THE KARNATAKA LABOUR WELFARE FUND ACT, 1965

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STATEMENTS OF OBJECTS AND REASONS

I

Act 15 of 1965.- The Bombay Labour Welfare Fund Act 1953, which provides for the constitution of fund for the financing of activities to promote welfare of labour, is in force in the Bombay Area of the State. It is considered desirable to have a uniform law in the whole State for the purpose. Hence the Bill. The Board proposed to be established now under this Bill will take over the Labour Welfare Centres now under the control of the Government. The Board will promote the welfare of labour and their dependents, and in particular incur expenditure in respect of the matters specified in clause 8(2).

Hence the Bill.

(Published in the Karnataka Gazette (Extraordinary) Part IV-2A dated 10-7-1964 as No. 183 .)

II

Amending Act 73 of 1976.- According to the existing provision in the Karnataka Labour Welfare Fund Act, 1965 the Welfare Fund consist of :-

(a) all fines realised from the employees;

(b) all unpaid accumulations transferred to the funds; and

(c) any voluntary donations.

The Funds realised from item (a) and (c) referred to above are very small. There is hardly any inflow to the funds from item (b) as the enlightened labour do not allow any dues to remain unpaid. The limited resources have not enabled extension of Labour Welfare activities to all Industrial Areas.

It is, therefore, felt necessary to augment the resource of the fund by levying a contribution payable by the employees, the employer and the State Government

Hence the Bill.

(Published in the Karnataka Gazette (Extraordinary) Part IV-2A dated 8-11-1976 as No. 4419 at page 6.)

III

Amending Act 10 of 1994.- In order to effectively implement activities to promote welfare of labour it is considered necessary to enhance contribution payable by employee, employer and Governemnt respectively, by amending section 7A of the Karnataka Labour Welfare Fund Act, 1965.

Hence the Bill.

(Obtained from L.A.Bill No. 24 of 1993.)

IV

Amending Act 7 of 2011.- It is considered necessary to amend the Karnataka Labour Welfare Fund Act, 1965 (Karnataka Act 15 of 1965) to increase the ratio of contribution payable to welfare fund from Labourers, Employer and from Government from the existing ratio of 3 rupees : 6 rupees : 3 rupees to the ratio of 6 rupees : 12 rupees : 6 rupees respectively.

Hence the Bill.

[L.A. Bill No. 30 of 2010, File No.DPAL 6 Shasana 2010]

[Entry 24 of List III of the Seventh schedule to the constitution of India.]

[1][KARNATAKA][1] ACT NO. 15 OF 1965

(*First published in the* [1][*Karnataka Gazette*][1] *on the Fifth day of August 1965)*

THE [1][KARNATAKA][1] LABOUR WELFARE FUND ACT, 1965

(*Received the assent of the President on the Eighteenth day of July 1965*)

(As amended by Act 73 of 1976, 10 of 1994 and 7 of 2011)

An Act to provide for the constitution of a Fund for financing and conducting activities to promote welfare of labour in the [1][State of Karnataka][1].

WHEREAS it is expedient to constitute a Fund for financing and conducting activities to promote welfare of labour in the [1][State of Karnataka][1];

BE it enacted by the [1][Karnataka State Legislature][1] in the Sixteenth Year of the Republic of India as follows:-

1. Adapted by the Karnataka Adaptations of Laws Order 1973 w.e.f. 1.11.1973

1. Short title, extent and commencement.- (1) This Act may be called the [1][Karnataka][1] Labour Welfare Fund Act, 1965,

1. Adapted by the Karnataka Adaptations of Laws Order 1973 w.e.f. 1.11.1973

(2) It extends to the whole of the [1][State of Karnataka][1].

1. Adapted by the Karnataka Adaptations of Laws Order 1973 w.e.f. 1.11.1973

(3) It shall come into force on such [1][date][1] as the State Government may, by notification in the official Gazette, appoint and different dates may be appointed for different areas of the State.

