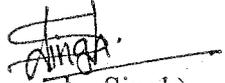


No. 24(372)/04-CDN
Government of India
Ministry of Urban Development
Land & Development Office
Nirman Bhawan, New Delhi.

Dated 17.09.2010

OFFICE ORDER NO. 4/2010

In compliance of decision circulated vide Office Order No. 05/06 DT. 21.6.2006, the Government has finalized formula for calculation of Conversion fee in r/o Flats/Floors/Shops in Multistoried Residential and Commercial Complexes. Accordingly a copy of the decision issued as per Letter No.24(372)/04-CDN dated 17.9.2010 is circulated herewith for information, guidance and necessary action.


(Surendra Singh)

Dy. Land & Development Officer

To,

1. All Officers of L&DO.
2. All Sections Of L&DO.
3. Sr. Scientist NIC for uploading on L&DO's website.
4. Asstt. Director (OL) for providing a Hindi Version.
5. Guard file of CDN.

No. 24(372)/2004-CDN
Government of India
Ministry of Urban Development
Land & Development Office

Nirman Bhawan, New Delhi,
Dated 17th September, 2010.

To,

1. The Chief Secretary
Govt. of NCT of Delhi.
2. The Vice Chairman Delhi
Development Authority,
Vikas Sadan, INA, New Delhi.
3. The Chairman
NDMC, Palika Kendra, New Delhi.
4. The Commissioner
MCD, Town Hall, Delhi.

Subject: - Conversion of leasehold tenure into freehold in Delhi/ New Delhi- formula for calculation of Conversion fee in respect of Flats/Floors/Shops in Multistoried Residential and Commercial Complexes.

Sir,

I am directed to refer to this Ministry's letter of even number dated 12th June 2006 on the subject cited above and to say that as indicated in para II thereof, the formula for calculation of the conversion fee in respect of the Multistoried flats/ floors/shops for conversion from lease hold into freehold has been finalized and is indicated below:-

I. Flats/Floors/Shops in Multi-storeyed Residential and Commercial Complexes where individual applicants have right in the land as per transaction document

$$\left(\begin{array}{l} \text{Conversion fee for} \\ \text{the entire plot as per} \\ \text{graded formula for} \\ \text{plots.} \end{array} \right) \times \left[\begin{array}{l} \text{(Plinth area of the flat/floor/shop as per} \\ \text{transaction document + proportionate common} \\ \text{area attributed to the flat/shop/ floor)} \\ \hline \text{Plot area (Sq.m)} \end{array} \right] +33.33\%$$

II. Flats/Floors/Shops in Multi-storeyed Residential and Commercial Complexes where the individual applicants have no right in the land as per transaction document.

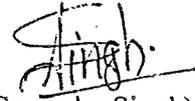
$$\left(\begin{array}{l} \text{Conversion fee for} \\ \text{the entire plot as per} \\ \text{graded formula for} \\ \text{plots.} \end{array} \right) \times \left[\begin{array}{l} \text{(Plinth area of the flat/shop/floor in question} \\ \text{as per transaction document)} \\ \hline \text{Plot area (sq.m.)} \end{array} \right] +33.33\%$$

2. The formula for calculation of conversion fee for the entire plot for both residential and commercial premises is as given at Annexure-I. The land rates applicable in the case of the respective land owning agency shall be applied.

Contd...../-

3. For land rates to be applied to compute the conversion fee, graded formula applicable on properties shall be used for both commercial and residential properties by applying commercial and residential land rates respectively.
4. As already stipulated in the letter under reference dated 12th June 2006 the conversion from leasehold into freehold in respect of individual flats/floors/shops in multi-storeyed residential complexes and multi-storeyed commercial complexes shall be considered for conversion from lease hold into freehold subject to the other conditions stipulated in para II thereof. This formula is only for conversion fee. Other charges i.e. premium, misuse charges, damages charges, interest on delayed payment and penalty etc. are to be calculated as per the policy on the subject and lease terms and conditions.
5. All lease administering authorities are advised to follow the above policy and conditions and to maintain a centralized list of such properties allowed conversion from leasehold into freehold and furnish to this Ministry as and when required.
6. This issues with the concurrence of the Finance Division vide UO No. 222 dated 28.1.2008.

Yours Faithfully



(Surendra Singh)

Dy. Land and Development Officer

Copy to:

1. Cabinet Sectt. Rashtrapati Bhawan, New Delhi with reference to case No. 139/16/2006 dated 18.04.2006.
2. Prime Minister's 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 (Dept. of Revenue), North Block, New Delhi.
7. PS to UDM/PS to MOS (UD)/ Sr. PPS to Secretary (UD)/ PS to JS (UD).
8. Finance Division, M/o U.D., New Delhi.
9. Director, Delhi Division, M/o U.D. New Delhi.
10. Sr. Scientist, NIC(L&DO) for uploading on Ido. Site for public information.
11. All sections/officers of L&DO for compliance.
12. Guard File of CDN.

Annexure - I

Statement showing formula for calculation of one time conversion fee for various sizes of residential and commercial plots.

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

P = Plot area in sq. mtrs.

R = Land rates for residential / commercial purposes in rupees per sq mtr as notified by the Ministry of Urban Development as on the date of filing of the conversion application (For residential premise, the notified residential rates are applicable whereas for commercial premise, notified commercial rates are applicable.)

SAMPLES FOR CALCULATION FOR CONVERSION FORMULA**I Flats/Shops/Offices in Multistoreyed Residential and Commercial Complexes where individual applicants have right in the land as per transaction document**Prithvi Raj Road

Plot area = 500 sq.m.

Land rate = Rs.13860/- (R) = Residential.

Plinth area = 400 sq.m.

Plinth area of the flat = 50 sq.m.

Total flat = $\frac{400}{50} = 8$

Common area = (500-400) = 100 sq.m.

Proportional common area = $\frac{100}{8} = 12.5$ sq.m. for one flatConversion fee $32.5 \times 13860 + [0.2 \times 13860]$
[500-350]

Conversion fee for the plot = Rs.450450/- + Rs. 415800/-

= Rs.866250/- total Conversion fee

One flat area = 50 sq.m.

Conversion fee $\frac{866250 \times (50+12.5)}{500}$

Total conversion charges

Conversion fee for one flat = Rs. 108281/- conversion fee + 33.33% of conversion fee

= Rs.108281/- + Rs.36090/- = Rs.144371/-

conversion

charges for one flat.

II Flats/Shops/Office in Multistoreyed Residential and Commercial Complexes where the individual applicants have no right in the land as per transaction document.Conversion fee $\frac{Rs.866250 \times 50}{500} = Rs.86625/-$

Total conversion charges = conversion fee + 33.33% of conversion fee

= (Rs.86625) + (Rs.28872)

= Rs.115497/- total conversion charges