



ශ්‍රී ලංකා ප්‍රජාතාන්ත්‍රික සමාජවාදී ජනරජයේ ගැසට් පත්‍රය The Gazette of the Democratic Socialist Republic of Sri Lanka

අති විශේෂ EXTRAORDINARY

අංක 1510/39 – 2007 අගෝස්තු 16 වැනි බ්‍රහස්පතින්දා – 2007.08.16

No. 1510/39 – THURSDAY, AUGUST 16, 2007

(Published by Authority)

PART I : SECTION (I) – GENERAL Government Notifications

My No.: CI/1075.

THE INDUSTRIAL DISPUTES ACT, CHAPTER 131

THE Collective Agreement entered into between Habib Bank Limited, No. 140 -142, 2nd Cross Street, Colombo 11 of the one Part and Ceylon Bank Employees' Union, No. 20, Temple Road, Colombo 10 of the other Part on 12th April, 2007 is hereby published in terms of Section 06 of the Industrial Disputes Act, Chapter 131, Legislative Enactments of Ceylon (Revised Edition 1956).

D. SOMAWEERA EDIRISINGHE,
Commissioner-General of Labour.

Department of Labour,
Labour Secretariat,
Colombo 05.
25th July 2007.

Collective Agreement No. 22 of 2007

HABIB BANK OFFICERS' COLLECTIVE AGREEMENT OF 2006 BETWEEN
HABIB BANK LIMITED

AND

THE CEYLON BANK EMPLOYEES' UNION

COLLECTIVE AGREEMENT

This Collective Agreement, the terms of which were agreed on the 12th day of April Two Thousand and Seven, between Habib Bank Limited, a Bank incorporated in Pakistan and having its registered Office at Habib Bank Plaza 1.1 Chundrigar Road, Karachi 21 and approved main place of business at No. 140 -142, 2nd Cross Street, Colombo 11, in the Republic of Sri Lanka (hereinafter referred to as "the Bank") and the Ceylon Bank Employees Union, a duly registered trade union in Sri Lanka having its registered office at No. 20, Temple Road, Colombo 10, Sri Lanka (hereinafter referred to as "the Union")

1A - G008754 - 490 (2007/08)

Title : This Agreement will be known and referred to as the “Habib Bank Officers” Collective Agreement of 2006”

WHEREAS the Union made demands for a revision of terms and conditions of employment of the Officer Grades in the Bank and after negotiations the parties in a spirit of goodwill to ensure co-operation between themselves and to guarantee an effective and productive work environment have agreed as follows :

1. **Parties Covered and Bound.**— This Agreement shall cover and bind The Bank, the Union and all members of the Union employed in the following officer grades in the Bank (hereinafter referred to as ‘the employees’).

- * Junior Officer
- * Officer Grade IV
- * Officer Grade III
- * Officer Grade II
- * Officer Grade I

2. **Duration.**— (a) This Collective Agreement shall operate and bind parties for a period of three (3) years commencing 1st April, 2006.

(b) Provided however that if during the period of this Collective Agreement the salaries of the Clerical Grades in the Bank are revised as a result of a revision of the Collective Agreement of 2006, the Union shall be entitled to make a request from the Bank for a revision of salaries of the employees covered by this Agreement and the Bank shall discuss such request with the Union with a view to reaching a mutually acceptable settlement.

3. **Earlier Agreements.**— This Agreement shall supersede any other Collective Agreement entered into or binding on the parties hereto and such earlier Agreements including the Agreement of 2003 shall stand repudiated in respect of the parties hereto.

4. **General Terms and Conditions of Employment.**— The terms and conditions of this agreement shall subject as herein provided be deemed to be included in each contract of service whether oral or written between the Bank and each Officer covered and bound by this agreement which are subsisting as at the date hereof or which come into being during the continuance in force of this Agreement and which are not inconsistent with the terms and conditions contained in this Agreement.

5. **Immediate Increase and Conversion to Salary Scales.**— Every employee covered by this Agreement in service as at the date of this Agreement shall, from the 1st April 2006, be placed on the salary scale set out in the first Schedule hereto, which salary has been consolidated at the Colombo Consumer’s Price Index figure of 2400.0.

For the placement of an employee on the salary scale applicable in the First Schedule, the following provisions shall apply:—

- (i) A sum equivalent to 20% of the gross salary (salary plus cost of living allowance) payable to an employee as at March 2006 shall be added to the salary of an employee as at such time.
- (ii) Every Employee in Employment as at the date of this Agreement shall also receive a further 2.5% increase calculated on the gross salary as at 31st March 2006 with effect from the 1st April 2007 and thereafter placed on the appropriate point on the scale in Schedule I at the corresponding Rupee point or if there is no such corresponding point, on the next higher point of the said scale.
- (iii) Every Employee in Employment as at the date of this Agreement shall also receive a further 2.5% increase calculated on the gross salary as at 31st March 2006 with effect from the 1st April 2008 and thereafter placed on the appropriate point on the scale set out in Schedule I at the corresponding Rupee point or if there is no such corresponding point, on the next higher point of the said scale.

6. **Cost of Living Allowance.**— The Bank shall pay a monthly Cost of Living Allowance to employees with effect from 01.04.2006 at Rupees Two Seventy Five (Rs. 2.75) per point increase in the Colombo Consumers’ Price Index beyond the base index figure of 2400.

7. **Gas & Electricity Allowance.**— The Bank shall pay a Gas and Electricity Allowance to employees as follows :

- | | | |
|-------------------------|---|-------------------------|
| * Junior Officer | - | Rs. 4,250/ - per mensem |
| * Officer Grade IV | - | Rs. 4,750/ - per mensem |
| * Officer Grade III/ II | - | Rs. 5,250/ - per mensem |
| * Officer Grade I | - | Rs. 5,750/ - per mensem |

8. **Key Holding Allowance.** - The Key holding allowance shall be paid as follows :

1 day	-	Rs. 200/ -
2 days	-	Rs. 400/ -
3 days	-	Rs. 600/ -
4 days	-	Rs. 800/ -
5 days or more	-	Rs. 1,200/ -

9. **Fuel Allowance.** - The Fuel allowance shall be paid as follows :

* Junior Officer	-	35 litres petrol per mensem
* Officer Grade IV	-	40 litres petrol per mensem
* Officer Grade III	-	45 litres petrol per mensem
* Officer Grade II	-	50 litres petrol per mensem
* Officer Grade I	-	55 litres petrol per mensem

10. **Entertainment Allowance.** - Grade I and II officers will be paid an entertainment allowance of Rs. 2,500/- per month.

