



KARNATAKA POWER TRANSMISSION CORPORATION LIMITED

Corporate Office,
Kaveri Bhavan,
Bengaluru-560 009.

18 JAN 2015

Sub: - Building and Other Construction Workers Welfare Cess.

- Read: - 1. GoK Notification No. LD 168/LET/2004 dated.01/11/2006.
2. G.O. No. LD 300 LET 2006 dated 18/01/2007.
3. Corrigendum No. LD 300 LET 2006 dated 28/02/2007.
4. KPTCL Order No. KPTCL/B9/2013/07-08 dated 25/06/2007.
5. Letter No. FA (A&R)/C (AP&A)/DC (A&C)/AAO-1/CYS 35 dated 12/07/2007.
6. Letter No. FA (A&R)/KCO-19/6886/08-09 dated 20/11/2011.
7. Letter No. LD 338 LET 2011 dated 27/04/2012.
8. Letter No. FA (A&R)/ KCO-19/6886/08-09 dated 19/05/2012.
9. Letter No. FA (A&R)/ KCO-19/6886/08-09 dated 21/07/2012.
10. Letter No. FA (A&R)/ KCO-19/6886/08-09 dated 28/08/2012.
11. Circular No. CEE (T&P)/C (T&P)/KCO-65/12-13/11799-816 dated 13/03/2013.

Preamble:

1. With a view to enforce the provisions of the Building & Other Construction Workers (Regulation of Employment & Conditions of Service) Act 1996, Government of Karnataka has enacted "Building & Other Construction Workers (Regulation of Employment and Conditions of Service) Rules 2006, vide Government notification dated 01/11/2006.
2. Further, Government of Karnataka vide order dated 18/01/2007 and Corrigendum dated 28/02/2007 has directed that all public sector undertakings and other governmental agencies/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 1% of the amount of the cost approved as per the tender notification from the bill at the time of making payment to the contractors and such amount so deducted from the contractors' bill shall be remitted by way of account payee cheque in favour of the Karnataka State Building & Other Construction Welfare Board within 30 days of making such payment along with a forwarding letter addressed to the Secretary cum Chief Executive Officer, Karnataka State Building & Other Construction Workers

Welfare Board, 3rd Stage, Karmika Bhavan, Bannerghatta Road, Bengaluru-22, to enforce the provisions of Building & Other Construction Workers Welfare Cess Act 1996.

3. KPTCL vide Corporate order dated 25/06/2007 read at Sl.No.4 above, has issued directions to follow the Government Order in the matter of Building & Other Construction Workers Welfare Cess. While issuing the said order, following additions as at column-(b) were made.

As per Government order dated 18/01/2007	As per Corporate order dated 25/06/2007
a	b
Where tender has been submitted or finalized and work is entrusted to a contractor prior to 01.11.2006, in such cases 1% Cess has to be paid by the concerned division to Board as mentioned supra.	Where tender has been submitted or finalized and work is entrusted to a contractor prior to 01.11.2006, in such cases 1% Cess has to be paid by the concerned division to Board as mentioned supra, duly collecting the same from the contractor out of the money payable to him including bills.

4. Clarifications were sought by field officers in the matter of recovery of Cess at 1% on (a)material supply portion of the turnkey contracts and (b)recovery of Cess effected in respect of contracts awarded prior to 01/11/2006 remitted to the Building & other Construction Welfare Board. In this regard, the Labour Department of GOK was requested to clarify the same vide Letters read at Sl.No.5 & 6 above.
5. Secretary to Government, Labour Department, GoK vide letter dated 27/04/2012 read at Sl.No.7 above has issued the clarifications as under:

- ಸಿವಿಲ್ ಕಾಮಗಾರಿ ಮೇಲೆ ಶೇಕಡೆ 1 ರಷ್ಟು ಸುಂಕವನ್ನು ಸಂಗ್ರಹ-ಮಾಡಬೇಕಾಗುತ್ತದೆ.
- ಯಂತ್ರೋಪಕರಣ ವೆಚ್ಚಕ್ಕೆ ಮತ್ತು ಅದರ ಸರಬರಾಜುಗಾಗಿ ತರಲು ವೆಚ್ಚಕ್ಕೆ ಸುಂಕ ಅನ್ವಯಿಸುವುದಿಲ್ಲ.
- ಏನಾಂಕ 18/01/2007 ರ ಸರ್ಕಾರದ ಆದೇಶದನ್ವಯ ಏನಾಂಕ 01/11/2006 ಕ್ಕಿಂತ ಮುಂಚೆ ಗುತ್ತಿಗೆದಾರರಿಗೆ ಕಾಮಗಾರಿಯ ಗುತ್ತಿಗೆ ವಹಿಸಿಕೊಟ್ಟ ಅಥವಾ ಕಾಮಗಾರಿ ಜಲ್ಲುರಣದ ಸುಂಕದ ಮೊತ್ತವನ್ನು ಕಡಿತಗೊಳಿಸುವಂತಿಲ್ಲ. ಈ ಟೆಂಡರ್ ವಹಿಸಿಕೊಟ್ಟ ಇಲಾಖೆ/ ನಿರಮ/ಮಂಡಳಿಯ ಸುಂಕವನ್ನು ಪಾವತಿ ಮಾಡಬೇಕಾಗುತ್ತದೆ. ಈ ಕುರಿತು ಕರ್ನಾಟಕ ಉಚ್ಚ ನ್ಯಾಯಾಲಯದ ಲಘು

ಅಫೀಲ್ ಸಂಖ್ಯೆ 4428-35/2009 ರಲ್ಲಿ ಮೆ// ನಾಗಾಜೀವ ಕನ್ಸ್ಟ್ರಕ್ಷನ್ ಆ V/s ಕರ್ನಾಟಕ ರೈಲ್ವೆ ಮಂಡಳಿಯ ಪ್ರಕರಣದಲ್ಲಿ, ದಿನಾಂಕ 01/11/2006 ಕ್ಕಿಂತ ಮುಂಚೆ ಕಾಮಗಾರಿ ವಹಿಸಿದ ಕಾರಣ, ಸದರಿ ಸಂಸ್ಥೆಯಿಂದ ಕಡಿತಗೊಳಿಸಲಾದ ಸುಂಕವನ್ನು ವಾಪಸ್ಸು ನೀಡುವಂತೆ ರೈಲ್ವೆ ಮಂಡಳಿಗೆ ಕರ್ನಾಟಕ ಉಚ್ಚ ನ್ಯಾಯಾಲಯದ ವಿಭಾಗೀಯ ಪೀಠ ಆದೇಶ ನೀಡಿರುತ್ತದೆ.

6. Based on the above clarifications, circular dated 19/05/2012 read at Sl.No.8 above has been issued to the Accounting Units to clarify the following:
 - a) to deduct Cess at 1% only on Civil portion of Turnkey Contract/ Partial Turnkey Contracts/ other works carried out by KPTCL through contractors and
 - b) with regard to the deductions already made and remitted to the Welfare Board to await for further orders from Corporate office.
7. In respect of material supply portion of contracts, detailed procedure for refund of claims of contractors was also intimated vide circular dated 21/07/2012 read at Sl.No.9 above.
8. Vide circular dated 28/08/2012 read at Sl.No.10 above, it was further clarified that erection portion of the turnkey contracts also contains civil works which are in the nature of construction works and hence refund claim of turnkey contracts shall be processed only in respect of supply portion of the turnkey contract and not on the erection portion. In the said Circular the procedure to be followed regarding refund of the Cess amount recovered and remitted to Building and Other Construction Workers Welfare Board, in respect of supply portion of the contracts, has also been further clarified.
9. In circular dated 13/03/2013 read at Sl.No.11 above, further instructions were issued to regulate refund of Cess @ 1% on supply portion of turnkey contracts.
10. Since many Contractors are requesting KPTCL to refund the Cess amount collected from them for Tender/works awarded prior to 01/11/2006 and remitted to the Welfare Board, the same has been examined for issuing amendment to KPTCL Order dated 25/06/2007 in line with G.O. dated 18/01/2007 and with reference to the clarification (letter read at Sl.No.7 above) issued by the Labour Department. Hence this order.

