

**RAJASTHAN HOUSING BOARD,
JAIPUR**



PRINCIPLES OF COSTING - 2010

Approved in Board meeting dated 25.02.2010 vide item No. 210-20

राजस्थान आवासन मण्डल

क्रमांक: लागत/2010-11/122

दिनांक 01/जून, 2010

कार्यालय-आदेश

राजस्थान आवासन मण्डल में प्रचलित "लागत सिद्धान्त, 1993" में वर्णित सिद्धान्तों के सरलीकरण हेतु मण्डल की 210वीं बैठक के विचार बिन्दु संख्या 20 के अनुसार "लागत सिद्धान्त-2010" अनुमोदित किए गए हैं। मण्डल में लागत सिद्धान्त 1993 एवं इससे संबंधित जारी आदेश व परिपत्रों के अधिकमण में "लागत सिद्धान्त-2010" तुरन्त प्रभाव से लागू किए जाते हैं। ये सिद्धान्त दिनांक 1.6.2010 से पूर्व प्राप्त लम्बित प्रकरणों एवं इसके पश्चात् प्राप्त प्रकरणों पर लागू होंगे। पूर्व में निष्पादित प्रकरणों की पुर्नगणना 1993 के लागत सिद्धान्तों के अनुसार ही होगी।



वित्तीय सलाहकार

प्रतिलिपि निम्नांकित को सूचनार्थ एवं आवश्यक कार्यवाही हेतु:-

1. निजी सचिव, मा. अध्यक्ष, राज.आवासन मण्डल, जयपुर।
2. निजी सचिव, आवासन आयुक्त, राज.आवासन मण्डल, जयपुर।
3. मुख्य अभियन्ता, राज.आवासन मण्डल, जयपुर।
4. सचिव, राज. आवासन मण्डल, जयपुर
5. मुख्य संपदा प्रबन्धक, राज.आवासन मण्डल, जयपुर।
6. निदेशक (विधि), राज.आवासन मण्डल, जयपुर।
7. अति. मुख्य अभियन्ता-प्रथम/द्वितीय/पी.एण्ड एम., राज.आवासन मण्डल, जयपुर।
8. उप आवासन आयुक्त, राज. आवासन मण्डल,
9. आवासीय अभियन्ता, राज.आवासन मण्डल,
10. जन संपर्क अधिकारी, राज. आवासन मण्डल, जयपुर।
11. वरिष्ठ लेखाधिकारी,
12. "लागत सिद्धान्त-2010" राजस्थान आवासन मण्डल की वेबसाइट **RHBONLINE.COM** पर भी देखे जा सकते हैं।



वित्तीय सलाहकार

PRINCIPLES OF COSTING -2010

1.0 INTRODUCTION

1.1 The Rajasthan Housing Board (hereinafter referred as the Board) has been constructing houses for registered applicants since its inception in 1970. Commercial, institutional and community facilities have been essential features of the colonies developed by the Board.

The Board obtains land through acquisition, mutual negotiations with *Khatedars* or allotment by Government, UIT's and local bodies. The houses in a colony developed by the Board are allotted to registered applicants on a 'No-profit No loss' basis. Costing of the assets created by the Board therefore is an exercise which merits special attention for on its principles depends what an allottee would be required to pay. A periodic revision of these principles is a prerequisite in the light of new policies and schemes of the Board. The principles laid down below now are a result of such an exercise.

2.0 APPLICABILITY

2.1 The Principles of Costing shall be applicable with effect from 1.6.2010. The costing of all pending cases as on 1.6.2010 and new cases received after this date will be finalized as per these Principles of Costing.

3.0 COST OF PROPERTY

3.1 The total cost of the Board's properties/houses will be based on a direct cost and an indirect cost. The direct cost will comprise of following components:

- (a) Procurement of land
- (b) Land conversion charges
- (c) Charges for change in land use
- (d) Land development
- (e) Cost of construction of houses/properties.
- (f) Other direct charges.

