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අංක 1844/63 – 2014 ජනවාරි 09 වැනි බ්‍රහස්පතින්දා – 2014.01.09

No. 1844/63 – THURSDAY, JANUARY 09, 2014

(Published by Authority)

## PART I: SECTION (I) – GENERAL

### Government Notifications

My No.: CI/1817.

#### THE INDUSTRIAL DISPUTES ACT, CHAPTER 131

THE Collective Agreement entered into between Hanwell Rubber Products Ltd., No. 400, Deans Road, Colombo 10 of the one part and the United Tea, Rubber and Local Produce Workers' Union, No. 513-2/1, Elvitigala Mawatha, Colombo 05 of the other part on 27th day of September, 2012, is hereby published in terms of Section 06 of the Industrial Disputes Act, Chapter 131, of the Legislative Enactments of Ceylon (Revised Edition 1956).

V. B. P. K. WEERASINGHE,  
Commissioner of Labour.

Department of Labour,  
Labour Secretariat,  
Colombo 05,  
23rd December, 2013.

#### Collective Agreement No. 33 of 2012

##### COLLECTIVE AGREEMENT

This Collective Agreement entered into between Hanwell Rubber Products Ltd., a duly incorporated company having its registered office at No. 400, Deans Road, Colombo 10, Sri Lanka and hereinafter referred to as “the Employer” and the United Tea, Rubber and Local Produce Workers' Union, a duly registered Trade Union having its registered office at No. 513-2/1, Elvitigala Mawatha, Colombo 05 and hereinafter referred to as “the Union”.



Whereas the Union made certain demands of the Employer for the revision of terms and conditions of employment of their members employed by the Employer and the parties have after negotiations arrived at the following Agreement:

1. **Parties Covered and Bound.** - The terms of this Collective Agreement shall cover and bind the Employer, the Union and Members of the Union employed on permanent monthly contracts by the Employer in the Manual/Operative Grades who are in employment as at the date of signing of this Agreement.

2. **Duration.** - This Agreement shall take effect from the First day of August, Two Thousand and Twelve and shall, unless otherwise terminated by either party giving two month's written notice to the other, continue to remain in force provided, however, that neither party shall give such notice prior to the Thirty First day of May, Two Thousand and Fifteen, and the Agreement shall not stand terminated prior to the Thirty First day of July, Two Thousand and Fifteen.

### 3. **Salaries.** -

- (a) The salary scales applicable to Employees covered and bound by this Agreement and hereinafter referred to as Employees, with effect from 1st August, 2012 shall be as set out in Schedule 1 hereto.
  - (i) To ascertain the monthly salary payable to an Employee with effect from 1st August, 2012 a sum of Rs. 1,700/- will be added to the salary paid to such employees as at 31st July, 2012.
  - (ii) With effect from 1st August, 2013 the monthly salaries of employees will be revised and a sum of Rs. 1,600/- will be added to the salary paid to such employees as at 31st July, 2013.
  - (iii) With effect from 1st August, 2014 the monthly salaries of employees will be revised and a sum of Rs. 1,550/- will be added to the salary paid to such employees as at 31st July, 2014.
- (b) The Trade Union and the employees further agree that they shall not during the pendency of this Agreement make any demands for wage increases or related allowances / payments of any form.

4. **Ex-Gratia Payment.** - As a matter of goodwill it is agreed that an employee who was in employment as at 1st May 2012 and who is currently in employment will receive as an Ex-gratia Payment for the period 1st May 2012 to 31st July 2012, a sum of Rs. 5,100/- (Rs. 1,700/-  $\times$  3). This payment shall not constitute a part of "Earnings" of an employee for any payments such as Overtime, Provident Fund, Trust Fund, Gratuity, etc thereon.

### 5. **Annual Increments.** -

- (a) The annual increments provided in each grade of the scales of consolidated wages in Schedule 1 hereto shall be automatic, unless as a matter of punishment for general inefficiency including irregular attendance or unpunctuality or disciplinary action on account of serious misconduct an increment is suspended, stopped or deferred in which case where an increment is -
  - (i) Deferred, the loss of increment shall be continuous throughout the year;
  - (ii) Stopped, the loss of increment shall only be for the period of stoppage during the year;
  - (iii) Suspended, the increment is suspended pending a decision to defer or stop an increment, such decision being dependent upon a consideration of the factors giving rise to the suspension. Where on such decision an increment is neither stopped nor deferred, then the suspension shall be treated as waived and the full increment from the date of suspension thereof shall occur to the employee concerned.

Deferment, stoppage or suspension of an increment shall only be effected in cases where the Employee has been notified, in writing of a complaint against such Employee and has been found guilty after due inquiry of inefficiency, fraud or misconduct which in the circumstances does not merit termination of employment.

### 6. **Productivity Bonus and attendance Bonus Schemes.** -

- (a) The current Productivity Bonus Scheme and Attendance Bonus Schemes will remain unchanged.
- (b) On weekly holidays, Mercantile holidays and Poya days the employees shall receive a special payment equivalent to 2 1/2 times the hourly rate applicable to the given employees. Further, the actual hours an employee works on such days shall be considered for the computation of the Productivity Bonus to that individual employee.
- (c) Each employee will be paid the legally entitled overtime. If the payment computed under the Productivity Bonus Scheme in a given month is more than the amount due as overtime such employee would also receive the difference between the two amounts as Productivity Bonus.

