To,

1. The Chief Secretary,  
   Govt. of NCT of Delhi.  
   5, Sham Nath Marg,  
   Delhi-110054.  

2. The Vice-Chairman,  
   Delhi Development Authority  
   Vikas Sadan, INA,  
   New Delhi – 110023.  

3. The Chairperson,  
   N.D.M.C.  
   Palika Kendra, New Delhi – 110001.  

4. The Commissioner,  
   South Delhi Municipal Corpn.  
   Civic Centre, Minto Road,  
   New Delhi-110002.  

5. The Commissioner,  
   North Delhi Municipal Corpn.  
   Civic Centre, Minto Road,  
   New Delhi-110002.  

6. The Commissioner,  
   East Delhi Municipal Corpn.,  
   419, Udyog Sadan,  
   Palparganj Industrial Area,  
   Delhi-110092.  

Subject: - Conversion of leasehold tenure of hotel and cinema sites in NCT of Delhi into freehold tenure – regarding.

Sir,

This is regarding the policy for conversion of leasehold tenures into freehold tenures in respect of hotel and cinema sites.

2. The Conversion Policy, 2003, *inter-alia*, permits conversion from leasehold to freehold of all commercial and mixed land use properties allotted by the Department of Rehabilitation, L&D Office or the Directorate of Estates, for which ownership rights have been conferred and lease deeds executed and registered.

3. I am directed to further clarify that the existing scheme of conversion from leasehold tenures into freehold tenures also allows conversion into freehold of the following:-

   (i) Built-up hotel sites (other than the hotels where businesses have been privatised through the process of disinvestment or strategic sale).

   (ii) Cinema sites for which lease deeds/perpetual leases have been executed and construction has been completed.

  Contd/-
4. The conversion fee for the hotel sites/cinema sites eligible for conversion as mentioned above shall, however, be calculated by adopting the highest of the land rate of the following:

   a) notified rates of land by L&DO for commercial properties plus 100%; or

   b) latest auction rates of DDA in the same/similar locality plus 50% thereof;
      or

   c) current market rates.

5. The decision of the lessor shall be final about the rate arrived at for application.

6. The other conditions contained in this Ministry's letter of even number dated 24-6-2003 and 12-6-2006 shall be applicable to these hotel and cinema sites.

7. This issues with the concurrence of Ministry of Finance (Department of Expenditure) vide I.D. Note No.19(68)/2002-E.II(B) dt. 20-12-2006.

Yours faithfully,

[Mahmood Ahmed]
Land & Development Officer

Copy to:-

1. Ministry of Finance, (Deptt. of Expenditure), North Block, N.Delhi.
2. Finance Division, Ministry of Urban Development, Nirman Bhawan, N.Delhi.
3. Delhi Division, Ministry of Urban Development, Nirman Bhawan, N.Delhi.
4. Computer Cell
5. Guard file.