



KARNATAKA ACT NO. 13 OF 2024

THE KARNATAKA MOTOR TRANSPORT AND OTHER ALLIED WORKERS' SOCIAL SECURITY AND WELFARE ACT, 2024

Arrangement of Section

Sections:

1. [Short title, commencement and application](#)
2. [Definitions](#)
3. [Constitution of Board](#)
4. [Disqualification and removal](#)
5. [Resignation of Office by member and filling up of casual vacancies](#)
6. [Powers and Functions of the Board](#)
7. [Secretary and Officers of the Board](#)
8. [Cess Authorities](#)
9. [Collection and Assessment of cess under certain circumstances](#)
10. [Appointment of Registering Officers](#)
11. [Registration of motor transport and other allied workers](#)
12. [Manner of claiming social security benefit](#)
13. [Claims Authority](#)
14. [Creation of fund](#)
15. [Utilization of fund](#)
16. [Maintenance of Accounts](#)
17. [Audit of Accounts](#)
18. [Administration of collections](#)
19. [Direction by the Government to the Board](#)
20. [Appeal](#)
21. [Protection of action taken in good faith](#)
22. [Power to make rules](#)
23. [Power to remove difficulty](#)



STATEMENT OF OBJECTS AND REASONS

Amendment Act 13 of 2024:- It is considered necessary to,-

- (i) provide social security and other welfare measures to promote the welfare of motor transport and other allied workers.;
- (ii) seek re-appropriation of funds from the Karnataka Motor Vehicles Taxation Act, 1957 (Karnataka Act 35 of 1957) to finance such social security and other welfare measures; and
- (iii) constitute a Board for disbursement of the said social security schemes to such workers.

Hence, the Bill.

[L.A. Bill No.05 of 2024, File No. SAMVYASHAE 07 SHASANA 2024]

[Entries 23 and 24 of List III and entry 57 of List II of the Seventh Schedule to the Constitution of India.]

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KARNATAKA ACT NO. 13 OF 2024

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THE KARNATAKA MOTOR TRANSPORT AND OTHER ALLIED WORKERS' SOCIAL SECURITY AND WELFARE ACT, 2024

(Received the assent of the Governor on the 06th day of March, 2024)

An Act to provide social security and other welfare measures to promote the wellbeing of the motor transport and other allied workers and for other matters connected therewith or incidental thereto;

Whereas it is expedient to provide social security and other welfare measures to promote the wellbeing of the motor transport and other allied workers and for matters connected therewith or incidental thereto;

Be it enacted by the Karnataka State Legislature in the seventy fifth year of the Republic of India, as follows:-

1. Short title, commencement and application.- (1) This Act may be called the Karnataka Motor Transport and Other Allied Workers' Social Security and Welfare Act, 2024.

(2) It applies to the workmen working in every motor transport undertaking, garages, workshops, automobile body building and any other similar establishments which shall be notified by the State Government from time to time.

(3) It shall come into force on such date as the State Government may, by notification in the Official Gazette, appoint.

2. Definitions.- (1) In this Act, unless the context otherwise requires,-

- (a) "Board" means the Karnataka State Motor Transport and Other Allied Worker's Social Security and Welfare Board constituted under section 3;
- (b) "Cess" means the cess levied and collected under the Karnataka Motor Vehicles Taxation Act, 1957 (Karnataka Act 35 of 1957) and includes such sums or percentage of cess reappropriated to the fund created under section 14;
- (c) "Family" means wife or husband, minor sons and unmarried daughters of the registered motor transport and other allied worker and includes his father, mother and mentally retarded or



physically challenged or widowed daughters who are solely dependent upon him;