- (d) If for whatever reason due to a drop in production in a particular month the payment computed under the Productivity Bonus Scheme is less or equal to the overtime entitlement in such month, the employee will not be entitled to any payment under the productivity bonus scheme.

7. **Overtime.**— Both parties agree that due to the 24 hours × 7 days nature of the operations a reasonable amount of overtime work by employees is unavoidable. However, the parties agree that the Employer shall put in place systems and controls to equitably distribute as far as practicable the number of hours of overtime work available during a month among all employees attached to the various operational units of the factory. To this end the factory management shall display at the beginning of each month a roster of names detailing the order in which overtime work shall be assigned in each operational unit. An employee refusing to perform reasonable overtime unless for reasons acceptable to the management shall, in addition to being subject to suitable disciplinary action will also be disqualified from receiving any Productivity Bonus Payment for the month. The amounts due to the disqualified employees will be distributed proportionately among the balance employees.

8. **Suspension.**—

- (a) An employee may be suspended from work without pay by his Employer:
- (i) Pending an inquiry to be held by such Employer on a charge or charges of misconduct which warrants dismissal.
  - (ii) In order to avoid a breach of the peace or damage to the property or disturbance of the business of the Employer.
  - (iii) As a punishment for misconduct for a period not exceeding seven (7) working days after due inquiry.
- (b) At the time of suspension under sub-clause (a) (i) or within forty eight (48) hours thereof the Employer shall provide the employee with a written order of suspension specifying the reasons for such suspension and thereafter hold an inquiry into the charge or charges in terms of clause 9 hereof.

9. **Disciplinary Action.**— Where the Employer proposes to proceed against an Employee then –

- (a) Irrespective of whether an employee has been suspended under Clause 8 hereof or not, the Employee shall be furnished with a show cause notice which shall set out the particulars of the charge or charges of misconduct alleged against such Employee and such show cause notice which shall give the Employee not less than Seven (7) clearworking days in which to give the answer or explanation to the charge or charges preferred.
- (b) If the Employer is satisfied with the written answer or explanation of the Employee, the employee shall, if he is under suspension, forthwith be reinstated and shall be paid the basic wages due for the period of such suspension.
- (c) If the employer is not satisfied with the written answer or explanation of the Employee to the show cause notice and such answer or explanation is rejected by the Employer, the employer shall commence an inquiry within Fourteen (14) working days from the date of receipt by him of the written answer or explanation to the show cause notice.
- (d) After holding such inquiry the Employer, shall notify the Employee of the findings of each of the charges in the show cause notice and the Punishment, if any, imposed by the Employer. Provided that if an Employer fails to make an order except for reasons beyonds the control of the employer on the charges in the show cause notice within thirty (30) working days from the conclusion of the inquiry into such charges, the Employee shall not be liable to be punished thereafter in respect of such charges, and no inference adverse to the Employee in respect of such charges shall be drawn from such charges.
- (e) If the Employee is under suspension and the Employer after such inquiry makes order that:-
- (i) The employee shall not be dismissed then the employee shall resume employment forthwith and shall subject to the provisions of sub - clause 8(a) (iii) hereof be paid the basic wages due for the period of suspension irrespective of such other punishment less than dismissal that may be imposed by the Employer on the finding as to the charges in the show cause notice; OR
  - (ii) The Employee shall be dismissed, the employee's dismissal shall take effect from the date of the Employee's suspension and accordingly the Employee shall not be paid for the period of such suspension; OR
  - (iii) In view of the serious or involved nature of the charges in the show cause notice against the employee, the employer is unable to make a final order as it is necessary and desirable that the matter be referred to the Police or other authorities for further investigations or inquiries and that the matter be therefore referred to the Police or other authorities or if in view of the serious or involved nature of the charges preferred against the employee, the matter had been previously referred to the Police or other authorities for investigations or inquiries that the outcome of such investigations or inquiries be awaited, then in either or such circumstances the Employee may remain suspended without pay.

- (f) If in any case where an Employee is suspended as provided for herein, the Employer fails to make order under paragraphs (i) to (iii) of the preceding sub-cause for any reason other than that of the Employee's own seeking or for reasons beyond the control of the Employer, within thirty (30) working days from the date of the Employee's suspension, the Employee shall be entitled to half his normal remuneration for the period of thirty (30) working days from the date of such suspension and to his full remuneration for the period of suspension in excess of thirty (30) working days up to the date on which the Employer makes an order under paragraph (i) to (iii) of the preceding sub-clause, irrespective of the outcome of the inquiry.
- (g) In any case where an Employee is suspended as provided for herein, the Employer shall make an order under paragraphs (i) to (iii) of sub-clause (e) within ninety (90) days of the date of suspension of the Employee unless he is prevented from doing so by reason of the employee's own seeking or for reasons beyond the control of the Employer or it is agreed between the Employer and the Union that in the circumstances of the case the period of ninety (90) days be extended for such further time as may be agreed.
- (viii) The Employer shall not be required to hold an inquiry as referred to in sub-clauses (c) and (d) hereof where the Employer proposes to warn the Employee or where the Employee admits to the charge or charges. Provided however that if the Union Disputes the warning or punishment imposed on the Employee by the Employer and requests the holding of an inquiry the Employer shall comply with such request and the provisions relating to the holding of an inquiry shall then apply subject to the exceptions that the fact that the inquiry had not commenced within 14 working days after receipt of the Employee's explanation shall not be material or relevant.

