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No. 1645/30 – THURSDAY, MARCH 18, 2010

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## PART I : SECTION (I) – GENERAL Government Notifications

My No. : CI/ 1260.

### THE INDUSTRIAL DISPUTES ACT, CHAPTER 131

THE Collective Agreement entered into between the Hatton National Bank PLC, No. 479, T. B. Jayah Mawatha, Colombo 10 of the one Part and Ceylon Bank Employees' Union, No. 20, Temple Road, Colombo 10 of the other Part on 13th November, 2009 regarding the Junior executives is hereby published in terms of Section 06 of the Industrial Disputes Act, Chapter 131, of the Legislative Enactments of Ceylon (Revised Edition 1956).

W. J. L. U. WIJAYAWEERA,  
Commissioner-General of Labour.

Department of Labour,  
Labour Secretariat,  
Colombo 05.  
08th March, 2010.

### Collective Agreement No. 19 of 2010

This Collective Agreement Made this 13th day of November 2009 between Hatton National Bank PLC, a Bank duly registered in Sri Lanka and having its registered Office at 479, T. B. Jayah Mawatha, Colombo 10 (hereinafter referred to as “the Bank”) of the One Part and

The Ceylon Bank Employees' Union (Union), a Trade Union duly registered in Sri Lanka and having its registered office at 20, Temple Road, Colombo 10 (hereinafter referred to as “the Union”) of the Other Part

WHEREAS the Union submitted proposals for a revision of salaries and other benefits in respect of their members among the employees covered and bound by this Collective Agreement and subsequent to negotiations between the Bank and the Union, agreement has

now been reached between the said two parties for the purpose of ensuring better employee terms and conditions, cooperation between the Bank, the Union and the employees and maintaining an efficient and productive working environment, the matters so agreed upon are set out hereunder.

1. **Parties to be Covered and Bound.**— This Agreement shall cover and bind Hatton National Bank PLC (“the Bank”), the Ceylon Bank Employees’ Union (Union) and members of the Union employed by the Bank in the category of Junior Executives (hereinafter referred to as ‘the employees’) for whom salary ranges have been prescribed in this Agreement.

2. **Date of Operation and Duration.**— This Agreement shall come into force on the 1st April 2009 and shall continue until either party terminates it by written notice in terms of the Industrial Disputes Act but no such notice shall be given before the 31st March 2012. The Union shall, however, have the right to commence negotiations for a revised Collective Agreement at any time on or after 1st July 2011.

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

4. **Matters Covered and Bound.**—

- (a) This agreement shall be in full and final settlement of all matters covered herein as well as of all the matters raised by the Union and in respect of which negotiations took place between the parties before the conclusion of this Agreement and the Union agrees that it will not during the continuance in force of this Agreement raise any of the matters which were discussed and negotiated between the parties preceding this Agreement except to the extent agreed.
- (b) The Union and its members shall not during the continuance in force of this Agreement seek to vary, alter or add to all or any of the terms and conditions of employment or benefits presently applicable or enjoyed as provided for in this Agreement other than by mutual agreement with the Bank.

5. **Consolidated Salary . -**

- (a) With effect from 1st April 2009, each employee covered and bound by this Agreement shall be paid salaries in accordance with the salary ranges prescribed hereunder.

Junior Executive Grade 1 - Rs. 41,000/- to Rs. 80,000/-  
 Junior Executive Grade 2 - Rs. 44,000/- to Rs. 94,000/-  
 Junior Executive Grade 3 - Rs. 50,000/- to Rs. 100,000/-

- (b) Annual increments will be based on performance in accordance with the performance appraisal scheme of the Bank subject to a minimum increment of a sum equal to 2% p.a. of an employee’s salary subject to the condition that those who are rated as “Poor” will not receive any increment.
- (c) The scale of rating under the performance appraisal scheme to determine levels of performance of employees for the grant of annual increments will be as given below.

Outstanding :	1 - 1.9 -	Achievement of not less than 90%
Good :	2 - 2.9 -	Achievement between 80% and 90%
Satisfactory :	3 - 3.9 -	Achievement between 60% and 80%
Average :	4 - 4.9 -	Achievement between 50% and 60%
Poor :	5 -	Below 50%

6. **Conversion to Revised salaries with effect from 1st April 2009.**— For the placement of an employee in the salary range as set out at clause (5) above with effect from 1st April 2009, the following provisions shall apply.

- (i) A sum equal to 18% of the basic salary payable to an employee as at March 2009 shall be added to the basic salary paid to each employee in the month of April 2009.

7. **Incremental Date.**— The annual incremental date will be 1st April.

8. **Fuel Allowance.**— Employees will be entitled to receive a conveyance/fuel allowance in accordance with the amounts stated below.

