

## Balance cost working sheet

### Preparation / Calculation method

There are two type of allotment made in TNHB namely,

- 1 ] Hire Purchase and
- 2 ] Out Right Purchase.

#### 1 ] Hire Purchase

The following procedure are adopted for Hire Purchase Allotment [HP]

No.	Description	Computer Working sheet Reference
1	Regular Interest	Sheet - B
2	Penal Interest	Sheet - C
3	ID interest	Sheet - D
4	Capitalisation or carrying cost	Sheet - E
5	Difference In land cost	Sheet - F
6	Balance Cost Interest	Sheet - G
7	Abstract [ Demand - Collection ]	Abstract

#### HP-1. Regular Interest [ Sheet - B ]

The regular interest is nothing but the apportioned part of the Monthly Installment. In this working sheet the interest part of the MI is calculated from the commencement of the repayment period till the end of repayment period or up to the date of preparation of the balance cost working sheet. This interest amount is taken into Absolute interest demand in Main Abstract .

### Calculation Rules:-

- 1 ] If allotment is made before 01-01-1986 , the Annual basis method should be adopted.
- 2 ] If allotment is made on or after 01-01-1986 , the Quarterly basis method should be adopted.
- 3 ] The Scheme interest rate should be taken as rate of interest.
- 4 ] Simple interest per month for the balance outstanding at the beginning of the quarter / annum should be arrived
- 5 ] Amount paid should be first adjusted against the arrears and then to the current MI due.

### Calculation:-

Suppose a house was allotted to X . The details of allotment is given below

Cost	Rs. 184170/-
Initial deposit	Rs. 67500/-
Monthly Installment	Rs. 1638/-
Allotment date	24-12-90
MI Commencement Date	01-05-1991
Rate Of scheme Interest	14%
Repayment Period	13

### The method of regular interest working sheet is given below

Note:- Quarterly basis working sheet is adopted as allotment made after 01/01/86

From	To	Amount To be paid	Interest	Principal	Balance [Cost-ID]
					1,16,670
5/1991	TO 7/1991	4,914	4,083	831	1,15,839
8/1991	TO 10/1991	4,914	4,054	860	1,14,979
11/1991	TO 1/1992	4,914	4,024	890	1,14,089
2/1992	TO 4/1992	4,914	3,993	921	1,13,168
5/1992	TO 7/1992	4,914	3,961	953	1,12,215
8/1992	TO 10/1992	4,914	3,928	986	1,11,229
11/1992	TO 1/1993	4,914	3,893	1,021	1,10,208
2/1993	TO 4/1993	4,914	3,857	1,057	1,09,151
5/1993	TO 7/1993	4,914	3,820	1,094	1,08,057



5 ] The penal rate shall be 3% above the scheme rate of interest.

6 ] One month simple interest for the principal portion shall be the penal interest if the delayed payment is made after the due date after the due date. Additional one month simple interest shall be laid for each month of delay period in months (**Delay untis**).

### Sample Calculations:-

MI commencement Date : 01/06/1991 Monthly Instalment : 2400  
 Scheme interest : 14.25 Repayment Period : 13  
 Rate of Penal Interest : 17.25

Note :- 1. Penal interest was calculated as per Allot-I(6)/35891/2003  
 and Board Resolution No. dated 28/07/2003

For the Year	Paid MI	Paid PI	Rece. No.	Paid Date	Delay in Unit
6/1991	2,400.00	0.00		27/06/1991	1
7/1991	4,800.00	168.00		18/12/1991	11
9/1991	4,800.00	144.00		27/12/1991	7
11/1991	2,400.00	72.00		30/01/1992	3
12/1991	4,800.00	120.00		15/02/1992	5
2/1992	4,800.00	72.00		26/03/1992	3
4/1992	2,400.00	48.00		25/05/1992	2
5/1992	2,400.00	96.00		30/10/1992	6
6/1992	2,400.00	96.00		07/11/1992	6
7/1992	4,800.00	120.00		12/11/1992	9
9/1992	2,400.00	48.00		03/12/1992	4
10/1992	2,400.00	144.00		18/04/1993	7
11/1992	2,400.00	144.00		13/05/1993	7
<b>12/1992</b>	<b>9,600.00</b>	<b>144.00</b>		<b>18/06/1993</b>	<b>22</b>
4/1993	2,400.00	48.00		11/07/1993	4
5/1993	2,400.00	72.00		05/09/1993	5
6/1993	4,800.00	72.00		09/11/1993	11
8/1993	4,800.00	72.00		28/12/1993	9
10/1993	2,400.00	48.00		25/01/1994	4
11/1993	2,400.00	48.00		02/02/1994	4
12/1993	2,400.00	72.00		09/04/1994	5
1/1994	2,400.00	72.00		04/05/1994	5
2/1994	2,400.00	72.00		15/05/1994	4
3/1994	2,400.00	72.00		09/07/1994	5
4/1994	2,400.00	72.00		11/08/1994	5
5/1994	2,400.00	72.00		28/08/1994	4
6/1994	2,400.00	72.00		27/09/1994	4
7/1994	2,400.00	72.00		18/11/1994	5
8/1994	2,400.00	72.00		28/12/1994	5
9/1994	2,400.00	72.00		08/02/1995	6
10/1994	2,400.00	72.00		10/03/1995	6
11/1994	2,400.00	72.00		09/04/1995	6
12/1994	2,400.00	72.00		09/05/1995	6
1/1995	2,400.00	72.00		07/06/1995	6
2/1995	2,400.00	72.00		05/07/1995	6
3/1995	2,400.00	72.00		12/08/1995	6
4/1995	2,400.00	72.00		08/09/1995	6
5/1995	2,400.00	72.00		12/10/1995	6
6/1995	2,400.00	72.00		22/11/1995	6
7/1995	2,400.00	72.00		14/12/1995	6