10. **Warning.**— If in the opinion of the Employer an offence warrants a warning the same shall be conveyed to the employee by a letter, a duplicate of which shall be signed by the employee. If the employee refuses to sign the duplicate the warning may be given to the employee orally by the Employer in the presence of two witnesses.

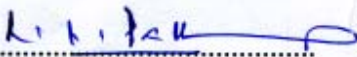
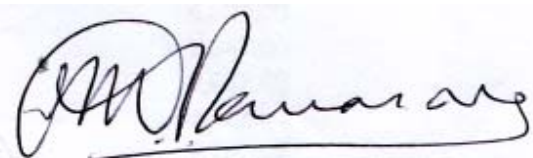
11. **Productivity Improvement and Elimination of Waste.**— The employees and the Union commit their fullest co-operation to the Employer to enhance productivity levels in the factory and minimize waste in all forms in the mutual interest of preserving the future of Hanwell Rubber Product Limited through the programmes conducted under the dipped products Operating System (DOS). In the event the business exigencies require, Employees agree to consider alternate work arrangements. The Management agrees to keep the Union advised of any alternate work arrangements.

12. **Variation of Terms and Conditions.**— The Employer and the Union agree that during the pendency of this Agreement, they will not seek to vary, alter or add to all or any of the terms and conditions of employment presently applicable to any of the employees covered and bound by this Agreement, other than by mutual Agreement.

13. **Dispute Settlement Procedure.**— In the event of any industrial dispute that may arise on a matter not covered by this Agreement, parties shall endeavour to have it settled by following the dispute resolution procedure set out below:

- (a) Whenever there is a dispute, a written statement of the dispute should be forwarded by the Union to the Employer, and at least two weeks given for the Employer to resolve the dispute;
- (b) If no satisfactory solution is found, the matter should be referred to the parent Union and the Employers' Federation of Ceylon (EFC) for the purpose of attempting to resolve the dispute;
- (c) In the event of non-resolution of the dispute at stage (b) above, parties agree to resolve the relevant dispute in accordance with the conciliation proceedings in terms of the provisions of the Industrial Disputes Act;
- (d) In the event of a failure of conciliation proceedings in terms of the Industrial Disputes Act, the Union agrees that it shall give 14 days written notice, prior to engaging in any trade union action.

In witness hereof parties have hereunto set their hands on this Twenty Seventh (27th) day of September, Two Thousand and Twelve (2012) at Colombo.

	
for and on behalf of	for and on behalf of
<b>HANWELLA RUBBER PRODUCTS LTD</b>	<b>UNITED TEA RUBBER &amp; LOCAL PRODUCE WORKERS' UNION</b>

Name: D. B. K. Pethiherage Name: S. S. Rajaratne

Designation: Director Designation: General Secretary

WITNESSES

1. 	1. 
Name: <u>S. A. N. Pushpakumara</u>	Name: <u>S. S. Rajaratne</u>
Designation: <u>Factory Manager</u>	Designation: <u>General Secretary</u>
2. 	2. 
Name: <u>Vajira Eulphola</u>	Name: <u>S. S. Rajaratne</u>
Designation: <u>Asst. General Sec.</u>	Designation: <u>General</u>



WAGE SCALES APPLICABLE TO HANWELLA RUBBER PRODUCTS LTD MANUAL WORKERS WITH EFFECT FROM 01 AUGUST 2012						
Stage	GR I		GR II		GR III	
1	9,327.00	199 x 25.00	9,402.00	199 x 30.00	9,527.00	199 x 40.00
2	9,352.00		9,432.00		9,567.00	
3	9,377.00		9,462.00		9,607.00	
4	9,402.00		9,492.00		9,647.00	
5	9,427.00		9,522.00		9,687.00	
6	9,452.00		9,552.00		9,727.00	
7	9,477.00		9,582.00		9,767.00	
8	9,502.00		9,612.00		9,807.00	
9	9,527.00		9,642.00		9,847.00	
10	9,552.00		9,672.00		9,887.00	
11	9,577.00		9,702.00		9,927.00	
12	9,602.00		9,732.00		9,967.00	
13	9,627.00		9,762.00		10,007.00	
14	9,652.00		9,792.00		10,047.00	
15	9,677.00		9,822.00		10,087.00	
16	9,702.00		9,852.00		10,127.00	
17	9,727.00		9,882.00		10,167.00	
18	9,752.00		9,912.00		10,207.00	
19	9,777.00		9,942.00		10,247.00	
20	9,802.00		9,972.00		10,287.00	
21	9,827.00		10,002.00		10,327.00	
22	9,852.00		10,032.00		10,367.00	
23	9,877.00		10,062.00		10,407.00	
24	9,902.00		10,092.00		10,447.00	
25	9,927.00		10,122.00		10,487.00	
26	9,952.00		10,152.00		10,527.00	
27	9,977.00		10,182.00		10,567.00	
28	10,002.00		10,212.00		10,607.00	
29	10,027.00		10,242.00		10,647.00	
30	10,052.00		10,272.00		10,687.00	
31	10,077.00		10,302.00		10,727.00	
32	10,102.00		10,332.00		10,767.00	
33	10,127.00		10,362.00		10,807.00	
34	10,152.00		10,392.00		10,847.00	
35	10,177.00		10,422.00		10,887.00	
36	10,202.00		10,452.00		10,927.00	
37	10,227.00		10,482.00		10,967.00	
38	10,252.00		10,512.00		11,007.00	
39	10,277.00		10,542.00		11,047.00	
40	10,302.00		10,572.00		11,087.00	
41	10,327.00		10,602.00		11,127.00	
42	10,352.00		10,632.00		11,167.00	
43	10,377.00		10,662.00		11,207.00	
44	10,402.00		10,692.00		11,247.00	
45	10,427.00		10,722.00		11,287.00	
46	10,452.00		10,752.00		11,327.00	
47	10,477.00		10,782.00		11,367.00	
48	10,502.00		10,812.00		11,407.00	
49	10,527.00		10,842.00		11,447.00	
50	10,552.00		10,872.00		11,487.00	

