

<u> Circular No – 089/2023</u>

Date: 11.08.2023

То

All Members of the Association

KEA IN THE NEWS ONCE AGAIN

- 1. The Hon'ble Supreme Court of India by its order dated 10.08.2023 permitted engagement of Contract Labourers in canteens at the factories.
- A detailed circular in this regard was circulated by KEA vide Circular no. 87/2023 dated 10.08.2023.
- 3. The above matter has been reported widely in various leading news papers as well as social media.
- 4. Following are the links of the news report in various other news papers/Social Media:

1. The New Indian Express:

https://www.newindianexpress.com/cities/bengaluru/2023/aug/11/supr eme-court-allowskarnataka-contract-workersto-work-in-factorycanteens-2604078.html

2. Deccan Herald:

https://www.deccanherald.com/india/sc-upholds-hc-order-allowingoutsourcing-canteens-in-karnataka-factories-with-250-or-moreworkers-2643475

3. The Federal:

https://thefederal.com/business/karnataka-sc-verdict-will-now-paveway-for-contractors-to-run-factory-canteens/









5. A clipping of news report published by Times of India is given below:

SHORT TAKES

SC allows contract labour at factory canteens

The Karnataka Employers Association, a petitioner in the case, has welcomed a Supreme Court ruling on operating on-site canteens with contract labourers at factories. Section 46 of the Factories Act previously required factories with a workforce of 250 or more to operate an on-site canteen. Many factory managements traditionally outsourced canteen services. However, in 1997 the government issued a notification prohibiting hiring contract labour in industrial canteens. Since this would have meant regularising contract staff, some 40 factories filed petitions challenging the notification in the Karnataka high court. The HC upheld the notification. "Though their pleas were dismissed, many approached the Supreme Court and the judgement has put an end to concerns of large factories in the state, as they can now employ contract workers in canteens," said KEA.

> For KARNATAKA EMPLOYERS' ASSOCIATION Sd/ [B C Prabhakar] President





