

**Form 6**

**(See section 4(2)(I)(d))**

**ANNUAL REPORT ON STATEMENT OF ACCOUNTS**

**To,  
Gera Realty Estates,  
200, Gera Plaza, Boat Club Road,  
Pune 411001**

**Sub:** Report on Statement of Accounts on project fund utilization and withdrawal by **Gera Realty Estates** for the period from **1<sup>st</sup> April 2019 to 31<sup>st</sup> March 2020** with respect to **Gera's River of Joy - Zone C** bearing **GoaRERA Reg. No. PRGO03180094**.

We, Shah Khandelwal Jain & Associates, Chartered Accountants (Firm Registration No.142740W), Tax Auditors of Gera Realty Estates having its registered office at 200, Gera Plaza, Boat Club Road, Pune 411001, have for the purpose of issuing this certificate, examined the RERA Designated Bank Account No. 777705037132 (ICICI Bank) for the period 1<sup>st</sup> April to 2019 to 9<sup>th</sup> July 2029 and Bank Account No.57500000369129 (HDFC Bank) for the period 9<sup>th</sup> July 2019 to 31<sup>st</sup> March 2020 and other relevant information/documents and explanations provided to us by the management of Gera Realty Estates that were considered necessary in connection with issue of this certificate which after the verification have been handed over to partner of the AOP.

**Auditors' Responsibility**

We have examined the RERA Designated Bank Account No. 777705037132 (ICICI Bank) for the period 1<sup>st</sup> April, 2019 to 9<sup>th</sup> July, 2019 Bank Account 57500000369129 (HDFC Bank) for the period 9<sup>th</sup> July, 2019 to 31<sup>st</sup> March, 2020 and other relevant information/documents maintained by the said AOP in the normal course of its business for the purpose of providing reasonable assurance on the particulars mentioned in the opinion part of the certificate.

**Opinion**

1. This certificate is issued in accordance with the provisions of the Real Estate (Regulation and Development) Act, 2016 read along with the Goa Real Estate (Regulation and Development)(Registration of Real Estate Projects, Registration of Real Estate Agents, Rates of Interest and Disclosures on Website) Rules, 2017.
2. We have obtained all necessary information and explanation from the promoter, during the course of our audit, which in our opinion are necessary for the purpose of this certificate.

3. We hereby confirm that we have examined the prescribed registers, books and documents, and the relevant records of Gera Realty Estates for the period ended 31<sup>st</sup> March 2020 and hereby certify that:
- i. **Gera Realty Estates** have completed **41.74% as specified in the Architect Certificate** to this report, of the project titled **Gera's River of Joy - Zone C** bearing GoaRERA Reg. No. PRGO03180100 located at **Survey No.12/1 (Part) and survey no.13/1-A (Part), Panelim, Tiswadi, North Goa.**
  - ii. Amount collected during the year for this project is **Rs.15,24,75,819/-** and amounts collected till 31<sup>st</sup> March 2020 is **Rs. 26,60,87,288/-** (Please refer Point No.5 of Notes to Audit Report).
  - iii. Amount withdrawn during the year for this project is **Rs.10,10,68,517/-** and amount withdrawn till 31<sup>st</sup> March 2020 is **Rs.12,51,15,148/-** (Please refer Point No.6 of Notes to Audit Report).
4. We certify that the **M/s.Gera Realty Estates** has utilized the amounts collected for Real Estate Project **Gera's River of Joy - Zone C** only for that project and the withdrawal from the designated bank account(s) of the said project, except for our observation given in Note No. 4 attached herewith as Annexure A has been in accordance with the proportion to the percentage of completion of the project.
5. The said utilization is based on the basis of review of the said Designated Bank Account and Certificates issued by the chartered accountant in Form 4 from time to time.
6. This report has to be read along with the Notes to Form 6 annexed herewith in Annexure A.