1. Act came into force w.e.f. 15.8.1968 by notification. Text of the notification is at the end of the Act.

2. Definitions.- In this Act, unless the context otherwise requires,-

(1) "Board" means the [1][Karnataka Labour Welfare Board][1] constituted under section 4;

1. Adapted by the Karnataka Adaptations of Laws Order 1973 w.e.f. 1.11.1973

[1][(1A) "contribution" means the sum of money comprising the employer's contribution, employee's contribution and State Government's contribution payable to the Board in accordance with the provisions of section 7A.][1]

1. Section 1A inserted by Act 73 of 1976 w.e.f. 8.10.1976

(2) "employee" means any person who is employed for wages to do any work skilled or unskilled, manual or clerical, in an establishment;

(3) "employer" means any person who employs either directly or through another person either on behalf of himself or any other person, one or more employees in an establishment and includes,-

(i) in a factory, any person named under section 7(1) (f) of the Factories Act, 1948, as the manager;

(ii) in any establishment, any person responsible to the owner for the supervision and control of the employees or for the payment of wages;

(4) "establishment" means,-

(i) a factory;

(ii) motor omnibus service;

(iii) any establishment including a society registered or deemed to be registered under the [1][Karnataka][1] Societies Registration Act, 1960, and a charitable or other trust, whether registered under any law applicable to such charitable or other trust or not, which carries on any business or trade or any work in connection with or ancillary thereto and which employs or on any working day during the preceding twelve months employed more than fifty persons,

but does not include an establishment (not being a factory) of the Central or any State Government; and

1. Adapted by the Karnataka Adaptations of Laws Order 1973 w.e.f. 1.11.1973

(iv) any plantation or workshops;

(5) "factory " means a factory as defined in section 2(m) of the Factories Act, 1948;

(6)"Fund" means the [1][Karnataka Labour Welfare Fund][1] constituted under section 3;

1. Adapted by the Karnataka Adaptations of Laws Order 1973 w.e.f. 1.11.1973

(7) "independent member" means a member of the Board who is not connected with the management of any establishment or who is not an employee, and includes an officer of Government nominated as a member;

(8) "Inspector" means an Inspector appointed under section 13;

(9) "prescribed" means prescribed by rules made under this Act;

(10) "unpaid accumulations" means all payments due to the employees but not made to them within a period of three years from the date on which they became due whether before or after the commencement of this Act including the wages, and gratuity legally payable but not including the amount of contribution, if any, paid by an employer to a provident fund establishment under the Employees ' Provident Funds Act, 1952;

(11) "wages" means all remuneration capable of being expressed in terms of money which would, if the terms of the contract of employment, express or implied, were fulfilled, be payable to a person employed in respect of his employment or of work done in such employment, but does not include,-

(a) the value of,-

(i) any house accommodation, supply of light, water, medical attendance; or

(ii) any other amenity or any service excluded by general or special order of the State Government;

(b) any contribution paid by the employer to any pension fund or provident fund or under any scheme of social insurance;

(c) any travelling allowance or the value of any travelling concession;

(d) any sum paid to the person employed to defray special expenses entailed on him by the nature of his employment; or

(e) any gratuity payable on discharge.

(12) "Welfare Commissioner" means the Welfare Commissioner appointed under section 12.

3. Welfare Fund.- (1) The State Government shall constitute a Fund called the [1][Karnataka Labour Welfare Fund][1] and notwithstanding anything contained in any other

law for the time being in force or in any contract or instrument, all unpaid accumulations shall be paid to the Board, which shall keep a separate account therefor until claims thereto have been decided in the manner provided in section 7, and the other sums specified in sub-section (2) shall be paid into the Fund.

1. Adapted by the Karnataka Adaptations of Laws Order 1973 w.e.f. 1.11.1973

(2) The Fund shall consist of,-

(a) all fines realised from the employees;

(b) all unpaid accumulations transferred to the Fund under section 7;

[1][(bb) the contribution paid under section 7A;

(bbb) any penal interest paid under section 7B.][1]

1. Inserted by Act 73 of 1976 w.e.f. 8.10.1976

(c) any voluntary donations;

(d) any fund transferred under sub-section (5) of section 8; and

(e) any sum borrowed under section 9.

(3) The sums specified in sub-section (2) shall be collected by such agencies and in such manner and the accounts of the Fund shall be maintained and audited in such manner as may be prescribed.

4. Board.- (1) The State Government shall, by notification in the official Gazette, constitute the Board for the whole of the [1][State of Karnataka][1] for the purpose of administering the Fund, and to carry on such other functions assigned to the Board by or under this Act.