Junior Executive Grade 1 - a sum equal to 55 litres of petrol per month

Junior Executive Grade 2 & 3 - a sum equal to 80 litres of petrol per month

9. **Holiday Allowance.**— (a) The Bank shall pay a lump sum allowance in accordance with the amounts stated below.

Junior Executive Grade 1 & 2 - Rs. 25,000/- p.a.

Junior Executive Grade 3 - Rs. 27,500/- p.a.

(b) In the case of an employee promoted during the course of a year, the payment for a period of service less than a completed calendar year will be computed proportionately at the rate of 1/12 th of such entitlement in respect of each completed month of service.

10. **Special Payments.** -

(a) **Tea & Dinner Allowance.**— Employees will be paid for work outside normal working hours on a normal working day as follows :

1 hour - Rs. 150/-

Up to 1 1/2 hours - Rs. 225/-

Up to 2 hours - Rs. 300/-

Up to 2 1/2 hours - Rs. 375/-

Up to 3 hours - Rs. 450/-

Up to 3 1/2 hours - Rs. 525/-

4 hours & above would be at the rate of Rs. 150/- for one full hour.

(b) **working on Holidays.**— Where an employee works on a holiday he will be paid a sum of Rs. 250/- for each completed hour so worked.

(c) **Disturbance Allowance.**—

(i) Employees reporting for work prior to 7.00 a. m. will be paid a sum of Rs. 700/- in respect of such day

(ii) Employees required to perform work in relation to ATM breakdowns during non working hours including weekends and other holidays will also be entitled to a payment of Rs. 700/- in respect of each such instance.

(d) **Pawning.**— Employees engaged in duties relating to the pawning of articles in the Bank will receive an allowance of Rs. 125/- per day subject to a maximum allowance of Rs. 2,000/- per mensem.

11. **Bonus.**— Without prejudice to the claim of the Bank that bonus payments are *ex-gratia*, the Bank will each year pay to every employee in service as at the date of payment covered by this Agreement a bonus of three months basic salary as drawn by such employee for the month of December in respect of one complete year of service, meaning January to December and proportionately for service less than one year at the rate of one-twelfth of such entitlement in respect of each complete month of service.

12. **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 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 on 12 months' fixed deposits for a sum of Rs. 100,000/= published by the N.S.B or HNB whichever is higher prevailing as 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 the Bank.

- (c) 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 a 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 up to 31 st March 1992.

From 01.01.1971 to 31.12.1980	-	9% of gross salary
From 01.01.1981 onwards	-	12% of gross salary

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.

13. **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 month's basic 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 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.

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.

14. **Gratuity on Resignation/ Termination Prior to Retirement.**- An employee shall, upon resignation/ termination of employment prior to retirement in circumstances which do not entitle him to the terminal benefits referred to at the aforementioned Clauses be entitled to a gratuity computed in terms of the Payment of Gratuity Act (1983), which shall be paid within 30 days of the cessation of employment.

The salary for this purpose shall comprise the salary referred to at Clause 5.

Completed years of actual service shall include only actual continuous service worked excluding absence/ leave without pay, but subject to the provisions of the Payment of Gratuity Act (1983) and Clause 20 thereof.

#### 15. **Promotions.** -

**Grade I.-** (a) Any employee promoted to the grade of Junior Executive from the Grade of Banking Assistant will be entitled to an addition of Rs. 1,000/- to his last drawn gross monthly salary as a Banking Assistant and he shall thereafter be placed within the salary range for junior Executives as provided for at clause (5) above. His salary and other entitlements will thereafter be in accordance with the provisions of this agreement.

- (b) On promotion, an employee will serve a period of probation of 06 months. This period shall be extendable by a period of 3 months. An employee who does not reach the required level for confirmation will be reverted to the post from which he was promoted.

#### **Grade II**

- (a) A junior Executive with 3 year's service in grade 1, with a good all round record of service and has successfully completed at least Part 1 of the examination conducted by the Institute of Bankers, will be promoted to Grade 2 in the Junior Executive grade.
- (b) A Junior Executive in Grade I who is not eligible for promotion to Grade 2 in terms of (a) above, will be considered for promotion to Grade 2 subject to completion of 5 year's service in Grade 1 and a good all round record of service.
- (c) A Junior Executive in Grade 1 shall on promotion to Grade II receive an increase of Rs. 2,000/- in his monthly basic salary with effect from the date he is so promoted.

