

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

UNSTARRED QUESTION NO:817

ANSWERED ON:27.11.2012

BLACK MONEY IN REAL ESTATE SECTOR

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

- (a) whether the Union Government proposes to check the flow of black money in the real estate sector in the country;
- (b) if so, the details thereof;
- (c) whether the Union Government has invited the views of the State Governments and other stakeholders in order to bring in a legislation in this regard, in the recent past;
- (d) if so, the details of the suggestions received by the Union Government so far;
- (e) the names of the States which have not sent their responses on the draft legislation so far; and
- (f) the time by which the Union Government is likely to finalise the said legislation?

Answer

THE MINISTER OF HOUSING & URBAN POVERTY ALLEVIATION (AJAYMAKEN)

(a) & (b): Real Estate sector is widely perceived as vulnerable to generation and absorption of black money. Regulatory reforms in this sector can be an effective instrument for curbing the role of black money in the sector.

Therefore in order to bring in transparency and also to provide for a uniform regulatory environment to enforce disclosure, fair practice and accountability norms towards transactions (buying or selling) in the real estate sector, the Ministry of Housing and Urban Poverty Alleviation is in the process of formulating a Real Estate (Regulation and Development) Bill. The said Bill proposes to set up Regulatory bodies in the States/Union Territories.

(c) to (e): Ministry of Housing & Urban Poverty Alleviation had invited the views/comments /suggestions of the State Governments and other stakeholders at various stage of drafting the Bill.

Broad suggestions/comments/views received from States/UTs on the draft legislation are annexed.

Four States viz., Tamil Nadu, Uttarakhand, Sikkim and Government of NCT of Delhi have not sent their responses on the draft legislation.

(f): The draft Bill has been prepared. However, no time frame can be assigned for its finalization at this stage.