- (d) "Fund" means a motor transport and other allied workers social security fund created under section 14 of this Act;
- (e) "Government" means Government of Karnataka;
- (f) "Motor transport and other allied workers" means and includes,
 - (i) a person who is employed in a motor transport undertaking directly or through an agency, to work in a professional capacity on a motor vehicle or to attend to duties in connection with the arrival, departure, loading or unloading of such motor vehicle and includes a private transport vehicle driver, conductor, cleaner, supervisor, station staff, line checking staff, booking clerk, cash clerk, depot clerk, time-keeper, watchman or attendant;
 - (ii) a person working in motor garages, tyre retreading and resoling units, puncture repair shops, wheel balancing and alignment units, water washing units;
 - (iii) a person working in automobile body building units, tinkering, electrical and AC units;
-but does not include;-
 - (a) any such worker as defined under clause (l) of section 2 of the Factories Act, 1948 (Central Act No 63 of 1948);
 - (b) any person employed in Government or Government Organization;
 - (c) who is employed mainly in a managerial or administrative capacity;
- (g) "Motor Transport Undertaking" means motor transport undertaking as defined under clause (g) of section 2 of the Motor Transport Workers Act, 1961 (Central Act No. 27 of 1961);
- (h) "Notification" means a notification published in the Official Gazette under this Act;
- (i) "Prescribed" means prescribed by rules made under this Act;
- (j) "Schedule" means the schedule appended to this Act; and



(k)"Scheme" means the scheme notified by the Government for the social security and welfare of the motor transport and other allied workers;

(2) All other words and expressions used in relation to motor vehicles but not defined in this Act, shall have the same meaning as assigned to them in the Karnataka Motor Vehicles Taxation Act, 1957 (Karnataka Act 35 of 1957).

3. Constitution of Board.- (1) The State Government shall by notification in the official gazette constitute a board to be known as “the Karnataka State Motor Transport and Other Allied Workers' Social Security and Welfare Board” for the purpose of this Act.

(2) The State Board shall consist of following members, namely:-

(a)	The Minister of Labour, Government of Karnataka	Ex-officio Chair person.
(b)	The Additional Chief Secretary/ Principal Secretary/Secretary of the Department of Labour, Karnataka State	Ex-officio Vice Chair person.
(c)	(i) Additional Chief Secretary/Principal Secretary/Secretary, Transport Department, (ii) Additional Chief Secretary/Principal Secretary/Secretary, Department of Industries and Commerce, (iii) Additional Chief Secretary/Principal Secretary/Secretary, Finance Department, (iv) Commissioner of Transport Department (v) Commissioner, Commercial Taxes;	Ex-officio Members
(d)	Ten members to be nominated by the Government of Karnataka out of whom,- (i) Five members representing the workers engaged in Motor Transport and other allied works. (ii) Five members representing the employers of Motor Transport undertakings and other similar establishments	Members
(e)	The Commissioner of Labour, Government of Karnataka	Ex-officio member Secretary



(3) Subject to pleasure of the Government, ten non official members shall have a term of three years on rotation basis.

(4) The Board shall be a body corporate by the name aforesaid, 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 enter into a contract, and may, by the said name sue and be sued.

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

4. Disqualification and removal.- (1) No person shall be nominated as 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; and

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

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

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

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

5. 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 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.

6. Powers and Functions of the Board.- The powers and functions of the board shall be as may be prescribed by the rules.

7. Secretary and Officers of the Board.- the Secretary and officers of the board shall be appointed through notification by the Government to carry out the functions of the board.

8. Cess Authorities.- An officer or authority and the officers appointed to assist the officer or the authority shall be deemed to have



powers under section 11 and section 11A of the Karnataka Motor Vehicles Taxation Act, 1957 (Karnataka Act No.35 of 1957) and to be public servant within the meaning of section 21 of the Indian Penal Code, 1860 (Central Act 45 of 1860).

Provided, the authorities under this Act, shall be additional authorities only for a particular type of motor vehicles or such similar establishments to be notified by the Government through a notification.

9. Collection and Assessment of cess under certain circumstances.-

The Government shall have powers to levy, assess and collect cess from establishments which are carrying in the business of transport of persons or goods in such manner or such time and intervals in which as may be prescribed. The manner of calculating the cess thereof in each transaction delivery shall be prescribed for different motor vehicles or for different classes of motor vehicles.

Provided that the provisions of section 3A and section 10A of the Karnataka Motor Vehicles Taxation Act, 1957 (Karnataka Act No 35 of 1957) shall apply only to the extent of re-appropriation of the fund created under this Act in the proportion decided.

