$~6, 30 & 31

* **IN THE HIGH COURT OF DELHI AT NEW DELHI**

Date of Decision: 30th July, 2026

Uploaded on: 31st July, 2026

\+ **CONT.APP.(C) 15/2026 and CM APPL. 40235/2026**

DELHI DEVELOPMENT AUTHORITY .....Appellant

Through: Mr. CM Rao, Senior Advocate with Mr. Rajeev Lochan Mahunta and Mr. Sahil S. Panwar, Advocates.

versus

MALA SAHNI SETH & ANR. .....Respondents

Through: Mr. Saurabh Seth, Mr. Sukrit Seth, Ms. Neelampreet Kaur, Mr. Abhiroop Rathore, Mr. Kabir Devi and Mr. Sukhvir Singh, Advs.
Mr. C. Mohan Rao, Sr. Adv. with Ms. Mrinalini Sen, Standing Counsel for DDA and Ms. Gauri Rajput, Adv.
Mr. Chetan Sharma, ASG with Mr. Syed Abdul Haseeb, CGSC for UOI.

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\+ **W.P.(C) 9034/2025**

KANTA RANI .....Petitioner

Through: Mr. Ashwini Kumar Singh and Ms. Shruti Singh, Advs.

versus

REGISTRAR OF COOPERATIVE SOCIETIES & ORS. .....Respondents

Through: Mr. C. Mohan Rao, Sr. Adv. with Ms. Mrinalini Sen, Standing Counsel for DDA and Ms. Gauri Rajput, Adv.
Mr. Sameer Vashist Govt. Counsel.
Ms. Urvi Mohan, Adv., Ms. Mahika Bisht Adv., for GNCTD.

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\+ **W.P.(C) 17229/2025**

MEENAKSHI AUPLISH .....Petitioner

Through: Mr. Arun Srivastava, Mr. Ashwini Kumar, Ms. Shruti Singh, Advs.

versus

REGISTRAR OF CO OPERATIVE SOCIETIES & ORS. .....Respondents

Through: Ms. Urvi Mohan, Adv., Ms. Mahika Bisht Adv., for GNCTD.
Ms. Satya Jha and Ms. Adya Jha, Advocates for R-2.

CORAM:
JUSTICE PRATHIBA M. SINGH
JUSTICE VIKAS MAHAJAN

Prathiba M. Singh, J. (Oral)

1. This hearing has been done through hybrid mode.

2. The issue presently being examined in this matter is in respect of the self-imposed freeze on conversion of properties from lease hold to free hold by the Delhi Development Authority *(hereinafter, 'DDA').*

3. As noted in the previous order dated 3rd July, 2026, there are several cases pending before this Court, wherein grievances have been raised in respect of properties and flats where conversion applications are not being accepted and the Interactive Disposal of Land Information System *(hereinafter, 'IDLI portal')* of the DDA remains non- functional since 2nd January, 2016.

4. Even in respect of persons who have already deposited the conversion fee on the said portal along with their application, their applications are also not being processed for conversion.

5. The Court had, in ***Writ Petition (C) No. 9034/2025*** titled '***Kanta Rani***

vs. Registrar of Cooperative Societies & Ors.'., directed the Vice Chairman, DDA to take a decision in an expeditious manner and file a status report.

6. After hearing some submissions, on the last date of hearing, the Court, in ***CONT.APP.(C) 15/2026*** had observed that consultation between the DDA and the Ministry of Housing and Urban Affairs *(hereinafter, MoHUA')* and Ministry of Finance *(hereinafter, 'MoF')* ought to be undertaken on an expeditious basis. The Court observations in ***CONT.APP.(C) 15/2026*** in order dated 3rd July, 2026, were as under:-

> *"24. The conversion of properties from leasehold to freehold in the city of Delhi is an important right available to citizens, enabling them to freely deal with, transfer and otherwise transact in respect of their immovable properties. The DDA cannot be permitted to keep this issue pending for such a prolonged period, particularly when nearly seven months have elapsed without any final decision being taken.*
>
> *25. The matter would, no doubt, require consultation amongst the DDA, the Ministry of Housing and Urban Affairs and the Ministry of Finance, however, such consultation ought to have been undertaken and concluded at the highest level with due expedition.*
>
> *26. The continued delay from January, 2026 till July, 2026 in restoring and facilitating the process of conversion of properties from leasehold to freehold in Delhi is a matter of serious concern, as it adversely affects property owners intending to enter into sale transactions in respect of their immovable properties or finalise title in respect of their properties.*
>
> *27. In fact, such delay is also likely to impede family settlements and other bona fide transactions*

involving immovable properties. Accordingly, in the larger public interest, it is imperative that a final decision in the matter is taken at the earliest, without any further delay.

