

From

Financial Commissioner & Principal Secretary to Govt. Haryana,  
Town & Country Planning Department.

To

The Director,  
Town & Country Planning,  
Haryana, Chandigarh.  
E-mail: [tcphry@gmail.com](mailto:tcphry@gmail.com)

Memo No.Misc-2057-5/25/2008-2TCP  
Dated: Chandigarh, the 25/2/2010

**Subject: Collection of Cess where the approval of construction works are granted by Department.**

*Ref. Labour Commissioner-cum-Chief Inspector of Factories, Haryana memo No.153, dated 1.2.2010 on the subject cited above.*

Financial Commissioner & Principal Secretary to Govt. Haryana, Labour Department informed the Department that under the Building and Other Construction Workers Welfare Cess Act, 1996, the cess is required to be collected for building & other construction work, as mentioned in section 2(d) of the Building & Other Construction Workers (Regulation of Employment & Conditions of Service) Act, 1996. The Building and Other Construction Workers Welfare Cess Rules, 1998 (Cess Rules) provide for levy and collection of cess at the rate of 1% of the cost of construction incurred by employer in building and other construction works. The cost of construction shall include all expenditure incurred by an employer in connection with building and other construction work but shall not include the cost of land. The provisions of the Act, however, are not applicable to individual residential house whose total cost of construction does not exceed Rs. 10 Lakhs. The amount of cess to be deposited with the Haryana Building and Other Construction Workers Welfare Board is meant for the welfare of workers engaged in building and other construction activities in the State.

2. In view of above statutory provisions, before granting approval of construction work i.e. in the form of building plans, which are approved under the provisions of the Punjab Scheduled Roads and Controlled Areas Restriction of Unregulated Development Act, 1963 and Rules thereof, the Department is advised to obtain estimated cost of the construction, as per guidelines issued by Labour Department and collect upfront an amount of 1% of the estimated cost furnished by way of a cross Demand Draft in favour of the "Secretary, Haryana Building and Other Construction Workers Welfare Board, payable at Chandigarh". The guideline in the form of rates for assessment of Cess for various projects is at Annexure 'A'. If however, the duration of the project is likely to exceed one year, the demand draft may be for the amount of cess payable on cost of construction estimated to be incurred during one year from the date of commencement and further payments of cess due shall be made subsequently. The Department shall forward the said amount, which is collected in the form of cess with forwarding letter to "Secretary, Haryana

Building and Other Construction Workers Welfare Board" within 30 days of its collection. The Department before remitting the amount of cess of the Board may deduct 1% of the total amount of cess collected for meeting the administration expenses of the Department.

3. For implementation of above, a separate bank account may be opened for this purpose at the Directorate and necessary condition may be levied regarding payment of cess in the bilateral agreement, which is signed at the time of grant of license to a private colonizer. In case of Change of Land Use permissions, only residential houses below Rs.10 Lakhs construction cost are exempted from payment of cess, but for rest of the cases, the condition may be levied in the permission letter. The cases for approval of building plans, which are in pipe-line or the cases, where the occupation certificate is being granted, the separate communication may be sent to all concerned colonizers/applicants and cess may be collected. The Annexure 'A' may be hosted on Website of the Department alongwith the proforma for calculation of cess under the Building and Other Construction Workers Welfare Cess Rules, 1998, which is at Annexure 'B', so that individual applicants/colonizers can assess the amount of cess and can deposit the cess.

(Sarita Diddi)  
Superintendent,  
Financial Commissioner & Principal Secretary to Govt. Haryana,  
Town & Country Planning Department.

Endst. No.Misc-2057/-5/25/2008-2TCP

Dated: 25/2/2010

A copy is forwarded to Labour Commissioner-cum-Chief Inspector of  
Factories, Haryana, Chandigarh for information.

(Sarita Diddi)  
Superintendent,  
Financial Commissioner & Principal Secretary to Govt. Haryana,  
Town & Country Planning Department.

