

Illustration for working out Service Charges

Service charges are calculated as per the specific directions and as contained in Govt of India, Min of Defence (DG, DL&C) Letter No.9/5/C/L&C/72/Vol-II, dated 21-05-1984 and even no Letter No.9/5/C/L&C/72/Vol-III/5508/D/(Q&C), dated 19.09.1984.

- (a) Area of land to be taken into account for adding to the capital cost of building
- | | | | |
|-------|---|---|---|
| (i) | Total area of land | = | A |
| (ii) | Deduct areas of forest, parade grounds, roads
(Outside enclosed area on which public has
Right of way) and playground | = | B |
| (iii) | Net area of land to be taken into consideration(A-B) | = | C |
- (b)
- | | | | |
|-------|---|---|--|
| (i) | Cost of building including cost of additions and
alterations (permanent and temporary) including
cost of electrification/water supply/sanitary
arrangements. | = | P |
| (ii) | Cost of land – Area of land as arrived at above
i.e (multiplied by 40 times the current STR rate or
where the STR has not been prepared, present
market value as certified by the DEO concerned) | = | Q |
| (iii) | Total cost of assets(P+Q) | = | R |
| (iv) | Annual letting value (9% of R) | = | S |
| (v) | Service charges to be claimed per annum | = | $\frac{S \times \text{Rate of Property Tax}}{\text{Divided by 3}}$ |



C. S. R. Reddy
Chief Executive Officer
Cantonment Board
St. Thomas Mount cum Pallavaram