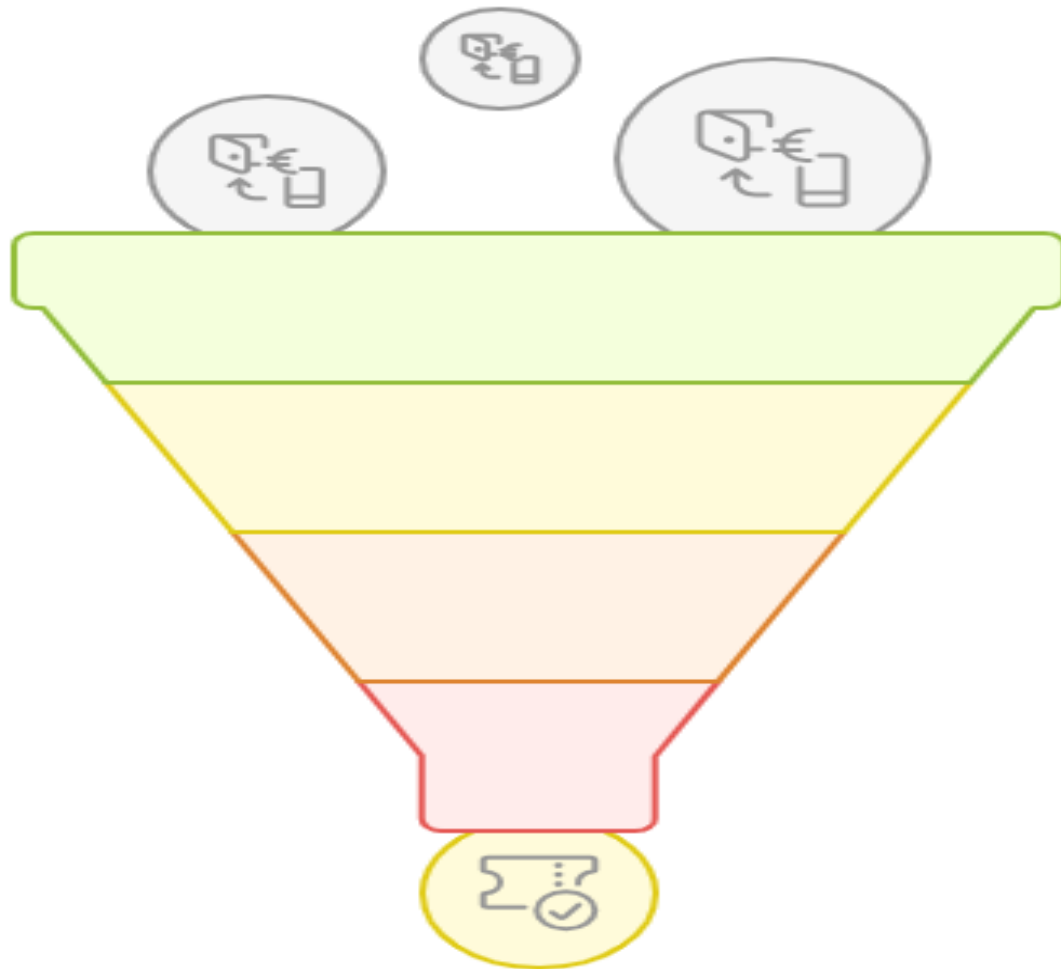
**Layout Plan**

**Zoning Plan**

**Structural  
Designs**

**Permissions**

# Real Estate Fund Management Process



## Deposit Funds

70% of payments are deposited in a separate account



## Project Completion

Funds are withdrawn in proportion to project completion



## Certification

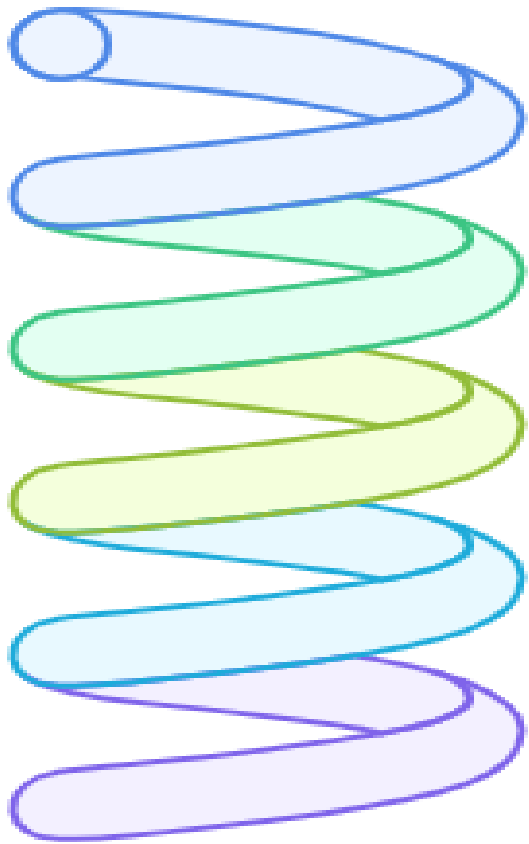
Withdrawals are certified by professionals



## Audit

Annual audit and verification of fund usage