11. **Special payments.** - (a) with effect from the date hereof when employees are required to work after normal working hours on any working day, they shall be entitled to the following payments.

For work upto 2 hours	-	Rs. 250/ -
For work upto 3 hours	-	Rs. 300/ -
For work upto 4 hours	-	Rs. 350/ -
For work in excess of 4 hours	-	Rs. 400/ -

(b) When employees are required to work on any holiday they shall be entitled to a payment of Rs. 500/- in respect of the first four hours worked on such holiday and Rs. 125/- in respect of each additional hour worked.

(c) No employee shall work after normal working hours or on holidays unless requested to do so by the Bank.

12. **Promotion.** - (a) FOR PROMOTION TO GRADE I, II, III & IV. Mere length of service shall not be the sole criteria and the Bank shall be entitled to take into account other factors such as good conduct, efficiency, educational and professional qualifications and good character. All promotions from one grade to another shall be subject to the availability of vacancies and suitability of the Officer and purely at the discretion and judgment of the Management. The decision of the Management in the exercise of such discretion shall be final and conclusive.

(b) FOR PROMOTION TO THE GRADE IV .- It is hereby agreed between the parties that Junior Officers will be considered for promotion to Officer Grade IV subject to the rules and regulations of the Bank and subject to the following criteria and terms and conditions :

(i) **RECORD OF CONDUCT, WORK PERFORMANCE AND ATTENDANCE.** - Only Junior Officers possessing a record of good conduct, excellent work performance and attendance will qualify for consideration.

(ii) **ELIGIBILITY FOR CONSIDERATION :** Only Junior Officers possessing the following basic criteria will be eligible for consideration :

<i>Experience in Service</i>	<i>Educational Qualifications</i>
08 Years as Junior Officer or Clerk if promotee	GCE O/L Examination with a Credit Pass in English
05 Years as Junior Officer or Clerk if Promotee	Part I-AIB London of AIB Sri Lanka
04 Years as Junior Officer or Clerk if promotee	Diploma in AIB London or Diploma in AIB Sri Lanka
03 Years as Junior Officer or Clerk if promotee	University Degree with one of the subjects in Economics of Commerce

- (c) **SELECTION PROCESS.** - Junior Officers who are eligible subject to the above mentioned basic criteria will be considered for promotion by the Bank, subject to the following conditions :-
- (i) Subject to the availability of vacancies depending on the Bank's staffing needs from time to time, the eligible Junior Officers shall be required to put up, applications for consideration for promotion submitting required information regarding their career on set formats obtainable from the Bank.
 - (ii) All eligible applicants will be required to sit for a written test which will be prepared by the Bank and conducted in Colombo under the supervision of the Management.
 - (iii) All eligible applicants who have performed satisfactorily at the written test will be further subject to an interview by the Management of the Bank.
 - (iv) The Management's decision in respect of selection shall be final and conclusive and shall not be challenged.
- (d) It is further agreed between the parties that calling for application/ test/ interview process as referred to at (a), (b) and (c) above in respect of the consideration of Officers for each year's vacancies would commence in the month of September/ October with a view to completing written tests and interviews, and submission of recommendations of successful applicants to Head Office shall be not later than 15th January of the following year for Head Office final approval.
- (e) On final selection after test, interview, recommendation and approval by Head Office, the selected candidates shall be promoted to Officer Grade IV in the scale herein above mentioned.

13. **Provident Fund.** - (a) **RATE OF CONTRIBUTION.** - The rates of contribution to the Provident Fund by the Bank shall be :

Bank's contribution	-	12% (twelve per cent) of salary
Employee's contribution	-	8% (eight per cent) of salary

Provident Fund contribution shall be on the consolidated salary referred to at Clause 5 hereof and the amount paid for that month as cost of living allowance subject to the Rules of the Provident Fund.

- (b) **INTEREST ON PROVIDENT FUND CONTRIBUTION HELD BY THE BANK.** - Where Provident Fund monies are invested in the Bank, the Bank shall continue to pay the rate of interest paid of 12 months' fixed deposits for a sum of Rs. 100,000/= published in the N.S.B prevailing as at the 1st January for the first half of the year and on the rate prevailing on the 1st July for the second half of the year on the net Provident Fund monies invested at such respective Bank.

14. **Gratuity.** - An Employee shall upon retirement on reaching the age of 55 years or on duly authorised medical grounds, after completing a period of fifteen (15) years service in the Bank or after completing 20 years continuous service, be entitled to gratuity calculated at the rate of one month's terminal salary for each completed year of service rendered by such employee. For the purpose of calculating gratuity "terminal salary" shall mean the basic salary *i.e.* the salary point an employee is placed on the salary scale applicable to him plus the cost of living allowance.

15. **Death Gratuity.** - On the death of an employee who has been confirmed and is in the permanent employment of the Bank, the Bank will make a compassionate payment of two months, gross salary for each year of completed service subject to a minimum of six months' gross salary to the legitimate dependents of the deceased employee, as may be determined by the Bank at its sole discretion on the basis of information supplied to them. In the case of the death of an employee who is not confirmed in employment the amount payable will be 50% of that payable to a confirmed employee provided that in the case of an employee who has not been confirmed consequent upon a promotion to a higher grade, the gratuity payable will be calculated as in the case of a confirmed employee. The gross salary for this purpose shall be the last drawn salary plus the Cost of Living Allowance.

Provided, however, that in the event of death arising out of and in the course of employment, the dependents shall be entitled to and receive either the death gratuity referred to herein or payment by way of compensation under any laws in force at the time on account of Employees' Compensation or under any other law or an Award of Court, whichever is higher. Provided further that in the case of an employee whose death occurred in consequence, the pre-acceptance of death gratuity as provided herein shall not restrict the right of such dependents in subsequently claiming any balance compensation due to them under any written law.

16. Retirement.-

- (a) The age of retirement shall be 55 years, and on reaching the age of 55 an employee shall *ipso facto* retire and cease to be employed by the Bank and there shall be no obligation on the Bank to give such employee any notice of such retirement.
- (b) An employee may also be retired and be eligible for retirement benefits if he is not less than 50 years and has 10 or more years of service, subject to mutual agreement between the employee, his union and the employer that he should be given such concession and subject to the condition that the refusal by any party to agree to such premature retirement shall not constitute an industrial dispute.