For the Year	Paid MI	Paid PI	Rece. No.	Paid Date	Delay in Unit
8/1995	2,400.00	72.00		19/01/1996	6
9/1995	2,400.00	72.00		25/02/1996	6
10/1995	2,400.00	72.00		13/03/1996	6
8/2002	4,800.00	0.00		23/01/2003	11
10/2002	2,400.00	0.00		22/02/2003	5
11/2002	2,400.00	0.00		10/04/2003	6
12/2002	2,400.00	0.00		17/05/2003	6
1/2003	4,800.00	0.00		24/07/2003	13
3/2003	2,400.00	0.00		04/09/2003	7
4/2003	4,800.00	0.00		23/09/2003	11
6/2003	2,400.00	0.00		09/10/2003	5
7/2003	2,400.00	0.00		03/12/2003	6
8/2003	2,400.00	0.00		17/12/2003	5
9/2003	2,400.00	0.00		16/01/2004	5
10/2003	2,400.00	0.00		21/02/2004	5
11/2003	2,400.00	0.00		12/03/2004	5
12/2003	2,400.00	0.00		27/04/2004	5
1/2004 To					
5/2004	(No of months for unpaid MI)				15
<hr/>					
	362280.00	4712.00			699

Principal MI : [ { Cost- ID } / No. of months (RP) ]  
1085

One unit rate is : PMI \* ( Penal Interest / 1200 )  
1085 \* ( 17.25 / 1200 )  
15.60

**Total penal interest** : Total unit \* One unit rate  
699 \* 15.60

**:10904**

From the above example, the allottee paid Rs 9600/- towards Monthly Installment on 18-06-1993 for four months starting from Dec 92 to Mar 93. In this case , how do we find out the delayed units?. The method is herein under explained .

<u>Due month</u>	<u>Remittance month</u>	<u>Delayed units</u>
Dec-92	18-06-1993	7
Jan-93	18-06-1993	6
Feb-93	18-06-1993	5
Mar-93	18-06-1993	4
		-----
		22
		-----

This is the way to find out the delayed units for belated Monthly Installment.

## HP-3. ID Interest [ Sheet - D ]

In this working sheet the penal interest for belated ID payment is calculated. This interest amount is carried out to **Absolute demand in Main abstract.**

### Calculation Rules :-

1 ] The initial deposit should be paid with in 15 (or) 21 (or) 30 days on receipt of the Provisional Allotment order otherwise penal interest will be charged for the belated payments .

2 ] Penal Interest is rate of scheme interest + 3

### Sample Calculations:-

For example if a allottee was requested to remit the initial deposit of Rs.28000/- on or before 09-09-93. But the allottee paid the initial deposit only on 05-10-93. after the due date. The rate of scheme interest is 14.25% .The procedure for adopting interest is as follows.

Starting Date	Paid date	NOM	ID amount	Interest	Arrear Interest	Total Interest	Paid amount
9/93	05-10-93	2	28000	805	0	805	28000
			805				
1/93	21-08-07	166	805	1922	0	1922	

Total ID due : ID Principal + Interest  
: 805 + 1922  
: Rs.2727

From the calculation table, it is found that the interest amount of Rs.805/- was initially adjusted against the paid amount . Then the balance paid amount [ Rs.27195 ] was adjusted into ID principal. At this stage, a sum of Rs 805/- is due towards principal ID balance (not interest amount). Hence, the interest for principal ID balance shall be charged up to date.

**HP-4. Capitalisation [ Sheet - E ]**  
**[ Only for House / Flat ]**

In this working sheet the cost of house / flat intimated at the time of allotment is verified for correctness as per board's rules. If any left out amount is found then the amount should be collected with simple interest till the payment at the ruling rate of interest. The selling price is being fixed by the Board up to a specific cut of date.

**Calculation Rules:-**

**References:-**

- 1] G.O.Ms.No 1666 Dated : 16-12-88
- 2] Board's Resolution No. 9.03 Dated: 26-06-95
- 3] Board's Circular memo No. R1/21807/95 Dated: 14-07-95
- 4] G.O.Ms.No 63 Dated : 02-02-2001
- 5] Board's Resolution No. 9.07 Dated : 30-05-2001

A ] If allotment was made before 26-06-95 , the cost of the house/flat capitalized on the entire cost of house/flat from the cut of date to allotment date or scheme ready date whichever is later.

B ] If allotment was made on or after 26-06-95 , the cost of the house/flat capitalized on the Initial deposit and cumulative Monthly Installment from the cut of date to allotment date or scheme ready date whichever is later.

C ] If allotment was made on or after 01-01-85 under GDQ/Surrender/Cancelled , the cost of the house/flat capitalized on the Initial deposit and cumulative Monthly Installment from the cut of date to allotment date or scheme ready date whichever is later.

**Cut of date** :- Cut of date is nothing but the Board has approved the selling price for the scheme wherein the selling cost was capitalized up to a particular date . This particular date is called as cut of date. This is a crucial date for fixing the cost for allotment made after this date.

If allotment/scheme ready was fallen with after this date, the selling price should have been capitalized from the cut of date to till the allotment date or scheme ready which ever is later.

**Ruling rate of interest table for year wise is given below .**

<b>Financial Year</b>	<b>Rate of Interest</b>
Up to 3/82	<b>12</b>
4/82 - 3/86	<b>13</b>
4/86 - 3/88	<b>14</b>
4/88 - 3/92	<b>15</b>
4/92 - 3/96	<b>17</b>
4/96 - 3/99	<b>18</b>
4/99 - 3/2000	<b>16</b>
4/2000 - 3/2002	<b>15</b>
4/2002 - 3/2003	<b>13</b>
4/2003 - 3/2004	<b>12</b>
4/2004 - 3/2006	<b>10</b>
4/2006 - 3/2007	<b>9</b>
4/2007 - 3/2008	<b>10</b>

**Calculations:-**

**For example [ method A ] :-**

Suppose a house / flat was allotted with following information such as

Selling price	Rs. 37300/-
Cost of the house	Rs. 37300/-
Cut of date	31-12-1990
<b>Allotment date</b>	<b>24-12-1990</b>
Scheme Ready Date	01-03-1991
Rate Of scheme Interest	11.50%
Repayment Period	13
Annuity	

