

For attention of all DG's

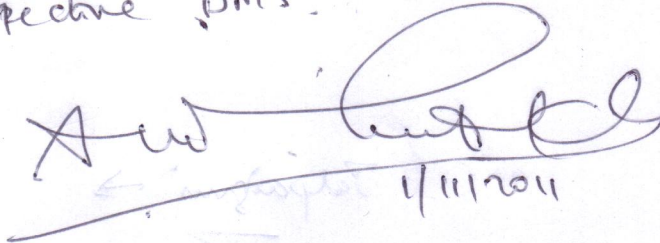
The Branch Manager,

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Pl. percolate it to each unit having LIC run Canteen to submit to letter to the respective BMs.

Dear Sir,

**PAYMENT OF MINIMUM WAGES TO THE CANTEEN EMPLOYEES**

  
1/11/2011

We have come to understand that Bank had issued instruction so that Secretary, LIC can certify and ensure payment of Minimum Wages to the Canteen employees in the Bank. As the Secretary LIC is not the Administrative Body of the Bank having vested with any authorized financial power, he is not the Competent Authority to do so.

2. As you are the Competent Authority of the Bank being President of Local Implementation Committee to ensure payment of Minimum Wages to the canteen employees, please do the needful to comply to Bank's administrative instruction in this regard.

3. In this connection, please refer to the recent Supreme Court judgement in the Civil Appeal No. 2585 of 2006 in the case of Bhilwara Dugdha Utpadhak Sahakari Ltd. Vs. Binod Kumar Sharma where in the judgement dated 1<sup>st</sup> September, 2011 Hon'ble Justice Shri M. Katju and Shri C.M.K. Pradhan dismissed the impugned judgement given by High Court of Rajasthan dt. 23<sup>rd</sup> August, 2004 and held that employers are very often resorting to subterfuge by trying to show that their employees are in fact the employees of the contractors. This is not correct. It is implicit that there was subterfuge by the Appellant to avoid his liabilities under various labour statues. Therefore, High Court judgement stands dismissed. This is for your information and necessary action.

Yours faithfully,

General Secretary