10. Appointment of Registering Officers.- The Government may, by order notify in the official gazette,-

- (a) such persons, being officers of the Government not below the rank of labour inspectors in the labour department as it thinks fit, to be the registering officers to register motor transport and other allied workers for the purposes of this Act;
- (b) define the limits within which a registering officer shall exercise the powers conferred on him by or under this Act.
- (c) a digital portal shall be in place to carry out the registration process along with integration of digital data from such similar portals.

11. Registration of motor transport and other allied workers.- (1) Every motor transport and other allied worker shall as soon as commencement of this Act register his name along with such particulars as may be prescribed with the registering officer, in the digital portal designed or authorised for the purpose of this Act.

(2) No motor transport and other allied worker shall be entitled for any social security and other benefits unless he is registered and eligible in accordance with the provisions of this Act.

(3) No motor transport and other allied worker shall be entitled for any social security and other benefit unless he has paid contributions to any specific schemes as prescribed.

12. Manner of claiming social security benefit.- (1) A registered motor transport and other allied worker may apply to the notified claims authority under section 13 to avail any of the social security and other benefits mentioned in the schedule.



(2) The manner, format and other eligible criteria shall be as may be prescribed.

13. Claims Authority.- (1) The Government may, by order notify in the official gazette, Claims Authority not below the rank of the labour officer in the labour department to decide on the merits of each application applied by the motor transport and other allied worker and sanction such sums as may be prescribed to the motor transport and other allied worker through online payment.

(2) Any such claims shall be heard and decided by the claims authority as expeditiously as possible in such manner as may be prescribed.

14. Creation of fund.- There shall be created by the Board a fund to be called the Motor Transport and Other Allied Workers Social Security Fund and there shall be credited thereto,-

- (a) all sums received by the board through reappropriation by the transport department as defined under section 2(b)
- (b) any grants and loans made to the board by the Central Government or the State Government if any;
- (c) all contributions made by the beneficiaries towards social security;
- (d) all sum received by the board through levy of cess, surcharge and any form of taxation on any particular type of motor vehicles or such similar establishments through a notification by the Government.
- (e) all sums received through donors or through Corporate Social Responsibility;
- (f) The profit, interest, dividend on any investment or share made by the board.

15. Utilization of fund.- (1) The funds of the Board shall be utilized for meeting,-

- (a) the administrative expenses of the Board in the discharge of its function as may be resolved by the board and to meet the expenditure towards IEC activities of the scheme.
- (b) salaries, allowances and other remuneration of the members, officers and other employees of the Board.
- (c) expenses towards the schemes for the identified beneficiaries for payment of any premium, contribution to any government pension fund or financial assistance for accident benefit, educational assistance, health benefit and pension or any such other welfare measures and facilities as may be notified.



(2) The funds of the board may be utilized for the social security and welfare schemes as set out in the schedule.

(3) The Government may make such rules as is necessary for providing the nature of financial assistance schemes, the eligibility conditions, the amount of assistance and the category of workers and their dependents, if any, to be covered under the scheme.

16. Maintenance of Accounts.- The Board shall maintain a separate and proper accounts of collections under this Act as part of the board's fund. A separate account shall be opened for this purpose in any nationalized bank and maintain other relevant records in such form, and in such manner, as may be prescribed.

17. Audit of Accounts.- The accounts of collections and reappropriated funds made under this Act shall be audited in such manner as may be prescribed.

18. Administration of collections.- The Board shall administer the collections and re-appropriated funds under this Act and take such decisions regarding investment of such collections and utilization in social security and welfare schemes designed and notified by the Government for motor transport and other allied workers in such manner as it considers necessary.

19. Direction by the Government to the Board.- (1) The Government may give directions to the board as in its opinion are necessary or expedient in connection with the reappropriation of funds and expenditure from the fund or for carrying out the other purposes of the Act.

(2) It shall be the duty of the board to comply with such directions.

20. Appeal.- (1) Any person aggrieved by an order made by the registering officer or an authority under this Act with respect to non-registration, rejection of claims or any grievance regarding claims may appeal against such order to such appellate authority, in such form and manner, within such time and on payment of fees as may be prescribed.