Note :-Capitalisation has been done on full cost as allotment was made before 26/06/1995

Interest has been charged on selling price from cut of date to ready date or allotment date which ever is later :  
[ 01 / 91 to 2/ 91 ]

$$\text{Selling Price} * \text{Interest} * \text{NOM}$$

$$37300 * [ 15 / 100 ] * 2$$

$$933$$

**Total cost as on Allotment/Ready** : **Selling Price + Interest**  
[ 01-03-1991 ]

$$38233$$

**Cost already Taken** : **37300 [ - ]**

**Cost not taken into a/c [ 2 / 1991 ]** : **933**

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Start Date	End/Paid Date	NOM	Cost	Current Interest	Arrear Interest	Total Interest	Amount Paid	Excess
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3/1991	08/2007	198	933	2262	0	2262		
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[ 15%-13 17%-48 18%-36 16%-12 15%-24 13%-12 12%-12 10%-24 9%-12 10%-5 ]

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<b>Total left out Amount</b>	:	<b>Cost</b>	+	<b>Total Interest</b>
		933	+	2262

**3195**

As per this calculations, it is found that a sum of Rs.933/- is left out at the time of scheme ready date. Hence, interest for this left out amount has been charged at ruling rate of interest up to till payment. Both left out amount and its interest has been taken into demand.

**For example [ method B ] :-**

**Suppose a house / flat was allotted with following information such as**

Selling price	Rs. 207100/-
Cost of the house	Rs. 254902/-
Cut of date	30-03-1994
<b>Allotment date</b>	<b>09-09-1996</b>
Scheme Ready Date	01-02-1995
Rate Of scheme Interest	15.75%
Repayment Period	13
Annuity	0.015327

Note :- Capitalisation has been done on ID and cumulative MI as allotment was made on or after 26/06/1995

$$\begin{aligned} \text{Initial deposit} & : \text{Selling price} * [ \text{Percentage} / 100 ] \\ & \quad 207100 * [ 35 / 100 ] \\ & \quad 72485 \end{aligned}$$

$$\begin{aligned} \text{Monthly Installment} & : [ \text{Selling price} - \text{Initial Deposit} ] * \text{Annuity} \\ & \quad [ 207100 - 72485 ] * 0.015327 \\ & \quad 2063 \end{aligned}$$

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$$\begin{aligned} \text{Interest on ID from cut of date to} & \\ \text{Allotment or Ready date [ Later ]} & : [ \text{ID} ] * \text{Interest} * \text{Nom} \\ [ 04 / 94 \text{ to } 09 / 96 ] & \quad 72485 * \text{Ruling Rate} * 30 \\ & \quad 31169 \text{ ----> [ A ]} \end{aligned}$$

Interest on Cum. MI from cut of date to

[ 04 / 94 to 09 / 96 ]

2063 \* Ruling Rate \* 465

13873 --→ [ B ]

Total cost as on Allotment : [ Cost + ID Interest + MI interest ]  
[ 207100 + 31169 + 13873 ]  
252142  
Cost already Taken : 254902  
Cost excessively taken into a/c : [ -2760 ]

**Note :-** If any excess amount raised here , it means that the extra land, coner, 60' and 80' cost were included into tentative cost of the allotment. Hence, this excess amount should be adjusted into difference in land cost [ sheet - F ] working sheet.

Start Date	End/Paid Date	NOM	Cost	Current Interest	Arrear Interest	Total Interest	Amount Paid	Excess
10/1996	25/08/2007	131	0	0	0	0		
18%-30	16%-12	15%-24	13%-12	12%-12	10%-24	9%-12	10%-5	
<b>Total</b>	<b>Left out</b>							<b>0</b>

As per this calculations, it is found that there is no left out amount at the time of Allotment. Hence, no amount has been taken into demand .

From the above calculation, the arrived ruling rate of interest [ A ] for ID is given below.

$$\begin{aligned} \text{Interest for ID [ 4/94 - 3/96 ]} &= [ 72485 * [ 24 / 12 ] * [ 17 / 100 ] \\ &= 24645 - [ 1 ] \end{aligned}$$

$$\begin{aligned} \text{Interest for ID [ 4/96 - 9/96 ]} &= [ 72485 * [ 6 / 12 ] * [ 18 / 100 ] \\ &= 6524 - [ 2 ] \end{aligned}$$

$$\text{Total Interest} = [ 1 + 2 ] = 31169$$

From the above calculation, the arrived ruling rate of interest [ B ] for cumulative MI is given below.

<u>Month</u>	<u>Cumulative MI</u>	<u>Interest</u>
4/1994	2,063	29
5/1994	4,126	58
6/1994	6,189	88
7/1994	8,252	117
8/1994	10,315	146
9/1994	12,378	175
10/1994	14,441	205
11/1994	16,504	234
12/1994	18,567	263
1/1995	20,630	292
2/1995	22,693	321
3/1995	24,756	351
4/1995	26,819	380
5/1995	28,882	409
6/1995	30,945	438
7/1995	33,008	468
8/1995	35,071	497
9/1995	37,134	526
10/1995	39,197	555
11/1995	41,260	585
12/1995	43,323	614
1/1996	45,386	643
2/1996	47,449	672
3/1996	49,512	701
4/1996	51,575	774
5/1996	53,638	805
6/1996	55,701	836
7/1996	57,764	866
8/1996	59,827	897
9/1996	61,890	928
		-----
		<b>13,873</b>
		-----

For example [ method C ] :-

Suppose a house / flat was allotted under GDQ with following information such as

Selling price	Rs. 273200/-
Cost of the house	Rs. 350650/-
Cut of date	31-12-1990
<b>Allotment date</b>	<b>14-02-1994</b>
Scheme Ready Date	01-03-1991
Rate Of scheme Interest	14.25%
Repayment Period	13
Annuity	0.014170

Note :- Capitalisation has been done on ID and cumulative MI as allotment was made under GDQ

Initial deposit : Selling price\* [ Percentage / 100 ]  
 273200 \* [ 40 / 100 ]  
 109280

