

**GOVERNMENT OF MEGHALAYA  
LABOUR DEPARTMENT**

No. LBG-125/96/Pt I/172

Dated Shillong the 30<sup>th</sup> March 2011.

**ORDER**

The Government of Meghalaya vide Notification No. LBG-125/96/Pt/Vol II/51 Dated Shillong the 28th July 2008 notified the Meghalaya Building and Other Construction Workers (Regulation of Employment & Conditions of Service) Rules 2008 and accordingly has constituted the Meghalaya Building and Other Construction Workers Welfare Board vide Notification No LBG-125/96/Pt /Vol II/121 dated the 2nd September 2009. The Meghalaya Building and Other Construction Workers (Regulation of Employment & Conditions of Service) Rules 2008 has been further amended vide Notification LBG-125/96/Pt/Vol III/338 Dated the 28th March 2011. Accordingly, the Building and Other Construction workers Welfare Cess Act, 1996 (hereinafter referred as the Cess Act) and Building and Other Construction workers Welfare Cess Rules, 1998 (hereinafter referred as the Cess Rules) have become operative w.e.f. April 2009 in the whole of Meghalaya.

Section 3 of the Cess Act provides for mandatory levy and collection of cess on the cost of construction which are covered under section 2(d) of the Building and Other Construction Workers (Regulation of Employment & Conditions of Service ) Act, 1996 (hereinafter referred as the main Act). The Government of India vide Notification No.S-61011/9/95-RW [S0.2899] dated the 26th September, 1996 has provided that the cess shall be levied at 1% of the cost of construction incurred by an employer which shall exclude the cost of land and any compensation paid or payable to a worker or his kin under the Workmen Compensation Act, 1923.

The section 3(2) of the Cess Act provides that the cess shall be collected from every employer in such a manner and at such time, including deduction at source in relation to a building or other construction work of a Government or of a Public Sector Undertaking or advance collection through a local authority where an approval of such building or other construction work by such local authority is required, as may be prescribed.

Section 2(d) is reproduced hereunder:

"building or other construction work" means the construction, alteration," repairs, maintenance or demolition, of or, in relation to, buildings, streets, roads, railways, tramways, airfields, irrigation, drainage, embankment and navigation works, flood control works (including storm water drainage works), generation, transmission and distribution of power, water works (including channels for distribution of water), oil and gas installations, electric lines, wireless, radio, television, telephone, telegraph and overseas communications, dams, canals, reservoirs, watercourses, tunnels, bridges, viaducts, aqueducts, pipelines, towers, cooling towers, transmission towers and such other work as may be specified in this behalf by the appropriate Government, by notification but does not include any building or other construction work to which the provisions of the Factories Act, 1948 (63 of 1948), or the Mines Act, 1952), apply;

The Government of Meghalaya , therefore, has decided that:

- (i) All Government Departments, Local Bodies, Public Undertakings and other Government Bodies carrying out any building or other construction works which are covered under Section 2(d) of the main Act (reproduced above) shall get themselves registered under Section 7 of the main Act with the Registering Officer of the Labour Department. The Labour Commissioner, Meghalaya has been notified as the Registering Officer vide Notification NoLBG-125/96/Pt/VOLII/64. dated. the 9th April 2009
- (ii) All Government Departments, Public Undertakings and other Government Bodies carrying out any building or other construction works which are covered under section 2(d) of the main Act shall, in case the work is carried out through a contractor, deduct mandatory 1% of the amount of cost approved as per the tender notification from the bills at the time of making payment to the contractors. Such amount as are deducted from the contractors' Bills shall be remitted by way of A/c Payee Cheque, in favour of the Meghalaya Building and Other Construction Workers Welfare Board within 30 days of making such payment along with a forwarding letter addressed to the Secretary, Meghalaya Building & Other Construction Workers Welfare Board, Office of the Labour Commissioner Lower Lauchumiere Shillong 793001
- (iii) In case the aforesaid work is carried out internally without employing contractors, the 1% of the total cost shall be remitted by way of A/c Payee Cheque drawn in favour of the Secretary, Meghalaya Building and Other Construction Workers Welfare Board Office of the Labour Commissioner Lower Lauchumiere, Shillong 793001 by the Government Department/Public Undertaking/other Government Body, etc,
- (iv) Return on the prescribed format (Annexure I) shall be furnished to the Assessing Officer within 30 days of the completion of the project or 30 days of completion of the previous financial year as prescribed under section 4 of the Cess Act.

