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

\+ CONT.CAS(C) 438/2026

MALA SAHNI SETH & ANR. .....Petitioners

Through: Mr. Saurabh Seth, Ms. Sukriti Seth, Ms. Neelam Preet Kaur, Mr. Abhiroop Rathore, Mr. Kabir Deva dn Mr. Sukhvir Singh, Advocates.

versus

DELHI DEVELOPMENT AUTHORITY .....Respondent

Through: Mr. Rajeev Lochan Mahunta and Mr. Sahil S. Panwar, Advocates.

CORAM:
HON'BLE MR. JUSTICE SACHIN DATTA

<u>O R D E R</u>

% **18.03.2026**

<u>CM APPLs.16928/2026, 16929/2026 (Exemption)</u>

1. Allowed, subject to all just exceptions.

2. Applications stand disposed of.

<u>CONT.CAS(C) 438/2026</u>

3. The present petition alleges wilful disobedience of the directions contained in the order dated 11.02.2026 passed in CONT.CAS(C) 241/2026 and order dated 05.12.2025 in W.P.(C) 16214/2025 passed by this Court.

4. The controversy concerns the petitioner's applications for conversion of their commercial premises from leasehold to freehold. It is submitted that substantial conversion charges have already been paid by the petitioner. Subsequently, the respondent sought to raise a GST demand which was challenged by the petitioner in W.P.(C) 16124/2025.

5. *Vide* the aforesaid order dated 05.12.2025 in W.P.(C) 16214/2025, the respondent was directed to process the petitioner's application for

conversion subject to the petitioners undertaking that they would honour the GST demand in the event they do not succeed in the writ petition.

6. The operative directions in the said order dated 05.12.2025 read as under:

> *"6. In any event, in the present case, the application of the Petitioner for conversion from leasehold to freehold need not be held back on this ground.*
>
> *7. The undertaking of the Petitioner is recorded to the effect that if the Petitioner does not succeed in the present case, the demand for GST would be honoured as per the directions of this Court.*
>
> *8. Let an affidavit of undertaking be filed to this effect by the Petitioner. Subject to the said undertaking, it is directed that the DDA shall process the application for conversion from leasehold to freehold."*

7. The requisite affidavit is stated to have been filed by the petitioners in terms of the aforesaid directions.

8. *Vide* order dated 11.02.2026 passed in CONT.CAS(C) 241/2026, the respondent undertook to take the requisite decision on the petitioner's application and communicate the same to the petitioner within a period of 4 weeks from the said date. However, the same has not been done till date; hence the present petition has been filed by the petitioners.

9. Learned counsel for the respondent/DDA, who appears on advance notice, during the course of hearing, handed over an affidavit stating that the directions contained in the order dated 11.02.2026 have been complied with. The said affidavit reads as under:

I, Ajay Gupta S/o Sh BK Gupta, aged about 51 years, working as Director(Finance), DDA, Vikas Sadan, New Delhi, do hereby solemnly affirm and declare as under:

1. That the present affidavit is being filed in compliance with the direction passed by this Hon'ble Court in the captioned contempt petition dated 11.02.2026*qua* the decision of the Respondent-DDA with respect to the request of the Petitioner for conversion of the Shops/ Commercial units bearing No. 601, 602 and 603, situated on Sixth Floor of DLF South Court Mall, Saket District Centre, New Delhi, from leasehold to freehold as per the conversion scheme/ policy of the Respondent-DDA.

2. The Petitioners have challenged the demand of GST levied on the conversion charges by the Respondent-DDA vide their SOP dated 28.03.2025.

3. That the Petitioners as directed by this Hon'ble Court have filed their respective undertaking on 10.12.2025 as directed by this Hon'ble Court vide order dated 05.12.2025with respect to specific directions given under Para no. 7 & 8 of the said order i.e., if the Petitioner does not succeed in the connected writ petition, the demand for GST would be honoured as per direction of this Hon'ble Court. Further, under Para 8 it was directed to file an affidavit of undertaking to that effect.

4. That the Respondent-DDA placed the said affidavit of undertaking before the concerned & competent division/ department, thereafter looking at the importance of the matter & its larger ramifications held thoughtful deliberations & discussions with various internal departments/ divisions/ sections and invited valuable comments, consequently it was the position of the department(s) that the concerned Accounts Wing has taken approval from the competent authority in the subject matter, howeverdue to the administrative directions/reasons the IDLI System (Interactive Disposal of Land Information System) for conversion is not working presently for all the applicants (pending case or new cases). Therefore, it is respectfully submitted that the request for conversion by the Petitioners is already under process as per the directions of this Hon'ble Court.

