

No.B-16012/2/2011-LE&IT
GOVERNMENT OF MIZORAM
DEPARTMENT OF LABOUR, EMPLOYMENT & INDUSTRIAL TRAINING

Dated, the 29th May, 2012

OFFICE MEMORANDUM

Subject: Payment of cess @ 1% on the cost of construction works/projects undertaken by all Building & Other Constructors. in the State of Mizoram -deduction at source.

The State Government, vide its Order of even number dated 4th February, 2011 (copy enclosed) has implemented the provisions of the Building & Other Construction Workers' (regulation of Employment & Conditions of Service) Act, 1996 and the Rules framed thereunder and also the Building & Other Construction Workers' Welfare Cess Act, 1996 and the Rules framed there under. The Central Government specified a Cess for the purpose of Building & Other Construction Welfare (Regulation of Employment and Conditions of Service) Act, 1996 at the rate of 1% of the cost of construction incurred by an employer or any executing agency as the case may be. Rule 5 of the Cess Rule, 1996 provided that proceeds of the Cess collected shall be transferred by such Government office/Establishment as the case may be to the Mizoram Building & Other Construction Welfare Board.

Accordingly, all the Works Department or any other Department /Establishment as the case may be, while entering into any agreement with any Contractors/Establishment for execution of any building and other construction works including works being executed departmentally shall ensure deduction at source @ 1% of the cost of construction as Cess for the Mizoram Building & Other Construction Welfare Board.

The provisions of these Acts are to be implemented by the State Governments as per the directives of the Hon'ble Supreme Court of India, and the Hon'ble Supreme Court itself is directly monitoring the implementation of the provisions of this Act.

All the Departments of the State Governments are directed to deduct the Cess at source and submit the amount so deducted to the Secretary, Mizoram Building & Other Construction Welfare Board, Department of Labour, Employment & Industrial Training, Govt. of Mizoram, through Account Payee Cheque/ Bank Draft.

Further, all the Departments should appoint Nodal Officer to oversee the collection and submission of Cess, maintain Register for proper record of collection and submission which will be verified by the Nodal Officer at regular intervals.

Failure to comply with the directive may entail disciplinary proceedings.


(VAN HELA PACHUAU)
CHIEF SECRETARY, GOVT. OF MIZORAM

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Dated Aizawl, the 29th May, 2012

Copy to: 1 All Heads of Departments
2. Guard File


(Darsiemlien Ruolngul)
Deputy Labour Commissioner/Deputy Secretary 30/5/12