**Exceptions:**

1. The certificate has been drawn on the basis of total amount of money received from allottees of **Gera's River of Joy - Zone C** since the inception of the project until 31<sup>st</sup> March 2020 and amount expended since inception of the project until 31<sup>st</sup> March 2020.
2. It is not possible for us to certify whether the amount received on daily basis from the allottees has been utilized for the project. Hence the method followed is the total amount of money received during the FY 2018-19 from the allottees of the project and the total amounts deposited in the RERA designated account and the total withdrawals made from the RERA designated account during FY 2018-19.
3. Further the said certificate has been issued on the basis of limited review of the books of accounts and not on the basis of any site visit done as we are not technically qualified to perceive the progress of work on site for which we rely on the Architect certificate dated 30<sup>th</sup> March, 2020 for completion of work on site.
4. Further the said certificate has been issued on the basis of unaudited books of accounts.

### **Restriction on Use**

This certificate has been issued at the specific request of the said AOP and as per the statutory requirement of third proviso to sub section 2 of Section 4 clause (I) of Real Estate (Regulation and Development) Act, 2016 read with corresponding rules and regulations framed therein required to be submitted before Goa RERA Authorities is not to be used for any other purpose or to be distributed to any other parties. Accordingly, we do not accept or assume any liability or any duty of care or for any other purpose or to any other party to whom it is shown or into whose hands it may come without our prior written consent.

This certificate should not be construed as utilization certificate of said loan borrowed for construction of the project as this certificate is merely for the utilization of money received from allottees of the project.

**Place: Pune**

**Date: 30/09/2020**

**UDIN : 20049278AAAAEK4989**

**For Shah Khandelwal Jain & Associates  
Chartered Accountants**

Ashish Chandrakant  
Khandelwal

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Chandrakant Khandelwal  
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**CA Ashish Khandelwal  
Partner**

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## **Gera Realty Estates**

### **Project: Gera's River of Joy - Zone C**

#### **Notes to Form 6:**

1. In clause 3 above, the word 'prescribed registers' is used which is nowhere defined in the Act, Rules and Regulations thereto. In such a scenario, we have verified the documents, registers, bank accounts and other evidences on sample check basis as per the standards of auditing which as per our opinion are relevant for reporting under the Act. The procedures selected to obtain audit evidence depends on ones' judgement with respect to the risk of material misstatement in the accounts. We have verified the documents, registers and bank accounts verified relating to the real estate project titled **Gera's River of Joy - Zone C** only.
2. In clause 3(i) above, percentage of the project completed as per Architect Certificate is reported. As per the Statement of Accounts maintained by the promoter in relation to the real estate project, Proportion of the Cost incurred on Land Cost and Development Cost / Cost of Construction till 31/03/2020 to the Total Estimated Cost of the project comes to **44.64%**. Details of which are as follows:

<b>Sr. No</b>	<b>Particulars</b>	<b>Estimated Cost (Rs.)</b>	<b>Cost Incurred till 31/03/2020 (Rs.)</b>
A	Land Cost	11,44,19,577	10,54,15,864
B	Development Cost / Cost of Construction	28,21,31,349	4,82,00,974
C	Total Estimated Cost of the Real Estate Project (A+B of Estimated cost column)	<b>39,65,50,926</b>	<b>NA</b>
D	Total Cost Incurred till 31/03/2020 (A+B of Cost incurred till 31/03/2019 column)	<b>NA</b>	<b>15,36,16,838</b>
E	Proportion of the Cost incurred on Land Cost and Construction Cost to the Total Estimated Cost (D/C *100)		<b>38.74%</b>

3. The percentage completion of the project as on 31/03/2020 as specified in Point No. 2 above, is computed on the basis of the records and documents produced before us and the information and explanation provided to us by the promoter enterprise.
4. Seventy percent of the amounts collected from time to time from the allottees of the real estate project which was to be deposited in separate bank account from time to time was short by Rs.51,36,426/- and the said amount is directly withdrawn from account in which collection was received.