17. Release of Parent Union Office Bearers.-

- (a) One Office Bearer of the union shall be released for union work without payment of salary or any other allowances whatsoever for a period not exceeding two years on a single occasion during a period of six years provided the union so requests and subject to the condition that at any given time only one employee of the Bank whether covered or not by this Agreement shall be so released.
- (b) On resumption of work by an Office Bearer who has been released for union work, he shall receive incremental credit for the period of his absence from work and such absence shall not affect his rights under Clauses 14, 15 and 16 hereof.

18. Concessions to Branch Union Office Bearers and General Council Members.-

- (a) The Bank shall at its discretion permit the release of not more than two Branch Union Office Bearers at any one given occasion without loss of pay exclusively to enable such Branch Union Office Bearers to be present at inquiries before the Labour Department, Labour Tribunal, Arbitrations, Industrial Courts, and with their respective Bank Managements - exclusively on matters pertaining to such particular Bank to which such Branch Union Office Bearers are attached.
- (b) It is agreed that Central Committee Members will be permitted to leave at 12.30 p.m. on 12 days in a year for meetings. In the case of outstation General Council Members, they would be permitted leave for the whole day for 12 General Council Meetings in a year.
- (c) It is agreed that a days's paid leave shall be granted on two occasions per year to central Committee to attend Parent Union General Council meetings.
- (d) It is agreed that Executive Committee members will be released at 3 p.m. for meetings of the Executive committee of the Union. These meetings will not usually be more than on a monthly basis.

19. Annual, Medical and Casual Leave. -

- (a) ANNUAL LEAVE :
 - (i) ENTITLEMENT : In respect of each year of employment (which means the period January to December) during which an employee has been in continuous employment he shall be entitled to take in the following year 21 working days paid leave. He shall avail himself of at least 7 days out of the 21 days on successive days and shall in respect of each year avail himself of not less than 14 days out of the said 21 working days.
 - (ii) At the end of the first year of employment the employee qualifies for proportionate leave as follows:
 - (a) The full annual holiday of 21 days if his employment commenced on or after 1st January but before 1st April;
 - (b) A holiday of 15 days if his employment commenced on or after 1st April but before 1st July;
 - (c) A holiday of 11 days if his employment commenced on or after 1st July but before 1st October; and
 - (d) A holiday of 6 days if his employment commenced on or after 1st October.
 - (iii) AVAILMENT.- The availment of all annual leave shall be by prior authorisation of the Bank upon the employee's application, giving sufficient notice to the Bank, so as to ensure availment at times mutually convenient.
 - (iv) ACCUMULATION.- Annual leave may be accumulated by an employee exclusively for the following purposes :
 - (a) for availment in full, immediately preceding retirement by mutual arrangement, with the Bank,
 - (b) for the purpose of attending on a family member who is seriously ill,

- (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) on account of the death of a family member provided that the employee has exhausted his current year's leave.
- (g) for the purpose of nursing the 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.

Provided also that such accumulation will be restricted upto a maximum of seven (7) days per year and provided further that such total accumulation shall be restricted to a maximum of one hundred and twenty (120) days.

(b) MEDICAL LEAVE :

- (i) ENTITLEMENT.- An employee shall be entitled to not less than twenty four (24) days leave exclusive of weekly or other holidays in any one year, in case of sickness on full pay, subject to the conditions in sub-clause (ii) hereof.
- (ii) AVAILMENT.- A 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.
- (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 an 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 or other holiday 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.

20. **Medical Benefits.**-(i) Reimbursement of Medical Expenses for Non-Hospitalisation

The Bank will reimburse an employee up to a maximum of such employee's monthly salary per annum in respect of medical expenses incurred by him on his own behalf, on behalf of his spouse or unmarried legitimate children under the age of 18 years in respect of routine non-hospitalisation and non-surgical expenditure subject to the following. "Salary" for this purpose shall be the salary point on which an employee is placed in terms of Schedule 1 hereof.

- (a) All medical claims shall be supported by valid and relevant prescriptions, bills and receipts.
- (b) Prescriptions or Doctor's bills are from a Registered Medical Practitioner.

(ii) Special Non-Hospitalisation and Non-Surgical Expenditure

The Bank will reimburse an employee on a non-cumulative basis a further sum up to a maximum of Rs. 5,500/- per annum on account of special non-hospitalisation and non-surgical expenses covering the following items only incurred on behalf of the employee only and not on behalf of his family members :

- (a) Spectacles
- (b) Dentures
- (c) Hearing Aides

Subject to valid documentation as in the case of (i) above and subject to the provisos that no claim is made in relation to any particular item more than once in three years and in the case of spectacles the expenditure on account of the spectacle frame shall not exceed Rs. 2,750/- and in any event it must be supported by a prescription from a Medical Eye Specialist.

(iii) Surgical and Hospitalisation Expenditure

Employees will be reimbursed on account of surgical and hospitalisation (whether Government or Private) expenses incurred on behalf of the employee, his spouse or unmarried legitimate children under 18 years of age, subject to the production of valid documentation covering every claim or expenditure, up to the following limits per annum :

- (a) Hospitalisation or Nursing Home maintenance charges :
 - Daily Limit Rs. 2500/-
 - Government hospital allowance Rs. 750/-
- (b) Emergency treatment travel expenses (Maximum) Rs. 1200/-
(Rs. 25/- per Km. or actual cost whichever is less)
- (c) Overall limit for any one event Rs. 93,600/-
- (d) Overall limit for any one year Rs. 112,500/-

Provided however that in the case of a recurrent illness, i.e. of the same kind, the Bank will make payments on this account only once in a period of three years.

The Second Schedule hereto sets out the terms on which reimbursement of medical expenditure will be effected.

(iv) Maternity Grant

An employee who is married will be permitted a once and for all grant of Rs. 7,500/- in respect of each of two births of children after 1.4.2003. If both spouses are employed in the Bank only one such claim shall be entertained.

In the case of reimbursement under surgical and hospitalisation expenses, the maximum deduction for normal child birth shall be Rs. 7,500/-.