3.2 The indirect costs will comprise of following components:

- (a) T&P/R&D/Quality control charges
- (b) Administrative charges
- (c) Interest applicable during construction/land development.
- (d) Contingencies and Equalisation Reserve (CER)

4.0 PROCUREMENT OF LAND

4.1 As already stated, the Board obtains land through acquisition, negotiations with *Khatedars* or allotment by Govt./UIT's/local bodies etc. Thus, the following components of cost will be added to arrive at the cost of raw land:

- (a) Actual payment/compensation made against land
- (b) Compensation paid for structures such as buildings, wells, trees etc.
- (c) Payment of interest, solacium etc

- 4.2 It often happens in cases of land acquired under the Land Acquisition Act (hereinafter referred as the Act) that the *Khatedars* file revision against the awards in the Civil Courts. The courts sometimes enhance the amount of compensation payable by the Board. Due to this and other unforeseen reasons, the cost of land acquisition increases substantially than the originally estimated. To cover such eventualities, 15% of the cost arrived at by totaling sub clause (a) to (c) in clause 4.1 will be added to the cost of land acquired from *Khatedars* under the Act. This percentage of cost will not be added on lands obtained through mutual negotiations with *Khatedars* or the lands by allotted Govt./UITs/local bodies.
- 4.3 In case of land acquired through mutual negotiations with *Khatedars* where developed land is allotted in lieu of cash compensation; the cost of developed land will be calculated as follows:
- (a) 12 % developed residential land to be allotted to the *Khatedars* in lieu of land surrendered by them to the Board as per Govt. order P6(44)/UDH/3/89 dated 22.4.92 including subsequent guidelines, the cost of developed land will be computed according to the following formula:
Land cost/sqm of saleable area = $d / a (p-0.12)$
 - (b) 15 % developed residential land to be allotted to the *Khatedars* in lieu of land surrendered by them to the Board as per Govt. order P6(19)/UDH/89 dated 21.9.99 including subsequent guidelines, the cost of developed land will be computed according to the following formula:
Land cost/sqm of saleable area = $d / a (p-0.15)$
 - (c) 20 % developed residential land and 5 % developed commercial land to be allotted to the *Khatedars* in lieu of land surrendered by them to the Board as per Govt. order P6(29)/UDH/3/2004 dated 27.10.2005 including subsequent guidelines, the cost of developed land will be computed according to the following formula:
Land cost/sqm of saleable area = $d / a (p-0.28)$
Where a=Total area of land
d=Cost of development of entire land.
p=proportion of saleable area to total area
- NOTE: 1. The cost of development at "d" shall be inclusive of development cost + interest as determined.
2. The basis on which this costing has been made is detailed in Annexure-I.
- 4.4 Land conversion charges are levied on lands acquired by the Housing Board after 1.4.1993
- (a) lands allotted by Government
 - (b) lands acquired through mutual negotiations without going through the procedure of the Land Acquisition Act.
- However, such charges will not be levied on lands acquired under the Act or through negotiations entered into with *Khatedars* after publication of the notification under section 4(1) of the Act. The conversion charges will be averaged out on the entire land of a colony while working out the impact of such charges and will be added to the cost of bare land to arrive at its basic price.
- 4.5 If land use is changed, then charges so worked out shall also be added to the cost of bare land to arrive at its basic price.
- 4.6 The initial costing of acquired land shall be determined after adding to the land procurement cost, the interest applicable from time to time from the

date of payment of compensation, solacium etc to the end of the at particular period. The period for interest computation shall be counted from the 1st of the month in which the land was acquired to the last of the month in which the land cost is being finalised.

5.0 LAND DEVELOPMENT

- 5.1 The development of land shall include expenditure incurred on the following items of work:
- (a) Levelling and dressing of ground.
 - (b) Construction of roads and culverts.
 - (c) Construction of drains.
 - (d) Laying of water supply lines.
 - (e) Drawing of electric lines.
 - (f) Construction of sewer system.
 - (g) Street lighting.
 - (h) Plantation, arboriculture, parks and playgrounds.
 - (i) Any other miscellaneous items
- 5.2 The procedure for allotment/disposal of houses/flats/property takes time and therefore shall commence when the construction is not fully over but has progressed sufficiently. Since the entire expenditure on development would not have been incurred till then, the cost on development land shall be arrived at by adding the actual expenditure incurred till then to the expenditure anticipated to be incurred till the completion of the work. Project duration of 30 months will be taken as the basis for such computation and interest for half the project period i.e. 15 months shall be added, at rates of interest notified by the Board from time to time, on the total development cost.