1. Adapted by the Karnataka Adaptations of Laws Order 1973 w.e.f. 1.11.1973

(2) The Board shall consist of the following members nominated by the State Government, namely:-

(a) representatives of employers and employees;

(b) independent members, representing women; and

(c) other independent members.

The number of members of each category shall be such as may be prescribed:

Provided that both employers and employees shall have equal representation on the Board.

(3) The members of the Board shall elect one of its independent members as the Chairman of the Board.

(4) Save as otherwise expressly provided by this Act, the term of office of the members of the Board shall be three years commencing on the date on which their names are notified in the official Gazette.

(5) The allowances, if any, payable to the members of the Board and the conditions of appointment of the representatives of the employers and employees shall be such as may be prescribed.

(6) The Board shall be a body corporate by the name of the [1][Karnataka Labour Welfare Board][1] , having perpetual succession and a common seal, with power subject to the provisions of this Act, or the rules made thereunder to acquire, hold and dispose of

property, both moveable and immoveable, and to contract, and may, by the said name sue and be sued.

1. Adapted by the Karnataka Adaptations of Laws Order 1973 w.e.f. 1.11.1973

5. Disqualifications and removal.- (1) No person shall be chosen as or continue to be a member of the Board who,-

(a) is a salaried official of the Board; or

(b) is or at any time has been adjudged insolvent or has suspended payment of his debts or has compounded with his creditors ; or

(c) is found to be a lunatic or becomes of unsound mind ; or

(d) is or has been convicted of any offence involving moral turpitude.

(2) The State Government may remove from office any member who,-

(a) is or has become subject to any of the disqualifications mentioned in sub-section (1); or

(b) is absent without leave of the Board for more than three consecutive meetings of the Board.

6. Resignation of office by member and filling up of casual vacancies.- (1) A member may resign his office by giving notice thereof in writing to the State Government, and on such resignation being accepted, shall be deemed to have vacated his office.

(2) A casual vacancy in the office of a member shall be filled up, as soon as conveniently may be, by the authority concerned and a member so nominated shall hold office for the unexpired portion of the term of the office of his predecessor.

(3) No act or proceedings of the Board shall be questioned on the ground merely of the existence of any vacancy in or any defect in the constitution of the Board.

7. Unpaid accumulations and claims thereto.- (1) All unpaid accumulations shall be deemed to be abandoned property.

(2) Any unpaid accumulations paid to the Board in accordance with the provisions of section 3 shall, on such payment, discharge an employer of the liability to make payment to an employee in respect thereof, but to the extent only of the amount paid to the Board; and the liability to make payment to the employee to the extent aforesaid shall, subject to the succeeding provisions of this section, be deemed to be transferred to the Board.

(3) As soon as possible after the payment of any unpaid accumulations is made to the Board, the Board shall, by notice (containing such particulars may be prescribed),-

(a) exhibited on the notice-board of the factory or establishment in which the unpaid accumulation was earned; and

(b) published in the official Gazette; and

(c) also published in any two newspapers circulating in the area in which the factory or establishment in which the unpaid accumulation was earned is situate or in such other manner as may be prescribed, regard being had to the amount of the claim,

invite claims by employees for any payment due to them. The notice shall be inserted in the manner aforesaid in June and December of every year, for a period of three years from the date of the payment of the unpaid accumulation to the Board.

(4) If any question arises whether the notice referred to in sub-section (3) was given as required by that sub-section, a certificate of the Board that it was so given, shall be conclusive.

(5) If a claim is received whether in answer to the notices or otherwise, within a period of four years from the date of first publication of the notice in respect of such claim, the Board shall transfer such claim to the Authority appointed under section 15 of the Payment of Wages Act, 1936, having jurisdiction in the area in which the factory or establishment is situated, and the Authority shall proceed to adjudicate upon, and decide, such claim. In hearing such claim, the Authority shall have the powers conferred by, and follow the procedure (in so far as it is applicable) followed in giving effect to the provisions of that Act.

(6) If the Authority aforesaid is satisfied that any such claim is valid so that the right to receive payment is established it shall decide that the unpaid accumulation in relation to which the claim is made shall cease to be deemed to be abandoned property, and shall order the Board to pay the whole of the dues claimed or such part thereof as the Authority decides are properly due, to the employees; and the Board shall make payment accordingly:

Provided that the Board shall not be liable to pay any sum in excess of that paid under sub-section (1) of section 3 to the Board as unpaid accumulations in respect of the claim.

(7) If a claim for payment is refused, the employee shall have a right of appeal to the District Court having jurisdiction over the area and the Board shall comply with any order made in appeal. An appeal shall lie within sixty days of the decision of the Authority.

(8) The decision of the Authority, subject to appeal aforesaid and the decision in appeal of the District Court, shall be final as to the right to receive payment, the liability of the Board to pay and also as to the amount, if any.

(9) If no claim is made within the time specified in sub-section (5) , or a claim has been duly refused as aforesaid by the Authority, or by the Court on appeal, then the unpaid accumulations in respect of such claim, shall accrue to, and vest in the State as *bona vacantia*, and shall thereafter, without further assurance be deemed to be transferred to, and form part of the Fund.

[1][**7A. Contribution.-** (1) In respect of every employee in an establishment there shall be paid contribution to the Board comprising the employer's contribution, employee's contribution and State Government's contribution, payable respectively by the employer, the employee and the State Government and the contributions so paid shall form part of the Fund.

1. Section 7A & 7B inserted by Act 73 of 1976 w.e.f. 8.10. 1976

(2) In respect of every employee whose name stands in the register of an establishment on 31st December of a year sum of [2][[1][six rupees, twelve rupees and six rupees]][1]][2] respectively shall be payable as contribution for that year by the concerned employee, the employer and the State Government.

1. Substituted by Act 10 of 1994 w.e.f. 1.12.1993
2. Substituted by Act 7 of 2011 w.e.f.08.02.2011.

(3) The employer's contribution and the employee's contribution in respect of a year shall be paid by the employer to the Board on or before 15 th January of the following year by cheque, [1][or by crossed demand draft][1] and the expenses of remitting the contribution shall be borne by the employer himself.

1. Substituted by Act 10 of 1994 w.e.f. 1.12.1993

(4) Notwithstanding anything contained in any other enactment but subject to the provisions of this Act and any rules made thereunder the employer shall be entitled to recover the employee's contribution from the employee by deduction from his wages and not otherwise and such deduction shall be deemed to be a deduction authorised by or under the Payment of Wages Act, 1936:

Provided that, no such deduction shall be made in excess of the amount of the contribution payable by such employee, nor shall it be made from any wages other than the wages for the month of December of the year to which the contribution relates:

Provided further that, if through inadvertence or otherwise, no deduction has been made from the wages of an employee for the month aforesaid, such deduction may be made from the wages of such employee for any subsequent month or months with the permission in writing of the Inspector appointed under this Act.

(5) Notwithstanding anything to the contrary in any agreement or contract no employer shall deduct the employer's contribution from any wages payable to an employee or otherwise recover it from the employee.

(6) Any sum duly deducted by an employer from the wages of an employee under this section shall be deemed to have been entrusted to him by the employee for the purpose of paying the contribution in respect of which it was deducted.

(7) The Welfare Commissioner shall submit to the State Government as soon as possible after the end of January every year, in the prescribed form, a statement showing the total amount of each employer's contribution in respect of his establishment. On receipt of the statement from the Welfare Commissioner, the State Government shall pay to the Board its contribution in respect of each such establishment.

7B. Interest on unpaid accumulation or fines after notice of demand.- (1) If an employer does not pay to the Board any amount of unpaid accumulations or fines realised from the employees or the amount of the employer's and employee's contributions under section 7A within the time he is required by or under the provisions of this Act to pay it, the Welfare Commissioner may cause to be served a notice on such employer to pay the amount within the period specified therein, which shall not be more than thirty days from the date of service of such notice.

(2) If the employer fails to pay any such amount within the period specified in the notice, he shall, in addition to that amount, pay to the Board simple interest,-

(a) for the first three months at twelve percent per annum of the said amount for each complete month after the last date by which he should have paid it according to the notice; and

(b) at eighteen percent per annum of that amount for each complete month thereafter, during the time he continues to make default in the payment of that amount.][1]

8. Vesting and application of Fund.- (1) The Fund shall vest in and be held and applied by the Board as Trustees subject to the provisions and for the purpose of this Act. The moneys therein shall be utilised by the Board to defray the cost of carrying out measures which may be specified by the State Government from time to time to promote the welfare of labour and of their dependents.