**ANNEXURE 'A'**

**List of Rates for assessment of cess.**

<b>Residential</b>		
	Category of building	Minimum applicable rates per square feet of covered area.
The house constructed by an individual	The construction is of superfine type 'A'	Rs. 1000
	The construction is of medium type 'B'	Rs. 750
Group Housing Societies or Developers/ Builders constructing residential multi-storey flats	The multi-story flats having basement and the construction is of superfine type 'A'	Rs. 1200
	The multi-story flats having basement and construction is of medium type 'B'	Rs. 950
Cooperative Societies	The multi-story flats having construction of superfine type 'A'	Rs. 1000
	The multi-story flats having construction of medium type 'B'	Rs. 800

<b>Commercial</b>		
	Category of building	Minimum applicable rates per square feet of covered area.
The commercial building used for offices or I.T. enabled services or Show Rooms	Multi-story office complex, I.T. enabled services industry Show Room building having superfine type of construction 'A'	Rs. 1200
	Multi-story office complex, I.T. enabled services industry Show Room building having medium type of construction 'B'	Rs. 1000
	Multi-story office complex, I.T. enabled services industry Show Room building having simple type of construction 'C'	Rs. 800
Shopping Malls	Shopping Malls having multi-story building with basement, multiplex inside and constructed with superfine construction 'A'	Rs. 1500
	Shopping Malls having multi-story building with basement, with or without multiplex inside with medium type of construction 'B'	Rs. 1200
Auditorium or Banquette Hall	The building constructed for the purposes of social use like Auditorium or Banquette Hall having construction superfine type 'A'	Rs. 1000
	The building constructed for the purposes of social use like Auditorium or Banquette Hall having construction medium type 'B'	Rs. 800

<b>Educational, Institutional, Training, Dharmshala, Community Centre</b>		
	Category of building	Minimum applicable rates

		per square feet of covered area.
	The building constructed for the use or purposes of Educational, Institutional, Training centre have superfine construction 'A'	Rs. 1000
	The building constructed for the use for purposes of Educational, Institutional, Training centre have medium construction 'B'	Rs. 700
	The building constructed for the use for purposes of Educational, Institutional, Training centre have simple type construction 'C'	Rs. 500

<b>Industrial</b>		
For the building used for carrying out manufacturing activities	Category of building	Minimum applicable rates per square feet of covered area.
	The building with RCC roofing 'A'	Rs. 600
	The building with ACC/ GI Sheets roofing 'B'	Rs. 450
In the industrial buildings the rate for the office block would be estimated separately.	The office block having superfine type construction 'A'	Rs. 1000
	The office block having Normal type construction 'B'	Rs. 800

<b>Hotels &amp; Clubs</b>		
	Category of building	Minimum applicable rates per square feet of covered area.
	Hotel and club with five Star and above facilities 'A'	Rs. 2000
	Hotel and club below five star facilities 'A'	Rs. 1500

<b>Hospitals</b>		
	Category of building	Minimum applicable rates per square feet of covered area.
	The building constructed with superfine construction 'A'	Rs. 1200
	The building constructed for the purpose of hospital with medium or simple construction 'B'	Rs. 800

<b>External/Internal Services laid by developers</b>		
	Category of building	Minimum applicable rates per square feet of covered area.
	The developer who develop the land for the construction like laying of sewerage line, external development, internal development, laying of roads etc.	The rates as applicable to HUDA would be considered for external development and actual cost incurred by employer for

		internal development works would be considered.
	Construction of grid station building by the private developer for electricity.	The guiding rates/norms of Haryana Vidyut Vitran Nigams, would be considered for construction of power stations and other constructional purposes.

<b>Religious</b>		
	Category of building	Minimum applicable rates per square feet of covered area.
	The building construction for the use for religious purposes 'B'	Rs. 500

<b>Amusement Park/Golf Course/Other recreational projects.</b>		
	Category of building	Minimum applicable rates per square feet of covered area.
	The development of amusement park/golf course/ Other recreational projects.	The actual cost of construction incurred would be assessed by a Cost Assessment Committee constituted for the said purpose

The above rates/norms are to be taken as the minimum cost of construction for the cost estimation.

## ANNEXURE 'B'

**PROFORMA FOR THE CALCULATION OF CESS UNDER THE BUILDING AND  
OTHER CONSTRUCTION WORKERS WELFARE CESS RULES, 1998**

Sr. No.	Particulars	
01.	Name and address of the establishment	
02.	Probable date of commencement of work.	
03.	Probable date of completion.	
04.	Estimated cost of construction to be calculated as per norms/rates.	
05.	Amount of cess payable @ 1% of the total cost of construction excluding the cost of land and also the cost of plant and machinery to be used in the process in the factory.	
06.	If duration is more than one year, the estimated cost of construction in the first year and cess amount	Estimated cost of construction =  Cess Amount =
07.	Details of the demand draft payable in favour of Secretary, Haryana Building and Other Construction workers Welfare Board (Amount, Number, Date and name of the Bank).	

Signature of employer-  
Name of Employer  
Date: