



KARNATAKA LEGISLATIVE ASSEMBLY
SIXTEENTH LEGISLATIVE ASSEMBLY
EIGHTH SESSION

THE KARNATAKA LABOUR WELFARE FUND (AMENDMENT) BILL, 2025
(LA Bill No. 68 of 2025)

A Bill further to amend the Karnataka Labour Welfare Fund Act, 1965.

Whereas it is expedient further to amend the Karnataka Labour Welfare Fund Act, 1965 (Karnataka Act 15 of 1965) for the purposes herein after appearing:

Be it enacted by the Karnataka State Legislature in the Seventy sixth year of the Republic of India as follows:-

1. Short title and commencement.- (1) This Act may be called the Karnataka Labour Welfare Fund (Amendment) Act, 2025.

(2) It shall come into force at once.

2. Amendment of section 2.- In the Karnataka Labour Welfare Fund Act, 1965 (Karnataka Act 15 of 1965) (hereinafter referred to as the Principal Act), in section 2, in clause (4), in sub-clause (iii) for the words “more than fifty persons”, the words “ten or more persons”, shall be substituted.

3. Amendment of section 7A.- In the Principal Act, in section 7A, in sub-section (3), for the words “cheque or by crossed demand draft” the words, brackets and letters “online payment channels i.e., Net banking or National Electronic Funds Transfer (NEFT) or Real Time Gross Settlement (RTGS) or Unified Payments Interface (UPI) or demand draft”, shall be substituted.

4. Power to remove difficulties.- (1) If any difficulty arises in giving effect to the provisions of this Act, the Government may, by order published in the Official Gazette, make such provisions, not inconsistent with the provisions of this Act, as may appear to it to be necessary for removing the difficulty:

Provided that, no such order shall be made under this section after the expiry of a period of two years from the date of commencement of this Act.

(2) Every order made under this section shall be laid as soon as may be after it is made, before each house of the State Legislature.

STATEMENT OF OBJECTS AND REASONS

It is considered necessary further to amend the Karnataka Labour Welfare Fund Act, 1965 (Karnataka Act 15 of 1965) to,-

- (i) specify the number of employees from fifty persons to ten persons in the Establishment; and
- (ii) introduce e-banking system and online banking in the procedure of contribution to the Board.

Hence, the Bill.

FINANCIAL MEMORANDUM

There is no extra expenditure involved in the proposed legislative measure.

SANTOSH S LAD
MINISTER FOR LABOUR

M.K. VISHALAKSHI
Secretary
Karnataka Legislative Assembly

ANNEXURE**Extract from the Karnataka Labour Welfare Fund Act, 1965 (Karnataka Act 15 of 1965)****XXX****XXX****XXX****2. Definitions.-** In this Act, unless the context otherwise requires,-**XXX****XXX****XXX**

(4) "establishment" means,-

(i) a factory;

(ii) motor omnibus service;

(iii) any establishment including a society registered or deemed to be registered under the Karnataka 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

(iv) any plantation or workshops;

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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.

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

(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 15th January of the following year by cheque, or by crossed demand draft and the expenses of remitting the contribution shall be borne by the employer himself.

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