## Land Cost Calculation for Real Estate Projects



Identify Project Completion Percentage



Reference Annual Statement of Rates



Determine Land Value

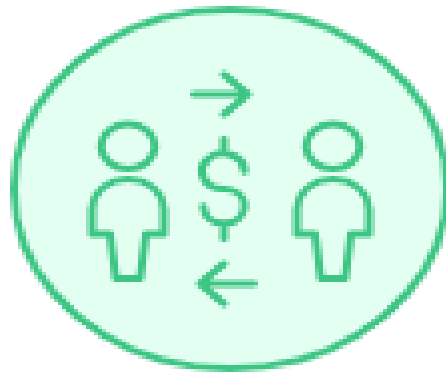


Apply Maharashtra Stamp Act



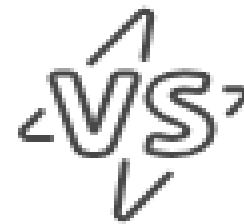
As on date of Registration  
of Real Estate Project

## How to manage cost items effectively?



### **Mutual Exclusivity**

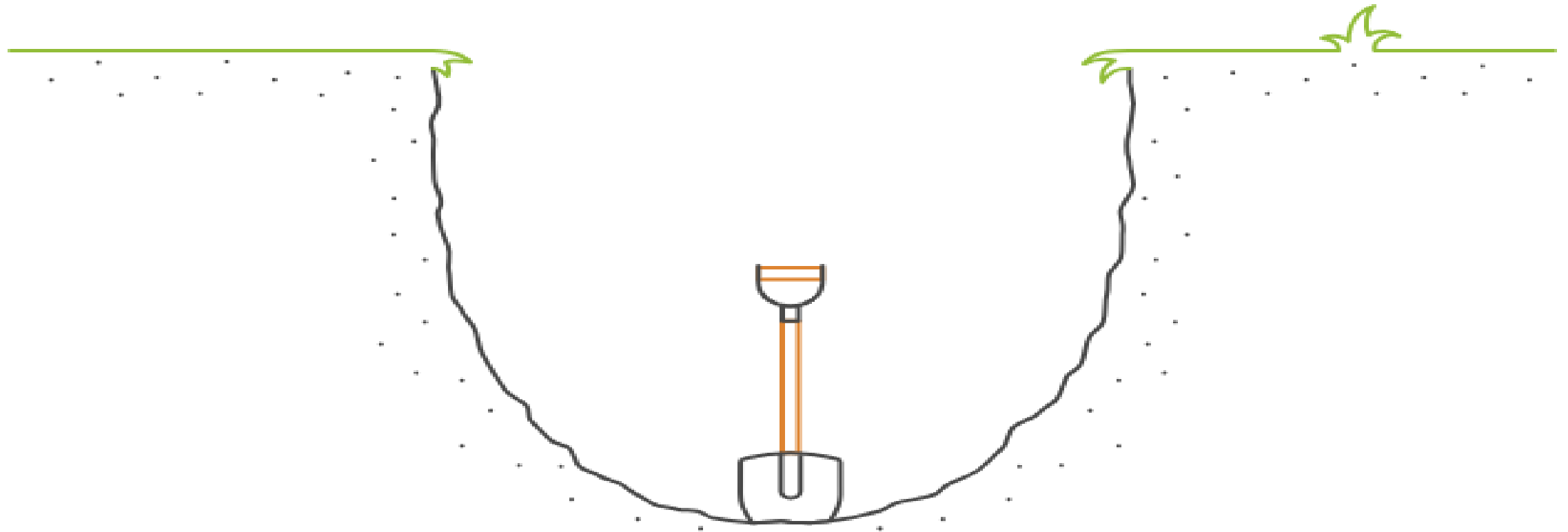
Ensures clear allocation  
and avoids redundancy



