

**GOVERNMENT OF INDIA  
URBAN EMPLOYMENT AND POVERTY ALLEVIATION  
LOK SABHA**

UNSTARRED QUESTION NO:4657  
ANSWERED ON:22.08.2000  
SALE/PURCHASE OF LAND  
ABHA MAHATO;HEMA GAMANG

**Will the Minister of URBAN EMPLOYMENT AND POVERTY ALLEVIATION be pleased to state:**

- (a) whether sale and purchase of land or property have been restricted in Delhi;
- (b) if so, the details thereof;
- (c) whether the land or property is being sold and purchased on a large scale in the name of `Power of Attorney` by executing an `Agreement for Sale` in place of `Sale Deed` under the seal and signature of a Notary or Oath Commissioner without paying any registration or similar fee to the Government;
- (d) if so, whether such type of sale/purchase has been regularised by the Government permitting such a `Power of Attorney` to convert the land/house/flat under somebody's possession from lease hold to freehold;
- (e) if so, the details thereof; and
- (f) the basis on which such conversion is being allowed?

**Answer**

MINISTER OF STATE FOR URBAN DEVELOPMENT & POVERTY ALLEVIATION ( SHRI BANDARU DATTATREYA )

(a)&(b): Yes, Sir. As per the terms and conditions of the lease deed executed with the purchaser/allottees of plots, the lessee of the plot is not entitled to sell/transfer the lease-hold rights of the property without the prior permission of the lessor.

(c): Yes, Sir.

(d)&(e): The Government of India, Ministry of Urban Development & Poverty Alleviation notification dated 14/2/1992 introduced the scheme of conversion of lease-hold tenure into free-hold in respect of residential built-up properties. Under the said scheme the purchasers of lease hold rights by way of GPA/Agreement to sell are permitted to get the property in question converted into free-hold in their name on payment of additional 33.1/3% of the conversion charges as surcharge.

(f): With the passage of time it was observed that the lease hold system has not achieved the objective of arresting escalation in land values. The cumbersome procedures were leading to public harassment as well as persons resorting to unauthorised sale thereby avoiding payment of unearned increase to the lessor, stamp duty and registration charges and Corporation Tax to the collector of stamps and the MCD respectively. Considering all these aspects, Government of India, announced the scheme of conversion of lease hold system of land tenure in Delhi into free hold vide its orders dated 14.2.1992, which has been further modified from time to time.