(2) Without prejudice to the generality of sub-section (1) the moneys in the Fund may be utilised by the Board to defray expenditure on the following:-

(a) community and social education centres including reading rooms and libraries;

(b) community necessities;

(c) games and sports;

(d) excursions, tours and holiday homes;

(e) entertainments and other forms of recreation;

(f) home industries and subsidiary occupations for women and unemployed persons;

(g) corporate activities of a social nature;

(h) cost of administering the Act including the salaries and allowances of the staff appointed for the purposes of the Act;

(i) such other objects as would in the opinion of the State Government improve the standard of the living and ameliorate the social conditions of labour:

Provided that the Fund shall not be utilised in financing any measure which the employer is required under any law for the time being in force to carry out:

Provided further that unpaid accumulations and fines shall be paid to the Board and be expended by it under this Act notwithstanding anything contained in the Payment of Wages Act, 1936, or any other law for the time being in force.

(3) The Board may, with the approval of the State Government, make a grant out of the Fund to any employer, any local authority or any other body in aid of any activity for the welfare of labour approved by the State Government.

(4) If any question arises whether any particular expenditure is or is not debitable to the Fund, the matter shall be referred to the State Government and the decision given by the State Government shall be final.

(5) It shall be lawful for the Board to continue any activity financed from the labour welfare fund of any establishment, if the said fund is duly transferred to the Board.

9. Power of Board to borrow.-The Board may from time to time with the previous sanction of the State Government and subject to the provisions of this Act and to such conditions as may be specified in this behalf borrow any sum required for the purposes of this Act.

10. Investment of Fund.- Where the Fund or any portion thereof cannot be applied at an early date for fulfilling the objects of the Act, the Board shall invest the same in any of the securities specified in clauses (a) to (d) and (f) of section 20 of the Indian Trusts Act, 1882.

11. Direction by State Government to Board.- The State Government may give the Board such directions as in its opinion are necessary or expedient in connection with the

expenditure from the Fund or for carrying out the other purposes of the Act. It shall be the duty of the Board to comply with such directions.

12. Appointments and powers of Welfare Commissioner.- (1) The Welfare Commissioner shall be appointed by the Board with the previous approval of the State Government.

(2) The Welfare Commissioner shall be the principal executive officer of the Board.

(3) It shall be the duty of the Welfare Commissioner to ensure that the provisions of this Act and rules made thereunder are duly carried out and for this purpose he shall have the power to issue such orders not inconsistent with the provisions of this Act and rules made thereunder as he deems fit including any order implementing the decisions taken by the Board under the Act or rules made thereunder.

13. Appointment of Inspectors.- (1) The State Government may appoint Inspectors to inspect the records in connection with the sums payable into the Fund.

(2) Any Inspector may-

(a) with such assistance, as he thinks fit, enter at any reasonable time any premises for carrying out the purposes of this Act;

(b) exercise such other powers as may be prescribed.

14. Appointment of clerical and other staff by Board.- The Board shall have power to appoint the necessary clerical and executive staff to carry out and supervise the activities financed from the Fund:

Provided that the expenses of the staff thus appointed and other administrative expenses shall not exceed a prescribed percentage of the annual income of the Fund.

15. Power of State Government to remove any person on staff of the Board.- The State Government shall have the power to remove any person whom it may deem unsuitable from the service of the Board.

16. Power of State Government or authorised officer to call for records, etc.-The State Government or any officer authorised by the State Government may call for the records of the Board, inspect the same and may supervise the working of the Board.

17. Mode of recovery of sums payable into Fund, etc.-Any sum payable into the Fund under this Act shall, without prejudice to any other mode of recovery, be recoverable on behalf of the Board as arrears of land revenue.