28. Accordingly, it is directed that a decision shall be taken in an expeditious manner and the Vice Chairman, DDA shall file a status report as directed in ***Writ Petition (C) No. 9034/2025****. Copy of the said status report shall also be filed in the present matter.*

29. The Vice Chairman, DDA shall also remain present in Court to assist the Court on the next date of hearing."

7. On the said date, the Court had directed the Vice-Chairman, DDA, to file a status report and to also remain present to assist the Court.

8. Today, an affidavit has been filed by the Vice-Chairman DDA, Mr. N. Saravana Kumar, IAS. He has joined the proceedings virtually. In his affidavit, it is stated that the online IDLI portal has not been rendered non-functional on account of any technical malfunction or administrative inaction. According to him, it is due to a policy decision necessitated in view of communication dated 2nd January 2026, issued by the MoHUA, (Delhi Division).

9. As per the said communication, the *MoHUA* has directed the DDA that circle rates shall be adopted for the purpose of determination of premium, auction reserve price, rate for conversion charges, land use charges, calculation of ground rent, license fee and other land related charges. The said letter is extracted below:-

ANNEXURE-1

7 34/42

LD/GH/0102/2025/F1/-O/o DY.DIRECTOR(GH)

74760/2026/O/o DY.DIRECTOR (GH)

F. No. K-20017/01/2026-DD(V) (E-9209568)
Government of India
Ministry of Housing & Urban Affairs
(Delhi Division)

Sankalp Bhawan, K.G. Marg,
New Delhi-110001
Dated 02.01.2026

To,

The Vice Chairman
DDA, Vikas Sadan
INA, New Delhi - 110 023

Subject: Adoption of Circle Rates notified by the GNCTD for various procedures and purposes of the Delhi Development Authority- regarding.

Sir,

With reference to the aforesaid subject, I am directed to convey that the competent authority has approved the adoption of Circle Rates notified by the GNCTD vide Notification no. F.1(953)/Regn. Br./Div.Com./HQ/2014/5943 dated 22.09.2014 notified under Indian Stamp Act, 1899 and Delhi Stamp (Prevention of Under-valuation of Instruments) Rules, 2008, for various procedures and purposes of the Delhi Development Authority.

2. The aforesaid Circle Rates shall be adopted by the Delhi Development Authority for purposes such as determination of premium, auction reserve price, rate for conversion charges, land use change charges, calculation of ground rent, license fee and other land-related charges, wherever applicable.

3. All subsequent notifications issued by the GNCTD in continuation of the aforementioned notification dated 22.09.2014 shall apply automatically.

4. This order shall come into force with effect from 02.01.2026.

5. Consequential instructions enforcing this order may be issued under intimation to this Ministry.

This issue with the Approval of Competent Authority.

Yours faithfully,

2/1/2026

(R.B. Meena)
Under Secretary to the Govt. of India

Copy to:

1. All Ministries /Departments of Govt. of India.
2. Lieutenant Governor, Lok Niwas, Delhi.
3. Chief Secretary, GNCTD, Delhi.

10. Thereafter, the DDA responded to this letter on 9th January, 2026. In the said letter, DDA took the following stand :-

> *"Overall impact on conversion:*
> *17. Adoption of GNCTD circle rates w.e.f. 02.01.2026 for computation of premium and reserve price introduces uniformity, transparency and automatic alignment with future revisions. As per the instructions contained in the policy for freehold conversion issued by the Ministry vide order dated 14.02.1992 and subsequent amendments to the said policy, freehold conversion of residential, commercial and industrial land is to be done on the basis of a prescribed formula. The said formula in case of residential land prescribes differential conversion charges on the basis of the size of the plot and is contingent upon two variables -'R' and 'P' where 'P' is the plot area in sq mtrs. and R is the Land rates for residential purposes in rupees per sq. mtr as notified by the Ministry. The said formula in case of freehold conversion of Commercial and Industrial land as prescribed by Ministry's order dated 24.06.2003 is "Area x Notified land rates on the date of application x 10/100".*
> *18. The directions conveyed vide Ministry's letter dated 02.01.2026 conveying the approval of the competent authority to the adoption of circle rates, notified by GNCTD wide notification dated 22.09.2014 inter alia for determination of the rate for conversion charges, however, does not specifically state as to whether this rate for conversion charges would be equal to the circle rates notified by the GNCTD, or it would be some factor/percentage of the said circle rates. This aspect may therefore, require issuance of further instructions by MoHUA. Therefore, in order to avoid any legal complications on this count, receipt of fresh applications for freehold conversion has been put on hold by DDA w.e.f. 02.01.2026, till further orders on account of administrative exigencies.*

19. However, as per the para 1.18 of the Government instructions regarding conversion of freehold conveyed by the Ministry vide letter dated 14.02.1992, applications for conversion shall be submitted on the forms prescribed by the agencies administering the lease and the one-time conversion fee based on a self-assessment basis as per the formula given in para 1.4 and 1.8 above shall be deposited according to procedure prescribed by the concerned agency administering the lease. The date of depositing the conversion fee of the first instalment thereof shall be treated as the crucial date for purposes of calculating the conversion fee. Therefore, the date of depositing the conversion fee or part there-of is the crucial date from which the application is reckoned for consideration for freehold conversion.