6.0 COMPUTATION OF LAND AND DEVELOPMENT COST OF PROPERTY

- 6.1 The saleable area shall include the following:
- (a) Residential area
 - (b) Half of the total area set aside for the institutions
 - (c) 40% of the area earmarked for commercial spaces assuming that only this percentage of the spaces so earmarked will be utilized for shops/commercial purposes, the rest being left out for parking etc.
- 6.2 The rate per square meter of saleable area will be the cost of raw land as calculated according to clause 4.0 added to the cost of development calculated according to clause 5.0 divided by the total saleable area calculated according to clause 6.1. This shall be the rate of developed residential land chargeable to the property.
- 6.3 After the initial rate of developed residential land is finalised, the cost of developed land for the next and subsequent years shall be computed by adding simple interest for the period unto 30th June on such interest rate as notified by the Board.
- 6.4 The rate of developed land, as determined under 6.3 shall be valid till the following 30th June.
- 6.5 Cost of developed land shall continue to be worked out for a block of three years in the way explained in clause 6.2 to 6.4 from the year for which it was first finalised.
- 6.6 The costing is based on the expenditure already incurred and to be incurred in future, the rate of developed land may again be worked out

- with the actual expenditure incurred after a block of 3 years to make corrections, if any, to account for the revised cost of development.
- 6.7 If the actual cost of developed land as per 6.6 is more than the cost of developed land being charged from the allottees so far then the rate for developed land shall be increased accordingly. If there is a saving over initial cost then no change in the cost of developed land shall be made.
- 6.8 In case the actual cost of developed land as per clause 6.7 is more than the cost which was charged so far then the increase in the cost of development shall be taken into account for computing the revised rate of developed land for the remaining developed land in the colony which may be residential, commercial institutional or reserved for ancillary services.
- 6.9 It sometimes happens that some developed land is left over in old colonies in which a major portion has been built upon and disposed of through allotment etc. According to the prevalent rules if later on the left over developed land is built upon and the property on it disposed of, the cost of such developed land is calculated by adding to the initial land development cost the interest accruing till then. It may however so happen that the revised cost of developed land works out to be less than the cost of developed land in a latest developed colony in the same city. It will not be proper to adopt the lower land development cost on the left over land because even though it may not have been utilised over the years, fresh development work is always needed on it such as recarpetting of roads, maintenance of drains, sewer lines, water and electric lines, open spaces etc. requiring additional expenditure on this land. Therefore, the cost for left over developed land in any old colony will be kept at least equal to the cost of developed land in recently developed other colonies of the same city.
- 6.10 The interest element is included in the cost of developed land, therefore, while calculating the cost of property all other overheads except interest shall be added to the element of developed land.
- 6.11 The rate of developed land applicable to residential, institutional and commercial property will be as follows:
- (a) On residential land: the rate of developed land worked out according to clause 6.2 to clause 6.4.
 - (b) On commercial land: the cost of developed land shall be four times that applicable for residential land on the reasoning given under clause 6.1(c).
 - (c) On institutional land: the cost of developed land shall be 1.5 times that applicable on residential land on the reasoning given in clause 6.1(c). In case of corner plots, 25 per cent additional cost will be charged on the institutional rates. 25% overheads on the price of land allotted for institutional purpose will be added to account for direct costs.
- 6.12 The allottees belonging to Economically Weaker Sections and Lower Income Group will be cross- subsidized. The allottees belonging to the Middle Income Group- 'A' will be charged the rate of developed land for residential purpose as mentioned in clause 6.11(a). The rate of developed land for residential purpose will be calculated as follows:

Category of allottees	The rate of developed land
Economically Weaker Sections	80 per cent of the rate of developed land as mentioned in 6.11(a).
Lower Income Group	90 per cent of the rate of developed land as

	mentioned in 6.11(a).
Middle Income Group - 'A'	100 per cent of the rate of developed land as mentioned in 6.11(a).
Middle Income Group - 'B'	110 per cent of the rate of developed land as mentioned in 6.11(a).
Higher Income Group	120 per cent of the rate of developed land as mentioned in 6.11(a).

- 6.13 In some cases extra / additional land may be available in a house/flat/commercial property which may have to be sold / allotted to the allottee of adjoining property. In such cases the cost of additional developed land shall be worked out by adding 50% extra to the basic prevailing developed land cost to account for indirect costs which may be applicable.
- 6.14 In case the land allotted to an allottee is more than what is indicated in the allotment letter then on detection of such a discrepancy, recovery against the additional land will be made at the rate of 1.50 times the rate of developed land on the date of allotment of house along with the interest up to the time when such discrepancy is detected.