[1][**17A. Penalty for obstructing Inspector in the discharge of his duties or for failure to produce documents, etc.-** Any person who wilfully obstructs an Inspector in the exercise of his powers or discharge of his duties under this Act or fails to produce for inspection on demand by an Inspector any registers, records or other documents maintained in pursuance of the provisions of this Act or the rules made thereunder or to supply to him on demand true copies of any such documents, shall , on conviction, be punished, for the first offence, with imprisonment for a term which may extend to three months, or with fine which may extend to five hundred rupees, or with both; and for a second or subsequent offences, with imprisonment for a term which may extend to six months, or with fine which may extend to one thousand rupees, or with both:

1. Section 17A - 17C inserted by Act 73 of 1976 w.e.f. 8.10.1976

Provided that in the absence of special and adequate reasons to the contrary to be mentioned in the judgement of the court, in any case where the offender is sentenced to fine only, the amount of fine shall not be less than fifty rupees.

17B. Penalty for contravention of any provisions of the Act.- Any person who wilfully contravenes any provision of the Act shall on conviction be punished for the first offence with fine which may extend to five hundred rupees or with imprisonment for a term which may extend to three months and for the second and subsequent offences, with fine which may extend to one thousand rupees or with imprisonment for a term which may extend to one year or with both.

17C. Cognizance of offences.- No Court shall take cognizance of an offence under this Act except on a complaint filed by an Inspector with the previous sanction of the Welfare Commissioner.][1]

18. Supersession of Board.- (1) If the State Government is satisfied that the Board has made default in preforming any duties imposed on it by or under this Act or has abused its power, the State Government may by notification in the official Gazette supersede and re-constitute the Board in the prescribed manner:

Provided that before issuing the notification under this sub-section, the State Government shall give a reasonable opportunity to the Board to show cause why it should not be superseded and shall consider the explanations and objection, if any, of the Board.

(2) After the supersession of the Board, and until it is reconstituted the powers, duties and functions of the Board under this Act shall be exercised or performed by such officer or officers, as the State Government may appoint for this purpose.

19. Rules.- (1) The State Government may, by notification in the official Gazette and subject to the condition of previous publication, make rules to carry out the purposes of this Act.

(2) In particular and without prejudice to the generality of the foregoing power, such rules may be made for all or any of the following matters, namely:-

(a) the agency for and the manner of collection of sums specified in sub-section (3) of section 3, and the period within which the same shall be paid to the credit of the Fund;

(b) the manner in which the accounts of the Fund shall be maintained and audited under sub-section (3) of section 3;

(c) the procedure for making grants from the Fund under section 8;

(d) the procedure for defraying the expenditure incurred in administering the Fund;

(e) the number of representatives of employers and employees, independent members and representatives of women on the Board, and the allowances, if any, payable to them, under section 4;

(f) the manner in which the Board shall conduct its business;

(g) the duties and powers of the Inspectors and the conditions of service of the Welfare Commissioner and Inspectors and other staff appointed under this Act;

(h) the delegation of the powers and functions of the Board to the Welfare Commissioner and the conditions and the limitations subject to which the powers may be exercised or functions discharged;

(i) the percentage of the annual income of the Fund beyond which the Board may not spend on the staff and on other administrative measures;

(j) the registers and records to be maintained under this Act;

(k) the publication of the report of the activities financed from the Fund together with a statement of receipts and expenditure of the Fund and statement of accounts;

(l) the condition subject to which the Board may dispose of immoveable and moveable property or enter into contract;

(m) any other matter which may be prescribed under this Act.

(3) A rule under this Act may be made with retrospective effect and when such a rule is made the reasons for making the rule shall be specified in a statement laid before both Houses of the State Legislature. Subject to any modification made under section 23, every rule made under this Act shall have effect as if enacted in this Act.

20. Members of Board, Welfare Commissioner, Inspectors and all officers and servants of Board to be public servants.- The members of the Board, the Welfare Commissioner, Inspectors and all officers and servants of the Board shall be deemed to be public servants within the meaning of section 21 of the Indian Penal Code.

21. Protection to persons acting in good faith.- No suit, prosecution or other legal proceeding shall lie against the Board or any person for anything which is in good faith done or intended to be done under this Act.

22. Exemption.-The State Government may, by notification in the official Gazette, exempt any class of establishments form all or any of the provisions of this Act, subject to such conditions as may be specified in the notification.