20. In view of the foregoing it is submitted that:
a) Premium in respect of government institutional allotments by DDA would continue to be charged on existing norms, i.e. NPNL, ZVR or @ Re.1/-.
b) Since-DDA is already using the circle rate as a basis of determination of auction reserve price in case of auction of Institutional, Commercial, Residential and Industrial Land, the present dispensation would continue for all future auctions.
c) The reserve price for auction of institutional land for socio-cultural and religious purposes is based on ZVR as such uses are unique and different from health and educational use and hence, as such the determination of reserve price for such use would continue on ZVR.
d) The existing mechanism of fixation of premium on the basis of PDR wherever applicable would continue.
e) As regards determination of the other land-related charges wherever applicable, the exercise would require a detailed and critical examination with respect to the applicability as and when the need for determination of such charges arise. 1

f) Receipt of fresh applications for freehold conversion has been put on hold by DDA w.e.f. 02.01.2026, till further orders on account of administrative exigencies. All applications received upto 01.01.2026 in which the conversion fee has been deposited, would continue to be processed further for freehold conversion at the rates applicable prior to 02.01.2026.
This issue with the approval of Vice Chairman, DDA".

11. Again, the DDA, on 19th January, 2026 issued an Office Order whereby the directions of the MoHUA were adopted with effect from 2nd January, 2026. The same was communicated to the MoHUA in the following terms:-

"3. In view of the above, it is here by directed that the aforesaid directions as conveyed by Ministry's letter dated 02.01.2026 shall be adopted and come into force in DDA with effect from 02.01.2026.
4. Receipt of fresh applications for freehold conversion has been put on hold by DDA w.e.f. 02.01.2026 till further orders, on account of administrative exigencies.
5. Determination of premium of leases on the basis of Pre-determined Rates (PDR) shall continue where ever applicable.
6. The existing mechanisms for disposal of institutional, commercial, industrial and residential land/flats, whether by auction or by allotment, on the basis of freehold, leasehold and license, shall continue.
7. DDA's earlier order no. F.1(Misc.)(Coord/2026/395 dated 09.01.2026 issued in this regard, stands hereby superseded."

12. After the above communication of 19th January, 2026, the stand of the DDA is that it has been actively engaged with the MoHUA for finalization of the conversion charges.

13. The next letter has been sent by the DDA on 14th July 2026, wherein, in effect, the DDA sought permission from the MoHUA for processing of applications received till 1st January, 2026 in the following terms:-

"5. Applying revised circle-rate-based conversion charges to applications that were received prior to 02.01.2026, while similarly placed applicants whose applications were filed earlier have already been granted freehold rights on the prevailing/provisional rates, would result in unequal treatment and disparity among similarly situated applicants. Such differential treatment may give rise to grievances and litigation, as the applicants had applied under the policy framework and rate structure prevailing on the date of their applications.

6. Further, it is pertinent to mention here that DDA has already apprised its similar view in detail vide Para 17-19 of even letter no 396 dated 09.01.2026. (copy enclosed)

<u>7. In view of the above, applications for freehold conversion received up to 01.01.2026 may be processed on the basis of the rates/policy applicable on the date of receipt of the application, consistent with the long-standing practice followed under the 1992 Conversion Policy and the principle of maintaining parity amongst similarly placed applicants.</u>

8. This is issued with the approval of Vice Chairman, DDA."

14. This has been followed up with a letter dated 20th July 2026, wherein further communication has been addressed for obtaining a decision from the MoHUA.

15. Finally, a letter dated 29th July 2026 has been placed on record, wherein it has been communicated to the DDA by the *MoHUA* as under:-

No. K-20017/01/2026-DD(V)(E-9209568)
Government of India
Ministry of Housing and Urban Affairs,
(Delhi Division)

08th Floor, Sankalp Bhawan
K.G. Marg, New Delhi – 110 001
Dated the July 29, 2026

To

The Vice Chairman
DDA, Vikas Sadan
INA, New Delhi – 110 023
(Mail: vcdda@dda.org.in)

Subject: - Adoption of Circle rates notified by the GNCTD for various procedures and purposes of the Delhi Development Authority – regarding.