**WAGE SCALES APPLICABLE TO HANWELLA RUBBER PRODUCTS LTD MANUAL WORKERS  
WITH EFFECT FROM 01 AUGUST 2012**

Stage	<u>GR I</u>	<u>GR II</u>	<u>GR III</u>
51	10,577.00	10,902.00	11,527.00
52	10,602.00	10,932.00	11,567.00
53	10,627.00	10,962.00	11,607.00
54	10,652.00	10,992.00	11,647.00
55	10,677.00	11,022.00	11,687.00
56	10,702.00	11,052.00	11,727.00
57	10,727.00	11,082.00	11,767.00
58	10,752.00	11,112.00	11,807.00
59	10,777.00	11,142.00	11,847.00
60	10,802.00	11,172.00	11,887.00
61	10,827.00	11,202.00	11,927.00
62	10,852.00	11,232.00	11,967.00
63	10,877.00	11,262.00	12,007.00
64	10,902.00	11,292.00	12,047.00
65	10,927.00	11,322.00	12,087.00
66	10,952.00	11,352.00	12,127.00
67	10,977.00	11,382.00	12,167.00
68	11,002.00	11,412.00	12,207.00
69	11,027.00	11,442.00	12,247.00
70	11,052.00	11,472.00	12,287.00
71	11,077.00	11,502.00	12,327.00
72	11,102.00	11,532.00	12,367.00
73	11,127.00	11,562.00	12,407.00
74	11,152.00	11,592.00	12,447.00
75	11,177.00	11,622.00	12,487.00
76	11,202.00	11,652.00	12,527.00
77	11,227.00	11,682.00	12,567.00
78	11,252.00	11,712.00	12,607.00
79	11,277.00	11,742.00	12,647.00
80	11,302.00	11,772.00	12,687.00
81	11,327.00	11,802.00	12,727.00
82	11,352.00	11,832.00	12,767.00
83	11,377.00	11,862.00	12,807.00
84	11,402.00	11,892.00	12,847.00
85	11,427.00	11,922.00	12,887.00
86	11,452.00	11,952.00	12,927.00
87	11,477.00	11,982.00	12,967.00
88	11,502.00	12,012.00	13,007.00
89	11,527.00	12,042.00	13,047.00
90	11,552.00	12,072.00	13,087.00
91	11,577.00	12,102.00	13,127.00
92	11,602.00	12,132.00	13,167.00
93	11,627.00	12,162.00	13,207.00
94	11,652.00	12,192.00	13,247.00
95	11,677.00	12,222.00	13,287.00
96	11,702.00	12,252.00	13,327.00
97	11,727.00	12,282.00	13,367.00
98	11,752.00	12,312.00	13,407.00
99	11,777.00	12,342.00	13,447.00
100	11,802.00	12,372.00	13,487.00



**WAGE SCALES APPLICABLE TO HANWELLA RUBBER PRODUCTS LTD MANUAL WORKERS  
WITH EFFECT FROM 01 AUGUST 2012**

Stage	<u>GR I</u>	<u>GR II</u>	<u>GR III</u>
101	11,827.00	12,402.00	13,527.00
102	11,852.00	12,432.00	13,567.00
103	11,877.00	12,462.00	13,607.00
104	11,902.00	12,492.00	13,647.00
105	11,927.00	12,522.00	13,687.00
106	11,952.00	12,552.00	13,727.00
107	11,977.00	12,582.00	13,767.00
108	12,002.00	12,612.00	13,807.00
109	12,027.00	12,642.00	13,847.00
110	12,052.00	12,672.00	13,887.00
111	12,077.00	12,702.00	13,927.00
112	12,102.00	12,732.00	13,967.00
113	12,127.00	12,762.00	14,007.00
114	12,152.00	12,792.00	14,047.00
115	12,177.00	12,822.00	14,087.00
116	12,202.00	12,852.00	14,127.00
117	12,227.00	12,882.00	14,167.00
118	12,252.00	12,912.00	14,207.00
119	12,277.00	12,942.00	14,247.00
120	12,302.00	12,972.00	14,287.00
121	12,327.00	13,002.00	14,327.00
122	12,352.00	13,032.00	14,367.00
123	12,377.00	13,062.00	14,407.00
124	12,402.00	13,092.00	14,447.00
125	12,427.00	13,122.00	14,487.00
126	12,452.00	13,152.00	14,527.00
127	12,477.00	13,182.00	14,567.00
128	12,502.00	13,212.00	14,607.00
129	12,527.00	13,242.00	14,647.00
130	12,552.00	13,272.00	14,687.00
131	12,577.00	13,302.00	14,727.00
132	12,602.00	13,332.00	14,767.00
133	12,627.00	13,362.00	14,807.00
134	12,652.00	13,392.00	14,847.00
135	12,677.00	13,422.00	14,887.00
136	12,702.00	13,452.00	14,927.00
137	12,727.00	13,482.00	14,967.00
138	12,752.00	13,512.00	15,007.00
139	12,777.00	13,542.00	15,047.00
140	12,802.00	13,572.00	15,087.00
141	12,827.00	13,602.00	15,127.00
142	12,852.00	13,632.00	15,167.00
143	12,877.00	13,662.00	15,207.00
144	12,902.00	13,692.00	15,247.00
145	12,927.00	13,722.00	15,287.00
146	12,952.00	13,752.00	15,327.00
147	12,977.00	13,782.00	15,367.00
148	13,002.00	13,812.00	15,407.00
149	13,027.00	13,842.00	15,447.00
150	13,052.00	13,872.00	15,487.00