Monthly Installment : [ Selling price -Initial Deposit] \* Annuity  
 [ 273200 - 109280 ] \* 0.014170  
 2323

-----  
 Interest on ID from cut of date to  
 Allotment or Ready date [ Later ] : [ ID ] \* Interest \* Nom  
 [ 01 / 91 to 02 / 94 ]  
 109280 \* Ruling Rate \* 38  
 56097 ----> [ A ]

Interest on Cum. MI from cut of date to  
 allotment or ready date [ Later ] : [ Monthly Ins ] \* Interest \* Nom  
 [ 01 / 91 to 02 / 94 ]  
 2323 \* Ruling Rate \* 741  
 23919 --> [ B ]

Total cost as on Allotment : [ Cost + ID Interest + MI interest ]  
 [ 273200 + 56097 + 23919 ]  
 353216

Cost already Taken : 350650

Cost not taken into a/c : 2566

-----  
 Start Date      End/Paid Date      NOM      Cost      Current Interest      Arrear Interest      Total Amount Interest Paid      Excess

03/1994      08/2007      162      2566      4969      0      4969

17%-25    18%-36    16%-12    15%-24    13%-12    12%-12    10%-24    9%-12    10%-5

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 Total      Left out      :      cost      +      interest  
 2566      +      4969  
 7535

As per this calculations, it is found that a sum of Rs.7535/- is left out at the time of scheme ready date. Hence, interest for this left out amount has been charged at ruling rate of interest up to till payment. Both left out amount and its interest has been taken into demand.

HP-4. Carrying cost [ Sheet - E ]  
[ Only for TNUDP Plot ]

In this working sheet the cost of plot [ TNUDP ] intimated at the time of allotment is verified for correctness as per board's rules. If any left out amount is found then the amount should be collected with simple interest till the payment at the ruling rate of interest. The selling price is being fixed by the Board up to a specific cut of date.

Calculation Rules:-

References:-

- 1] G.O.Ms.No 871 Dated : 07-05-1991
- 2] Board's Resolution No. 9.07 Dated : 30-05-2001

Compound Interest Formula :-

$$[ \text{cost} * [ [ 1 + [ \text{RI}/100 ] ] ^ \text{years} ] ]$$

Cut of date to scheme ready date or allotment date which ever is later :-

The cost of the plot capitalized on the entire cost of plot from the cut of date to allotment date or scheme ready date whichever is later on compound interest .

For example :-

Suppose a plot was allotted with following information such as

Selling price	Rs. 15000/-
Cost of the plot	Rs. 15000/-
Cut of date	30-04-1993
<b>Allotment date</b>	<b>26-10-1993</b>
Scheme Ready Date	30-04-1994
Rate Of scheme Interest	12 %
Selling Extent	60 Sq.Mt
FMB Extent	60 Sq.Mt

Compound int. from 5/ 1993

To 4/ 1994 : [ Selling cost \* [[ 1+ [ RI/100 ] ]^years ] ] ->Formula

[ 15,000 \* [[ 1+ [ 12/100 ] ]^ 1.00 ] ]

16,800

cost up to 4/ 1994 : 16,800

cost per sq.mt : [ Cost of plot / Selling Extent ]  
16,800 / 60.00  
280

Extra Land in Sq.mt : [ FMB Extent - Selling Extent ]  
60.00 - 60.00  
0.00

Cost of the Extra Land : [ Extra Land \* Cost per Sq.Mt ]  
0.00 \* 280  
0

Total cost of the plot : [ Cost of plot + Extra land cost ]  
16,800 + 0  
16,800

Cost already taken : 15,000 [ - ]

Left out as on Ready : [ Total Cost - Cost already Taken ]  
[ 4/94 ] 16,800 - 15,000  
1,800

-----  
Start End/Paid NOM Cost Current Arrear Total Amount Excess  
Date Date Interest Interest Interest Paid  
-----

5/1994 08/2007 160 1800 3434 0 3434

17%-23 18%-36 16%-12 15%-24 13%-12 12%-12 10%-24 9%-12 10%-5

-----  
Total left out due : Cost [ left out ] + Total Interest  
1800 3434  
5234

As per this calculations, it is found that a sum of Rs.1800/- is left out at the time of scheme ready date. Hence, interest for this left out amount has been charged at ruling rate of interest up to till payment. Both left out amount and its interest has been taken into demand.

## HP-5. Difference in Land cost [ Sheet - F ] [ House / Flat only ]

There are two kind of allotment available in TNHB on cost wise i.e., Tentative cost or Final cost .

If allotment was made under tentative land ,then the difference in land cost should be collected after the cost was finalized.

If allotment was made under final land, then the extra land ,corner, Road facing cost should be collected if not included in the allotment cost.

From this sheet , it is used to find out the difference in land ,corner, road facing cost for the above said types of allotment.

### Calculation Rules:-

### References:-

- 1] Board's Memo No. I-1/42/88 Dated : 01-10-1989
- 2] Board's Resolution No. 16 Dated : 28-07-1989
- 3] Board's proceeding for final cost

### Calculation:-

- ◆ Simple interest at ruling rate is adopted to collect the difference in land cost from the date of allotment to till the payments. The interest portion should not be added with difference in land [principal portion] at any cost .
- ◆ **New land cost** [ Final cost ] is given by the Board for year wise when the cost is finalized . This new land should be taken based on the allotment year.
- ◆ **Corner plot cost** should be Rs.500/- if allotment was made before 01-10-1989

- ◆ **60" facing road** cost should be 20% of the New Land Cost if allotment was made before 01-10-1989 else 25% of the New Land cost should be charged.
- ◆ **80" facing road** cost should be 20% of the New Land Cost if allotment was made before 01-10-1989 else 35% of the New Land cost should be charged.

For example :-

Suppose a house / flat was allotted under tentative cost with following information . Later , the Board has approved the final land cost with out profit.

