

GOVERNMENT OF INDIA
MINISTRY OF HOUSING AND URBAN AFFAIRS
RAJYA SABHA
STARRED QUESTION NO. 67
ANSWERED ON 29/07/2024

COMPLAINTS LODGED BY HOMEBUYERS AGAINST RERA

67. DR. SASMIT PATRA

Will the Minister of Housing and Urban Affairs be pleased to state:

- (a) whether Government is aware of complaints brought forth by homebuyers against Real Estate Regulatory Authority (RERA) especially at the States where they are not functioning effectively;
- (b) if so, the steps that Government is taking to alleviate these issues of the homebuyers;
- (c) whether Government has undertaken any study or constituted a committee to study the functioning of RERA; and
- (d) if not, whether Government would be willing to do that considering the increasingly large number of cases filed by homebuyers?

ANSWER

THE MINISTER OF HOUSING AND URBAN AFFAIRS

(SHRI MANOHAR LAL)

(a) to (d) A statement is laid on the table of the Sabha.

STATEMENT

STATEMENT REFERRED TO IN REPLY TO RAJYA SABHA STARRED QUESTION NO. 67* FOR 29.07.2024 REGARDING “COMPLAINTS LODGED BY HOMEBUYERS AGAINST RERA”

- (a) & (b)** ‘Land’ and ‘Colonization’ are State subjects. In the absence of any specific legislation related to regulation of Real Estate Sector, Builders/ Promoters were duping the homebuyers through various malpractices such as- diversion of funds, misrepresentation, delays in completion of projects, inferior quality construction etc. Therefore, deriving powers from the concurrent list of seventh schedule of the Constitution of India, the Real Estate (Regulation and Development) Act, 2016 [RERA] was enacted by the Parliament to regulate the contractual relationship between homebuyers and promoters. RERA aims to ensure transparency & accountability in the Real Estate Sector, thereby protecting the interests of the homebuyers.

As per the provisions of RERA, Appropriate Governments are required to establish Real Estate Regulatory Authorities to regulate and develop the Real Estate Sector. Further, the Appropriate Governments have been empowered to take suitable action in case Regulatory Authorities are not functioning effectively. RERA also empowers the Appropriate Government to supersede the Real Estate Regulatory Authority if the Authority is unable to discharge the functions or perform the duties under the provisions of RERA or persistently defaults in complying with any direction given by the Appropriate Government. Additionally, under the provisions of RERA, Appropriate Government is also empowered to remove the Chairperson or Members under certain circumstances.

- (c) & (d)** Ministry of Housing and Urban Affairs has not undertaken any study or constituted any committee to study the functioning of Regulatory Authorities under RERA. However, as per Section 41 of RERA, Central Advisory Council (CAC) has been constituted under the Chairmanship of Minister of Housing and Urban Affairs. The Council acts as a permanent institutional platform to discuss and deliberate all the matters related to RERA including functioning of the Regulatory Authorities and protection of consumer interest.

As per decision taken in the third meeting of CAC, a committee was constituted under the Chairmanship of Shri Amitabh Kant, G-20 Sherpa with the objective to examine and recommend ways to complete the legacy stalled projects. The Committee has since submitted its report which has been shared with the States/UTs and other relevant stakeholders.

Furthermore, in order to assuage the concerns of homebuyers, Ministry of Housing and Urban Affairs regularly holds meetings with the representative of the homebuyers. The concerns raised by homebuyers in these meetings are brought to the notice of the respective Appropriate Governments and the Regulatory Authorities from time to time.