So far as private constructions are concerned, all local authorities i.e. Municipal Boards, Meghalaya Urban Development Authority Cantonment Board etc, shall obtain estimated cost of the construction along with the building plans which are submitted to them for approval by the concerned employers i.e. owners/contractors, builders etc. Such bodies shall collect upfront an amount of 1% of the estimated cost furnished along with building plans and remit by way of a A/c Payee Cheque drawn in favour of the Secretary, Meghalaya Building and Other Construction Workers Welfare Board Office of the Labour Commissioner at Lower Lauchumiere, Shillong 793001 along with a forwarding letter within 30 days of its collection in terms of Rules 5(3) of the Cess Rules. While remitting the amount, details as per the list enclosed as Annexure II shall be furnished. The local bodies, before remitting the amount of cess to the Secretary, Meghalaya Building and Other Construction Workers Welfare Board Office of Labour Commissioner, Lower

Lauchumiere, Shillong 793001, can deduct 1% of the total amount collected for meeting their administrative expenses.

In case of individual residential building plans, the 1% cess shall be collected only when the estimated cost is more than Rs. 25 lakhs (Rupees Twenty Five lakhs). In respect of Group Housing Societies, the Managing Committee of the Society is liable to pay the cess. Where the building is built by the builders, builder shall be liable. In the cases of collaboration agreements where builder is constructing or has constructed the building in collaboration with the owner of the land/original building on sharing basis, the cess would be recovered from the builder or owner or both as per the collaboration agreement. It shall be ensured that no building plan is approved of by such local bodies without collecting 1% cess.

Sd/-  
(N. S. Samant)  
Principal Secretary to the Government of Meghalaya,  
Labour Department

Memo. No. LBG. 125/96/'Pt I / 172-A

Dated Shillong the 13<sup>th</sup> April 2011.

Copy to:

1. Secretary to the Governor of Meghalaya
2. Private Secretary to the Chief Minister, Meghalaya.
3. Private Secretary to Deputy Chief Minister, Meghalaya
4. Private Secretary to Minister - \_\_\_\_\_, Meghalaya
5. Chief Secretary, Meghalaya
6. Additional Chief Secretaries/Principal Secretaries / Secretaries to Government of Meghalaya
7. All Head of Department , Govt. of Meghalaya.
8. All CEOs/HODs of the Local authorities/PSUs., Meghalaya
9. All Deputy Commissioners, Meghalaya
10. Labour Commissioner , Meghalaya.

  
(Smti N. R. Marak)  
Under Secretary to the Government of Meghalaya,  
Labour Department

## Annexure 1

(To be furnished within 30 days of completion of the project or within 30 days of the previous financial year under section 4 of the Building & Other Constructions Workers Welfare Cess Act, 1996)

### Proforma of Return to be submitted

1. Name of the owner/employer :
2. Address of the owner/employer :
3. Registration No. :  
(If registered under section 7 of Building & Other Construction Workers (RE & CS) Act, 1996)
4. Address of the site of construction work :
5. Date of approval of Building plan by the local authority :  
(Attach a copy of approved Building plan)
6. Date of commencement of work : Date / Month
7. Estimated period of work : Month / Year
8. Estimated cost of construction of building :  
(Please attach copy of relevant documents such as Agreement, Award of Contract, Estimates etc.)

Stages	Cost of Construction
1 <sup>st</sup> year	
2 <sup>nd</sup> year	
3 <sup>rd</sup> year	
Total	

9. Amount & date of Advance cess deposited with the local authorities (Attach a copy of receipt):

Stages	Amount of Cess	Challan No. & Date	Advance - A Deduction at source - D Final -F
1 <sup>st</sup> year			
2 <sup>nd</sup> year			
3 <sup>rd</sup> year			
Total			

10. Indicate if construction of building has been completed fully during the previous financial year : Yes/No
11. If yes, give details of cost of construction of building along with an Affidavit in the enclosed proforma :
12. For any other type of construction work covered under Sec. 2 (d) of the Building & Other Construction Workers' (RE & CS) Act, 1996, (Reproduced overleaf), please give specific details and cost incurred in an Affidavit in the enclosed proforma:
13. Total cost of construction incurred during the previous financial year for an ongoing project  
(Attach audited accounts, in support) :
14. Detail of payment of final amount of Cess payable during the previous financial year after adjusting advance tax deposited with the local authority :  
(Attach a copy of challan)

Employer's Signature;

Name:

Date:

Section 2(d) of the Building & Other Construction Workers' (Regulation of Employment & Conditions of Service) Act; 1996

"building or other construction work" means the construction, alteration, repairs, maintenance or demolition, of or, in relation to, buildings, streets, roads, railways, tramways, airfields, Irrigation, drainage, embankment and navigation works, flood control works (including storm water drainage works), generation, transmission and distribution of power, water works (including channels for distribution of water), oil and gas installations, electric lines, wireless, radio, television, telephone, telegraph and overseas communications, dams, canals, reservoirs, watercourse, tunnels, bridges, viaducts, aqueducts, pipelines, towers, cooling towers, transmission towers and such other work as may be specified in this behalf by the appropriate Government, by notification but does not include any 'building or other construction work to which the provisions of the Factories Act, 1948 (63 of 1948), or the Mines Act, 1952 (35 of 1952), apply;