**Grade III.-** Following principles shall apply to the promotion of an employee from Grade II to Grade III

- (a) An employee who is eligible under following criteria (b) will be considered for promotion to Grade III subject to an application being made by the employee.
- (b) An employee eligible to make such application will be.-
  - (i) A Junior Executive with 3 years service in **Grade II**, with a good all round record of service and has successfully completed at least Part I of the examination conducted by the Institute of Bankers.
  - (ii) A Junior Executive in **Grade II** who is not eligible for promotion to **Grade III** in terms of (i) above, will be considered for promotion to **Grade III** subject to completion of 5 year's service in **Grade II** and a good all round record of service.
  - (iii) A Junior Executive in **Grade II** shall on promotion to **Grade III** receive an increase of Rs. 3,000/- in his monthly basic salary with effect from the date he is so promoted.
- (c) An employee will be considered for promotion from the first date of the month succeeding the month in which the application is made.

**16. Annual Leave, 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) 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.
- (iii) 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 purpose 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.

Provided also that such accumulation will be restricted up to a maximum of seven (7) days per year and provided further that such total accumulation shall be restricted to a maximum of ninety (90) 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.**- 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 any in one year any in 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 hospitalizations, 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 . 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.

#### 17. **Retirement.** -

- (a) The age of retirement shall be 55 years, or any other age mutually agreed to between the bank and its employees, and on reaching the age of 55, or any other age mutually agreed upon, 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.
- (c) An employee who is found to be unable to continue to perform his duties as a result of infirmity/ disability, as certified by the Banks/ 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) is entitled to a pension or any other superannuation scheme introduced by the Bank in lieu of Pension. 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 to 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 preacceptance of pension or a benefit under any other superannuation scheme introduced by the Bank in lieu of such pension as provided herein will not restrict the right of such employee in subsequently claiming any balance compensation under any written law.

#### 18. **Suspension.** -

- (a) Where an employee is suspended pending a disciplinary inquiry on investigations, he will, subject to the provisions of Sub-clauses (b) and (c) 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.

- (b) Where the suspension is on account of charges involving financial dishonesty such as a 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.
- (c) 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.

19. **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 (k) (iii) 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 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) or a central Committee member of the Union employer in the bank 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 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 threat, 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. 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 inquiring Officer. In respect of any document marked at an inquiry, the Bank will release copies of such documents to the Union with

the proceedings, provided however, that the Bank may refuse to release any such documents provided such documents in its opinion are of a confidential nature.

- (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, the 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 expire 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 purposes to warn an employee, but without prejudice to the Union 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 and 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 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 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 investigations 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.

## 20. *Medical Scheme. -*

- (i) **REIMBURSEMENT OF MEDICAL EXPENSES FOR NON-HOSPITALISATION EXPENSES.**- The Bank will reimburse an employee up to a maximum of Rs. 25, 000/= in respect of medical expenditure incurred by him on his own behalf, on behalf of his spouse or unmarried legitimate children under the age of 18 and the parents of the employee in respect of routine non-hospitalisation/ non - surgical and specialist treatment, and subject to the following :
  - (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.

- (c) The unutilised portion of the allocation for the year could be utilised during a period of three years subject to valid bills being submitted as aforesaid.
- (ii) The Bank will further reimburse a sum up to a maximum of Rs. 7,500/= on a non cumulative basis for Medical Reports in respect of a Annual Health Checkup only for the employees over 40 years of age subject to the following.
- (a) The entitlement could be utilized only once in 12 months.
- (b) The medical tests specified in the Annexure I must be carried out concurrently to be entitled for reimbursement. No part reimbursements will be made.
- (c) The Claim Form accompanying the bills should be forwarded to the Centralized Payroll Division, Head Office for payment.
- (iii) **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 as stipulated below for specific purposes as mentioned hereinafter on behalf of the employee and not on behalf his family members.
- (a) Spectacles - Rs 12, 500/-
- (b) Dentures and nerve Fillings - Rs 8, 000/-
- (c) Hearing Aids - Rs 8,000/-

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 it must be supported by a prescription from a Medical Eye Specialist. In case of Spectacles an employee is also entitled to replace the lenses only within the overall limit of Rs. 12,500/- . Provided further however, in the case of employees over the age of 50 years, a claim for spectacles may be allowed once in two years.

- (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 and 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) Hospital or Nursing Room Charges :  
Daily limit - Standard A/ C Room charge per day  
Government Hospital Allowance Rs 1,000 per day
- (b) Emergency Treatment Travel expenses (maximum) - Rs 2, 000/-  
\* The rate is Rs 30/- per Kilometer
- (c) Overall Limit for any one event - Rs 120, 000/-
- (d) Overall limit for any one year - Rs 160, 000/-

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

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

(v) Maternity Grant

- (i) An employee who is married will be entitled to a grant of Rs 12,000/- in respect of two births of children. If both spouses are employed in the Bank only one shall be entitled to this grant.
- (ii) In the case of reimbursement under surgical and hospitalisation expences, for maternity, an employee shall not be entitled to the grant in terms of (i) above.