7 AREA OF CHARGEABLE DEVELOPED LAND

- 7.1 **Houses:** For calculating the plot area, measurements shall be taken from the center of the walls if both the opposite walls are common walls. If only one wall is common and the opposite wall is facing the road then the measurements shall be taken from the center of the common wall to the outer edge of the wall facing the road / street.
- 7.2 **Flats:** The land area for flats shall be computed as under:

7.2.1 Two storied flats:

- (i) The total land area equivalent to the plinth area of the ground floor house shall be divided between the ground and Ist floor as under:
 - (a) Ground floor 60%
 - (b) First floor 40%
- (ii) The land within the compound of the ground floor other than the plinth area shall be charged to the ground floor.
- (iii) Common areas to the flats shall be equally charged to all flats.
- (iv) If the houses have garages then the land under the garage along with the drive way shall be charged to the flat to which it is attached.
- (v) As costing is done for a standard size of plot, the cost for any extra land available within the plot shall be worked out after adding 50% extra to the basic prevailing developed land cost to account for indirect costs.
- (vi) If a terrace is provided in a flat for the use of the flat owner then an extra charge would be made for the terrace area @ 30% of the rate of developed land applicable to his floor.

7.2.2 Three storied flats:

- (i) The total land area equivalent to the plinth area of the ground floor house shall be divided between the different floor/flat as under:

(a) Ground floor	50%
(b) First floor	30%
(c) Second floor	20%

Sub clause (ii) to (vi) of clause 7.2.1 will also applicable to clause 7.2.2

7.2.3 Four storied flats:

- (i) The total land area equivalent to the plinth area of the ground floor house shall be divided between the different floors as under:
 - (a) Ground floor 45%
 - (b) First floor 25%
 - (c) Second floor 20%
 - (d) Third floor 10%

Sub clause (ii) to (vi) of clause 7.2.1 will also applicable to clause 7.2.3

8. MULTI-STORIED RESIDENTIAL FLATS WITH LIFT AND ENCLOSED COMPOUND

100 per cent of the land area shall be charged equally to all floors in the ratio of their plinth area. Internal development works required to be executed within the complex will not be charged.

9. CHARGEABLE LAND RATE FOR MULTISTORIED COMMERCIAL COMPLEXES

The land cost for different type of multistoried commercial complexes can be charged as mentioned below:

9.1 For two storied commercial complex

9.1.1 If storey height is same

- (i) Ground Floor- 70 per cent
- (ii) First Floor- 30 per Cent

9.1.2 If mezzanine is constructed with ground floor

- (i) Ground Floor- 80 per cent
- (ii) First Floor- 20 per Cent

9.2 For three storied complex

9.2.1 No mezzanine on ground floor

- (i) Ground Floor- 60 per cent
- (ii) First Floor- 25 per Cent
- (iii) Second Floor- 15 per Cent

9.2.2 If mezzanine on ground floor

- (i) Ground Floor- 70 per cent
- (ii) First Floor- 20 per Cent
- (iii) Second Floor- 10 per Cent

9.3 For four storied & above complexes

9.3.1 No mezzanine on ground floor

- (i) Ground Floor - 50 per cent
- (ii) First Floor - 20 per Cent

- (iii) Second Floor & above, the balance may be equally divided between all floors.

9.3.2 If mezzanine on ground floor

- (i) Ground Floor - 55 per cent
- (ii) First Floor - 15 per Cent
- (iii) Second Floor & above, the balance may be equally divided between all floors.

Common areas to the flats shall be equally charged in proportionate to the plinth area. For mezzanine floor, the plinth area will be taken as 1.50 times of the actual plinth area of the property.

10 COMMERCIAL-CUM-RESIDENTIAL COMPLEXES ON COMMERCIAL LAND

As Per the Costing Principles (Clause 6.11), the rate of commercial land is four times the rate of residential land. Therefore, the rate of land shall be charged as commercial and the total cost may be divided as under:

- (a) Commercial - 80 per cent
- (b) Residential - 20 per cent

For area constructed under commercial category, the land to be charged for the number of stories on the same principles, as proposed in clause 8 i.e. the land cost shall be distributed in the same proportion as laid down in clause 8.

For area constructed under residential category, the land cost to be charged equally for all stories.