**WAGE SCALES APPLICABLE TO HANWELLA RUBBER PRODUCTS LTD MANUAL WORKERS  
WITH EFFECT FROM 01 AUGUST 2012**

Stage	GR I	GR II	GR III
151	13,077.00	13,902.00	15,527.00
152	13,102.00	13,932.00	15,567.00
153	13,127.00	13,962.00	15,607.00
154	13,152.00	13,992.00	15,647.00
155	13,177.00	14,022.00	15,687.00
156	13,202.00	14,052.00	15,727.00
157	13,227.00	14,082.00	15,767.00
158	13,252.00	14,112.00	15,807.00
159	13,277.00	14,142.00	15,847.00
160	13,302.00	14,172.00	15,887.00
161	13,327.00	14,202.00	15,927.00
162	13,352.00	14,232.00	15,967.00
163	13,377.00	14,262.00	16,007.00
164	13,402.00	14,292.00	16,047.00
165	13,427.00	14,322.00	16,087.00
166	13,452.00	14,352.00	16,127.00
167	13,477.00	14,382.00	16,167.00
168	13,502.00	14,412.00	16,207.00
169	13,527.00	14,442.00	16,247.00
170	13,552.00	14,472.00	16,287.00
171	13,577.00	14,502.00	16,327.00
172	13,602.00	14,532.00	16,367.00
173	13,627.00	14,562.00	16,407.00
174	13,652.00	14,592.00	16,447.00
175	13,677.00	14,622.00	16,487.00
176	13,702.00	14,652.00	16,527.00
177	13,727.00	14,682.00	16,567.00
178	13,752.00	14,712.00	16,607.00
179	13,777.00	14,742.00	16,647.00
180	13,802.00	14,772.00	16,687.00
181	13,827.00	14,802.00	16,727.00
182	13,852.00	14,832.00	16,767.00
183	13,877.00	14,862.00	16,807.00
184	13,902.00	14,892.00	16,847.00
185	13,927.00	14,922.00	16,887.00
186	13,952.00	14,952.00	16,927.00
187	13,977.00	14,982.00	16,967.00
188	14,002.00	15,012.00	17,007.00
189	14,027.00	15,042.00	17,047.00
190	14,052.00	15,072.00	17,087.00
191	14,077.00	15,102.00	17,127.00
192	14,102.00	15,132.00	17,167.00
193	14,127.00	15,162.00	17,207.00
194	14,152.00	15,192.00	17,247.00
195	14,177.00	15,222.00	17,287.00
196	14,202.00	15,252.00	17,327.00
197	14,227.00	15,282.00	17,367.00
198	14,252.00	15,312.00	17,407.00
199	14,277.00	15,342.00	17,447.00
200	14,302.00	15,372.00	17,487.00

**THE INDUSTRIAL DISPUTES ACT, CHAPTER 131**

THE Collective Agreement entered into between I D Lanka Ltd., Melfort Estate, Kotalawela, Kaduwela of the one part and the Food, Beverages and Tobacco Industries Employees Union, No. 513-1/2, Elvitigala Mawatha, Colombo 5 of the other part on 24th day of December, 2012, is hereby published in terms of Section 06 of the Industrial Disputes Act, Chapter 131, of the Legislative Enactments of Ceylon (Revised Edition 1956).

V. B. P. K. WEERASINGHE,  
Commissioner of Labour.

Department of Labour,  
Labour Secretariat,  
Colombo 05,  
18th December, 2013.

**Collective Agreement No. 09 of 2013**

COLLECTIVE AGREEMENT BETWEEN I D LANKA LTD. AND FOOD BEVERAGES AND  
TOBACCO INDUSTRIES EMPLOYEES' UNION (MANUAL GRADE EMPLOYEES)

This Agreement made and entered into on this 24th day of December, 2012 between I D Lanka Ltd., a duly registered company having its factory and office at Melfort Estate, Kotalawela, Kaduwela (hereinafter referred to as "**the Company**") and the Food Beverages and Tobacco Industries Employees Union, a duly registered Trade Union having its registered office at No. 513-1/2, Elvitigala Mawatha, Colombo 05 (hereinafter referred to as "**The Union**").

1. **Parties Covered and Bound.**— This Agreement shall cover and bind the Company, the Union and all members of the Union employed in the Company on permanent monthly contracts as at the date of signing this Agreement, unless otherwise stated and for whom salary scales have been provided in Schedule 1 hereof.