21. **Bonus.**— The Bank will pay each year to every employee a bonus of three (3) months basic salary on the salary as drawn by such employee in the month of December of such year. The bonus will be paid in three monthly installments in keeping with normal practice.
22. **Suspension.**— (i) Where an employee is suspended pending a disciplinary inquiry on investigations, he will, subject to the provisions of sub-clause (ii) and (iii) below, receive half his salary from the date of suspension up to six months and full pay thereafter, subject to the condition that the delay was not due to the employee concerned.
- (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 six months of the date of suspension in which event he will receive half his salary (salary plus cost of living allowance) during his suspension beyond the said six months period. Provided that if the delay beyond six 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 six 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 offenses, 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 (10) 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 normally grant 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 entitlements 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 (i) 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 prevent the person carrying on the defence for unacceptable conduct) to defend the accused employee at a domestic inquiry provided the defending employee has not obtained a legal qualification. The defending 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 an 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 reasons 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 Union will be entitled to a copy of the proceedings of the inquiry conducted subject to the Observer and the accused employee signing proceedings as a correct record. If 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 inquiring Officer.
- (h) The Inquiring Officer shall maintain his impartiality and shall not attempt to act the role of the prosecution as well.
- (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, any Bank shall not be required to hold a domestic inquiry in 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 a domestic inquiry and the punishment if any imposed by the Bank shall be final and binding on the Bank, the employee and the Union, unless the employee or the Union shall within three (3) months from the date on which the 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 takes effect 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 period of suspension pending inquiry, on the basis of the findings of the inquiry.
- (n) The observance by the Bank of Sub-clauses (e), (i) and (j) 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.

24. **Trade Union Action.**-(a) MATTERS RELATED AND COVERED IN THE AGREEMENT .- 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 this Agreement.

(b) MATTERS NOT RELATED AND NOT COVERED IN THIS AGREEMENT .- 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 that may arise on any matter not related to this Agreement until -

- (i) The Branch Union of the Bank has exhausted all forms of conciliation to resolve such dispute amicably with the Bank, at which stage the Branch Union shall notify the Bank in writing of its intention to refer such matter to the Parent Union (the Ceylon Bank Employees' Union)
- (ii) The Parent Union (the Ceylon Bank Employees' Union) has intervened in the matter and has exhausted all forms of conciliation to resolve such dispute with the Bank and / or the Employers' Federation of Ceylon.
- (iii) In the event of there being no settlement at the level of conciliation aforesaid, the Parent Union has to give notice in writing of not less than fourteen (14) days of the fact that there has been no satisfactory settlement of the dispute and that it wishes to resort to trade union action. Such notice shall be given to the Bank, the Employers' Federation of Ceylon and to the Commissioner of Labour.

25. **Union Check-off Facilities.**– (i) During the continuance in force of this Agreement and provided the Union has not less than forty (40) per cent membership among the employees covered by this Agreement such employer shall continue to grant check-off, provided, however, that the Bank reserves the right to stop, suspend, or discontinue such facility in the event of the Union violating any of the provisions of this Collective Agreement.

26. **Implementation and Interpretation of this Agreement.**– (i) Where either the Union or the Bank are dissatisfied with the manner in which the Collective Agreement is being implemented or where there is a complaint regarding the adverse effects of computer technology change such matter shall be dealt with by a Monitoring Committee set up by the Bank. The Union shall make its own nominations for the purpose of meetings to be held with the Monitoring Committee. The Bank or the Union may request that the matter be placed before the Monitoring Committee by communication addressed to the Employers' Federation of Ceylon setting out the cause of complaint.

(ii) Any dispute over the interpretation of the Agreement shall be settled by voluntary arbitration under Section 3 of the Industrial Disputes Act, 1950.

27. **Consequences of Termination of Agreement.**– On the termination of this Agreement all terms, conditions, benefits, facilities and concessions enjoyed by the Union and/ or its members shall *ipso facto* cease.

Schedule I										
Salary Scales - Effective 1st April 2006										
Stage	Junior Officer		Grade IV		Grade III		Grade II		Grade I	
1	18,430		21,900		27,880		33,060		37865	
2	19,700		22,350		28,310		33,890		38735	
3	19,970		22,800		28,940		34,720		39605	
4	20,240		23,250		29,570		35,550		40475	
5	20,510		23,700		30,200		36,380		41345	
6	20,780		24,150		30,830		37,210		42215	
7	21,050		24,600		31,460		38,040		43085	
8	21,320		25,050		32,090		38,870		43955	
9	21,590		25,500		32,720		39,700		44825	
10	21,860		25,950		33,350		40,530		45695	
11	22,130	15	26,400	15	33,980	15	41,360	15	46565	17
12	22,400	X	26,850	X	34,610	X	42,190	X	47435	X
13	22,670	270	27,390	450	35,240	630	43,020	830	48305	870
14	22,940		27,930		35,870		43,850		49175	
15	23,210		28,470		36,500		44,680		50045	
16	23,480		29,010		37,130		45,510		50915	
17	23,840		29,550		37,850		46,340		51785	
18	24,200		30,090		38,570		47,170		52655	
19	24,560		30,630		39,290		48,000		53525	
20	24,920	15	31,170	30	40,010	15	48,830	15	54395	15
21	25,280	X	31,710	X	40,730	X	49,660	X	55265	X
22	25,640	360	32,250	540	41,450	720	50,490	900	56135	900
23	26,000		32,790		42,170		51,320		57005	
24	26,360		33,330		42,890		52,150		57875	
25	26,720		33,870		43,610		52,980		58745	
26	27,080		34,410		44,330		53,810		59615	
27	27,440		34,950		45,050		54,640		60485	
28	27,800		35,490		45,770		55,470		61355	
29	28,160		36,030		46,490		56,300		62225	
30	28,520		36,570		47,210		57,130		63095	
31	28,880		37,110		47,930		57,960		63965	
32			37,650						64835	
33			38,190						65705	
34			38,730							
35			39,270							
36			39,810							
37			40,350							
38			40,890							
39			41,430							
40			41,970							
41			42,510							
42			43,050							
43			43,590							
44			44,130							
45			44,670							
46			45,210							

12 A I කොටස: (I) පෙදිය - ශ්‍රී ලංකා ප්‍රජාතාන්ත්‍රික සමාජවාදී ජනරජයේ අති විශේෂ ගැසට් පත්‍රය - 2007.08.16

PART I: SEC. (I) - GAZETTE EXTRAORDINARY OF THE DEMOCRATIC SOCIALIST REPUBLIC OF SRI LANKA - 16.08.2007

In witness hereof parties have hereunto set their hands on this 22nd day of May Two Thousand and Seven.

For and on behalf of:
Habib Bank Ltd

Name : Nadeem Aslam

Designation : Operations Manager



For and on behalf of:
Ceylon Bank Employees' Union

Name : M.R. Shah

Designation : President

Witnesses : 1.

