

No. 24(372)/2000-CDN  
 Government of India  
 Ministry of Urban Development & Poverty Alleviation  
 Land & Development Office  
 Nirman Bhawan, New Delhi.

Dated: 24.06.03

To:

1. The Chief Secretary,  
Govt. of NCT of Delhi.
2. The Vice-Chairman,  
Delhi Development Authority,  
Vikas Sadan,  
New Delhi.
3. The Chairman,  
NDMC,  
Palika Kendra,  
New Delhi.
4. The Commissioner,  
MCD,  
Town Hall,  
Delhi.
5. The Chief Settlement Commissioner,  
Ministry of Home Affairs,  
(Rehabilitation Division),  
Jaisalmer House,  
New Delhi.

**SUB: Conversion of leasehold tenure of land in Delhi/New Delhi into freehold — Regarding.**

**Ref.: M/o Urban Development (Lands Division) Orders No. J.20011/12/77, L.II dated 14.02.1992, 25.06.1996 and 26.06.1999.**

Sir,

The question of modification of the scheme for conversion of leasehold tenure of land into freehold and its extension to industrial, commercial and mixed land use has been under consideration of the Government. Keeping in view the representations received from the various lease administering authorities and the lessees, the entire issue has been carefully examined by the Government. I am directed to convey the sanction of the President to the partial modification of the earlier instructions on the subject, as under:-

**I. COVERAGE OF THE SCHEME**

The existing scheme of freehold conversion is extended to all built up industrial, commercial and mixed land use leases also.

## II. COMPUTATION OF CONVERSION FEE

The notified land rates prevailing on the date of submission of the application shall be applicable for calculation of conversion fee. The formula for calculation of conversion fee for different sizes of built-up residential plots are given in Annexure 'A'. The formula for calculation of conversion fee for industrial, commercial and mixed land use properties is given in Annexure 'B'. In respect of premium free leases, the conversion fee shall be computable on the basis of the prevailing land rates as notified by the Government from time to time, on a graded basis as applicable to other leases. No conversion fee is chargeable in respect of plots having land area upto 50 sq. mtrs. 'C' type tenements and Janta Flats and also flats constructed by Group Housing Societies on land allotted by DDA having plinth area of 30 sq. mtrs. and below.

## III. MISUSE AND UNAUTHORIZED CONSTRUCTION

As already decided, the unauthorized construction and misuse of the building shall continue to be taken care of by the NDMC/MCD/DDA etc. under their bye-laws/regulations. The DDA and the local bodies should take coordinated action to curb violations and unauthorized constructions. Accordingly, the lease administering authorities may permit conversion of all leased properties irrespective of any building violations or use violations that may exist, subject to recovery of misuse charges/damages charges as applicable under the guidelines of the lease administering authorities whether earlier demanded or not.

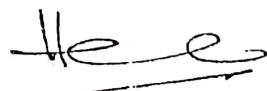
## IV. ENCROACHMENT ON GOVT. LAND/PUBLIC LAND

Conversion to freehold shall not be permitted in respect of a property involving encroachment on Government land / Public land. The lessee has to vacate the encroached land before consideration of the conversion application and shall also be liable to payment of occupational charges for the part period, as per normal rules.

2. In view of the above, the lease administering authorities are requested to make all efforts to clear the pending cases of conversion and take effective steps to deal with the fresh applications that may be received in future and settle them within the prescribed period.

3. It is further clarified that these orders will have prospective effect and the cases already decided/settled will not be re-opened.

4. This Issues with the concurrence of the Finance Division vide U.O.No. 1362-F dated 05.06.03 .



(Hazari Lal)

Land and Development Officer

Copy to:-

1. Cabinet Sectt., New Delhi.
2. Prime-Minister's Office, New Delhi.
3. Director of Audit, AGCR Building, New Delhi.
4. Ministry of Home Affairs (UT Division), New Delhi.
5. Ministry of Law & Justice, Deptt. Of Legal Affairs, New Delhi.
6. Ministry of Finance & Co. Affairs, Deptt. of Expenditure, New Delhi.
7. Principal Information Officer, Press Information Bureau, New Delhi.
8. Finance Division, M/o UD&PA, New Delhi.
9. Delhi Division, M/o UD&PA, New Delhi.
10. PS to UDPAM/PS to MOS(UD)/Sr. PPS to Secretary (UD)/PS to JS(UD).
11. CA, CPWD, New Delhi.
12. Computer Cell.
13. Guard file.