1. In the circumstances explained above, existing sub-para of Para-(a) of Corporate order of even No dated 25/06/2007 is amended as under:

As existing	As amended
Where tender has been submitted or finalized and work is entrusted to a contractor prior to 01.11.2006, in such cases 1% Cess has to be paid by the concerned division to Board as mentioned supra, duly collecting the same from the concerned out of the money payable to him including bills.	Where tender has been submitted or finalized and work is entrusted to a contractor prior to 01.11.2006, in such cases 1% Cess has to be paid by the concerned division to Board as mentioned supra.

2. Pursuant to the above, the amount already recovered and remitted to the Building and Other Construction Workers Welfare Board in respect of tender submitted or finalised and work entrusted to a Contractor prior to 01-11-2006 and in such cases, Cess @ 1% already been recovered and remitted to the Welfare Board in respect of Erection & Civil portion of the turn key contracts is ordered to be refunded to the respective Contractors after due verification by Internal Audit. The Accounting Units may use the Format enclosed to this order for arranging payment through issue of Official Memorandum, preparation of Proforma Bill and also for verification by Audit.
3. In respect of such works entrusted to a Contractor prior to 01-11-2006, the Cess @ 1% on Supply Portion of turn-key contracts which has already been recovered and remitted to Welfare Board should be claimed as Refund from the Welfare Board by the concerned Accounting Units immediately. Refund of the same to the concerned Contractors should be arranged duly accounting the amount as receivables from the Welfare Board.
4. All other contents of the Corporate Order No. KPTCL/B9/2013/07-08 dated 25-06-2007 remains unaltered.

By order,

Anelha sf/15
Deputy General Manager (Tech),
KPTCL, Bengaluru.

Copy to:

1. All the Chief Engineers, Electy., KPTCL.
2. All the Financial Advyisers, KPTCL.
3. All the Superintending Engineers (Ele) / (Civil), KPTCL.
4. All the Controller of Accounts, KPTCL.
5. All the Executive Engineers (Ele) / (Civil), KPTCL.
6. All the Deputy Controller of Accounts, KPTCL.
7. All the Accounts Officers, KPTCL.
8. All the Managers, Corporate Office, KPTCL, Kaveri Bhavan, Bengaluru.
9. PS to Managing Director / Director(Finance) / Director(Transmission) /
Director (A&HR) / Director (RA) & CS, KPTCL, Kaveri Bhavan, Bengaluru.
10. Sr. Assistant (Records), KPTCL, Kaveri Bhavan, Bengaluru.

8 JAN 2015

KARNATAKA POWER TRANSMISSION CORPORATION LIMITED
Statement showing the details of Building & Other Construction Workers Welfare Cess
 Annexure to KPTCL Order No.B9/2013/2007-08 dated:

Name of the Division:

Format-1

Sl. No.	Name of the Contractor	DWA/Tender reference	Name of the Work	Cess Amount relating to Tenders issued and work is entrusted to the Contractor from 01.06.2002 to 31.10.2006 and Cess deducted on or after 18.01.2007 in such cases											
				From 01.06.2002 to 31.03.2003						Reference as to Bill/BR No. -date in which Cess amount has been collected from the Contractor				Covering letter Reference for Cess amount remitted to the Welfare Board	
				Supply Portion		Erection portion		Civil portion		Letter No.	Date	Amount			
				B.R.No. & Date	Amount	B.R.No. & Date	Amount	B.R.No. & Date	Amount						
1	2	3	4	5	6	7	8	9	10	11	12	13	14		
1	M/s ABC Ltd.,	DWA1													
		Bill-1													
		Bill-2													
	Sub Total of Bills														
		DWA2													
		Bill-1													
		Bill-2													
	Total Bill Amount of Contractor														
2	M/s MN Associates...	DWA1													
		Bill-1													
		Bill-2													
	Sub Total of Bills														
		DWA2													
		Bill-1													
		Bill-2													
	Total Bill Amount of Contractor														
4	And so on														
	Total														

Certified that Cess amount for FY 2002-13 indicated at column 1 to 5 above has actually been deducted from the Bills indicated at column 6 to 11 and remitted the same to Karnataka State Building and Other Construction Workers Welfare Board vide letter indicated at Column No.12 to 14 for Fy 2002-03.

