F.No.24(681)/08-CDN
Government of India
Ministry of Urban Development
Land & Development Office
Nirman Bhawan, New Delhi.

Despatch No. 449/09/CDN

Dated the 12th November 09

OFFICE ORDER NO. 15/2009

Sub: Conversion of lease-hold rights into freehold rights in case where the lessee only has life interest in the property substituted on the basis of Will.

The issue of conversion of leasehold rights into freehold rights in case of the lessee having life interest only in the property substituted on the basis of "Will" has been under examination. Based on the comments of Ministry of Law's examination, it is clarified that:-

- (i) A limited estate conferred upon a man/woman under a Will (i.e only life interest in the property) would not be enlarged into an absolute ownership.
- (ii) If the lessee having only life interest relinquishes/ surrenders his/her interest in the property which has the effect of accelerating the inheritance of the property in the name of the next legal heir such disclaimer/ relinquishment deed executed by the lessee in favour of next legal heir of his wife / her husband can be accepted for substitution.
- (iii) In such cases, the leased property can be converted from leasehold to freehold in the name of next legal heir after substitution of the property in the name of such legal heirs.
- (iv) Surrendering his/her interest by a man/woman lessee in the property in favour of next legal heirs of his wife / her husband, will not amount to transfer or sale of the property.

(v) This issues with the approval of the Ministry of Law and Justice vide their diary No. 302 dated 7.10.09.

Yours faithfully,

(Surendra Singh)
Dy. Land and Development Officer
Tel.No.23061325.

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