

**GOVERNMENT OF INDIA
MINISTRY OF HOUSING AND URBAN AFFAIRS**

LOK SABHA

**UNSTARRED QUESTION ADMITTED NO. 1362
TO BE ANSWERED ON DECEMBER 18, 2018**

REAL ESTATE REGULATION ACT

No. 1362 SHRI RAJAN VICHARE :

Will the Minister of HOUSING AND URBAN AFFAIRS be pleased to state:

- (a) whether the Government has made public the draft rules for implementation of the Real Estate Regulation Act to jail errant builders and if so, the details thereof;**
- (b) whether the draft rules provide that a builder by paying 10% of the estimated cost of the plot or building could avoid going to jail and if so, the details thereof; and**
- (c) a detailed note on the draft rules and its provisions thereon?**

ANSWER

**THE MINISTER OF STATE (INDEPENDENT CHARGE) OF THE
MINISTRY OF HOUSING AND URBAN AFFAIRS
(SHRI HARDEEP SINGH PURI)**

- (a) to (c): Chapter VIII of Real Estate (Regulation and Development) Act, 2016 (RERA) deals with offences, penalties and adjudication. Section 59 of RERA provides for punishment upto 3 years imprisonment or with fine, which may extend up to ten percent 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. Similarly, section 64 of RERA provides for punishment upto 3 years imprisonment or with fine, which may extend up to ten percent of the estimated cost of the real estate project, or with both in case the promoter fails to comply with, or contravenes any of the orders, decisions or directions of the Real Estate Appellate Tribunal.

Section 70 of RERA provides the provisions related to compounding of offence under RERA, by the court on such terms and conditions and on payment of such sums as may be prescribed by the appropriate Government under section 84 (2)(zb) of RERA.

Under section 84 (1) of RERA, the appropriate government i.e. State/Union Territories shall make and notify rules, for carrying out the provisions of RERA.

Ministry of Housing and Urban Affairs had prepared the draft rules which were circulated to all the States for carrying out the provisions of RERA. These draft Rules inter-alia contained provisions related to the application to the Authority for registration of project, the form and manner of making application, fee and documents to be accompanied with the application; the period, manner and conditions of registration; validity of the period of registration and the manner and fee for renewal; manner of implementation of the order, direction or decisions of the adjudicating officer, the Authority or the Appellate Tribunal; the terms and conditions and the payment of such sum for compounding of the offences; the manner of inquiry by Adjudicating officer.