Accounts Officer
 Division

Executive Officer
 Division

Verified

Certify that

Accounts Officer (Internal Audit)

KARNATAKA POWER TRANSMISSION CORPORATION LIMITED
Statement showing the details of Building & Other Construction Workers Welfare Cess
 Annexure to KPTCL Order No.B9/2013/2007-08 dated:

8 JAN 2015

Name of the Division:

Format-2

Sl. No.	Name of the Contractor	DWA/Tender reference	Name of the Work	Cess Amount relating to Tenders issued and work is entrusted to the Contractor from 01.06.2002 to 31.10.2006 and Cess deducted on or after 18.01.2007 in such cases									
				From 01.04.2003 to 31.03.2004									
				Reference as to Bill/BR No.-date in which Cess amount has been collected from the Contractor								Covering letter Reference for Cess amount remitted to the Welfare Board	
				Supply Portion		Erection portion		Civil portion		Letter No.	Date	Amount	
				B.R.No. & Date	Amount	B.R.No. & Date	Amount	B.R.No. & Date	Amount				
1	2	3	4	5	6	7	8	9	10	11	12	13	14
1	M/s ABC Ltd.,	DWA1 Bill-1 Bill-2											
	Sub Total of Bills												
		DWA2 Bill-1 Bill-2											
	Total Bill Amount of Contractor												
2	M/s MN Associates...	DWA1 Bill-1 Bill-2											
	Sub Total of Bills												
		DWA2 Bill-1 Bill-2											
	Total Bill Amount of Contractor												
4	And so on												
	Total												

Certified that Cess amount for FY 2002-13 indicated at column 1 to 5 above has actually been deducted from the Bills indicated at column 6 to 11 and remitted the same to Karnataka State Building and Other Construction Workers Welfare Board vide letter indicated at Column No.12 to 14 for Fy 2003-04.

Accounts Officer
..... Division

Executive Officer
..... Division

Verified

Certify that

Accounts Officer (Internal Audit)

2015

KARNATAKA POWER TRANSMISSION CORPORATION LIMITED
Statement showing the details of Building & Other Construction Workers Welfare Cess
 Annexure to KPTCL Order No.B9/2013/2007-08 dated:

Name of the Division:

Format-3

Sl. No.	Name of the Contractor	DWA/Tender reference	Name of the Work	Cess Amount relating to Tenders issued and work is entrusted to the Contractor from 01.06.2002 to 31.10.2006 and Cess deducted on or after 18.01.2007 in such cases										
				From 01.04.2004 to 31.03.2005										
				Reference as to Bill/BR No. -date in which Cess amount has been collected from the Contractor								Covering letter Reference for Cess amount remitted to the Welfare Board		
				Supply Portion		Erection portion		Civil portion		Letter No.	Date	Amount		
B.R.No. & Date	Amount	B.R.No. & Date	Amount	B.R.No. & Date	Amount									
1	2	3	4	5	6	7	8	9	10	11	12	13	14	
1	M/s ABC Ltc.,	DWA1												
		Bill-1												
		Bill-2												
	Sub Totalof Bills													
		DWA2												
		Bill-1												
		Bill-2												
	Total Bill Amount of Contractor													
2	M/s MN Assoca	DWA1												
		Bill-1												
		Bill-2												
	Sub Totalof Bills													
		DWA2												
		Bill-1												
		Bill-2												
	Total Bill Amount of Contractor													
4	And so on													
	Total													

Certified that Cess amount for FY 2002-13 indicated at column 1 to 5 above has actually been deducted from the Bills indicated at column 6 to 11 and remitted the same to Karnataka State Building and Other Construction Workers Welfare Board vide letter indicated at Column No.12 to 14 for Fy 2004-05.

