

GOVERNMENT OF INDIA
MINISTRY OF HOUSING AND URBAN AFFAIRS
LOK SABHA

UNSTARRED QUESTION NO. 1631

TO BE ANSWERED ON NOVEMBER 28, 2019

MALPRACTICES BY BUILDERS AND DEVELOPERS

NO. 1631. MS. DIYA KUMARI:

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

- (a) whether the Government is aware of bogus builders/ developers who have registered and enlisted a large number of customers belonging to economically weaker section/ lower income group for allotment of houses and if so, the details thereof;**
- (b) the steps taken / being taken by the Government against such builders; and**
- (c) the steps taken/ being taken by the Government to regulate further registration of such builders/ developers?**

ANSWER

**THE MINISTER OF STATE (INDEPENDENT CHARGE) OF THE
MINISTRY OF HOUSING AND URBAN AFFAIRS**

(SHRI HARDEEP SINGH PURI)

- (a) to (c): 'Land' and 'Colonization' are State subjects. Ministry of Housing and Urban Affairs does not maintain any record of bogus builders/ developers etc., However, this Ministry has enacted the Real Estate (Regulation and Development) Act, 2016 (RERA) to protect the interest of homebuyers. As per Section 20 of the RERA, the 'Appropriate Government' i.e**

...2/-

States/ Union Territories (UTs) are required to establish the Real Estate Regulatory Authority to regulate and develop the real estate sector in the concerned State/UT and to ensure sale of plot, apartment or building and sale of real estate project constructed by promoter, in an efficient and transparent manner and to protect the interest of consumers in the real estate sector.

Chapter VIII of the RERA deals with offences, penalties and adjudication.

As per section 3 of the Act, 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.

Section 59 of RERA provides for punishment upto 3 years of 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