Unless otherwise stated, it is also agreed by and between parties that the terms of this Collective Agreement will be applicable to those employees in the Company who are not members of the Union but who are employed in the categories specified in Schedule 1 on permanent monthly contracts of employment as at the date hereof and to all those who will be recruited by the Company to positions referred to in Schedule 1 hereof during the period of this Agreement.

2. **Salaries of Employees.**— It is hereby agreed that the salaries of employees covered by this Agreement will be revised as follows:

(i) *First Year – 2012/2013*

- (a) To ascertain the salary payable to an employee with effect from 1st November, 2012, the employer shall add to the monthly salary as at 31st October, 2012 of each employee, a sum of Rs. 1,850.  
The minimum salary scale applicable to an employee in respect of each category of employment based on grade and period of service are as per the scale set out in Schedule 1 hereof.
- (b) The employees shall also be entitled to a seniority allowance on the rates applicable as follows, which shall also be included for EPF, ETF, Overtime and Gratuity.
  - (i) Service from 5 yrs to less than 11 yrs Rs. 26.25 per year of service
  - (ii) Service from 12 yrs to less than 16 yrs Rs. 16.80 per year of service
  - (iii) Service of 16 yrs or more Rs. 12.60 per year of service

(ii) *Second Year – 2013/2014*

- (a) To ascertain the salary payable to an employee with effect from 1st November 2013 the employer shall add to the monthly salary as at 31st October 2013 of each employee, a sum of Rs. 1,500/- and,
- (b) In addition the seniority allowance as referred to in (c) shall be revised as follows:
  - (i) Service from 5 yrs to less than 11 yrs Rs. 14.18 per year of service
  - (ii) Service from 12 yrs to less than 15 yrs Rs. 19.95 per year of service
  - (iii) Service of 16 yrs or more Rs. 24.94 per year of service

3. **Bonus.**— During the pendency of the Agreement. The Company will pay in December and April of each year a Bonus to employees calculated on the basis set out hereunder.

- (i) A sum equal to one and a half (1.5) month's salary in December provided that the Company has operated at a profit during the financial year immediately preceding the bonus payment, and a further half (0.5) month's salary in April at the discretion of the Company. The salary for this purpose shall be the salary paid to employees in the month of November of the year in which the bonus falls due having regard to the position that the financial year of the Company is from 1st October to 30th September.
- (ii) The Company agrees to pay an additional sum equal to half month's salary in December each year if the Company achieves the budgeted sales target of in 1.2 million cases in respect of the financial year 2012/13 and the budgeted sales target for 2013/14, respectively.
- (iii) In the event of the Company not having made profits in respect of any financial year, the bonus payable shall be restricted to one (1) month's salary per employee in December. The Union, however, reserves the right to raise dispute in relation to such reduction and should the controlling body of the Union so decide, such dispute shall be pursued under the provisions of the Industrial Dispute Act. It is agreed in this regard, the Union and/or the employee shall not resort to any form of Trade Union action in pursuing such dispute.

4. **Loans.**— The Company will grant the following types of loans to employees on applications made for such loans on the basis set out hereunder.

- (a) Provided the applicant has no outstanding amount on the category of loan applied for.
- (b) The retirement date of the employee applying for such loan shall be taken into consideration in the working of the recovery period of the loan.
- (c) Ability of the applicants to furnish information, documentation and security as relevant and be compliant with the requirements of the Company for the granting of such loans.
  - (i) **Distress Loan.**— The Company will grant distress loans to employees on applications made for such loans on the following basis.
    - (a) Employees with over 5 years service Rs. 15,000. An interest free loan repayable in 12 monthly instalments.
    - (b) Employees whose service period in 3 years and above and under 5 years of service will be entitled for a interest free loan of Rs. 10,000 repayable in 12 monthly instalments.
    - (c) Employees whose service period in 1 year and above and under 3 years of service will be entitled for a interest free loan of Rs. 7,500 repayable in 12 monthly instalments.
  - (ii) **Housing Loans.**— Housing loans shall be granted to employees once in five years during their period of service with the company, in accordance with the conditions presently applicable in the following manner.
    - (1) Employees with a service of 3 yrs to less than 8 yrs Rs. 60,000
    - (2) Employees with a service of 8 yrs to less than 10 yrs Rs. 75,000
    - (3) Employees with a service of 10 yrs or more Rs. 125,000

The interest rates shall be determined on the average bank lending rate prevalent and shall apply to these loans on the basis of a reducing balance, and the total loaned amount together with the interest is recoverable within 48 months of granting such loan to an employee.

- (iii) **Loan to purchase Motorcycle or Three Wheeler**— A loan of Rs. 125,000/- shall be made available to employees who have completed one year's (1) service to purchase either an unregistered motorcycle or a three wheeler subject to the tendering of a legally accepted valuation and other terms presently applicable. An employee would only become eligible to apply for a further loan after full repayment and the lapse of 5 years since the last loan.

The interest rates prevalent shall apply to these loans on the basis of a reducing balance, and the total loaned amount together with the interest is recoverable within 48 months of granting such loan to an employee.

5. **Work Arrangements.**— In addition to the normal working hours, the Company shall at its own discretion, schedule longer work programmes such as overnight production and work on shift basis to meet market demand as and when required.



These work arrangements shall include a dual shift operation, which shall be worked from 6.00 am to 2.00 pm and from 2.00 pm to 10.00 pm on a continuous basis and without interruption. On the days dual shift is operated, the employer shall pay a 'shift allowance' to employees who attend work on such shifts as follows:

1st Shift (6.00 am to 2.00 pm)	-	Rs. 175
2nd Shift (2.00 pm to 10.00 pm)	-	Rs. 225

Where a second shift is not necessary, a single shift will be operated on the basis of the traditional work arrangements (ie. as a single shift) also on a continuous basis and without interruption to production operations.

