

- (c) For travel abroad for which purpose one month's prior notice shall be given.
- (d) For marriage of the employee.
- (e) Prolonged illness of the employee.
- (f) For purposes of nursing 3rd and 4th children beyond the maternity leave entitlement.

Provided that in the case of (b) to (d) the approval of such leave shall be at the discretion of the management. Family member for purposes of (b) above shall mean spouse, children or parents.

B. MEDICAL LEAVE

- (i) ENTITLEMENT. An employee shall be entitled to not less than thirty (30) calendar days leave inclusive of weekly or other holidays in any one year, in case of sickness on full pay, subject to the conditions in sub-cause (ii) hereof.
- (ii) AVAILMENT. The Bank will be entitled to refuse to grant pay for any days of absence on grounds of sickness not supported by a Certificate from a Registered Medical Practitioner :
 - (a) where such period of absence exceeds two consecutive days including weekly or other holidays, or
 - (b) where the number of days already allowed on full pay on grounds of sickness uncertified by a Medical Practitioner, is in excess of twelve (12) days in any one year subject to the eligibility of leave.
- (iii) ACCUMULATION. An employee who takes less than his entitlement in any one-year as prescribed above shall be entitled to avail himself of the balance of his entitlement for such year in any succeeding year or years, subject to the following provisions :
 - (a) In no case shall the entitlement to medical leave on full pay by reason of such accumulation, exceed ninety (90) days, and
 - (b) The accumulated medical leave may only be availed of on account of prolonged illness, hospitalization or similar circumstances, supported by a Certificate from a Registered Medical Practitioner.
 - (c) Where an employee has exhausted his current year's sick leave as a result of prolonged illness such as an infectious disease or prolonged hospitalization, the employer may permit him to set off any further absence on grounds of ill health against such accumulated sick leave up to the extent of the leave taken for such earlier prolonged illness.
- (iv) The Bank will be entitled after inquiry and advising the employee concerned, to refuse to pay and/or take any action as appropriate in situations where the absence on grounds of sickness not supported by a Certificate from a Registered Medical Practitioner occurs in the following circumstances.
 - (a) Where the Bank has reasonable cause to suspect the *bona fides* of the application and/or reason for absence of an employee, or
 - (b) Where the absence of the employee on grounds of sickness immediately follows or precedes any weekly holiday or other holidays and the Bank has reasonable cause to suspect the *bona fides* of the application and/or reason for absence of the employee.

C. CASUAL LEAVE. An employee shall be entitled to a maximum of seven (7) days casual leave in each year of employment whereof *not* more than two (2) days shall be taken at any one given time and such leave shall not precede or follow any period of annual leave. All casual leave shall be by prior approval of the Bank, unless the reason for such absence is justified to the satisfaction of the Bank as being in circumstances that could not have been foreseen by such employee.

21. **Suspension.** - (i) Where an employee is suspended pending a disciplinary inquiry on investigations, he will subject to the provisions of sub-clauses (ii) and (iii) below, receive half his salary (basic salary plus cost of living allowance plus house rent allowance) from the date of suspension up to 6 months and full pay thereafter.

(ii) Where the suspension is on account of charges involving financial dishonesty such as fraud or misappropriation, the employee will not be entitled to any salary during the period of suspension unless the inquiry is not concluded within 6 months of the date of suspension in which event he will receive half his salary (basic salary plus cost of living allowance plus house rent allowance) during his suspensions beyond the said 6 months period. Provided that if the delay beyond 6 months is due to the employee's own conduct or due to the employee being in custody or remand thereby making it impossible for the Bank to hold or conclude the inquiry, half such salary as aforementioned will not be payable.

(iii) In cases not involving financial dishonesty as aforementioned where the employer is prevented from concluding the inquiry within 6 months of suspension for reasons beyond the employer's control such as where the employee makes repeated requests for postponements or where he is remanded or in Police custody or where the matter is under investigation by the Police, the employee will continue to receive half his salary and will not receive full pay in these circumstances.

22. **Disciplinary Procedure.**—Where the Bank proposes to take disciplinary action against an employee except, however, in the case of oral warning, letters of advice, caution or warnings for minor misconduct, the following procedure shall apply:

- (a) Irrespective of whether such employee has been suspended, the employee shall be furnished with a 'show cause' letter which shall set out the particulars of the charges against such employee and such 'show cause' letter shall give the employee not less than ten (10) calendar days within which to tender his explanation in writing to the charges preferred.
- (b) Within ten calendar days after the date of the 'show cause' letter, the employee shall tender in writing to the Bank his explanation to the aforesaid charges provided however that if in the circumstances it is reasonable, the employee may request the Bank for an extension of time within which to tender the written explanation and where such request is made, the Bank shall consider granting such request for such further period of time as is considered necessary by the Bank in the circumstances.
- (c) If where the employee tenders his explanation within the period of time allowed to the employee to 'show cause' and the Bank is satisfied with such explanation, the Bank shall withdraw the charge/s against the employee and if the employee is under suspension, the Bank shall forthwith reinstate the employee and shall pay to such employee his salary and entitlement in respect of the period of such suspension.
- (d) Where the employee tenders his explanation within the time allowed to him to show cause and the Bank is not satisfied with such explanation, the Bank shall subject to sub-clause (a) hereof, hold an inquiry into the charges against such employee.
- (e) The Bank shall commence an inquiry as referred to in sub-clause (d) hereof within 21 working days from the date of receipt by them of the written explanation to the 'show cause' letter unless it is not possible to do so for reasons beyond the Bank's control, or by reason of the employee's own conduct or seeking, or by reason of unforeseen circumstances.
- (f) The Bank will permit a member of the branch union of the same Grade or of a Higher Grade than the accused employee or an office bearer of the branch union irrespective of grade (in which case the Bank reserves to itself the right to object to the person concerned which decision shall be final) to defend the accused employee at a domestic inquiry provided the defending employee has not obtained a legal qualification. The defendant employee will not suffer any loss of salary for absence from work on this account. The Bank will further allow another member of the branch union to be present at the inquiry as Observer without loss of salary for absence from work. The accused employee shall submit to the Bank in writing the name of the defending employee and Observer not less than 48 hours before the time appointed for the commencement of the inquiry. The defending employee shall be entitled to examine the witnesses for the accused employee and cross-examine witnesses for the Bank. The Inquiring Officer will be entitled to require a defending employee or Observer who obstructs the inquiry to withdraw therefrom and the defending employee or Observer shall forthwith comply with such requirement. The absence of a defending employee or Observer from the whole or any part of an inquiry for any reason whatsoever shall not vitiate such inquiry, nor the proceedings thereat, nor the findings pursuant thereto. The Observer shall not be entitled to participate in the proceedings but he may answer any question which the Inquiring Officer may ask him.
- (g) The Bank as hitherto shall appoint a member of the Supervisory Staff of the Branch of the same or higher grade (local-based or India-based Officer) than the accused, as Prosecuting Officer other than the Inquiry Officer to present the case of the Bank at a Domestic Inquiry. The Prosecuting Officer shall function as such and be entitled to present the Bank's case, examine the Bank's witnesses and cross-examine the accused employee and his witness/es.
- (h) The union will be entitled to a copy of the proceedings of the inquiry conducted subject to the observer and accused employee signing proceedings as a correct record. After the proceedings have been certified and a copy issued to the accused employee for all purposes thereafter the proceedings shall be taken as a true copy of such proceedings before the inquiry officer.
- (i) Within thirty (30) working days after the conclusion of the inquiry the Bank shall inform the employee, in writing, of the findings in respect of the charges and of the punishment, if any, imposed by the employer.
- (j) Where the Bank fails to inform the employee as aforesaid within the said period of thirty (30) working days except for reasons beyond the control of the Bank or by reason of the conduct of the employee, such employee shall not be punished thereafter in respect of such charges and no inference adverse to the employee shall be drawn in respect of such charges.

- (k) Notwithstanding the preceding provisions, the Bank shall not be required to hold a domestic inquiry on any of the following circumstances.
- (i) Where the employee fails to tender his written explanation before the expiry of the time allowed to 'show cause' in which event the Bank shall be entitled to take disciplinary action on the basis that such employee had no cause to show.
 - (ii) Where the employee makes a written admission of the charges against him.
 - (iii) Where the Bank proposes to warn an employee but without prejudice to the Union's right to request the employer thereafter to hold an inquiry, in which event the fact that the inquiry did not commence within twenty one (21) working days after receipt of the employee's explanation shall not be material or relevant.
- (l) The findings of the domestic inquiry and the punishment if any imposed by the Bank shall be final and binding on the Bank and the employee and the union, unless the employee or the union shall within three (3) months from the date on which such Bank had notified such employee of the findings or punishment, raises a dispute in respect of such findings and/or punishment.
- (m) Where an employee is under suspension and the Bank makes order that -
- (i) the employment of the employee shall be terminated, then the termination of such employment shall take effect as from the date of suspension or such later date as the Bank may determine; provided further that the Bank shall not be entitled to recover from the employee any payment made in respect of salary to the employee in respect of such period of suspension, if any such payment has been made.
 - (ii) the employment of the employee shall not be terminated, then the employee shall be employed forthwith and shall be paid the entirety of his salary in respect of the period of suspension without prejudice to the right of the Bank to impose such other punishment other than termination which may include the whole or part of the salary for the period of suspension pending inquiry, on the basis of the findings of the inquiry.
- (n) The observance by the Bank of sub-clauses (e), (j) and (k) shall not be necessary where an inquiry is not held in view of the fact that the matter under inquiry is being referred or has been referred to the Police or other authorities for investigation or inquiries or in view of the fact that criminal charges are pending against the employee.
- (o) The above provisions shall only apply in respect of inquiries that commenced after the date of signing of this Agreement.