For commercial complexes, parking facilities along with some common services such as lift/elevators, fire-fighting system, U.G. water tank, toilets etc. need to be separately provided. A separate cost shall be worked out for all these and shall be charged on a pro-rata basis of the area of commercial property.

The services provided to the residential block shall be assessed separately and also charged on pro-rata basis of the plinth area.

11. RESIDENTIAL COMPLEX WITH PERMISSIBLE COMMERCIAL AREA ON RESIDENTIAL LAND

The rate of land may be charged as residential and the total land may be divided in proportion of saleable area for residential & commercial, however, the reserve price for commercial area shall be four times as that of residential land rate.

There is no need to charge separately for internal Development works required to be executed within the Complex.

12.0 COST OF CONSTRUCTION OF HOUSE/PROPERTY

- 12.1 The proposal for determining the costing for property shall include the expenditure incurred till the time of submission of proposal plus the expenditure anticipated to be incurred till completion of construction. To ensure that there is not much variation in the final costing on completion

of construction of a property, only such property will be included for the purposes of costing on which an expenditure of about 75% or more has been incurred and which after being included in the possession process can be handed over within three months from the date of finalisation of the costing.

- 12.2 If the houses included in a particular costing are in a single income group category of the same plinth area and of almost similar specifications but are under construction through different contractors at different tender premia, the cost of each house in such a case shall be determined by averaging out the total cost of the houses. Such cost shall be determined separately for each colony.
- 12.3 If all houses of a particular income group in a colony are having nearly similar specifications but having different plinth areas, then the cost of construction per sqm of houses included in a particular costing will be computed by adding up the cost of all houses and then dividing by the total plinth areas of all such houses. The costing of individual house will be arrived at by multiplying plinth area with the cost per sqm. computed above.
- 12.4 For commercial property, the cost of construction will be worked out similarly as for residential property.

12.5 Charges for covered parking / stilt parking

In case of stilt parking being provided in the multi-storied flats, limited covered parking is available for cars. For rest of the vehicles, open parking is provided in enclosed complex. In some cases covered parking may also be provided by erecting steel structures using fibre glass sheet as roof:

- (i) Charges @ 5% of the cost of flat for stilt parking.
- (ii) Charges @ 2.5% of the cost of flat for parking with temporary structure.

13. OTHER DIRECT CHARGES

Other direct charges @ 2% will be charged for all types of property whether residential, institutional or commercial and will be calculated on the total cost of developed land and cost of construction.

14 T&P/R&D/QUALITY CONTROL CHARGES

These charges shall be @ 0.50% on the total cost of construction, development and other direct charges and other direct charges and will be on account of T&P/Research & Development and Quality control.

15. ADMINISTRATIVE CHARGES

The administrative charges will be levied at the rate prescribed by the Board from time to time. Presently these are levied @10% on residential and 15% on commercial property and will be applied on total of direct costs items mentioned in clause 13 plus T&P charges mentioned in clause 14.

16. INTEREST APPLICABLE DURING CONSTRUCTION/ DEVELOPMENT OF LAND

Project period for houses / flats will be as follows:

- (i) Houses 18 months
- (ii) Flats 30 months.

The interest on construction of property will be added for half of the project period or half of the actual period of construction whichever is more.

- NOTE:
1. Stage of construction in case of houses disposed of an 'as is where is basis' will have to be indicated to work-out the prorata basic ceiling cost.
 2. In case of cost over runs, interest at the proportionate cost and period as worked out in proportion to the total cost and total project period shall be recovered.

17. CONTINGENCIES AND EQUALISATION RESERVE (CER)

17.1 This will be recovered on account of the following:

- (1) To compensate for various losses on account of unforeseen circumstances;
- (2) For losses on account of freezing of cost of property which may be necessitated in some cases;
- (3) For construction of Govt. primary schools, dispensaries and community centers etc.
- (4) Awards to be paid as a result of litigation etc. in property disposal;
- (5) Maintenance and upkeep of colonies after handing over the houses to the allottees till the colony is handed over to Municipality / local bodies.

17.2 The contingencies and equalisation reserve(CER) shall be made part of the costing for different income groups of houses at the rates mentioned below:

Income Group	Rate of contingencies and equalisation reserve
Economically Weaker Sections	NIL
Lower Income Group	2 %
Middle Income Group - 'A'	7%
Middle Income Group - 'B'	7%
Higher Income Group	8%
Commercial	10%

The CER shall be added on the total computed cost after adding all other overheads on basic ceiling cost and cost over-runs.