Accounts Officer
 Division

Executive Officer
 Division

Verified

Certify that

Accounts Officer (Internal Audit)

KARNATAKA POWER TRANSMISSION CORPORATION LIMITED
Statement showing the details of Building & Other Construction Workers Welfare Cess
 Annexure to KPTCL Order No.B9/2013/2007-08 dated:

8 JAN 2015

Name of the Division:

Format-4

Sl. No.	Name of the Contractor	DWA/Tender reference	Name of the Work	Cess Amount relating to Tenders issued and work is entrusted to the Contractor from 01.06.2002 to 31.10.2006 and Cess deducted on or after 18.01.2007 in such cases									
				From 01.06.2005 to 31.03.2006									
				Reference as to Bill/BR No. -date in which Cess amount has been collected from the Contractor								Covering letter Reference for Cess amount remitted to the Welfare Board	
				Supply Portion		Erection portion		Civil portion		Letter No.	Date	Amount	
B.R.No. & Date	Amount	B.R.No. & Date	Amount	B.R.No. & Date	Amount								
1	2	3	4	5	6	7	8	9	10	11	12	13	14
1	M/s ABC Ltc.,	DWA1											
		Bill-1											
		Bill-2											
	Sub Total of Bills												
		DWA2											
		Bill-1											
		Bill-2											
	Total Bill Amount of Contractor												
2	M/s MN Assoca	DWA1											
		Bill-1											
		Bill-2											
	Sub Total of Bills												
		DWA2											
		Bill-1											
		Bill-2											
	Total Bill Amount of Contractor												
4	And so on												
	Total												

Certified that Cess amount for FY 2002-13 indicated at column 1 to 5 above has actually been deducted from the Bills indicated at column 6 to 11 and remitted the same to Karnataka State Building and Other Construction Workers Welfare Board vide letter indicated at Column No.12 to 14 from 01.06.2005 to 31.03.2006

Accounts Officer
 Division

Executive Officer
 Division

Verified

Certify that

Accounts Officer (Internal Audit)

KARNATAKA POWER TRANSMISSION CORPORATION LIMITED
Statement showing the details of Building & Other Construction Workers Welfare Cess
 Annexure to KPTCL Order No,B9/2013/2007-08 dated:

Name of the Division:

E 8 JAN 2015

Format-5

Sl. No.	Name of the Contractor	DWA/Tender reference	Name of the Work	Cess Amount relating to Tenders issued and work is entrusted to the Contractor from 01.06.2002 to 31.10.2006 and Cess deducted on or after 18.01.2007 in such cases									
				From 01.06.2006 to 31.10.2006									
				Reference as to Bill/BR No. -date in which Cess amount has been collected from the Contractor						Covering letter Reference for Cess amount remitted to the Welfare Board			
				Supply Portion		Erection portion		Civil portion		Letter No.	Date	Amount	
B.R.No. & Date	Amount	B.R.No. & Date	Amount	B.R.No. & Date	Amount								
1	2	3	4	5	6	7	8	9	10	11	12	13	14
1	M/s ABC Ltd.,	DWA1											
		Bill-1											
		Bill-2											
	Sub Total of Bills												
		DWA2											
		Bill-1											
		Bill-2											
	Total Bill Amount of Contractor												
2	M/s MN Assoca	DWA1											
		Bill-1											
		Bill-2											
	Sub Total of Bills												
		DWA2											
		Bill-1											
		Bill-2											
	Total Bill Amount of Contractor												
4	And so on												
	Total												

Certified that Cess amount for FY 2002-13 indicated at column 1 to 5 above has actually been deducted from the Bills indicated at column 6 to 11 and remitted the same to Karnataka State Building and Other Construction Workers Welfare Board vide letter indicated at Column No.12 to 14 from 01.06.2006 to 31.10.2006

Accounts Officer
 Division

Executive Officer
 Division

Verified

Certify that

Accounts Officer (Internal Audit)