<b>Allotment date</b>	<b>26-10-1996</b>
Selling Extent	3598 Sq. feet
FMB Extent	3532 Sq. feet
<b>Tentative land cost [ PG ]</b>	<b>151000</b>
New Land cost [ PG ] [ as on allotment ]	199000
Corner	No
Road Facing	Eighty Feet

Difference in land cost [ DLC ]

<b>New Land Cost</b>	: [ New land cost * [Actual extent /2400]]
	1,99,000 * 3,532 / 2400 2,92,861 ----> [ A ]
Adding corner cost	: [ 0 ] 0 ----> [ B ]
Adding Eighty feet cost	: [ New Land cost * .35 ] 1,02,502 ----> [ C ]
<b>Total New Land</b>	: [ A + B + C ] 3,95,363 ----> [ D ]
<b>Old Land Cost</b>	: [ Old land cost * [ Extent Taken /2400]]
	1,51,000 * 3,598 / 2400 2,26,374 ----> [ E ]
Corner & 60' or 80 ' Road if any incl.	: 4,715 ----> [ F ]
Capitalised land cost value if any	: 8,331 ----> [ G ]
<b>Total old Land</b>	: [ E + F + G ] 2,39,420 ----> [ H ]

**Difference in land cost as on Allotment** : 1,55,943 ----> [ D - H ]  
 Profit [ 15% ] : 23,391 ----> [ I ]  
 Collection charges on DLC+profit [0.005%] : 896 ----> [ J ]  
**DLC with profit and collection charges** : 1,80,231 ----> [ {D - H} + I + J ]  
 [As on academic year of allotment- 3/97]

Start Date	End/Paid Date	NOM	Cost	Current Interest	Arrear Interest	Total Interest	Amount Paid	Excess
4/1997	08/2007	125	<b>180231</b>	252625	0	252625		
18%-24	16%-12	15%-24	13%-12	12%-12	10%-24	9%-12	10%-5	

Total	Difference in land cost	Cost	Total Interest
		180231	252625
		432856	

From the working sheet, How was the New Land cost taken as Rs.199000/-.It is explained here with the table shown below.

The Board has given the year wise final cost as listed below.

Academic Year	Ruling Rate	Interest	Land cost
Cut of date for New Land : 30/09/1995			Land cost : 1,54,300
<b>30/09/1995</b>			<b>1,54,300</b>
31/03/1996	17	13,115	1,68,000
<b>31/03/1997</b>	<b>18</b>	<b>30,240</b>	<b>1,99,000</b>
31/03/1998	18	35,820	2,35,000
31/03/1999	18	42,300	2,78,000
31/03/2000	16	44,480	3,23,000
31/03/2001	15	48,450	3,72,000
31/03/2002	15	55,800	4,28,000

In this case , the allotment was made on 26-10-1996. Hence, the New Land cost for the academic year of 96-97 was taken .

Suppose if allotment is made on 01-10-2000, then the New land cost will be at Rs.372000/-.

From the above working sheet, some of the steps is herewith explained as follows.

<u>Old Land Cost</u>	:	[ Old land cost	*	[ Extent Taken	/2400]]
		1,51,000		3,598	/ 2400
		2,26,374		----	[ E ]

The old land cost and selling extent were taken from the selling price proceeding which was given by the Board for a scheme.

<u>Corner &amp; 60' or 80 ' Road if any incl. :</u>	4,715	----	[ F ]
-----------------------------------------------------	-------	------	-------

If the extra land, coner, 60' and 80' cost on old land cost were included into tentative cost of the allotment, these included cost were taken into here for adjusting from the New Land cost. This amount was arrived through the capitalization working sheet not manually.

<u>Capitalised land cost value if any</u>	:	8,331	----	[ G ]
-------------------------------------------	---	-------	------	-------

If allotment was made after the cut of date, the cost of the house capitalized from the cut of date to the scheme ready or allotment date whichever is later. In this juncture, the old land cost, which is included in the selling cost, was also capitalized. The capitalized old land cost portion was taken into here for adjusting from the New land cost. This amount was arrived through the capitalization working sheet not manually.

**Profit :-** The board has given the final land cost with out adding profit. Hence, the profit for the scheme should be collected on difference in land cost. The profit for this type is 15%. The percentage of profit can be taken from scheme main file which is available in Division [ Planning Section ].

**Collection Charges :- 0.5%** collection charges should be collected on Difference in Land cost and profit amount. **The profit and collection does not arise if the final cost is included with profit.**

DLC with profit and collection charges : 1,80,231 ----> [ {D - H} + I + J ]  
[As on academic year of allotment- 3/97]

A sum of Rs 1,80,231/- is arrived as the difference in land cost as on 31-03-1997. This is the principal amount. The further interest should be only charged on this amount from 01-04-1997 till payment. No interest amount should be added with this principal portion amount for calculation of further interest from any where to till payment because the difference in land cost as on allotment year should be collected with simple interest at ruling rate.

### HP-5. Difference in Land cost [ Sheet - F ] [ PLOT - Area development scheme ]

If allotment was made under tentative land ,then the difference in land cost should be collected after the cost was finalized.

If allotment was made under final land, then the extra land ,corner, Road facing cost should be collected if not included in the allotment cost.

From this sheet , it is used to find out the difference in land ,corner, road facing cost for the above said types of allotment.

#### Calculation Rules:-

#### References:-

- 1] Board's Memo No. I-1/42/88 Dated : 01-10-1989
- 2] Board's Resolution No. 16 Dated : 28-07-1989
- 3] Board's proceeding for final cost

**Calculation:-**

- ◆ **Simple interest at ruling rate** is adopted to collect the difference in land cost from the date of allotment to till the payments. The interest portion should not be added with difference in land [principal portion] at any cost .
- ◆ **New land cost [ Final cost ]** is given by the Board for year wise when the cost is finalized . This new land should be taken based on the allotment year.
- ◆ **Corner plot cost** should be Rs.500/- if allotment was made before 01-10-1989 else 10% of the New Land cost should be charged.
- ◆ **60" facing road cost** should be 20% of the New Land Cost if allotment was made before 01-10-1989 else 25% of the New Land cost should be charged.
- ◆ **80" facing road cost** should be 20% of the New Land Cost if allotment was made before 01-10-1989 else 35% of the New Land cost should be charged.

