

**GOVERNMENT OF INDIA
HOUSING AND URBAN POVERTY ALLEVIATION
LOK SABHA**

UNSTARRED QUESTION NO:980

ANSWERED ON:01.03.2011

ACTION AGAINST BUILDERS

Bapurao Shri Khatgaonkar Patil Bhaskarrao;Gaikwad Shri Eknath Mahadeo;Yaskhi Shri Madhu Goud

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

- (a) whether several cases of cheating and misleading of customers by the builders in various parts of the country in the name of carpet area, build up area and super build area have come to light;
- (b) if so, the details thereof and the action taken by the Government against such builders;
- (c) whether the Government proposes to enact Real Estate Regulation Act to deal with such cases;and
- (d) if so, the details thereof and the time by which the same is likely to come into force?

Answer

MINISTER OF THE STATE IN THE MINISTRY OF HOUSING & URBAN POVERTY ALLEVIATION (KUMARI SELJA)

(a) to (d): 'Land' and 'Colonisation' being states subjects, the primary responsibility for regulating/controlling the unscrupulous builders rests with the State Governments/Urban Local Bodies (ULBs)/Development Authorities under the provisions of respective State Town & Country Planning/Development Authority Acts. Details of defaults by the builders, if any, are therefore, not maintained by the Ministry.

However, in order to promote planned and healthy real estate development of colonies and apartments with a view to protecting consumer interest and to facilitate smooth and speedy urban construction, the Ministry of Housing & Urban Poverty Alleviation in consultation with various stakeholders had prepared a draft Model Real Estate (Regulation of Development) Act 200__ and the same was put on the website of the Ministry (<http://mhupa.gov.in>). Comments/suggestions on the draft bill were invited from public and other stakeholders including State Governments and Union Territory administrations, business chambers, etc. The proposed regulatory mechanism will be finalized by the Ministry after taking into consideration suggestions received from the States, business chambers, developers, experts and other stakeholders, as also views of Ministry of Law & Justice. However, no time frame for its finalization can be assigned at this stage.

Further, the Ministry of Urban Development is considering formulation of the National Capital Territory of Delhi Real Estate Management (Promotion and Regulation) Bill which will be applicable to the National Capital Territory of Delhi. In view of administrative and legal issues involved, no time frame can be fixed for introduction of proposed bill at this stage.