Signature

Name :

Designation :

2.

Signature

Name :

Designation :

08 - 1061

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 Employees' Union, No. 20, Temple Road, Colombo 10 of the other part on 24 th May, 2007 is hereby published in terms of Section 12 (6) of the Industrial Disputes Act, Chapter 131, Legislative Enactments of Ceylon (Revised Edition 1956).

D. SOMAWEERA EDIRISINGHE,
Commissioner-General of Labour.

Department of Labour,
Labour Secretariat,
Colombo 05.
25th July, 2007.

Memorandum of Settlement No. 23 of 2007

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

This Memorandum of Agreement between State Bank of India, Colombo having its office at No. 16, Baron Jayatilaka Mawatha, Colombo 1 (hereinafter referred to as "the Bank"), and the Ceylon Bank Employees' Union, Trade Union duly registered and having its registered office at No. 20, Temple Road, Colombo 10 (hereinafter referred to as "the Union"), entered into on this 24 th day of May Two Thousand and Seven, 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 1 st April, 2006 and terminating on the 31 st March, 2009. 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. 31 st of March, 2009. The Union however shall have the right to initiate negotiations for a revised Agreement at any time after 1 st October, 2008.

4. **Basic Salary.** - With effect from 1st April, 2006 the salary scales applicable to Assistant Managers and Deputy Managers shall be-

Assistant Managers	$\frac{\text{Rs. 19,790} - \text{Rs. 21,820}}{\text{Rs. 290} \times 7}$	$\frac{\text{Rs. 23,660} - \text{Rs. 30,060}}{\text{Rs. 320} \times 20}$
Deputy Managers	$\frac{\text{Rs. 21,280} - \text{Rs. 23,730}}{\text{Rs. 350} \times 7}$	$\frac{\text{Rs. 25,980} - \text{Rs. 33,000}}{\text{Rs. 390} \times 18}$

5. **Cost of Living Allowance.** - The Bank shall pay a cost of living allowance to employees with effect from 01.04.2006 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 20% of the gross salary (salary plus cost of living allowance) payable to an employee as at March 2006 shall be added to the salary of an employee as at such time.
- Every employee in employment as at the date of this Agreement shall also receive a further 2.5% increase calculated on the gross salary as at 31st March, 2006 with effect from the 1st April, 2007, and thereafter placed on the appropriate point on the scale in the Clause (4) above at the corresponding Rupee point or if there is no such corresponding point, on the next higher point of the said scale.
- Every employee in employment as at the date of this Agreement shall also receive a further 2.5% increase calculated on the gross salary as at 31st March, 2006 with effect from the 1st April, 2008 and thereafter placed on the appropriate point on the scale set out in Clause (4) above at the corresponding Rupee point or if there is no such corresponding point, on the next higher point of the said scale.

7. **Honorarium.** - For successful completion of each part of the Institute of Bankers Examination, Sri Lanka or London, an Employee shall receive a sum of Rs. 7,750/-.

8. **Bonus.** - (i) (a) Without prejudice to the claim of the Bank that bonus payments are *ex-gratia*, the Bank will each year pay to every employee covered by this Agreement a bonus of three months basic salary or two months gross salary as drawn by such employee for the month of December whichever is higher in respect of one complete year of service meaning January to December.

(b) In the event of an employee retiring from his services, bonus would be paid to him on a *pro-rata* basis.

- (ii) Gross salary for this purpose shall be the basic salary, cost of living allowance and the house rent allowance referred to at Clauses 4, 5 and 15 hereof.

09. **Provident Fund.** - (i) The rates of contribution to the Provident Fund by the Bank as from 1st April, 2006 shall be .-

Bank's contribution	-	12%
Employee's contribution	-	8%

For the purpose Provident Fund the basic salary, cost of living allowance and the house rent allowance will be taken into account.

- (ii) **INTEREST ON PROVIDENT FUND CONTRIBUTION HELD BY THE BANK.** - Where Provident Fund monies are invested in the Bank, the Bank shall continue to pay the rate of interest paid on 12 months' Fixed Deposits for a sum of Rs. 100,000/- published by the National Savings Bank prevailing as at the 1st January each year on the net Provident Fund monies invested at the Bank.

- (iii) **DEFICIENCY IN BANK'S CONTRIBUTIONS TO PROVIDENT FUND TO AN EMPLOYEE NOT ENTITLED TO A PENSION.** - Where an employee shall cease to be employed by the Bank in circumstances which do not entitle him to pension or payment in lieu of pension as the case may be, such employee shall be entitled to the difference between the Bank's contributions made to the Fund during his period of service and the employer's minimum rate of contribution he would have been entitled to, in terms of the Employees' Provident Fund Act and its amendments from time to time as a contribution to the Fund by the employer on behalf of such employee. Such deficiency will be the difference between the following minimum rates of contribution under the Act and 10% of basic salary actually contributed by the Bank.

From 01.01.1971 to 31.12.1980	-	9% of gross salary (basic and cost of living allowance)
From 01.01.1981 to 31.12.1992	-	12% of gross salary (basic and cost of living allowance)

Prior to 31.12.1970 the employer's minimum rate of contribution was 6% of total earnings (gross salary) which was less than 10% of basic salary and therefore no deficiency arises.

10. **Terminal Benefits.** - (i) **PENSIONS.** - An employee shall, upon reaching the age of retirement i.e., 55 years and who is in the permanent employment of the Bank at such time, and shall have completed not less than 10 years of actual continuous service (excluding absence / leave without pay), be entitled to a pension computed on the following basis :

Number of completed years of service (Maximum 35 years) + 5		Monthly basic salary plus Cost of Living Allowance payable for the month of retirement plus house rent allowance
55	×	

- (ii) **COMMUTED PENSION.** - (a) At the option of the employee at the time of retirement on or after the effective date 25% of the monthly pension × 120 will be paid to employees who are entitled to a pension, who do not opt for a lump sum payment as provided for in the Settlement and who opt for such commuted pension.

- (b) Where an employee commutes his monthly pension in the manner aforesaid, the monthly pension payable to him during the first ten years of retirement will be 75% of the monthly pension he would have been entitled to at the time of retirement if he had not so commuted his pension. After the expiry of the said ten years the amount of the monthly pension so commuted will be restored and added to the monthly pension then being paid.

- (c) **RETIREMENT.** - (a) The age of retirement shall be 55 years and on reaching the age of 55 and employee shall *ipso facto* retire and cease to be employed by the Bank and there shall be no obligation on the Bank to give such employee any notice of such retirement.