(2) The Government shall appoint an officer who is above the rank of registering authority and claims sanctioning authority as appellate authority by a notification in official gazette.

(3) No appeal shall be entertained by the appellate authority unless it is accompanied by satisfactory proof of non registering and rejection of claims.

Provided that, the appellate authority may, in its discretion, give directions as it thinks fit in regard to non registration of the beneficiaries and rejection of claims if the applicant furnishes sufficient reasons to its satisfaction in such form and in such manner as may be prescribed.

(4) Any such appeal shall be heard and decided by the appellate authority as expeditiously as possible in such manner as may be prescribed



and the decision of the appellate authority on such appeal shall be final and shall not be called in question in any court of law:

Provided that, no appeal shall be decided without giving the appellant a reasonable opportunity of being heard.

21. Protection of action taken in good faith.- No suit, prosecution or other legal proceedings shall lie against an officer or the authority or the other officers appointed thereof and for anything which is in good faith done or intended to be done under this Act or the rules made thereunder.

22. Power to make rules.- (1) The Government may, subject to the condition of previous publication, by notification make rules for carrying out the purposes of this Act.

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

- (a) the allowances, conditions of appointment of representatives from employers and workmen under sub-section (5) of section 3;
- (b) the powers and functions of board under section 6;
- (c) the specific schemes to which contribution has to be paid by Motor transport and other allied worker for being entitled for any social security and other benefit;
- (d) the manner, format and eligible criteria for registration of beneficiaries under sub-section (2) of section 12;
- (e) the manner to hear and decide the claims for benefits under sub section (2) of section 13
- (f) the nature of financial assistance, amount of assistance, category of workers and their dependents under sub-section (3) of section 15;
- (g) the manner of maintenance of book of accounts, registers and other records under section 16;
- (h) the manner of auditing of accounts of the board and transactions of funds utilization under section 17;
- (i) the manner of making an appeal and procedures under sub-section (1) of section 20;
- (j) the manner of disbursement of appeals and such other matter as under proviso to sub-section (3) of section 20; and
- (k) manner of disbursement of appeal application under sub-section (4) of section 20;

(3) Every rule made under this Act shall be laid, as soon as may be, after it is made, 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 session or sessions immediately following, both houses agree in making any modifications in the rule or both Houses agree that the rule should not be made, the rule shall thereafter have effect only in such modified form or be of no effect, as the case may be; so, however, that any such modification or annulment shall be without prejudice to the validity of anything previously done or omitted to be done under that rule.

23. Power to remove difficulty.- (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.

SCHEDULE
[see sub-section (2) of section 15]

Sl. No.	Schemes
1	Accident Benefit to Motor Transport and Other Allied Workers (MTOAW): (a) Death (b) Disability (c) Medical reimbursement
2	Assistance for Natural Death (inclusive of funeral expenses)
3	Educational Assistance to the children of deceased Motor transport and other allied Workers
4	Educational Assistance to the children of Motor transport and other allied Workers
5	Maternity Benefit to Motor transport and other allied women workers and beneficiaries spouse.
6	Reimbursement/Payment of registration fee for Karnataka Government scheme such as Ayushman Bharat Arogya Karnataka
7	Pension Scheme

The above translation of ಕರ್ನಾಟಕ ಮೋಟಾರು ಸಾರಿಗೆ ಮತ್ತು ಇತರ ಸಂಬಂಧಿತ ಕಾರ್ಮಿಕರ ಸಾಮಾಜಿಕ ಭದ್ರತೆ ಮತ್ತು ಕ್ಷೇಮಾಭಿವೃದ್ಧಿ ಅಧಿನಿಯಮ, 2024 (2024ರ ಕರ್ನಾಟಕ ಅಧಿನಿಯಮ ಸಂಖ್ಯೆ:13) into English language be published in the official Gazette under clause (3) of Article 348 of the Constitution of India.



THAAWARCHAND GEHLOT
GOVERNOR OF KARNATAKA

By Order and in the name of
the Governor of Karnataka,

G.SRIDHAR

Secretary to Government
Department of Parliamentary
Affairs and Legislation.