<b>Sr. No</b>	<b>Particulars</b>	<b>Amount (Rs.)</b>
A	Amounts collected from the allottees during the year	15,24,75,819/-
B	Amount ought to have been deposited in separate bank account (70% of A above)	10,67,33,073/-
C	Amount actually deposited by the promoter firm	10,15,96,647/-
D	Shortfall	51,36,426/-

However, the promoter firm had sufficient eligible withdrawal limit as per the CA Certificates received from time to time to cover the amount of shortfall as reported above. Hence, the overall withdrawals made by the promoter during the period 01<sup>st</sup> April, 2019 to 31<sup>st</sup> March, 2020 are well within the eligible withdrawal available with the promoter.

5. For computing the amounts collected till date, reliance has been placed on the customer advance collection reports provided by the management of the promoter since inception of the project till 31/03/2020. Total collections as reported in Form 6 are exclusive of stamp duty, registration charges and GST collected from allottees of the real estate project under consideration.
6. For computing the amounts withdrawn till date, reliance has been placed on the amounts certified as withdrawn till 31/03/2018 in Clause iii of Point No. 3 of the Form 6 of the previous year (F.Y 2018-19) dated 30/09/2019. Please refer to the working below:

<b>Sr. No</b>	<b>Particulars</b>	<b>Amount (Rs.)</b>
A	Amounts withdrawn as Clause ii of Point No. 3 of the Form 6 of previous year (F.Y 2018-19) dated 30/09/2019	2,40,46,631/-
B	Amounts withdrawn during the year as reported above	10,10,68,517/-

<b>Sr. No</b>	<b>Particulars</b>	<b>Amount (Rs.)</b>
C	Amounts withdrawn till date (A+B)	12,51,15,148/-

7. For total estimated cost of the real estate project, we have relied on the certificate issued by Chartered Accountant at the time of registration of real estate project under RERA which has also been confirmed by the management.
8. Management of the promoter enterprise has represented that all the amounts collected from the allottees of the real estate project are deposited mainly in below mentioned account:

<b>Sr. No.</b>	<b>Name of the Bank</b>	<b>Bank Account Number</b>
A	ICICI Bank	777705037131

However, some of the amounts collected from the allottees of the project are also deposited in the bank accounts other than the collection bank account mentioned above. We have computed the total collections taking into consideration all such bank accounts.

9. Details of bank account designated with RERA for the abovementioned real estate project is:

<b>Sr. No</b>	<b>Name of the Bank</b>	<b>Account No.</b>
A	ICICI Bank	777705037132
B	HDFC Bank	57500000369129

10. Amounts collected from the allottees of the project for booking of the units in the real estate project which were further cancelled are not considered in computing collections made during the year. Further, the amounts collected during previous years for bookings which were returned to the allottees on account of cancellation of the booking are reduced from the collections made during the year.
11. As per the information provided by the management it has been observed that cost of the project as considered in the withdrawal certificates issued by CA includes Indirect expenses grouped under the head "On site expenditure". These are majorly admin expenses, salary, etc. However, Promoter has sufficient withdrawal available even if the said cost is ignored from the computation of cost of the project.
12. Advance for material and mobilization advance paid are considered as cost incurred for the real estate project in pursuance of the contract between the supplier/contractor.

13. As per Clause 4 of the Form 6 above, it has been stated that the promoter enterprise, has utilized the amounts collected from **Gera's River of Joy - Zone C** only, for the project and withdrawal from the designated bank account(s) of the said project, has been in accordance with the proportion of the percentage of completion of the project therein. Further, in order to verify whether withdrawals are made from time to time from the designated bank account is in proportion of the percentage of completion of the project, we have placed our reliance on the certificate issued by the Chartered Accountant from time to time, certifying the eligible withdrawal from designated bank Account.

**Place: Pune**

**Date: 30/09/2020**

**Chartered Accountants**

Ashish  
Chandrakant  
Khandelwal

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**CA Ashish Khandelwal**

**Partner**