### **Double Counting**

Leads to inflated expenses  
and inaccurate budgeting

Exclusion of marketing costs increases financial burden.



## Construction Cost Components



### On-site Costs

Costs incurred for on-site development activities.



### Off-site Costs

Expenses related to off-site development activities.



### Taxes and Fees

Payments made to authorities for taxes and fees.



### Interest Payments

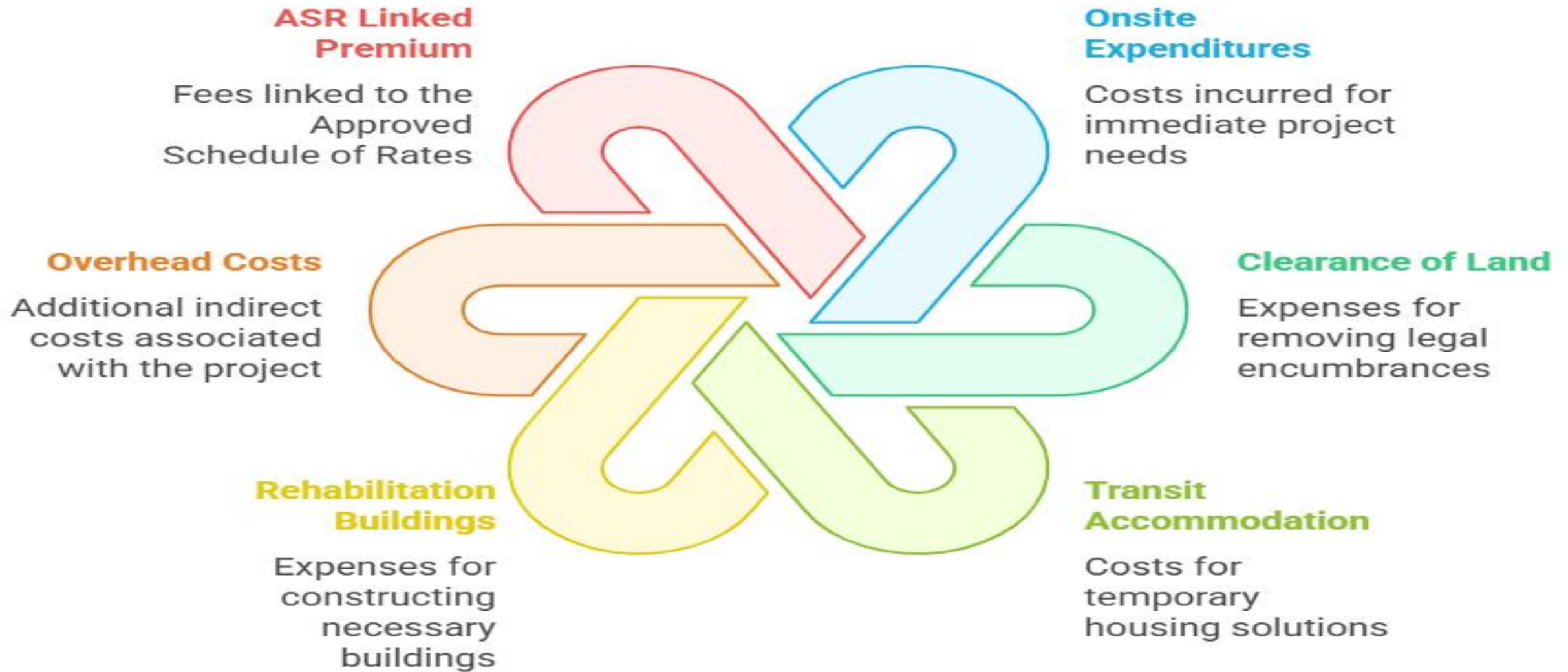
Interest paid to financial institutions for loans.