18. COST OF HOUSES/PROPERTY

The cost of houses/property will now be worked out according to the cost sheet at Annexure-II.

19. VALIDITY OF COSTING

19.1 The reserve price for property to be auctioned shall remain valid up to 30th June.

- 19.2 The costing for residential houses shall remain valid for three months from the date of issue. The concerned Additional Chief Engineer shall be authorised to extend the validity of costing after adding prescribed interest upto 30th June. The Resident Engineer shall send the costing details for all the houses started together irrespective of the fact that whether all the houses have been allotted or not. Once the costing of these houses is finalized, the costing can be revalidated as per prescribed norms whenever necessary.
- 19.3 Since the cost of developed land is being separately increased each year while adding interest on the cost of a house, in case of revalidation of costing of property, the cost of developed land shall be deducted from the previous costing with interest being added only on the remaining cost. The rate of interest to be added will be as notified by the Board.

20. COST OF SURPLUS HOUSES

- 20.1 Surplus houses shall be:
- (a) Houses included in a draw of lots but could not be allotted due to lesser number of applicants.
 - (b) House allotted to the applicant but cancelled due to default in payment by the allottee or the allottee wishes to surrender the house due to personal reasons.
- 20.2 As the cost of land and development are the same for new and old houses at a particular point of time, the averaging out shall therefore, be done to obtain the cost of construction only. The prevailing cost of the developed land shall then be added to such averaged cost to arrive at the sale price of a house.

21. SELF FINANCING SCHEME

- 21.1 The Board also registers applicants under Self Financing scheme (SFS). In these schemes, the estimated total cost of the house is deposited in pre-determined instalments by the applicants and the amount is then used in the construction of houses.
- 21.2 For SFS-houses/flats the following charges shall be applicable:
- (a) The cost of land development of the house will be the same as applicable for general category houses but it will be charged as applicable in the year in which the first installment of the house has been asked for from the SFS applicant as the first installment includes the complete cost of developed land prevailing in the year of issue of the reservation letter plus 10% of the cost of construction of the house
 - (b) No interest for the period of construction shall be added on such houses provided there is no cost over-run above the cost indicated in the reservation letter.
 - (c) If there is an increase in the cost as compared to the cost indicated in the reservation letter, then interest on the additional cost of construction including over heads as applicable from time to time shall be added for the half of the project period.
 - (d) CER to be charged on SFS houses shall be at the same rates as for the general category houses as mentioned in clause 17.

- (e) Other direct charges, T&P and administrative charges shall be the same for SFS houses as levied in the case of general category houses for a particular income group.
- (f) If there is a time over-run in construction, the allottee shall be paid interest at the rate of 6% on the total amount deposited by him for the excess period after allowing a grace period of 6 months over the project period mentioned in the reservation letter / relevant booklet for delivery of the house, since a six months period is normally taken up by the allotment / possession procedure.
- (g) If a house is surplus and has been allotted to a SRS/GRS category applicant, interest while finalising the costing, shall be added at the rate applicable to the category of that house.

22. COMMERCIAL PROPERTY (SHOPS AND KIOSKS)

- 22.1 The reserve price for commercial property shall be worked out in the same way as that for residential property except that:
- (a) The cost of developed commercial land shall be four times that of the residential property on the logic that normally 40% of such land is saleable and the rest has to be left for circulation, open spaces, parking etc.
 - (b) The rate of interest to be added on the construction cost shall be as notified by the Board.
 - (c) Interest shall be added for half of the project period or half of the actual period of construction whichever is more.
 - (d) Administrative charges at 15% shall be added.
 - (e) CER at 10% shall be added.
- 22.2 The reserve price shall be valid up to 30th June.