**Proforma**

(please also see explanation before preparing the affidavit)

**Affidavit**

I, \_\_\_\_\_, S/o \_\_\_\_\_, aged \_\_\_\_\_ years, resident of \_\_\_\_\_  
Registered under Section 7 of the Building and Other Construction Workers' (RE & CS) Act, 1996 vide registration No. \_\_\_\_\_ dated \_\_\_\_\_  
for construction work at \_\_\_\_\_, do hereby solemnly affirm that the details of aforesaid construction work furnished below are true and correct to the best of my knowledge and belief :

1. The type of building is \_\_\_\_\_ : \_\_\_\_\_
2. The date of commencement of construction \_\_\_\_\_ : \_\_\_\_\_
3. Date of completion of work \_\_\_\_\_ : \_\_\_\_\_
4. Total constructed covered area (in sq.meters) (up to four storeys including mezzanine floor but excluding basement). \_\_\_\_\_ :
5. Additional constructed covered area constructed beyond four storeys ( in sq. meters) \_\_\_\_\_ :
6. Total constructed covered area of basement (in sq. meters). \_\_\_\_\_ :
7. Total cost of civil work in case of repairs/ alteration/maintenance \_\_\_\_\_ : Rs. \_\_\_\_\_ (Rupees \_\_\_\_\_)
8. Total cost of demolition work of old structure \_\_\_\_\_ : Rs. \_\_\_\_\_ (Rupees \_\_\_\_\_)
  
9. Type of flooring is \_\_\_\_\_ having total area of \_\_\_\_\_ sq. meters with cost @Rs. \_\_\_\_\_ (Rupees \_\_\_\_\_) per sq. mtr.
10. Total cost of Wood Paneling work is : Rs \_\_\_\_\_ (Rupees \_\_\_\_\_)
11. Total cost of woodwork other than wood Paneling is \_\_\_\_\_ : Rs \_\_\_\_\_ (Rupees \_\_\_\_\_)
12. Total cost of false ceiling work is \_\_\_\_\_ : Rs \_\_\_\_\_ (Rupees \_\_\_\_\_)
13. Total cost of Central Air Conditioning is : Rs \_\_\_\_\_ (Rupees \_\_\_\_\_)

14. Cost incurred in installation of lift is : Rs \_\_\_\_\_ (Rupees \_\_\_\_\_)
15. Total cost incurred on Boundary Wall  
And Gates etc. is : Rs \_\_\_\_\_ (Rupees \_\_\_\_\_)
16. Total cost of swimming pool,  
if constructed is : Rs \_\_\_\_\_ (Rupees \_\_\_\_\_)
17. Total cost of electric work along with  
fittings & fixtures is : Rs \_\_\_\_\_ (Rupees \_\_\_\_\_)
18. Total cost of plumbing work along with  
cost of fittings & fixtures is : Rs \_\_\_\_\_ (Rupees \_\_\_\_\_)
19. Total cost of other developmental works  
including sewerage, external roads, approach  
roads, landscaping, firefighting etc. is: Rs \_\_\_\_\_ (Rupees \_\_\_\_\_)

.....DEPONENT

**VERIFICATION**

Verified at \_\_\_\_\_ on this \_\_\_\_\_ day of \_\_\_\_\_, 2005

That the contents of the above affidavit are true and correct to the best of my knowledge. No part of it is false and nothing material has been concealed therefrom.

.....DEPONENT

**EXPLANATION FOR PREPARING THE AFFIDAVIT**

1. For Sl.No. 1, the type of building please indicate any of the following which is applicable :

- |                |                           |
|----------------|---------------------------|
| a) Residential | (e) Hotel                 |
| b) School      | (f) Shopping Mall/Complex |
| c) Hospital    | (g) Any other specify     |
| d) Guest House |                           |

2. For type of flooring, please indicate any of the following which is applicable.

- |                    |                        |
|--------------------|------------------------|
| a) Ceramic Tiles   | (e) Granite            |
| b) Vitrified Tiles | (f) Wooden Tiles       |
| c) Marble Local    | (g) Any other, specify |
| d) Marble Imported |                        |



Details of Cess collected at source by the local body (please specify)

Under Section 3 (2) of Cess Act and rule 4 (4) of the Cess Rules.

<u>S.No.</u>	<u>Name of Employer/Contractor with Address</u>
(1)	(2)

<u>Address of Construction Site</u>	<u>Amount of Cess Collected</u>
(3)	(4)