- (b) An employee may also be retired and be eligible for retirement benefits if he is not less than 50 years and has ten or more years of confirmed service in the Officer Grade, subject to mutual agreement between the employee and the employer and subject to the condition that the refusal by any party to agree to such premature retirement shall not constitute an industrial dispute.

- (c) **PREMATURE RETIREMENT ON MEDICAL GROUNDS/ DISABILITY.** - An employee who is found to be unable to continue to perform his duties as a result of infirmity/ disability, as certified by the Bank's Doctor/

Medical Specialist / Government Medical Board, and who is in the permanent employment of the Bank at such time, and shall have completed not less than 10 years of actual continuous service (excluding absence/ leave without pay) shall be entitled to a pension computed on the same basis referred to at Clause 10 (i) above. Provided however that where an employee is entitled to compensation by the Bank under any laws in force at the time or an award of Court, such employee shall only be entitled to a pension or such compensation as opted by him but not both. Provided further that in the case of an employee whose premature retirement occurred in consequence of an accident which entitled him to compensation, the pre-acceptance of pension as provided herein will not restrict the right of such employee in subsequently claiming any balance compensation under any written law. The entitlement to a pension under this provision shall be forfeited in the event of the employee concerned accepting employment elsewhere and the Bank shall have no obligation to make any further payment to him. Before taking action to stop the payment of pension the Bank will give the Pensioner two calendar months notice to explain why the pension should not be withdrawn as a result of him obtaining employment elsewhere. The Bank's decision thereafter will be final.

11. **Lump Sum Gratuity in Lieu of Pension** .- An employee who is entitled to receive a pension in terms of 10 (i) above or 10 (ii) above may at his discretion opt for the payment of a lump sum gratuity in lieu of his pension and any other payments arising therefrom. The payment will be computed on the following basis :

Number of completed years service (Maximum 35 years) + 5	x	Monthly basis Salary plus Cost of Living Allowance payable for the month of retirement plus House Rent Allowance
--	---	--

The above payment shall constitute a settlement in full and final satisfaction of all claims against the Bank on account of the cessation of employment in respect of gratuity, Pension, deficiency if any, in the Bank's contribution to Provident Fund to an employee not paid a pension in terms of Clause 10.

12. **Death Gratuity**.- On the death of an employee who has been confirmed and is in the permanent employment of the Bank, the Bank will make a compassionate payment of two months, gross salary for each year of completed service subject to a minimum of nine months' gross salary to the legitimate dependents of the deceased employee, as may be determined by the Bank at its sole discretion on the basis of information supplied to it. . The gross salary for this purpose shall be the last drawn basic salary plus the cost of living allowance plus the house rent allowance. Provided however that in the event of death arising out of and in the course of employment the dependents shall be entitled to and receive either the death gratuity referred to herein or payment by way of compensation under any laws in force at the time on account of employees' compensation or under any other Law or an Award of Court, whichever is higher.
13. **Gratuity on Resignation/ Termination Prior to Retirement** .- An employee resigning from employment prior to reaching the age of retirement or his services are terminated, he would be paid gratuity as per The Payment of Gratuity Act No. 12 of 1983. House Rent Allowance will not form part of the salary for purpose of computing gratuity.
14. **Conveyance Allowance** .- The Bank agrees to pay reimbursement of conveyance to employees covered and bound by this Agreement which payment shall be subject to the prevailing practice.
- | | | |
|-----------------------------|---|------------------|
| With effect from 01.04.2006 | - | Rs. 3,869/- p.m. |
| With effect from 01.04.2007 | - | Rs. 3,949/- p.m. |
| With effect from 01.04.2008 | - | Rs. 4,030/- p.m. |
15. **House Rent Allowance** .- Each employee covered by this Settlement shall receive 20% of his basic salary mentioned in Clause (4) above by way of House Rent Allowance subject to a maximum of the following amounts during the period of the Agreement.
- | | | | | |
|-----------------|---|--------------|---|------------|
| From 01/04/2006 | - | 31/ 03/ 2008 | - | Rs. 4650/- |
|-----------------|---|--------------|---|------------|
16. **Closing Allowance** .- The Bank shall pay Rs. 1,250/- as closing allowance to those officials connected with the annual closing work immediately after the close of the Bank's financial year.
17. **Officiating/ Acting Allowance** .- A supervising official in the grade of Assistant Managers will be entitled for the payment of officiating/ acting allowance at Rs. 1000/- per mensem whenever he/ she is called upon to perform duties of higher ranks/ grades. However, special allowance, if any drawn in the lower grade will not be payable to such officials during the officiating period.

18. **Out - of - Pocket Allowance/ Working on Holidays** .- It was agreed between the parties that Assistant Managers and Deputy Managers in the Bank if called upon to work on holidays will be paid Rs. 750/- if they work up to 4 hours and Rs. 125/- for every additional hour.

19. **Medical Benefits**. - The existing medical benefits available to the employees of the Bank would continue subject to the following:

- (a) All medical expenses should be supported by prescriptions by a qualified Medical practitioner and supported by bills and receipts for reimbursement.
- (b) **SPECTACLES, DENTURES AND HEARING - AIDS**. - The Bank will reimburse an employee on a non - cumulative basis up to a maximum of Rs. 5,500/- for each of the above referred items and the facility would be available once in three years. In the case of spectacles, bills and receipts submitted for re - imbursement must be supported by prescription from a Medical Eye Specialist.

20. **Leave.** -

(a) **ANNUAL LEAVE :**

(i) **ENTITLEMENT :**

In respect of each year of employment (which means the period January to December) during which an employee has been in continuous employment, he shall be entitled to take in the following year 21 working days paid leave, subject to the conditions in sub - clause (iii) hereof.

(ii) At the end of the first year of employment the employee qualifies for proportionate leave as follows :

- (a) The full annual leave of 21 days if his employment commenced on or after 1 st January but before 1 st April ;
- (b) Leave of 15 days if his employment commenced on or after 1 st April but before 1 st July;
- (c) Leave of 11 days if his employment commenced on or after 1 st July but before 1 st October ;
- (d) Leave of 6 days if his employment commenced on or after 1 st October.

(iii) **AVAILMENT :**

- (a) The availment of annual leave shall be by prior authorization of the Bank upon the employee's application, giving sufficient notice to the Bank so as to ensure availment at times mutually convenient.
- (b) An employee shall avail himself of not less than 14 days of his annual leave in respect of each year subject to the eligibility of leave.
- (c) An employee shall avail himself of at least 7 working days of the 21 days consecutively subject to the eligibility of leave.

