

**GOVERNMENT OF INDIA
MINISTRY OF HOUSING AND URBAN AFFAIRS
LOK SABHA
UNSTARRED QUESTION NO. 885
TO BE ANSWERED ON DECEMBER 04, 2025**

MEASURES TO ENCOURAGE INVESTMENT IN REAL ESTATE

NO. 885. SHRI VE VAITHILINGAM:

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

- (a) whether the Government has formulated or proposes to formulate specific measures to encourage investment in real estate through non-loan routes and promote liquidity, particularly emphasizing the role of high net worth individuals and institutional investors in the sector to stabilize the market and reduce financial distress among salaried middle-class homebuyers across the country;**
- (b) if so, the details thereof along with the details of incentives, regulatory support or alternative financial instruments promoted by the Government to broaden real estate investment options and improve overall market transparency; and**
- (c) if not, the reasons therefor?**

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

- (a) to (c):** As per the information received from Department of Economic Affairs, Ministry of Finance, a number of initiatives have been taken to promote investments in the real estate sector. In particular, SEBI's regulatory framework for Real Estate Investment Trusts (REITs) and Infrastructure Investment Trusts (InvITs), including the Small and Medium REIT (SM REIT) framework, has expanded access to real estate by enabling regulated, listed pooled investment vehicles. Further, SEBI has reclassified REITs as "equity-related instruments" for mutual fund and Specialised Investment Fund (SIF) investment purposes (effective 1 January 2026), which is expected to facilitate wider institutional participation and improved market depth.

These measures help channel long-term, diversified capital into income-generating real estate assets, while strengthening transparency, governance and disclosure standards through a regulated, exchange-traded structure. They also provide investors with liquidity and portfolio diversification compared to traditional direct ownership of property.