**For example :-**

**Suppose a Plot was allotted under tentative cost with following information .  
Later , the Board has approved the final land cost with out profit.**

<b>Cost of the Plot</b>	<b>Rs.229400/-</b>
<b>Allotment date</b>	<b>24-04-2000</b>
Selling Extent	3051 Sq. feet
FMB Extent	3035 Sq. feet
New Land cost [ PG ] [ as on allotment ]	112000
Corner	Yes
Road Facing	Normal

Difference in land cost [ DLC ]

<b>New Land Cost</b>	:	[ New land cost * [Actual extent /2400]]	
		1,73,000	* 3,035 / 2400
		2,18,772	----> [ A ]
Adding corner cost	:	[ Actual Extent cost * .10 ]	
		21,877	----> [ B ]
Adding less than sixty feet cost	:	[ New Land cost * .00 ]	
		0	----> [ C ]
<b>Total New Land</b>	:	[ A + B + C ]	
		2,40,650	----> [ D ]
<b>Profit</b> [ 10 % ] on Total New land	:	24,065	----> [ E ]
Collection charges on DLC+profit	:	1,323	----> [ F ]
<b>NLC with profit and collection charges</b>	:	2,66,038	----> [D+E+F] -> G
<b>Already taken</b> [ Cost of the plot ]	:	2,29,400	----> [ H ]
<b>Difference in land cost as on Allotment:</b>		36,638	----> [ G - H ]

Start Date	End/Paid Date	NOM	Cost	Current Interest	Arrear Interest	Total Interest	Amount Paid	Excess
4/2001	26/08/2007	77	36638	<b>26808</b>	0	26808		
15%-12	13%-12	12%-12	10%-24	9%-12	10%-5			
Total				Difference in Land cost	:	Cost	+	Total Interest
						36638		26808
						<b>63446</b>		

From the working sheet, How was the New Land cost taken as Rs.173000/- .It is explained here with the table shown below.

The Board has given the year wise final cost as listed below.

Cut of date for New Land : 31/07/1998                      New Land cost : 1,15,000

---

Academic Year	Ruling Rate	Interest	Land cost
31/07/1998			1,15,000
31/03/1999	18	13,800	1,29,000
31/03/2000	16	20,640	1,50,000
<b>31/03/2001</b>	<b>15</b>	<b>22,500</b>	<b>1,73,000</b>
31/03/2002	15	25,950	1,99,000
31/03/2003	13	25,870	2,25,000
31/03/2004	12	27,000	2,52,000

In this case , the allotment was made on 20-04-2000. Hence, the New Land cost for the academic year of 2000-2001 was taken .

Suppose if allotment is made on 01-03-2003, then the New land cost will be at Rs.225000/-.

From the above working sheet, some of the steps is herewith explained as follows.

**Profit :-** The Board has given the final land cost with out adding profit. Hence , the profit for the scheme should be collected on difference in land cost. The profit for this type is 10%. The percentage of profit can be taken from scheme main file which is available in Division [ Planning Section ].

**Collection Charges :- 0.5%** collection charges should be collected on Difference in Land cost and profit amount . **The profit and collection does not arise if the final cost is included with profit.**

Difference in land cost as on Allotment: 36,638 ----> [ G - H ]

A sum of Rs 36,638/- is arrived as the difference in land cost as on 31-03-2001. This is the principal amount. The further interest should be only charged on this amount from 01-04-2001 till payment. Interest amount should not be added with this principal portion amount for calculation of further interest from any where to till payment because the difference in land cost as on allotment year should be collected with simple interest at ruling rate.

4/2001 26/08/2007 77 36638 26808 0 26808

A sum of Rs.26808/- is arrived as interest amount from 04/2001 to 8/2007. How is arrived ?

Rate of interest = Ruling rate of interest [ see table ]

Interest from 4/2001 to 3/2002	at 15%	= [ 36638 * [ 12/12 ] * [ 15 /100 ]=	5496
Interest from 4/2002 to 3/2003	at 13%	= [ 36638 * [ 12/12 ] * [ 13 /100 ]=	4763
Interest from 4/2003 to 3/2004	at 12%	= [ 36638 * [ 12/12 ] * [ 12 /100 ]=	4397
Interest from 4/2004 to 3/2006	at 10%	= [ 36638 * [ 24/12 ] * [ 10 /100 ]=	7328
Interest from 4/2006 to 3/2007	at 9%	= [ 36638 * [ 12/12 ] * [ 9 /100 ]=	3297
Interest from 4/2007 to 8/2007	at 10%	= [ 36638 * [ 5 /12 ] * [ 10 /100 ]=	1527

Total Interest from 4/2001 to 8/2007 = 26808

## HP-6. Balance cost interest [ Sheet - G ]

It is used to Arrive the MI balance with interest at end of repayment period is over and calculate further interest on the arrived balance [ **treated as principal balance** ] at ruling rate of interest from that period to till date or payment because the allottee is allowed to clear the all dues with in the repayment period.

For example :-

Suppose a house / flat was allotted under tentative cost with following information

Cost of the House	Rs.175400/-
Initial deposit	Rs.55500/-
MI commencement date	01-05-1991
Repayment period	13 years
Repayment period over date	30-04-2004

**Demand**

Tentative cost [ without ID ]	:	119900	
Regular Interest	:	137276	--→ Sheet B
Penal interest	:	5848	-→ Sheet C
	:	263024	

**Certified Payments**

Foreclosure & Lumpsum	:	0
Montly Instalment	:	245569
Penal Interest	:	962
	:	246531
<b>Balance MI Dues</b>	:	<b>16493</b>

[ Ruling rate of interest is adopted for the balance amount ]

Start Date	End/Paid Date	NOM	Cost	Current Interest	Arrear Interest	Total Interest Paid	Amount	Excess
5/2004	26/08/2007	40	16493	5332	0	5332		
10%-23 9%-12 10%-5								

<b>Total</b>	<b>Balance cost due</b>	:	<b>Cost</b>	<b>+</b>	<b>Total Interest</b>
			16493		5332
			<b>21825</b>		

## HP-7. Abstract

There are two portions in main abstract. The first one is Absolute demand. The next one is Certified payments. We have to show all the costs related to the house along with its interest calculating through working sheets from sheet A to F in portion one . We have to show the collection amount paid by the allottee against the demand in second portion . The difference of the portion is called as outstanding dues to TAMILNADU HOUSING BOARD.