23. **Trade Union Action.** - (a) MATTERS RELATED AND COVERED IN THIS SETTLEMENT - The union and its members covered and bound by this Agreement jointly and severally agree with the Bank that during the continuance in force of this Agreement they shall not engage in any strike or other form of trade union action including go-slow, boycott or demonstrations or picketing or any form of collective action against the Bank in respect of any dispute related to any matter covered by this Agreement.

IN WITNESS WHEREOF THE PARTIES HAVE HEREUNTO SET THEIR HANDS ON THIS TWENTY THIRD DAY OF DECEMBER, TWO THOUSAND AND FOUR.

For and On behalf of
INDIAN BANK

K. RAGHAVAN
Chief Executive

For and On behalf of
CEYLON BANK EMPLOYEES' UNION

M. R. SHAH
President

WITNESSES:

1. R. L. P. PEIRIS

Deputy Director-General E F C

2. K. B. D. PERERA

Branch President

My No. : CI/1069.

THE INDUSTRIAL DISPUTES ACT, CHAPTER 131

THE Memorandum of Settlement entered into between State Bank of India, No. 16, Baron Jayatilake Mawatha, Colombo 01, of the one part and Ceylon Bank Employee's Union, No. 20, Temple Road, Colombo 10 of the other part on 23rd December, 2004 is hereby published in terms of Section 12 (6) of the Industrial Disputes Act, Chapter 131, Legislative Enactments of Ceylon (Revised Edition 1956).

MAHINDA MADIHAHEWA,
Commissioner General of Labour.

Department of Labour,
Labour Secretariat,
Colombo 05.
25th February, 2005.

Memorandum of Settlement No. 48 of 2004

MEMORANDUM OF AGREEMENT UNDER THE INDUSTRIAL DISPUTES ACT (1950) AS AMENDED BETWEEN STATE BANK OF INDIA, COLOMBO AND THE CEYLON BANK EMPLOYEE'S UNION

This Memorandum of Agreement between State Bank of India, Colombo, a bank duly registered in Sri Lanka and having its registered office at No. 16, Baron Jayatilake Mawatha, Colombo 1 (hereinafter referred to as "The **Bank** ") and the Ceylon Bank Employee's Union, a trade union duly registered in Sri Lanka and having its registered office at No. 20, Temple Road, Colombo 10 (hereinafter referred to as "the **Union**") entered into on this Twenty Third Day of December, Two Thousand and Four, states as follows :

1. **Effect Of Memorandum.** - It is agreed by and between parties that this Agreement shall constitute a Memorandum of Agreement under Section 12 of the Industrial Disputes Act, No. 43 of 1950 as amended.

2. **Employees Covered And Bound.** - The employees covered and bound by this Agreement shall be the category of employees known and referred to as Assistant Managers and Deputy Managers in the Bank and hereinafter sometimes referred to as the employees or an employee as required.

3. **Date Of Operation And Duration.** - This Agreement is effective for a period commencing from 1st April, 2003 and terminating on the 31st March, 2006. Either party is entitled to give notice in terms of the Industrial Disputes Act of one clear calendar month excluding the month in which the notice is given, but such notice shall not terminate the Agreement before the said date, i.e. 31st of March 2006. The Union however shall have the right to initiate negotiations for a revised Agreement at any time after 1 st October, 2005.

4. **Basic Salary.** - With effect from 1st April, 2003 the salary scales applicable to Assistant Managers and Deputy Managers shall be -

Assistant Managers	$\text{Rs. } 15,660 - \text{Rs. } 17,340$ $\text{Rs. } 240 \times 7$	$\text{Rs. } 18,870 - \text{Rs. } 24,170$ $\text{Rs. } 265 \times 20$
Deputy Managers	$\text{Rs. } 16,900 - \text{Rs. } 18,912.50$ $\text{Rs. } 287.50 \times 7$	$\text{Rs. } 20,780 - \text{Rs. } 26,630$ $\text{Rs. } 325 \times 18$

5. **Cost Of Living Allowance.** - The Bank Shall pay a cost of living allowance to employees with effect from 01.04.2003 at Rupees Two and Cents Seventy Five (Rs. 2.75) per point increase in the Colombo Consumer's Price Index beyond the base index figure of 2400.

6. **Immediate Increase and Conversion to Salary Scales.** - Every employee in employment as at the date of this Agreement shall receive the following monetary benefits and salary increases.

- A sum equal to 10% of the gross salary (salary plus cost of living allowance) payable to an employee as at March 2003 shall be added to the salary of an employee as at such time.
- To the sum arrive at in terms of Sub-clause (i) above, a sum equal to Rs. 1,375 to represent the difference between the CCPI Index of 1900.0 and 2400.0 (the point at which the salary scales set out in Clause (4) above have been consolidated) shall be added.