23. Rules and notifications to be laid before State Legislature.- Every rule made under this Act, and every notification issued under section 22 shall be laid, as soon as may be after it is made or issued before each House of the State Legislature while it is in session for a total period of thirty days which may be comprised in one session or in two or more successive sessions, and if, before the expiry of the session in which it is so laid or the sessions immediately following, both Houses agree in making any modification in the rule or notification or both Houses agree that the rule or notification should not be made or issued, the rule or notification shall thereafter have effect only in such modified form or be of no effect, as the case may be; so however, that any modification or annulment shall be without prejudice to the validity of anything previously done under such rule or notification.

24. Transfer of Government Labour Welfare Centres to the Board.- (1) The control and management of State Government Labour Welfare Centres shall as from such date as the State Government may by notification in the official Gazette appoint, be transferred to the Board, and thereupon all the properties and assets, and liabilities and obligations of the State Government in relation to such Centres shall stand transferred to, vest in, or devolve upon, the Board.

(2) Every employee of the State Government who was employed by the State Government wholly or mainly in or in connection with any of the said Centres

immediately before the date appointed under sub-section (1) shall, as from the said date, become an employee of the Board, and shall hold his office under the Board on the same tenure, at the same remuneration and upon the same terms and conditions and with the same rights and privileges as to pension and gratuity and other matters as he would have held the same if the transfer of the said Centre had not been effected and shall continue to do so unless and until his employment under the Board is terminated or until his remuneration, terms and conditions of service are duly altered by the Board:

Provided that the remuneration, terms or conditions of service of any such employee shall not be varied to his disadvantage except with the previous approval of the State Government.

25. Amendment of section 8 of Central Act 4 of 1936.- In section 8 of the Payment of Wages Act, 1936 (Central Act 4 of 1936), to sub-section (8) the following shall be added before the Explanation, namely:-

"but in the case of any factory or establishment to which the [1][Karnataka][1] Labour Welfare Fund Act, 1965, applies all such realisations shall be paid into the Fund constituted under the said Act".

1. Adapted by the Karnataka Adaptations of Laws Order 1973 w.e.f. 1.11.1973

26. Repeal and savings.- (1) From the date of coming into force of this Act in the [1][Belgaum Area][1],-

(a) the Bombay Labour Welfare Fund Act, 1953 (Bombay Act 40 of 1953), as in force in the [1][Belgaum Area][1] shall stand repealed;

1. Adapted by the Karnataka Adaptations of Laws Order 1973 w.e.f. 1.11.1973

(b) all properties, fund and dues which are vested in or realisable by the new Board as defined in the Bombay Labour Welfare Board (Reconstitution) Order, 1959, made by the Central Government under the Inter-State Corporations Act, 1957 (Central Act 38 of 1957), shall vest in, and be realisable by, the Board constituted under this Act;

(c) all liabilities which were enforceable against the said new Board shall be enforceable against the Board constituted under this Act; and

(d) all employees serving in connection with the affairs of the said new Board shall become employees of the Board constituted under this Act.

(2) Subject to the provisions of sub-section (1), the provisions of section 6 of the [1][Karnataka][1] General Clauses Act, 1899([1][Karnataka][1] Act 3 of 1899), shall be applicable in respect of the repeal of the Bombay Labour Welfare Fund Act, 1953 and sections 8 and 24 of the said [1][Karnataka][1] General Clauses Act, 1899, shall be applicable as if the said Bombay Labour Welfare Fund Act, 1953, had been repealed and re-enacted by this Act.

1. Adapted by the Karnataka Adaptations of Laws Order 1973 w.e.f. 1.11.1973

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NOTIFICATION

Bangalore, dated 30th July 1968 [No.LMA 274 LLE 65(A)]

In exercise of the powers conferred by sub-section (3) of section 1 of the Mysore Labour Welfare Fund Act, 1965 (Mysore Act No. 15 of 1965), the Government of Mysore, hereby appoints the fifteenth day of August 1968 to be the date on which the said Act shall come into force.

By Order and in the name of Governor of Mysore,

(G.G.PUROHIT)
Under Secretary to Government,
Food, Civil Supplies and Labour Department.

(Published in KarnatakaGazette (Extraordinary) Part IV - 2A dated 10-7-1964. as No. 183.)

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