Sir,

I am directed to refer to DDA letter No. F.1(Misc.)/Coord./2026/532 dated 14.07.2026 and VC, DDA, D.O. letter No. PS/VC/DDA/2026/121 dated 20.07.2026 on the above-mentioned subject.

2. The matter has been examined. It is informed that a revised policy/scheme is under formulation for conversion of leasehold property into freehold for the area of DDA. Accordingly, DDA is requested to take necessary action in the matter

Yours faithfully,

Vinay Kumar

(Vinay Kumar)
Under Secretary to the Govt. of India
Tel: 011 2378 3549

16. The above correspondence would, show that after January, 2026, only recently, correspondence has taken place between DDA and MoHUA in view of the orders being passed by the Courts.

17. The data which has now been placed on record by the DDA would show

that there are a total of 1373 conversion applications filed between 2020-2026, which were filed prior to the IDLI portal being pulled down. Out of the 1373 applications, in respect of 308 applications, the approval for conversion has also been granted but conveyance deeds are not being executed.

18. The total conversion charges which have been collected by the DDA from the applications filed from 2020-2026 are Rs.155.06 crores. The said 1373 applications which are pending, are substantial in nature for the last 6 years.

19. The IDLI portal, which enabled applications to be filed online and payments to be accepted online has been pulled down by the DDA in view of the communication of the MoHUA dated 2nd January, 2026. The DDA has, on its own, written letters to the MoHUA. However, it appears that no decision is forthcoming.

20. In view of this position, the Court has also interacted with Vice-Chairman DDA, Mr. Saravanan Kumar, IAS, who has informed the Court that there is active consultation going on between DDA and MoHUA and there is a possibility of a decision in the near future.

21. It is a matter of which judicial notice can be taken that in the MoHUA, a separate division has been carved out called the *'Delhi Division'* which has to exclusively deal with issues relating to development in Delhi.

22. Hundreds of immovable property owners in Delhi have applied for conversion and have, in fact, paid the necessary conversion fee as per the prevalent policy at the relevant time. Their applications have been put on hold and there is no clarity as to when the decision in respect of the conversion charges would be taken and as to when the DDA would be able to restart the IDLI portal.

23. Vice-Chairman DDA, Mr. N. Saravana Kumar, IAS, who has joined the proceedings virtually is unable to give any timeline in this respect.

24. Under these circumstances, this Court is of the view that when a substantial amount of money of more than Rs.155 crores has been collected by the DDA, putting on hold even existing conversion applications would be completely unjustified.

25. As observed earlier, conversion of a property from lease hold to free hold is an important aspect of ownership. There may be citizens who may be requiring funds urgently by selling off their properties. There may also be many senior citizens, who may be wanting to dispose of their properties and many family settlements which may be held up because of such conversion. These aspects cannot be ignored by the authorities.

26. Hence, both, the DDA and the MoHUA, as observed on the last occasion, ought to sit together and arrive at a decision as to what are the conversion charges to be paid and in any case, in respect of charges already collected, there has to be clarity, since the citizens cannot be left in the lurch.

27. Accordingly, it is directed that Ms. D. Thara, Secretary, Department of Capital Development, Ministry of Housing and Urban Affairs, New Delhi, shall hold an urgent meeting with the officials of the DDA, as also any other relevant officials including MoF in order to communicate the Ministry's decision on conversion charges so that the DDA can expeditiously open the IDLI Portal for conversion.

28. Considering the long pending nature of such an important issue, the Court has requested the ld. Additional Solicitor General, Mr. Chetan Sharma to assist the Court and communicate this order to the concerned Authorities.

29. The meeting shall be held between the Secretary, Department of Capital

Development, MoHUA and DDA as also any other Ministries as may be required by the Secretary, Department of Capital Development, MoHUA, on **10th August, 2026 at 3 pm**.

30. If any further meetings are required, the same shall be held on a day-to-day basis and a comprehensive joint report shall be placed on record by MoHUA, Delhi Division and the DDA as to the manner in which the conversion applications would now be processed and the charges that would be required to be paid.

31. Both Ms. D. Thara, the Secretary, Ministry of Housing and Urban Affairs, Delhi Division and Vice-Chairman DDA, Mr. N. Saravana Kumar, IAS shall join the proceedings on the next date of hearing, either physically or virtually to assist the Court.

32. The documents filed on behalf of DDA are taken on record.

33. List on 7th September, 2026 at 3.pm

PRATHIBA M. SINGH, J.

VIKAS MAHAJAN, J.

JULY 30, 2026/MR/SS