23 ADDITIONAL CHARGES FOR CORNER FLATS

Once costing of a house is finalised in accordance with the costing principles and the costing sheet (Annexure-II) drawn up, the various charges on account of detached / semi-detached houses / flats, ancillary service charges, lease money, interest if any, will be levied. The details of various charges to be levied are as follows:

23.1 For corner house

- (a) **Detached Corner/semi - detached corner houses:** The additional charges shall be applicable to all categories of income group and will be as follows:
 - (i) *Detached corner* 3% of cost of construction.
 - (ii) *Semi-detached corner* 2% of cost of construction.
- (b) **Corner flats:** The additional charges which shall be applicable for all categories of income groups will be:
 - (i) *Ground floor:* 2% of cost of construction
 - (ii) *First and subsequent floors:* NIL

23.2 Ancillary Service Charges

The ancillary service charges shall be recovered in one installment before handing over possession from all categories of houses including SFS as follows:

EWS, LIG	0%
MIG-A, MIG-B, HIG & SFS	3%

Commercial	3%
Institutional	3%

23.3 MISCELLANEOUS CHARGES

Lease or ground rent is to be charged on behalf of Government from an allottee. Advance lease money for one year is chargeable at the rate of 2.50% of the cost of developed land in case of houses / flats and 5% in case of commercial properties.

24. INTEREST FOR REGISTRATION AMOUNT

The interest on registration Amount and seed money shall be paid from the date of deposit @ 6% p.a. or as notified by on the date of issue of allotment letter. Interest will not be payable to SFS applicants.

Annexure-I

COST OF DEVELOPED LAND IN CASE THE DEVELOPED LAND IS ALLOTTED TO THE KHATEDAR IN LIEU OF CASH COMPENSATION (Refer Clause 4.3).

To facilitate acquisition of land, the State Government has issued various orders permitting the allotment of developed land to the Khatedar in lieu of cash compensation to be paid for land acquired under the provisions of Land Acquisition Act. In such cases, as the Khatedar is not paid cash compensation for the land in acquisition therefore the special formula is being worked out in such cases:

- (A) Allotment of residential land upto 12 per cent of agriculture land surrendered by the Khatedar.

For the development of formula, to calculate the cost of development, following assumptions are made:

(1)	Total land area with Khatedar	=	'a' sqm.
(2)	Proportion of saleable area to the total area.	=	'p'
(3)	Cost of developed land	=	Rs.'d'
(4)	Area of developed land to be transferred to Khatedar.	=	0.12a sqm.
(5)	Saleable area	=	ap
(6)	Developed area to be transferred to Khatedar.	=	0.12a
(7)	Area of developed land remaining with RHB.	=	$ap - 0.12a = a(p - 0.12)$
(8)	The cost of developed land remaining with the RHB is	=	$\frac{d}{a(p - 0.12)}$

- (B) The State Government has issued circular vide dated 12th Sept. 1999 vide which Khatedar had been made eligible to receive developed residential land upto 15 per cent of agriculture land surrendered by Khatedar.

In such case, the figure 12 per cent will be replaced by the figure 15 per cent in the calculation made in case of (A). Therefore, for the land acquisition covered under the circular dated 21.9.1999, the cost of developed land will be **Rs. $d/a(p - 0.15)$**

- (C) The State Government has issued circular dated 27th October, 2009 vide which the Khatedar has been made eligible to receive unto 20 per cent residential and 5 per cent commercial of the total agriculture land surrendered in lieu of cash compensation for the acquired land.

As mentioned in the costing principles, the cost of commercial developed land is equal to 1.6 times the cost of developed residential land. Therefore, 5 per cent commercial developed land is equivalent to 8 percent residential developed land in terms of the cost. Therefore, 20 per cent residential & 5 per cent commercial is equivalent to 28 per cent residential land. Therefore, the cost of residential developed land for the actual acquisition land covered under circular dated 27.10.2005 can be calculated by replacing 12 per cent in the formula worked out in case of (A) with 28 per cent. Thus the cost of developed land per square meter is Rs **d/a (p-0.28)**

ANNEXURE-II**COST SHEET FOR PROPERTY (Refer Clause 18)**

S. No.	Particulars	
i	Cost of land & Development	
ii	Cost of Construction	
iii	Total (i & ii)	
iv	Cost (iii)	
v	Add. other Direct Charges on (iv)	
vi	Total (iv+v)	
vii	T&P on (vi)	
viii	Total (vi+vii)	
ix	Add. Administration Charges on (viii)	
x	Total (viii+ix)	
xi	Add interest @ ____% above for ____ months (ii).	
xii	Total (x+xi)	
xiii	Net Amount (xi)	
xiv	Add: CER @ _____ on (xiii)	
xv	Grand Total (xiii+xiv)	
xvi	Cost of House/ Shop/ Flat etc. to be approved (Rounded of to the next hundred rupees).	