**For example :-**

### **Absolute Demand**

Final / Tentative cost	:	175400	----->	Alotment order
Regular Interest	:	137276	----->	Sheet - B
Penal interest	:	5848	----->	Sheet - C
Maintenance charge	:	0	----->	Master Data
Belated ID interest	:	0	----->	Sheet - D
Non capitalisation	:	8770	----->	Sheet - E
Interest	:	21040	----->	Sheet - E
Diff. in Land Cost & corner	:	17376	----->	Sheet - F
Interest	:	41904	----->	Sheet - F
Balance cost interest ( After RP to till date )	:	5332	----->	Sheet - G

-----  
: 412946  
-----

### **Certified Payments**

Foreclosure & Lumpsum	:	0	
Monthly Installment	:	245569	
Penal Interest	:	962	
Maintenance	:	5580	
Initial Deposit	:	55500	
Balance Cost	:	0	-->Payment after RP over
Land cost payments	:	0	
Non capitalization payments	:	0	

-----  
: 307611 -----> Sheet - A  
-----

**Outstanding Dues** : **105335**  
-----

## 2 ] Out Right Purchase.

The following procedure are adopted for Out Right Allotment [OR]

No.	Description	Computer Working sheet Reference
1	Regular Interest [ State Govt. / Others]	Sheet - B
2	Capitalisation	Sheet - E
3	Difference In land cost	Sheet - F
4	Abstract [ Demand - Collection ]	Abstract

### OR-1. Regular interest [ Sheet - B ]

#### A] If allotment was made under State Govt. category :-

It is used to find out the regular interest of the house from the date of ready for occupation of the house / flat till the sanction of the House Building Advance . If any balance is arrived at the time of sanction of the HBA, the ruling rate of interest will be charged on the balance amount to till date or payment.

#### References:-

- ◆ Board's Circular memo no S3/81256/91 dt: 16/03/92.
- ◆ G.O.Ms. No 174[Hg] dated : 07-02-1991

#### Calculation:-

- ◆ The G.O.174 has been adopted to calculate interest on initial deposit and cumulative monthly installment at ruling rate of interest from the date of ready for occupation of the house / flat till the sanction of the House Building Advance. There after , If any balance is arrived at the time of sanction of the HBA, the ruling rate of interest will be charged on the balance amount till the payment or up to date which ever is earlier.
- ◆ If initial deposit is paid by the allottee , no interest is charged for initial deposit from the date of remittance.

Example :-

Suppose a house was allotted with following information.

Mode of Purchase : Outright  
 Category : State Govt  
 Cost of the house : Rs 175400  
**Initial Deposit** : **Rs 58500**  
**Monthly Instalment** : **Rs 1638**  
 Date of scheme ready : **01/06/1991**  
 First Allotment order date : 13/05/1991  
**HBA sanctioned Date** : **30/10/1993**  
 Rate of scheme interest : 14%  
 Rate of penal interest : 17%

The following payments were made as follows

Paid date	Rec.No	Mon.	Ins	Pen.	Int	MC	Land Cost	Cap. Cost	
ID	Lumpsum /								
		Forecl.							
07/06/1991		0	4440			0	0	0	0
<b>30/10/1993</b>		<b>0</b>	<b>175400</b>			<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
21/01/2003		0	40000			0	0	0	0
		0	219840			0	0	0	0

**Working Sheet :-**

Date	ID	MI	Total Due	Interest	Paid Amount	Pend. amount	Penal Int.
		[cum]					
6/1991	58,500	1,638	60,138	752	4,440	0	0
7/1991	58,500	3,276	61,776	772			0
8/1991	58,500	4,914	63,414	793			0
9/1991	58,500	6,552	65,052	813			0
10/1991	58,500	8,190	66,690	834			0
11/1991	58,500	9,828	68,328	854			129
12/1991	58,500	11,466	69,966	875			285
1/1992	58,500	13,104	71,604	895			279
2/1992	58,500	14,742	73,242	916			273
3/1992	58,500	16,380	74,880	936			265
4/1992	58,500	18,018	76,518	1,084			292
<b>5/1992</b>	<b>58,500</b>	<b>19,656</b>	<b>78,156</b>	<b>1,107</b>			<b>282</b>
6/1992	58,500	21,294	79,794	1,130			272
7/1992	58,500	22,932	81,432	1,154			262
8/1992	58,500	24,570	83,070	1,177			250
9/1992	58,500	26,208	84,708	1,200			238
10/1992	58,500	27,846	86,346	1,223			225
11/1992	58,500	29,484	87,984	1,246			212
12/1992	58,500	31,122	89,622	1,270			198
1/1993	58,500	32,760	91,260	1,293			183
2/1993	58,500	34,398	92,898	1,316			168
3/1993	58,500	36,036	94,536	1,339			152
4/1993	58,500	37,674	96,174	1,362			135
5/1993	58,500	39,312	97,812	1,386			118
6/1993	58,500	40,950	99,450	1,409			100
7/1993	58,500	42,588	1,01,088	1,432			81
8/1993	58,500	44,226	1,02,726	1,455			62
9/1993	58,500	45,864	1,04,364	1,478			42
10/1993	58,500	47,502	1,06,002	1,502	1,75,400 [ HBA ]	0	0
				33,003	1,79,840		4,503

**Total demand** : **Cost** + **Reg. Interest** + **Pen. Interest**  
 175400 + 33003 [ A ] + 4503 [ B ]  
**212906**  
**Total Collection** : **179840**  
**Total Balance as on** : **Total Demand** - **Total Collection**  
**10/1993** 33,066

Start Date	End/Paid Date	NOM	Cost	Current Interest	Arrear Interest	Total Interest	Amount Paid	Excess
13/11/1993	21/01/2003	111	33066	<b>50234</b> [ c ]	0	50234	40000	
			33066			10234		0
17%-29 18%-36 16%-12 15%-24 13%-10								
2/2003	27/08/2007	55	33066	<b>15651</b> [D]	10234	25885		
13%-2 12%-12 10%-24 9%-12 10%-5								
<b>Total</b>	<b>cost due</b>			<b>Cost</b>		<b>Total Interest</b>		
				33066		25885		
				58951				

From the above working sheet, some of the steps is herewith explained as follows.

