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No: GujRERA/Order -102

Date:-19th December,2024

Order-102
Voluntary Compliance Scheme-2025

1. Background

As per the provisions of **Section 4(2)(1)(D)** of **The Real Estate (Regulation and Development) Act, 2016** read with **Regulation 4** of **The Gujarat Real Estate Regulatory Authority (General) Regulation, 2017**, every promoter shall get his books of accounts audited and submit the annual report on statement of accounts in **Form-5** within six months after the end of every financial year for every registered project.

The **Gujarat Real Estate Regulatory Authority (GujRERA)** has, on various occasions, allowed extensions to the prescribed deadlines for submitting Form-5, either with or without payment of a late processing fee. However, non-compliance continues to be an issue for several promoters.

2. Prevalent Practice

Online Submission of Form-5

2.1. GujRERA has made available the online facility for promoters to submit **digitally signed Form-5**, signed by **Chartered Accountants** registered on the GujRERA Portal. As per Order-15 of GujRERA dated 10th October,2018 Promoter of every project registered with Gujarat RERA shall, for necessary compliance of requirements of Section 4 (2) (1) (d) of the Act read with Regulation 4, file Form-5 for each registered project electronically. The Auditor has to affix his digital signature using utility on GujRERA portal. If a promoter fails to submit Form-5 within the prescribed deadline, they will be liable for penalties as per **Sections 60, 61, and 63** of the Act.

2.2. Timelines for Submission of Form-5

Under the provisions of **Section 4(2)(1)(D)**, promoters must submit Form-5 within six months after the end of each financial year for every registered project. In cases where a promoter fails to meet the deadline, GujRERA may grant extensions. However, if the submission is not made even after the extended deadline, the facility for submitting Form-5 will be locked on the portal, and the promoter will not be able to submit Form-5 for that particular financial year.

Furthermore, the promoter may be given an opportunity to submit their defaulted Form-5 with a **late processing fee** within a prescribed time limit. If the promoter fails to submit even after this opportunity, **suo moto proceedings** will be initiated for non-submission.

3. Purpose of the Scheme

3.1. Non-Compliance of Form-5 Submissions

GujRERA has observed that for several projects, a large number of Form-5 submissions for multiple financial years are still pending. Since the extended time limits for these submissions have passed, the authority is now in the process of initiating suo moto proceedings for all defaulter promoters. This could lead to extensive litigation and the imposition of heavy penalties on promoters who fail to comply.

3.2. One-Time Settlement Scheme

In light of the above challenges and following recommendations from the Ministry of Housing and Urban Affairs, Government of India, GujRERA has decided to introduce Voluntary Compliance Scheme (VCS), 2025. This scheme will provide an opportunity for promoters who have failed to upload Form-5 for one or more financial years to regularize their non-compliance by submitting the pending Form-5 without incurring heavy penalties.

4. Scheme Details:-

The **Voluntary Compliance Scheme, 2025** (VCS) for Form-5 submission will be launched as follows:

4.1. Name of the Scheme:-

The scheme will be called "**Voluntary Compliance Scheme, 2025 for Form-5**".

4.2. Scheme Duration:-

The scheme will be applicable from **January 1, 2025** to **March 31, 2025**.

4.3. Applicability:-

The scheme is applicable to all defaulted projects where Form-5 for any of the financial years between FY **2017-18** to FY **2023-24** has not been uploaded on the GujRERA Portal.

4.4. Exclusions:-

Projects where **Quarter End (QE) Compliance** has been **successfully submitted** before **September 30, 2024** on the GujRERA Portal will not be required to submit Form-5 under this scheme, except for **FY 2023-24**.

4.5. Proceedings Under Section 63:-

The scheme will also apply to projects where proceedings under **Section 63** of the Act for non-submission of Form-5 have been initiated before the issuance of this scheme.

5. Submission Process:-

5.1. How to Submit Form-5:-

Promoters can submit all their pending Form-5 submissions via the GujRERA portal within the time limit mentioned in the clause no 4(B) of the Order. The facility for submission will be available through the promoter's login. The option to submit Form-5 with **late processing fees** will be available for each defaulted Form-5.

- For each defaulted Form-5, promoters must click the "**Pay with Late Fee**" option on the portal to proceed with the payment and submission.

5.1. Late Processing Fees:-

The late processing fees for submitting defaulted Form-5 are as follows:

Project Cost Category	Late Processing Fee
Above ₹100 Cr	₹1,00,000
₹50-100 Cr	₹50,000
₹25-50 Cr	₹25,000
Below ₹25 Cr	₹10,000

- **Note:** The scheme is a **one-time settlement** and is only valid for the non-submission of Form-5 for the financial years **2017-18** to **2023-24**.

6. Penalties and Actions: -

6.1. Impact of Non-Compliance After Scheme Expiry

If a promoter fails to submit the pending Form-5 within the prescribed time limit of this scheme, they will be liable for severe penalties as per **Sections 60, 61, and 63** of the Act. Further, the Authority may initiate actions such as freezing the **RERA Designated Bank Account** of the project.

6.2. Dropping of Suo Moto Proceedings

If proceedings for non-submission of Form-5 (NCAR) have already been initiated then proceedings will be dropped once all pending Form-5 submissions are successfully filed under this scheme.

6.3. Effect of Penalties Imposed

If any penalty has been imposed on the promoter due to prior suo moto proceedings, the penalty will still be applicable.

7. Additional Notes:-

7.1. For Assistance: -

Promoters may contact **GujRERA** for any assistance related to the scheme. They can reach out through the provided telephone number or visit the official website.

7.2. Technical Issues: -

If the promoter is unable to submit Form-5 within the due date mentioned in the clause no 4(B) of the Order due to technical or portal-related issues, then they will not be liable for penalties under section 60,61 and 63 of the Act and they will be allowed to submit the Form-5 with the processing fees mentioned in this order, provided they submit the relevant evidence for the technical issue.

This Voluntary Compliance Scheme offers promoters a final opportunity to regularize their Form-5 submissions with reduced penalties, ensuring compliance with the provisions of **The Real Estate (Regulation and Development) Act, 2016**, and the associated regulations.

(As approved by the authority in noting as on 19/12/2024)


**Secretary
GujRERA**