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Karnataka State Chartered Accountants Association (R)



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**Online Module for Submission of Form 7 -  
Annual Report on Statement of Accounts  
(Part-18 of RERA Series)**

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# ONLINE MODULE FOR SUBMISSION OF FORM 7 – ANNUAL REPORT ON STATEMENT OF ACCOUNTS



CA. Vinay Thyagaraj

## (PART - XVIII OF RERA SERIES)

This article is in continuation to the September and October 2022 articles published in KSCAA Journal titled RERA Audit 2022 and Form 7 – New Format for Annual Report on Statement of Accounts as notified by Karnataka RERA. Request the reader to consider and read the September and October 2022 articles while reading this month's article.

The Karnataka RERA Authorities have introduced an online module to report, submit the information, documents, certificates, audited financial statements through the RERA portal. The contents of the Circular dated 13th Oct 2022 are as follows –

1. Due date for filing the Annual Report in Form 7 for the financial year 2021-22 is 15th November 2022.
2. Such Annual Audit report along with the documents shall be uploaded online
3. Documents include –
  - a. Audited Profit and Loss Account, Balance Sheet along with schedules
  - b. Cash flow statement
  - c. Income Tax Returns
  - d. Auditors Report
  - e. RERA Designated Bank Account Statement during Financial Year 2021-22
  - f. List of Agents engaged by the promoter with their registration details
  - g. Form 7 duly certified by a Chartered Accountant in practice.

Refer to Karnataka RERA's new format FORM 7 during September 2022 wherein the detailed information with respect to the RERA registered project shall be certified a Chartered Accountant holding certificate of practice.

As Karnataka RERA notified the new **format Format for the Annual Report on Statement of Accounts**, it has become necessary to deliberate on the contents of the new format for the benefit of the industry and members.

Professional Approach and preparedness to upload and submit the RERA Annual Report online –

1. Click here to start uploading the Annual Audit Report for the Financial Year 2021-22 – <https://rera.karnataka.gov.in/applyForAnnualReport>.



The screenshot shows the 'Login Form' on the RERA portal. It includes a link to 'Click here for Form 7 Annual Audit Report on Statement of Accounts'. There are input fields for 'RERA Registration number' and 'Financial Year' (with a dropdown menu showing '2021-22'). A 'Submit' button is at the bottom.

2. Once the RERA Registration number is entered, the OTP will be sent to the registered mail ID and mobile number of the promoter.
3. Few Excel formats are available at respective sections on login into the Annual Audit module. Following are the headers of the excel that professionals or promoters need to be ready with to upload.

### a. Agent details

Sl No.	Name of the Agent	RERA Registration No of the Agent	Validity of the Agent Registration

### b. AOS details

Sl. No	Unit Number	Date of Agreement	Total Consideration	Amount received in excess of 10% till registered AOS executed

### c. Bank details

Sl No.	Bank Name	Branch Name	Account Name	Account No	Type of Account	IFSC Code	Date of Registration with K-RE-RA	Date of Account Opening	Opening Balance (as on 1/4/2021)	Deposit during the period 2021-22	Withdrawals during the period 2021-22	Closing Balance (as on 31st March 2022)

### d. Form 4 details

Sl No.	Certifying Professional	Date of Certificate

### e. loan details

Sl No.	Name & Type of Lender	Amount of Loan Sanction (in INR)	Sanction Date	Loan Outstanding as on 31st March 2022 (in INR)	Collateral / Mortgage details

### f. quarter Form details

Sl No.	Form 4/5/6	Certifying Professional	Date of Issuance	Details of Discrepancy/qualification

### g. withdrawl details

Sl No.	Name & Type of Lender	Amount of Loan Sanction (in INR)	Sanction Date	Loan Outstanding as on 31st March 2022 (in INR)	Collateral / Mortgage details

Once the Details and documents are ready, professionals or promoters can start uploading and submit online

The newly notified form 7 is exhaustive and covers the entire project financials, cash flow, various compliances mandated under the RERA Act. The certifying professional shall understand each provision before certifying the Annual Report on Statement of accounts and its annexure thereon.