*Shree Kumar*

Public Relation Officer



## Annexure - A

Statement showing one time conversion fee for various sizes of residential plots allotted by Rehabilitation Department or Land and Development office

| Plot area in Sq.mtrs         | Calculation Fee to be calculated on the following basis   | Formula for calculating conversion fee                         |
|------------------------------|---|--|
| Up to 50                     | NIL   | NIL  |
| Above 50 and up to 150       | 7.5% of notified land rate per sq.mtr for area above 50 sq mtrs.  | $0.075 \times R \times (P-50)$                                 |
| Above 150 and up to 250      | Conversion charges applicable to 150 sq mtrs plus 10 % of notified land rate per sqmtr for area above 150 sq mtrs.          | $(7.5 \times R) \text{ Plus } [0.1 \times R \times (P-150)]$   |
| Above 250 and up to 350      | Conversion charges applicable to 250 sq mtrs plus 15 % of notified land rate per sq mtr for area above 250 sq mtrs.         | $(17.5 \times R) \text{ Plus } [0.15 \times R \times (P-250)]$ |
| Above 350 and up to 500      | Conversion charges applicable to 350 sq mtrs plus 20 % of notified land rate per sq mtr for area above 350 sq mtrs.         | $(32.5 \times R) \text{ Plus } [0.2 \times R \times (P-350)]$  |
| Above 500 to 750 sq. mtrs.   | Conversion charges applicable to 500 sq. mtrs. Plus 25% of Notified land rate per sq. mtrs for area above 750 sq. mtrs.     | $(62.5 \times R) \text{ Plus } [0.25 \times R \times (P-500)]$ |
| Above 750 to 1000 sq. mtrs.  | Conversion charges applicable to 750 sq. mtrs. Plus 30% of Notified land rate per sq. mtrs. for area above 750 sq.mtrs.     | $(125 \times R) \text{ Plus } [0.30 \times R \times (P-750)]$  |
| Above 1000 to 2000 sq. mtrs. | Conversion charges applicable for 1000 sq. mtrs. Plus 40% of Notified land rate per sq. mtrs. for area above 1000 sq. mtrs. | $(200 \times R) \text{ Plus } [0.40 \times R \times (P-1000)]$ |
| Above 2000 sq. mtrs.         | Conversion charges applicable to 1000 sq. mtrs. Plus 50% of notified land rate per sq. mtrs for area above 2000 sq. mtrs.   | $(600 \times R) \text{ Plus } [0.50 \times R \times (P-2000)]$ |

P = Plot area in sq. mtrs.

R = Land rates for residential purposes in rupees per sq mtr as notified by the Ministry of Urban Development as on the date of filing of the conversion application

ANNEXURE-B

Formula for calculation of one time conversion fee for various industrial, Commercial and mixed land use properties.

$$\text{Area} \times \text{Notified land rates} \times \frac{10}{100}$$

(Commercial / Industrial) on  
the date of application

No. 24(372)/2000-CDN/121  
 Government of India  
 Ministry of Urban Development & Poverty Alleviation  
 Land & Development Office  
 Nirman Bhawan, New Delhi

Dated: 12<sup>th</sup> June, 2006

To

1. The Chief Secretary,  
Govt. of NCT of Delhi.
2. The Vice-Chairman,  
Delhi Development Authority,  
Vikas Sadan,  
New Delhi.
3. The Chairman  
NDMC,  
Palika Kendra,  
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4. The Commissioner,  
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Town Hall,  
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**Sub: Conversion of leasehold tenure of land in Delhi/New Delhi  
 into freehold - Regarding.**

Ref.: M/o Urban Development (Lands Division) Orders No.  
 J.20011/12/77, L.II dated 14.02.1992, 25.06.1996, 26.06.1999 &  
 No. 24(372)/2000-CDN dated 24.06.03.