5. That it is further crucial to submit that as per the Office Order bearing No. F.1 (Misc.) Coord. 2026/33 dated 19.01.2026pertaining to the adoption of the circle rates notified by the GNCTD for various procedures and purposes of DDAread with the MoHUA's Letter dated 02.01.2026*qua* the approval of competent authority to the adoption of circle rates notified by GNCTD dated 22.09.2014, therefore it is decided by the

Respondent-DDA to put on hold any receipt of fresh application for freehold conversion with effect from 02.01.2026 till further orders on account of administrative exigencies.

Copy of the Office Order bearing No. F.1 (Misc.) Coord. 2026/33 dated 19.01.2026 is annexed herewith as **ANNEXURE A.**

6. That it is further affirmed that as soon as the hold on the applications for conversion is rolled back or resumed,the application of the Petitioners herein shall be duly & expeditiously considered and decided forthwith.

DEPONENT

Director (Finance)/निदेशक (वित्त)
Delhi Development Authority/दिल्ली विकास प्राधिकरण
Vikas Sadan, INA,/विकास सदन, आई.एन.ए.
New Delhi-110023/नई दिल्ली–110023

VERIFICATION:

I, the deponent above named do hereby verify that the contents of present Affidavit are true and correct to my knowledge, no part of it is false and nothing material has been concealed therefrom.

Verified at New Delhi on this 13th day of March, 2026.

DEPONENT

Director (Finance)/निदेशक (वित्त)
Delhi Development Authority/दिल्ली विकास प्राधिकरण
Vikas Sadan, INA,/विकास सदन, आई.एन.ए.
New Delhi-110023/नई दिल्ली–110023

10. From the aforesaid, it is evident that the requisite internal/departmental approval for processing the petitioner's application without payment of GST has been approved. However, it has been mentioned that the IDLI System (Interactive Disposal of Land Information System) is not working for all the applicants (pending cases or new cases).

11. The affidavit is also enclosed with an Office Order dated 19.01.2026. The same reads as under:

DELHI DEVELOPMENT AUTHORITY
LAND DISPOSAL DEPARTMENT
COORDINATION BRANCH
INA, New Delhi- 110023.

No. F.1(Misc.)Coord./2026/33 Dated: 19.01.2026

OFFICE ORDER

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

Ministry of Housing and Urban Affairs (Delhi division) Government of India vide letter number F. No. K – 20017/01/2026 – DD (V) (E– 9209568) dated 02.01.2026, has conveyed the approval of the competent authority to the adoption of Circle Rates notified by the GNCTD vide notification number F.1 (953)/Regn. Br./Div.Com./HQ/2014/5943 dated 22.09.2014, notified under the Indian Stamp Act, 1899 and Delhi Stamp (Prevention of Undervaluation of Instruments) Rules, 2008 for various procedures and purposes of the Delhi Development Authority.

2. Vide the said letter dated 02.01.2026, the following directions have also been conveyed by MoHUA:

(i) The aforesaid Circle Rate 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.

(ii) All subsequent notifications issued by the GNCTD in continuation of the aforementioned notification dated 22.09.2014, shall apply automatically.

(iii) The said orders shall come in to force with effect from 02.01.2026.

(iv) Consequential instructions enforcing this orders may be issued by the Delhi Development Authority under intimation to the Ministry.

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.

This issues with the approval of the Vice Chairman, DDA.

Vivek Chaudhary
19.01.26
(Vivek Chaudhary)
Dy. Director
LD-Coordination, DDA

Copy to:

1. OSD to VC
2. PS to PC (LD)
3. PS to FM
4. PS to CVO
5. PS to CLD
6. PS to CAO
7. All Directors (LD)
8. Director (Land Costing)
9. Under Secy, MoHUA (Delhi Division)
10. Dy. Director/Systems to upload the order on DDA's website and take action with respect to IDLI portal as per order.

Dy. Director
LD-Coordination, DDA

12. A perusal of the aforesaid Office Order dated 19.01.2026 indicates that only the receipt of fresh applications for free hold conversion have been put on hold by DDA w.e.f 02.01.2026, however, there is no impediment in consideration of the pre-existing applications.

13. As such, the Office Order dated 19.01.2026 does not pose any impediment to the consideration of the petitioner's application for taking the requisite decision thereof. Also, the fact that the IDLI system is not working cannot possibly be an impediment; it is for the respondent to ensure that IDLI System is activated for processing the case of the petitioner and other similarly situated applicants.

14. In the circumstances, the respondent is directed to act in accordance with law, and in terms of the orders dated 05.12.2025 and 11.02.2026, and accordingly complete the aforesaid exercise for taking requisite decision on the petitioner's application for conversion from lease hold to free hold.

15. The present petition stands disposed of in the above terms.

16. Let an affidavit of compliance be filed within a period of 12 weeks from today.

SACHIN DATTA, J

MARCH 18, 2026/*at*