(iv) **ACCUMULATION :**

Annual leave may be accumulated by an employee exclusively for the following purposes :

- (a) Of availment in full, immediately preceding retirement by mutual arrangement with the Bank.
- (b) For the purpose of attending on a family member who is seriously ill or on the occasion of death of a family member.
- (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 third and fourth 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.

- (v) An employee who has an accumulated leave of more than 90 days at present, shall bring it down to 90 days by availment of/ encashing it, within a reasonable time.

(a) MEDICAL LEAVE :

(i) ENTITLEMENT :

An employee shall be entitled to not less than twenty four (24) days leave exclusive of weekly or other holidays in any one year, in case of sickness on full pay, subject to the conditions in sub-clause (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.

(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 follow or precedes any weekly or other holiday 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/ her suspension 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 request 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 warning 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 againsts 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 entitlements 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 reason 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 defending 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 an 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 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 the 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 a domestic inquiry and the punishment if any imposed by the Bank shall be final and binding on the Bank, 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 takes 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), (i) and (j) 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 AGREEMENT :

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 hereof the parties have hereunto set their hands on this 24th Day of May Two Thousand and Seven.


For and On behalf of
State Bank of India



For and On behalf of
Ceylon Bank Employees' Union


Name: B. MAHAPATAA

Name: M. R. SHAH

Designation: Chief Executive Officer.

Designation: PRESIDENT

WITNESSES:

1. 

2. 

Name: W. M. K. L. Weerasinghe

Name: LAKMINI GODIGAMUW

Designation: Deputy Director - General
Etc.

Designation: ASST. MANAGER
PRESIDENT - SBI
BRANCH UNION.

My No.: CI / 975.

THE INDUSTRIAL DISPUTES ACT, CHAPTER 131

THE Collective Agreement entered into between Ace Containers (pvt.) Limited, No. 305, Vauxshall Street, Colombo 02 of the one part and Ceylon Mercantile Industrial and General Workers' Union(CMU), No. 03, 22 nd Lane , Colombo 03 of the other part on 05th April, 2007 is hereby published in terms of Section 06 of the Industrial Disputes Act, Chapter 131, Legislative Enactments of Ceylon (Revised Edition 1956).

D. SOMAWEERA EDIRISINGHE,
Commissioner - General of Labour.

Department of Labour,
Labour Secretariat,
Colombo 05.
30th July 2007.

Collective Agreement No. 24 of 2007

AGREEMENT

Agreement entered into on this 5th day of April 2007 between the Ace Containers (pvt.) Limited, herein after referred to as "the Employer" and the Ceylon Mercantile, Industrial & General Worker's Union (CMU) hereinafter referred to as "the Union".

WHEREAS the Union made certain proposals to the Employer for the revision of salaries and other terms and conditions of employment of their members employed by the Employer and parties have after negotiations agreed to the following :

1. The terms of this Agreement shall apply to and cover and bind the Employer, the Union and members of the Union who as at the date of signing this Agreement are employed by the Employer or may during the pendency of this Agreement be employed in a manual category for whom salary scales have been provided in Schedule I hereof.
2. The provisions this Agreement shall take effect from 1st April 2007 and shall continue to operate unless terminated by either party with one month's written notice to the other provided, however, that neither party shall give such notice prior to the 28th February 2009 and the Agreement shall not stand terminated until 31st March 2009.
3. It is hereby agreed that the salaries of the employees covered by this Agreement will be revised as follows:-
 - (i) To ascertain the salary payable to an employee with effect from 01.04.2007 the Employer shall add to the monthly salary of each employee as at October 2006 a sum equal to 15% of same.
 - (ii) Further more, the employer also agrees to consolidate 100 points (Rs.200/-) from the Non Recurring Cost of Living Gratuity (NRCLG) and add the said amount to the salaries of employees with effect from 1st April 2007. The said consolidation will be taken into account in making Payment of arrears with regard to NRCLG.
 - (iii) Each employee shall thereafter be placed on the corresponding point in the scales set out in Schedule I hereof in the grade applicable to such employee. If there is no corresponding point the employee will be placed on the next higher point.
 - (iv) At the expiry of the twelve month period commencing from the 1st November 2007 the scales of consolidated salaries set out in Schedule I hereto shall be revised by addition to and consolidation with the salary at each stage of each grade of an amount in rupees equal to the number of complete points by which the Colombo Consumer's Price Index figure has increased during such twelve month period multiplied by 2 and the salary payable to each employee under this Agreement shall accordingly be increased by a like amount as from the 1st of November 2007.
 - (v) At the expiry of each twelve month period commencing from the 1st November 2007 the scales of consolidated salaries revised in the manner prescribed above shall be revised in like manner as from the 1st of November of the succeeding year during the continuance in force of this Agreement.

4. **Notional Arrears.** - By way of notional arrears it has been agreed to make payment of a lump sum equivalent to the 15% revision multiplied by 3 to all employees. This payment however will not attract EPF, ETF benefits.

5. *Non- Recurring cost of Living Gratuity.-*

- (i) As the scales of consolidated salaries set out in the First Schedule hereto have been fixed on the basis of the Colombo Consumers' Price Index being 3830 an Employee shall be entitled to receive and the Employer shall be liable to pay a non - recurring cost of living gratuity to Employees in service in November each year in respect of the proceeding twelve months (i.e. 1 st November to 31st October hereinafter referred to as the "qualifying period") commencing from the 1 st of November 2006 ascertained in accordance with the under noted Formula.

THE FORMULA : If the average of the Colombo Consumer's Price Index for the qualifying period exceeds 3830 a sum computed at Rupees two (Rs.2/-) for each complete point (i.e.1.0) by which such average exceeds 3830 in respect of each month of service during the qualifying period.

- (ii) When at the expiry of each twelve month period commencing from the 1st November 2007 the scales of consolidated salaries have been revised in the manner set out in Clause 3 (iv) & (v) above, the base index figure in the Formula for purposes of calculating the non - recurring cost of living gratuity shall thereafter be increased by the number of points by which the Colombo Consumers' Price Index has risen during each twelve month period as specified in Clause 5 (i) hereof.
- (iii) The non-recurring cost of living gratuity shall be payable by the Employer to an Employee who is eligible to receive the same by virtue of his service under the Employer during a part of the qualifying year by reason of the fact that he is not in the Employer's service when the non-recurring cost of living gratuity becomes due in November of any year or he joined the Employer's service during the course of the qualifying year.

