

**GOVERNMENT OF INDIA
URBAN DEVELOPMENT
LOK SABHA**

UNSTARRED QUESTION NO:6817
ANSWERED ON:08.05.2013
CONVERSION OF ITDC HOTELS INTO FREEHOLD
Das Gupta Shri Gurudas;Ray Shri Saugata

Will the Minister of URBAN DEVELOPMENT be pleased to state:

- (a) whether Delhi High Court has quashed the single bench order to convert five disinvested ITDC hotels into freehold;
- (b) if so, the details thereof;
- (c) the action taken by the Government to recover the dues from these hotels;
- (d) whether the Government proposes to convert these properties into freehold contrary to the stand taken by it in the appeal against the single bench's order; and
- (e) if so, the details thereof and the reasons therefor?

Answer

MINISTER OF STATE IN THE MINISTRY OF URBAN DEVELOPMENT (SHRIMATI DEEPA DASMUNSHI)

(a) : Yes, Madam.

(b) : The Double Bench of Delhi High Court has quashed the single bench order to convert five disinvested ITDC hotels into freehold vide Judgment dated 11.09.2012 passed in LPA 2298-99/2006 & CM No. 16584/2006 titled Union of India & Anr. Versus Hotel Excelsior Ltd & ANR. AND LPA 147/2007 & CM No. 2839/2007 titled as UOI & ANR.-Versus-

Eden Park Hotel P. Ltd. AND LPA 161/2009 titled as UOI & ANR Versus- Lodhi Property Company LTD. & ANR. The Hon'ble High Court did not find any right in the respondents (Hotels) to compel the appellant L&DO to convert the leasehold rights in the land underneath disinvested hotels and cinema aforesaid into freehold. The court also did not find any arbitrariness or discrimination in the refusal of the appellant L&DO to grant freehold conversion sought by the respondents.

(c) : The demands towards Government dues have been issued to these hotels under the terms of Lease Agreement.

(d) : No, Madam.

(e) : Does not arise.