To facilitate uninterrupted operations the Union and employees agree to avail of the meal intervals on a staggered basis irrespective of the shift being operated (ie. whether or not it is a single or dual shift being operated) as per schedule (2) hereof.

In the event a change of working hours is deemed necessary for the company, ie. to change the operations from a single shift to a dual shift or 'vice versa' as the case may be, such changes will be notified seven (7) days prior to the implementation. The modalities of implementing of such work arrangements shall be decided upon after consultation with the Union. It is also agreed that the employees shall extend their co-operation in relation to such work arrangements.

6. **Monthly Performance Bonus.**— The Company agrees to pay a Monthly Performance Bonus (MPB) based on local liquor sales of a minimum of 50,000 (9 ltr cases) per month on the basis of the scale hereunder with effect from 1st November 2012.

<i>No. of Cases in (000)</i>		<i>Applicable MPB per employee in (Rs.)</i>
50	- less than 60	3,000
60	- less than 70	4,500
70	- less than 75	6,000
75	- less than 80	6,500
80	- less than 85	7,000
85	- less than 90	7,500
90	- less than 95	8,000
95	- less than 100	8,500
100	- less than 105	9,000
105	- less than 110	9,500
110	- less than 115	10,000
115	- less than 120	10,500
Over 120		15,000

7. **Production incentive.**— The Company will contribute Rs. 5/- per 9 litre case produced towards a production incentive pool during the month and distribute to each employee in an eligible category (excluding those earning a sales commission/bonus) on a pro-rata basis, on the number of hours actually worked by each eligible employee during the entire month. Any period of prior approved annual leave obtained by an employee will be regarded as hours worked for the purpose of computing this incentive payment.

The Company shall also take into consideration of both shifts in the event of a dual shift operation period, as set out in clause five (5) above, for the purpose of calculating the production incentive.

8. **Sales Commission / Bonus.**— The Company will pay Rs. 1.40 per 9 litre case to employees engaged in the delivery of finished goods from the factory/company warehouse / depots to customers.

In the transfer of finished goods between and among the factory and or company operated warehouse / depots, a payment of cts. 20 per 9 litre case shall be paid.

9. **Bata Rates for Delivery Staff.**— The following rates shall apply to Distribution Staff engaged in work during the time of such meals.

Bed tea	-	Rs. 30
Breakfast	-	Rs. 100
Morning tea (10 am)	-	Rs. 30
Lunch	-	Rs. 150

Afternoon tea (3 pm)	-	Rs. 30
Evening tea (6 pm)	-	Rs. 60
Dinner	-	Rs. 150

This revision will be effective from 25th December 2012.

10. **Late Work Incentive for Manual Categories.**— The Company will pay a sum of Rs. 75 per employee for work performed in the factory premises from 5 pm up to 8 pm or thereafter, provided that the total duration for such work shall not be less than three hours.

11. **Annual Picnic.**— During the pendency of this Agreement the Company will make a grant of Rs. 3,500/- per employee who participates in the annual picnic organized by employee of the Company. Further, air-conditioned bus/busses, depending on the number of employees participating and seating capacity, shall be provided by the Company to cover a maximum travel distance of 650km.

In the event of there being no annual picnic in respect of any year, no grant will be made on such account and the Company will not carry forward this amount to a subsequent year.

12. **Uniforms.**— Uniforms provided to employees annually will be four (4) T-shirts and Three (3) trousers.

In order to enhance the hygiene standards of the Company, employees are prohibited from wearing the Company uniforms outside the premises of the factory and the location where work is assigned.

13. **Duty Leave for Union Secretary.**— A half working day of each month is allowed as duty leave to the Branch Union Secretary for union work with the prior approval of the officer responsible for Employee Relations, Head of Department or Chief Operating Officer.

14. **Variation of Terms and trade Union Action.**— The Union and the employees covered and bound by this Agreement on their part agree that;

- (i) During the continuance in force of this Agreement, the Union and employees shall not seek to vary or alter any term or condition of this Collective Agreement or make any demands relating to the payment or increase of any monetary benefits to employees whether by way of a salary revision or otherwise.
- (ii) During the pendency of this Agreement the Union and the employees shall not engage in strike or any other form of trade union action in respect of any dispute that may arise between the Union and the Company and or the employees and except in a situation where in the opinion of the controlling body of the Union, the Company acts in a manner calculated to threaten or undermine the existence of or the legitimate activities of the Union in relation to an industrial dispute and the Company is given 14 days written notice of such action.

15. **Mobility of Labour.**— If work is temporarily not available for a General Worker in the Department where such employee is normally assigned work at any given time, or in the event the services of a General Worker is urgently required by another Department, he/she shall be deemed ready and willing to perform work within his capacity and skill in any other Department to which he may be assigned.

The Company shall establish a Grievance Handling mechanism to address any grievance that may arise due to such temporary assignment. The decision of the management shall be final.

16. **Transfers.**— Employees will be transferred from Department to Department at the discretion of the Management, subject to the competence of the employee.