6. The employer, union and the employees covered and bound by this Agreement undertake that they shall not during the continuance of this Agreement attempt to or seek to vary in any manner any of the terms and conditions agreed upon herein and shall not resort to any form of trade union action in relation to any dispute connected with or arising out of any matter covered by this Agreement.

In witness hereof parties have set their hands on this Fifth day of April Two Thousand and Seven.

For and on behalf of
Ace Containers (Pvt) Ltd

Name: N. P. NALLARATNAM

Designation: MANAGING DIRECTOR

For and behalf of The Ceylon Mercantile,
Industrial & General Workers' Union
(CMU)

Name: Belal Janfor

Designation: General Secretary

Witnesses:

1. Name: JUDE JOSEPH

Designation: DIRECTOR

2. Name: K. P. P. P. P.

Designation: 2007/04/05

Ace Containers (Pvt) Ltd

Engineering Trade

Salary scales for the period 1/04/2007 to 31/10/2007

Cost of living index figure 4130 (Consolidation 100 points)

	65	80	100	125
STAGE	Un skilled	Semi skilled	Skilled	Charge Hand
1	12,085.63	12,305.87	12,526.12	12,819.79
2	12,150.63	12,385.87	12,626.12	12,944.79
3	12,215.63	12,465.87	12,726.12	13,069.79
4	12,280.63	12,545.87	12,826.12	13,194.79
5	12,345.63	12,625.87	12,926.12	13,319.79
6	12,410.63	12,705.87	13,026.12	13,444.79
7	12,475.63	12,785.87	13,126.12	13,569.79
8	12,540.63	12,865.87	13,226.12	13,694.79
9	12,605.63	12,945.87	13,326.12	13,819.79
10	12,670.63	13,025.87	13,426.12	13,944.79
11	12,735.63	13,105.87	13,526.12	14,069.79
12	12,800.63	13,185.87	13,626.12	14,194.79
13	12,865.63	13,265.87	13,726.12	14,319.79
14	12,930.63	13,345.87	13,826.12	14,444.79
15	12,995.63	13,425.87	13,926.12	14,569.79
16	13,060.63	13,505.87	14,026.12	14,694.79
17	13,125.63	13,585.87	14,126.12	14,819.79
18	13,190.63	13,665.87	14,226.12	14,944.79
19	13,255.63	13,745.87	14,326.12	15,069.79
20	13,320.63	13,825.87	14,426.12	15,194.79
21	13,385.63	13,905.87	14,526.12	15,319.79
22	13,450.63	13,985.87	14,626.12	15,444.79
23	13,515.63	14,065.87	14,726.12	15,569.79
24	13,580.63	14,145.87	14,826.12	15,694.79
25	13,645.63	14,225.87	14,926.12	15,819.79
26	13,710.63	14,305.87	15,026.12	15,944.79
27	13,775.63	14,385.87	15,126.12	16,069.79
28	13,840.63	14,465.87	15,226.12	16,194.79
29	13,905.63	14,545.87	15,326.12	16,319.79
30	13,970.63	14,625.87	15,426.12	16,444.79
31	14,035.63	14,705.87	15,526.12	16,569.79
32	14,100.63	14,785.87	15,626.12	16,694.79
33	14,165.63	14,865.87	15,726.12	16,819.79
34	14,230.63	14,945.87	15,826.12	16,944.79
35	14,295.63	15,025.87	15,926.12	17,069.79
36	14,360.63	15,105.87	16,026.12	17,194.79
37	14,425.63	15,185.87	16,126.12	17,319.79
38	14,490.63	15,265.87	16,226.12	17,444.79
39	14,555.63	15,345.87	16,326.12	17,569.79
40	14,620.63	15,425.87	16,426.12	17,694.79
41	14,685.63	15,505.87	16,526.12	17,819.79
42	14,750.63	15,585.87	16,626.12	17,944.79
43	14,815.63	15,665.87	16,726.12	18,069.79
44	14,880.63	15,745.87	16,826.12	18,194.79
45	14,945.63	15,825.87	16,926.12	18,319.79
46	15,010.63	15,905.87	17,026.12	18,444.79
47	15,075.63	15,985.87	17,126.12	18,569.79
48	15,140.63	16,065.87	17,226.12	18,694.79
49	15,205.63	16,145.87	17,326.12	18,819.79
50	15,270.63	16,225.87	17,426.12	18,944.79

Ace Containers (Pvt) Ltd

Motor Transport Trade

Salary scales for the period 1/04/2007 to 31/10/2007

Cost of living index figure 4130 (Consolidation 100 points)

	80	100
STAGE	Class C	Class D
1	12,305.87	12,526.12
2	12,385.87	12,626.12
3	12,465.87	12,726.12
4	12,545.87	12,826.12
5	12,625.87	12,926.12
6	12,705.87	13,026.12
7	12,785.87	13,126.12
8	12,865.87	13,226.12
9	12,945.87	13,326.12
10	13,025.87	13,426.12
11	13,105.87	13,526.12
12	13,185.87	13,626.12
13	13,265.87	13,726.12
14	13,345.87	13,826.12
15	13,425.87	13,926.12
16	13,505.87	14,026.12
17	13,585.87	14,126.12
18	13,665.87	14,226.12
19	13,745.87	14,326.12
20	13,825.87	14,426.12
21	13,905.87	14,526.12
22	13,985.87	14,626.12
23	14,065.87	14,726.12
24	14,145.87	14,826.12
25	14,225.87	14,926.12
26	14,305.87	15,026.12
27	14,385.87	15,126.12
28	14,465.87	15,226.12
29	14,545.87	15,326.12
30	14,625.87	15,426.12
31	14,705.87	15,526.12
32	14,785.87	15,626.12
33	14,865.87	15,726.12
34	14,945.87	15,826.12
35	15,025.87	15,926.12
36	15,105.87	16,026.12
37	15,185.87	16,126.12
38	15,265.87	16,226.12
39	15,345.87	16,326.12
40	15,425.87	16,426.12
41	15,505.87	16,526.12
42	15,585.87	16,626.12
43	15,665.87	16,726.12
44	15,745.87	16,826.12
45	15,825.87	16,926.12
46	15,905.87	17,026.12
47	15,985.87	17,126.12
48	16,065.87	17,226.12
49	16,145.87	17,326.12
50	16,225.87	17,426.12