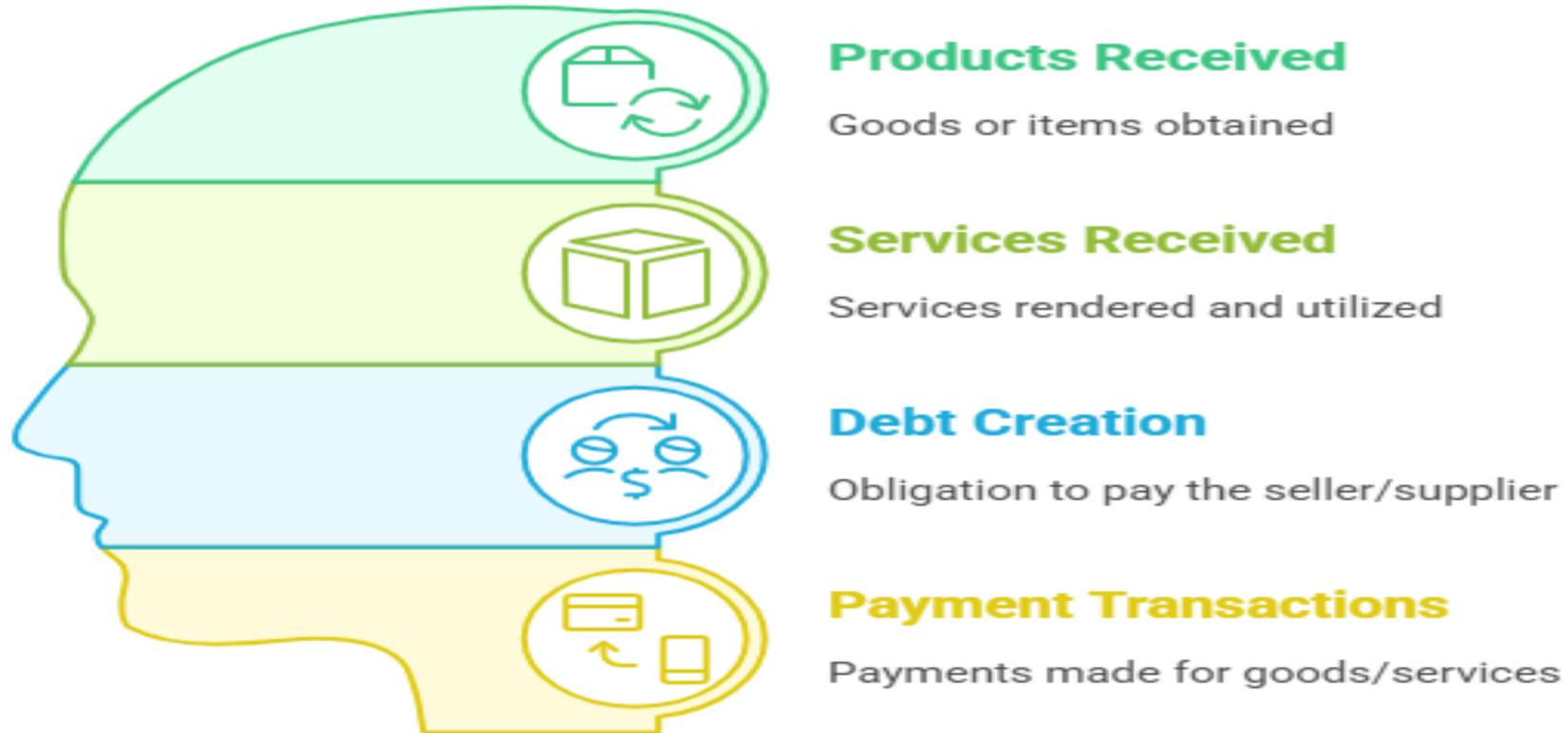
### Exclusions

Costs not included in the construction expenses.

## Breakdown of Rehab Cost Component



## Understanding Incurred Amounts



# 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	<b>NIL</b>
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



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*Thank You!*