

GOVERNMENT OF INDIA

MINISTRY OF HOUSING AND URBAN AFFAIRS

LOK SABHA

UNSTARRED QUESTION NO. 84

TO BE ANSWERED ON DECEMBER 11, 2018

HOUSING PROJECTS

No. 84 DR. SHRIKANT EKNATH SHINDE,
DR. PRITAM GOPINATH MUNDE,
SHRI KUNWAR PUSHPENDRA SINGH CHANDEL,
SHRI SHRIRANG APPA BARNE,
SHRI VINAYAK BHAURAO RAUT,
AND SHRI DHARMENDRA YADAV:

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

- (a) whether thousands of Housing projects are stalled across the country as builders are unable to complete these projects for want of funds and if so, the details thereof, State-wise including Bundelkhand;
- (b) whether the common people are suffering as they have invested their hard-earned money for purchasing houses from the builders and if so, the reaction of the Government thereto;
- (c) whether the Government has any plan for completing the stalled housing projects of builders through the Government agencies and if so, the details in this regard;
- (d) whether the Ministry has requested the Ministry of Finance to create stress funds to complete the stalled housing projects and if so, the details and outcome thereof; and

- (e) the other steps taken by the Government to provide relief to the buyers of these houses?

ANSWER

THE MINISTER OF STATE (INDEPENDENT CHARGE) OF THE
MINISTRY OF HOUSING AND URBAN AFFAIRS

(SHRI HARDEEP SINGH PURI)

(a& b): Ministry of Housing and Urban Affairs (MoHUA) does not maintain information about the stalled housing projects of any State/Union Territory. As per provisions of the Real Estate (Regulation and Development) Act, 2016 (RERA), the 'appropriate Government' i.e. States/Union Territories (UTs) are to establish the Real Estate Regulatory Authority to regulate and develop the real estate sector in the concerned State/UT. The Real Estate Regulatory Authority of the concerned State/UT is required to publish and maintain a web portal containing relevant details of all real estate projects for which registration has been given for public viewing.

(c): No, madam.

However, Hon'ble Supreme Court of India has directed NBCC (India) Limited (a Government of India enterprise) to submit its proposal for completion of the projects of Amrapali Group and accordingly NBCC has submitted a proposal to the Hon'ble Supreme Court for completion of 16 projects of Amrapali Group in Noida and Greater Noida subject to various conditions including arranging funds.

- (d): Based on the recommendations of the High Level Committee constituted by the Government of Uttar Pradesh to redress the issues of home buyers, and affected parties of Noida, Greater Noida and Yamuna Expressway Authority under the chairmanship of the Secretary, Ministry of Housing and Urban Affairs; this Ministry has requested Department of Financial Services, to take up the matter with the Reserve Bank of India (RBI) (i) for issuing clarifications on their circular dated 12th February, 2018 related to "Revised Framework for Resolution of Stressed Assets" and (ii) to permit last mile funding of the projects based on the concept of Last in First Out (LIFO) model where the investor who puts in his money at the last stage to complete the stalled projects, exits first.
- (e): RERA has been enacted to protect the interest of homebuyers. Section 4 of RERA provides for compulsory deposit of seventy percent of amount realised for real estate project from allottees in a separate bank account to cover the cost of construction and land cost. RERA also, inter alia, makes the promoter liable for refund of amount, with interest and compensation, in case developer fails to complete or is unable to give possession of apartment, plot, building to home buyers; as per the terms of the agreement for sale.