17. **Period of Agreement.**—


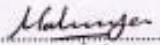
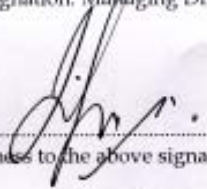

- (i) The provisions of this Collective Agreement shall be effective from 1st November, 2012 and shall remain binding unless otherwise terminated by the Company or the Union with one month's notice to each other, provided, however, that no such notice may be given by either party prior to the 30th September, 2014, other than for a reason involving the violation of all or any of the provisions contained herein by a party.
- (ii) The provisions of this Collective Agreement shall supersede the provisions of any other memorandum of settlement or Collective Agreement entered into between parties earlier and the provisions of whatever such earlier settlement/agreement shall stand terminated with effect from the date hereof.


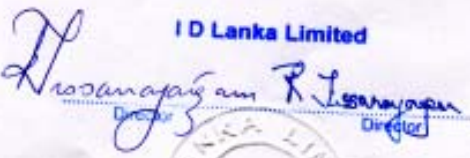

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PART I: SEC. (I) - GAZETTE EXTRAORDINARY OF THE DEMOCRATIC SOCIALIST REPUBLIC OF SRI LANKA - 09.01.2014

In witness hereof parties have hereunto on this 24th of December, 2012 set their hands at Colombo.

 For and on behalf of <b>I D LANKA LIMITED</b> Name : R S Tissanayagam Designation: Managing Director	 For an on behalf of <b>Food Beverages and Tobacco Industries Employees' Union</b> Name : D Malavisuriya Designation: Secretary
 Witness to the above signature Name : B L Ekanayake Designation : Consultant	 Witness to the above signature Name : K D K J N U Kumara Designation : Branch Union President

**Schedule 1****Category-wise Minimum Monthly Salaries**

The minimum rates of salaries mentioned below will be adjusted to be consistent with the minimum rates of wages to be promulgated by the Wages Board for the Liquor and Vinegar Trade and gazetted in terms of the law during the period of operation of this Collective Agreement.

Category	Designations	Minimum Salary (Rs.)
Minor Staff – A	General Worker	7,750.00
	Production Worker	
Minor Staff – B	Office Aid	7,850.00
	Transport Aid (previously Cleaner)	
Skilled – A	Minor Supervisor	8,250.00
	Machine Operator	
	Driver	
Skilled – B	Electrician	8,500.00
	Technician	
	Mechanic	
	Blending/Vat Operator	



**Schedule 2**

**Staggered Meal Intervals of Employees**

1. The Meal intervals for the respective shift times will be as follows:

- (a) Single Shift  
Mid-day meal (lunch) - 12 noon to 1 pm  
Tea break - morning 10 am to 10.15 am  
Tea break - afternoon 3.15 pm to 3.30 pm
- (b) Double shift - morning  
Breakfast - 7 am to 7.15 am  
Morning tea - 10 am to 10.15 am  
Lunch - 12 noon to 12.30pm  
Double shift - Evening  
Afternoon tea - 3.15 pm to 3.30pm  
Evening Tea - 6 pm to 6.15 pm  
Dinner - 8 pm to 8.30 pm  
Tea - 10 pm

2. Employees involved in the production process (Production, Maintenance and Stores) will avail only half an hour for the mid day meal (lunch) or dinner which will be staggered along with the relevant tea breaks during the times as set out below:

- (a) Single Shift  
Mid-day meal (lunch) - 12 noon to 1 pm  
Tea break - morning 9.45 am to 10.30 am  
Tea break - afternoon 3 pm to 3.45 pm
- (b) Double shift - morning  
Breakfast - 7 am to 7.45 am  
Morning tea - 10 am to 10.45 am  
Lunch - 12 noon to 1 pm  
Double shift - Evening  
Afternoon tea - 3 pm to 3.45 pm  
Evening Tea - 5.45 pm to 6.30 pm  
Dinner - 8 pm to 9 pm

3. An employee who avails of only half hour for the mid day meal (lunch) during the single shift operation shall be paid an interval allowance of Rs. 75 per day and half an hour's overtime at one and half times the normal hourly rate. These payments will be paid strictly to only those employees who actually engage in direct production operations on a given date.

4. During maintenance work or machine service the above arrangements will not be applicable, provided however, that advance notice has been given to the employees regarding such maintenance work.

5. An employee will qualify for the payments referred to in paragraph (3) above only if he works the full day. Therefore, those factory employees on half a day's leave will not enjoy this facility. However, if an employee on half day's leave either works half an hour after 12 noon or half an hour before 1 pm is entitled to claim half an hour's overtime but not entitled to the interval allowance. Any employee utilizing short leave immediately prior to 12 noon or after lunch will not be entitled to claim the interval allowance or the overtime on that particular day. At the request of employees involved in the production process the company will permit an employee up to a maximum of two occasions per month to leave the work place half an hour early without providing any replacements. This facility is available to a maximum of two persons per day. Accordingly an employee who wishes to make use of this facility would have to work half an hour early during the lunch interval to be eligible for this concession and entitled to claim the interval allowance, however, no overtime will be paid.

6. The company will accede to a request from the Union not to operate the production lines during one of the tea intervals to enable the Union to have a meeting with its members at branch level. This will be limited to a maximum of two occasions a month provided that the Union will give at least 48 hours notice to the Company. If the circumstances justify, a meeting at shorter notice than 48 hours of a request being made by the Union, will be considered by the management on a case by case basis. The Company will also have the option of this facility by giving the employees prior notice of its intension to stop production during an interval.