GOVERNMENT OF INDIA

MINISTRY OF HOUSING AND URBAN AFFAIRS

LOK SABHA

UNSTARRED QUESTION NO. 783 TO BE ANSWERED ON SEPTEMBER 17, 2020

REVIVAL OF CONSTRUCTION SECTOR

NO.783. SHRI KOTHA PRABHAKAR REDDY:
SMT. VANGA GEETHA VISWANATH:

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

- (a) whether the construction sector expects some revival in demand with easing of lockdown;
- (b) if so, the details thereof and losses estimated so far, urban and rural sector-wise; and
- (c) the incentives being given to real estate sector for revival from COVID-19?

ANSWER

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

- (a) & (b) In view of situation created by the global pandemic COVID-19 (Corona Virus), reverse migration of labourers and breakdown of construction materials supply chains, the construction activities of real estate projects were affected adversely across the country. The sector is witnessing gradual recovery with easing of lockdown. Data/ estimate of losses due to lockdown in urban / rural areas of the country is not maintained centrally.
 - (c)To protect the interest of all stakeholders including homebuyers, Central Government issued an advisory to all States / UTs and their Real Estate Regulatory Authorities to treat COVID-19 pandemic as force majeure and automatically extend the registration/completion date of all projects registered under RERA for a period of 6 months

where completion date expires on or after 25th March, 2020 and to allow further extension of 3 months, if the situation so demands, for the reasons to be recorded in writing and also extend concurrently the timelines of other statutory compliances under RERA.

Recently, various other incentives have been taken to revive the construction and Real Estate Sector such as- special refinancing facility of Rs. 15,000 crore at Reserve Bank of India's Policy Repo Rate to National Housing Bank for supporting Housing Finance Companies (HFCs), reduction in Liquidity Coverage requirements for Scheduled Commercial Banks from 100% to 80%, infusion of Rs. 75,000 crore for Non-Banking Financial Institutions (NBFCs), HFCs and Micro Finance Institutions, extension of Credit Link Subsidy Scheme (CLSS) under Pradhan Mantri Awas Yojana-Urban till 31st March 2021, Affordable Rental Housing Complexes scheme for migrant labour and urban poor, enabling HFCs to access funds at lower rates from overseas, etc.
