

**GOVERNMENT OF INDIA
MINISTRY OF HOUSING AND URBAN AFFAIRS
RAJYA SABHA
UNSTARRED QUESTION NO. 1669
ANSWERED ON 15/12/2025**

LIMITED SCOPE IN RERA FOR PRE-RERA PROJECTS

1669. DR. LAXMIKANT BAJPAYEE:

Will the Minister of *Housing and Urban Affairs* be pleased to state:

- (a) whether Government is aware that RERA Act, which was enacted by Government deriving powers from concurrent list of seventh schedule of the Constitution of India, has limited impact on older, pre-RERA projects and many buyers in stalled projects continue to wait for possession and registries with the Supreme Court often having to step in to complete them;
- (b) if so, the manner in which Government propose to improve such a bad situation of pre-RERA projects; and
- (c) whether Government propose to amend and make specific provisions in the RERA Act for the relief of pre-RERA projects?

ANSWER

**THE MINISTER OF STATE IN THE MINISTRY OF HOUSING AND URBAN AFFAIRS
(SHRI TOKHAN SAHU)**

(a) to (c): 'Land' and 'Colonization' are State subjects. However, by deriving powers from the concurrent list of seventh schedule of the Constitution of India, the Real Estate (Regulation and Development) Act, 2016 [RERA] was enacted by the Parliament to regulate the contractual relationship between homebuyers and promoters. RERA aims to ensure transparency & accountability in the Real Estate Sector, thereby protecting the interests of the homebuyers.

As per section 3 of RERA, no promoter shall advertise, market, book, sell or offer for sale, or invite persons to purchase in any manner any plot, apartment or building, in any real estate project or part of it, in any planning area, without registering the real estate project with the Real Estate Regulatory Authority established under RERA.

Also the projects, which are ongoing on the date of commencement of RERA and for which the completion certificate has not been issued i.e. pre-RERA projects, the promoter shall make an application to the Real Estate Regulatory Authority for registration of the said project within a period of three months from the date of commencement of RERA.

Further, Section 59 of RERA provides for punishment up to 3 years imprisonment or with fine, which may extend up to 10% of the estimated cost of the real estate project, or with both in case the promoter fails to comply with the orders, decisions or directions issued by Real Estate Regulatory Authority in case of non-registration under section 3 of RERA.

Moreover, to examine the issue of legacy stalled Real Estate projects, a committee was constituted by Ministry of Housing and Urban Affairs under the Chairmanship of Shri Amitabh Kant in March 2023. As per the report of the committee submitted in August 2023, lack of financial viability is the primary reason for non-revival of the legacy stalled projects. Accordingly, the Committee recommended a slew of measures aimed towards improving the financial viability of these real estate projects. Action on majority of the recommendations of the report of the Committee was to be taken by respective State Governments according to their requirements. As per the information available, the State Government of Uttar Pradesh has formulated a Policy / Package to provide relief to the homebuyers of stalled real estate projects in Noida and Greater Noida, along the lines of recommendations of the Committee.

Furthermore, to give relief to homebuyers of stalled projects, Government has established a Special Window for Completion of Affordable and Mid-Income Housing (SWAMIH) investment fund for funding stalled housing projects that are net-worth positive and registered under RERA, including those projects that have been declared as Non-Performing Assets (NPAs) or are pending proceedings before the National Company Law Tribunal under the IBC.