Sir,

The modified conversion policy conveyed vide this Ministry's letter NO.  
 24(372)/2000 CDN dated 24.06.2003 have been further examined by the  
 Government keeping in view the representations received from various lease  
 administering authorities and the lessees and also in view of the public interest.  
 In partial modification of the earlier instructions I am directed to convey the

sanction of the President to the modification of the Scheme as under:

**I. Conversion of property sold through regular sale deeds:-**

In respect of cases where properties are transferred through regular sale deed, conversion into freehold shall now be allowed on payment of conversion fee plus surcharge of 33 1/3 % as available to the GPA holders if the cases are otherwise eligible for conversion into freehold as per the scheme and other Govt. dues are paid.

**II. Conversion in respect of multi-storeyed buildings:-**

Individual flats/floors/shops in multi-storeyed residential complexes and multi-storeyed commercial complexes shall be considered for conversion from leasehold to freehold in cases where the owners have complied with the following conditions:-

- (a) Permission had been obtained from the Lessor for construction of multi-storeyed group housing complexes and multi-storeyed commercial complexes;
- (b) The lessees have complied with the bye-laws & regulations laid down by the Central, State & local bodies;
- (c) The building plans have been sanctioned by the local body as multi-storeyed group housing complexes/multi-storeyed commercial complexes;
- (d) The purchaser shall have to give clear proof of his ownership rights such as registered General Power of Attorney/ Sale agreement / Sale deed.



- (e) Conversion of individual flats/floors/shops in such complexes will be subject to the owner paying the proportionate amount of total outstanding dues like ground rent, misuse charges etc. in respect of the property as a whole plus the dues that are attributable to the particular flat/shop being considered for conversion.
- (f) When the property is re-entered/lease is cancelled, any such properties will not be eligible for the conversion unless the re-entry is withdrawn after payment of all dues including all misuse charges and damages charges for unauthorized construction;

The Formula for calculation of the conversion fee in respect of such flats/ floors/ shops from leasehold to freehold will be notified separately. A centralized list of such properties when conversion to freehold is done shall be maintained in Land & Development Office/DDA to avoid future litigation.

### **III. Disposal of residential and commercial plots through auction basis:**

The disposal of residential and commercial plots through auction shall now be permitted to be done on freehold basis. However, residential and commercial plots allotted at predetermined rates shall continue to be on leasehold basis. In such cases, conversion into freehold will be permitted only after completion of the construction thereon.

2. The above amendments will come into effect from the date of issue of this letter and the cases already settled shall not be re-opened. The applications received prior to the date of issue of this letter shall be dealt with in accordance with the previous orders as applicable.



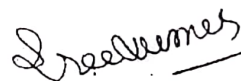
3. The other terms and conditions of the conversion scheme announced in the letter dated 14.02.1992 and as amended on 24.06.03 will continue to be applicable.

4. In the case of the ITDC Hotels privatized through the process of disinvestment or through strategic sale, it is confirmed that these properties are not covered under the policy for conversion of leasehold into freehold. Similarly, the scheme of conversion of leasehold premises into freehold shall not be applied to commercial properties in Delhi of Central public sector enterprises acquired through the strategic sale or disinvestment process.

5. It is also clarified that the scheme of conversion of leasehold to freehold is also not applicable to institutional properties.

6. This issues with the concurrence of the Finance Division vide U. O. No. 1172 - F dated 01/06/2006.

Yours faithfully,



(V.Sreekumar)

Public Relations Officer

Copy to:

1. Cabinet Sectt., Rashtrapati Bhavan, New Delhi with reference to case No.139/16/2006 dt.18.4.2006.
2. Prime Ministers' Office, South Block, New Delhi
3. Director of Audit, AGCR Building, New Delhi
4. Ministry of Home Affairs (UT Division), North Block, New Delhi.
5. Ministry of Law & Justice (Deptt. of Legal Affairs), Shastri Bhawan, New Delhi
6. Ministry of Finance (Deptt. of Revenue), North Block, New Delhi
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