



# Residential Real Estate

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**Regulatory reforms drive gradual easing of stalled inventory**

**MARCH 2026**

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## 1 Trend in stalled inventory



## 2 Market-wise analysis of stalled inventory



## 3 Government measures to revive stalled projects



## 4 Regulatory proposals



## 5 Indian residential real estate industry outlook



## 6 Annexure





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*The implementation of RERA has led to a sharp decline in incremental stalled projects since 2018. Additionally, post-Covid consolidation in the residential real estate sector has helped curb stalled inventory growth.*

*Government interventions – through SWAMIH funding and NCLT<sup>^</sup>-led mechanisms such as developer/ consortium takeovers or Resolution Professional-supervised project completion – are expected to ease stalled inventory and strengthen buyer confidence.*



- Policy reforms such as Real Estate (Regulation and Development) Act, 2016 (RERA), implementation of the Insolvency and Bankruptcy Code (IBC), and stricter GST compliance have brought a structural shift in India's residential real estate sector. Since the rollout of RERA from FY2017, the quantum of stalled inventory has largely stabilised, with a marginal decline over the past four years. Across the top seven cities, stalled inventory stood at around 1.56 lakh units as of December 2025, with nearly 90% of these units pertaining to projects launched prior to the implementation of RERA.



- As of December 2025, the top seven cities accounted for nearly 84.6% of the stalled residential inventory across India. Within these cities, MMR is the largest contributor at 36%, followed by the NCR (31%) and Bengaluru (12%). In the NCR, about 94% of the stalled inventory pertains to the projects launched prior to FY2017, while in MMR, such projects constitute around 78%.



- Buyers' preference is increasingly shifting towards established and reputed real estate developers to mitigate execution risks with certainty of project completion, construction quality and compliances with RERA. Reflecting this trend, the market share of reputed developers rose to 20.3% in FY2025 from 13.1% in FY2020. This also supported the sharp slowdown and gradual easing in stalled inventory levels.



- The Government of India (GoI) launched the Special Window for Affordable and Mid-Income Housing (SWAMIH) Fund in November 2019, with an aggregate corpus of around Rs. 15,000 crore since launch, supported by the GoI, Public Sector Undertaking (PSU) banks, and Life Insurance Corporation (LIC), to provide priority debt financing to stalled housing projects. Covering over 145 projects across 30 cities, the fund is expected to deliver over 1 lakh units with 60,000 units already delivered. Additionally, SWAMIH Fund 2.0, in the Union Budget for 2026-27, has been allocated Rs. 650 crore to support aggregate completion of further 1 lakh stalled affordable and mid-income homes.



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