Non-compliance / non-furnishing of Form 7 (Annual Audit of Accounts Reports) shall attract penal provisions under RERA Act 2016. The Authority is having the power to impose penalties in accordance with Sec 60 of the RERA Act. Such penalty may extend upto 5 % of the estimated cost

of the real estate project as determined by the Authority.

**The summary of the new form 7 is as follows –**

Report on Statement of Accounts on project fund utilisation and withdrawal -

### Annexure A –

- Table A – amount collected from the allottees of the project – points to be considered while filling and certification.
- Table B – Amount incurred by the Promoter (the details are similar to the Form 4, Quarterly update CA Certificate format)
- Table C – summary of total collections and realisation since the inception of the project –
- Table D – Liabilities towards the Project development
- Table E – Liabilities towards Bank Borrowings –
- Table F – Liability based on the orders of RERA authority, Appellate

### Annexure B

Further the professional shall certify various provisions under RERA. The brief of the compliances is as under –

- Compliance with respect to the RERA bank account
- Details of all quarterly update certificates and details of filings quarter on quarter.
- RERA Bank account directions 2020 contents shall be read, understand before certifying this Form 7.
- Section 13 compliance - Section 13 mandates the registration of agreement of sale, if the promoter wishes to collect in excess of 10 % of the project cost and report non-compliances
- Details of borrowing by mortgaging the project land etc
- Details of forms 4,5 and 6
- List of Agents engaged.

The new Form 7 is in pdf and available at <https://rera.karnataka.gov.in/downloadPage> -

**Further, the Authority has sent the mail to all the promoters, the extract is as follows -**

Dear Promoter,

As per section 4(2)(I)(D) of the RERA act 2016 promoter should upload the annual audited accounts within six months after the end of the financial year by a chartered accountant in practice, Hence authority facilitates the annual audit module to upload the annual audit report (Form-07 ) with extended date upto nov 15th 2022. Further,

even if any promoter has already uploaded the annual audit report (Form-07) in the quarterly updates module, please upload the annual audit report (Form-07) in the annual audit module only.

Link to Submit the Annual Audit report <https://rera.karnataka.gov.in/applyForAnnualReport>

Circular RERA/Accounts/129/2021-22 link <https://rera.karnataka.gov.in/reraDocument?DOC=s5xz54dYBUE1XB6nm5TzWA%3D%3D>

Form-07 format available in downloads section <https://rera.karnataka.gov.in/downloadPage>

Best Regards,

Karnataka Real Estate Regulatory Authority.

Conclusion – The online submission of details of the Audit of Accounts under RERA is based on the duly certified Form 7. Collect and retain the soft copy of Excel or Word format of form 7 (finalized), so that the contents can be copied and pasted in the online module instead of making manual entries. As the due date is approaching (15th Nov 2022, unless the extension of the date is permitted), it is recommended to the promoters to obtain and submit within the due date to avoid penal provisions under the Act.

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## Solution to Sudoku - 26 October 2022

1	2	8	6	9	4	7	3	5
5	7	3	1	8	2	9	6	4
6	4	9	7	5	3	1	2	8
2	8	1	5	6	7	3	4	9
3	9	4	8	2	1	6	5	7
7	5	6	4	3	9	8	1	2
4	6	5	3	7	8	2	9	1
8	3	2	9	1	5	4	7	6
9	1	7	2	4	6	5	8	3

### Income Tax Savings Schemes

54EC



**REC Capital Gains Bonds**  
5 years, 5% Annual Interest

80C

**ELSS, PPF, Life Insurance**

80CCD

**National Pension Scheme**

### Fixed Income

Trust  
u/s 11(5)

**Trust Deposits Eligible u/s 11(5)**



RBI



**Reserve Bank of India Bonds**  
7 years, Floating rate 7.15% Half-yearly Interest

FD  
NBFC



**Mahindra FINANCE**



**Sovereign Gold Bonds**

8 years, 2.50% Half-yearly Interest, Maturity 'Tax-free'

### Growth Option

#### Mutual Funds

Large Cap / Mid Cap / Small Cap / Flexi Cap / ELSS Funds



For further information, please contact



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