

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

UNSTARRED QUESTION NO:982

ANSWERED ON:01.03.2011

FUNCTIONING OF REAL ESTATE DEVELOPERS AND BUILDERS

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

- (a) the mechanism employed by the Government to control the functioning of the real estate developers and builders in the country;
- (b) the provisions made by the Government in this regard;
- (c) whether these provisions have been violated during each of the last three years;
- (d) if so, the details thereof, State-wise;
- (e) the names of the developers and builders who violated these provisions and the action taken against them so far; and
- (f) the outcome thereof?

**Answer**

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

(a) & (b): '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.

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 stake holders 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 &. 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.

(c) to (f): In view of reply at (a) to (c) above, the details of defaults by the real estate developers and builders, if any, are not maintained by the Ministry.