**Step 1:-**

Date	ID	MI [cum]	Total Due	Interest	Paid Amount	Pend. amount	Penal Int.
5/1992	58,500	19,656	78,156	1,107			282

The allottee has to pay a sum of Rs.1,107/- for the month of 5/92 towards the interest on initial deposit and cumulative MI on or before 31-05-1992. But the amount has not paid till the sanction of the HBA i.e 10/93. Hence penal interest [ scheme interest + 3 ] will be charged on Rs. 1107/- for 18 months from 5/92 to 10/93.

$$\begin{aligned}
 \text{Penal Interest} &= [ 1107 * [ 17 / 100 ] * 18 ] \\
 &= 282/-
 \end{aligned}$$

This procedure is adopted for finding the penal interest

**Step 2:-**

**Total Balance as on** : **Total Demand** - **Total Collection**  
**[ 10/1993 ]** 33,066

Start Date	End/Paid Date	NOM	Cost	Current Interest	Arrear Interest	Total Interest	Amount Paid	Excess
13/11/1993	21/01/2003	111	33066	<b>50234</b> [ c ]	0	50234	40000	
			33066			10234		0
17%-29	18%-36	16%-12	15%-24	13%-10				
2/2003	27/08/2007	55	33066	<b>15651</b> [D]	10234	25885		
13%-2	12%-12	10%-24	9%-12	10%-5				

From this working sheet, it is found that a sum of Rs. 33,066/- is due at the time of the sanction of the HBA i.e 10/93. This due is now taken as principal amount not interest because the allottee is permitted to clear all dues on or before the sanction of the HBA . The interest for this principal amount has been charged till date or payments at ruling rate of interest. Interest amount should not be added with this principal portion amount for calculation of further interest.

**Conclusion :-**

The interest amount for the working sheet are given below

$$\begin{aligned}
 \text{Interest} &= \text{Regular Interest [ A ]} + \text{Penal Interest [ B ]} + \text{Cur Int. [ C ]} + \text{Cur Int. [ D ]} \\
 &= 33003 \qquad \qquad \qquad + 4503 \qquad \qquad \qquad + 50234 \qquad \qquad \qquad + 15651 \\
 &= \mathbf{1,03,391}
 \end{aligned}$$

Now, this total interest amount was taken into demand abstract as Regular Interest.

**B] If allotment was made other than State Govt. category :-**

It is used to find out the regular interest of the house from the date of ready for occupation of the house / flat till payment . The ruling rate of interest will be charged for belated payment.

**Calculation:-**

- ◆ The cost of the house/flat should be paid with in 30 days from the receipt of the allotment order date or date of ready for occupation which ever is later.
- ◆ The ruling rate of interest will be charged for the belated payment.

Example :-

Suppose a house was allotted with following information.

Mode of Purchase : Outright  
 Category : Others  
 Cost of the house : Rs 281500  
 Date of scheme ready : **01/09/1991**  
 First Allotment order date : 12/08/1991

The following payments were made as follows

Paid date	Rec.No	ID	Lumpsum / Forecl.	Mon. Ins	Pen. Int	MC	Land Cost	Cap. Cost
28/08/1991		0	20100	0	0	0	0	0
<b>06/11/1991</b>		<b>0</b>	<b>9757</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
11/11/1991		0	260000	0	0	0	0	0
			0	0	0		0	0

**Working Sheet :-**

Start Date	End/Paid Date	NOM	Cost	Current Interest	Arrear Interest	Total Interest	Amount Paid	Excess
09 / 91	08/1991	0	281500	0	0	0	20100	
			261400			0		0
09 / 91	11/1991	3	261400	<b>9803</b>	0	9803	9757	
15%-3			261400			46		0
12 / 91	11/1991	0	261400	0	46	46	260000	
			1446			0		0
12/1991	08/2007	189	1446	<b>3342</b>	0	3342		
15%-4 17%-48 18%-36 16%-12 15%-24 13%-12 12%-12 10%-24 9%-12 10%-5								
Total	cost due		:		Cost	+	Total Interest	
					1446		3342	
					4788			

From the above working sheet , all current interest [ 9803 + 3342 ] are added into demand abstract as Regular interest.

## OR-2. Capitalisation [ Sheet - E ]

As explained in Hire Purchase allotment.

## OR-3. Difference in land cost [ Sheet - F ]

As explained in Hire Purchase allotment.

## OR-4. Abstract

There are two portions in main abstract. The first one is Absolute demand. The next one is Certified payments. We have to show all the costs related to the house along with its interest calculating through working sheets from sheet A to F in portion one . We have to show the collection amount paid by the allottee against the demand in second portion . The difference of the portion is called as outstanding dues to TAMILNADU HOUSING BOARD.

For example :-

### Absolute Demand

Tentative cost	:	273200	----->
Regular Interest	:	10662	-----> Sheet - B
Non capitalization	:	6830	-----> Sheet - E
Interest	:	16558	-----> Sheet - E
Diff. in Land Cost & corner	:	10124	-----> Sheet - F
Interest	:	14252	-----> Sheet - F
Maintenance charges	:	5880	-----> Master Data
	:	<b>337506</b>	

### Certified Payments

Outright payments	:	273200	
Land cost payments	:	8275	
Left out payments	:	0	
Maintenance charges	:	1800	
	:	283275	-----> Sheet - A

**Outstanding Dues** : **54231**