21. *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 amicably 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 General of Labour.

22. **Union Check-off.** - 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 the Bank 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 in relation to the Bank.

23. *Release of parent Union/ Branch Union Office Bearers .* -

- (a) The Bank shall, at its discretion, permit the release of not more than two Branch Union Office Bearers on any one occasion with pay to attend conferences at the Employers Federation of Ceylon, Labour Department inquiries before the Labour Tribunals, Arbitrators or Industrial Courts and for discussions with the Management with regard to a dispute between the Union and/ or its members and the Bank.
- (b) It is agreed that Central Committee Members of the Union will be permitted to leave at 12.30 p.m. on 12 days in a year for meetings. In the case of outstation Central Committee Meetings, they would be permitted leave for the whole day for 12 Central Committee Meetings in a year.
- (c) The Bank shall permit branch union office bearers or the Central committee members of the branch union employed by the bank paid leave to visit outstation branches calculated on the basis of a day's leave available for each such branch, i.e., if there are X branches the total number of days paid leave available shall also be X. For this purpose an outstation Branch is one situated more than 30 miles from Colombo. The release of Central committee members or branch union office bearers shall not exceed six employees at any given time in terms hereof and/ or under any other Agreement between parties.
- (d) The Bank agrees to release once every 02 years for the Delegates Conference of the Union all such delegates in the employment of the Bank up to a maximum of 01 day provided however, that the number to be released shall be discussed and agreed between the branch union and the management and such release will not result in a disruption to the operations of the Bank.
- (e) Office bearers of the Parent Union or the Branch Union shall be released for Union work without payment of any salary, allowance or any other payment of whatever nature on the following basis.

- (a) The total number of Office Bearers so released in terms of this Agreement or any other Agreement shall not exceed one.
- (b) No employee shall be released for more than two years on a single occasion during a period of six years.
- (c) 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 relating to terminal benefits.
- (f) It is agreed that a day's paid leave shall be granted on two occasions per year to central committee members to attend Parent Union General Council meetings.
- (g) It is agreed that Executive Committee members will be released at 3.00 p. m for meetings of the Executive Committee of the Union. These meetings will not usually be more than on a monthly basis.

**24. Implementation and Interpretation of this Agreement. -**

- (a) 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 consisting of two representatives from the Bank and two representatives from the Union. The Bank or the Union may request that a matter be placed before the Monitoring Committee by communication addressed to the Employers' Federation of Ceylon setting out the cause of complaint.
- (b) Any dispute over the interpretation of the Agreement shall be settled by voluntary arbitration under Section 3 of the Industrial Disputes Act, 1950.

**25. 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.

**26. Definitions. -** In this Agreement unless the context otherwise requires, the following words and phrases shall have the following meanings.

Bank	Hatton National Bank Plc.
Employee	an employee covered and bound by this Agreement
Employer	Hatton National Bank Plc.
Parent Union	The Ceylon Bank Employees' Union
Branch Union	The Branch Union of the Ceylon Bank Employees' Union at Hatton National Bank Plc.
Dispute	A dispute shall have the same meaning as an Industrial Dispute in the Industrial Disputes Act and shall include any dispute arising between any of the Banks who are parties to this Agreement and the Branch Union of the Ceylon Bank Employees' Union at such respective Bank.

Words importing the masculine gender shall include the feminine.

Words importing the singular number shall include the plural and *vice versa*.

### The First Schedule

- 1) a) The benefits of the scheme will accrue to the employee but will cover those persons specified in Clause 20 (iv) of the Agreement. It shall be the duty of the employee to enroll members of his family immediately on becoming eligible to be included in this Scheme.

No reimbursements will be made in respect of members of the family who have not been enrolled.

- 2) Reimbursements will only be effected on hospitalization involving at least one night's stay in a hospital.
- 3) The Bank must be notified promptly, and in any event not later than on the first business day following admission to hospital.
- 4) The Bank will be entitled to take out Insurance Policies covering reimbursements under this Scheme and the employee shall be required to make declarations (including completion and signing of Insurance Proposal forms) and submit documentation required by Bank/ Insurers in a proper form and timely manner to enable the Bank to obtain reimbursement from the Insurance Companies. The Bank will advise by internal circular issued from time to time the documentary requirements and time limits within which documents should be submitted. Where an employee does not comply, he will not be entitled to benefits under this Scheme.
- 5) Employees shall uphold the principle of *uberrima fide* when making declarations and submitting claims under this Scheme and any deviation would disqualify the employee from receiving any benefit under this Scheme. In addition, the employee will be liable to disciplinary action in accordance with provisions set-out in this Agreement.
- 6) a) The Bank will circulate by internal circular published from time to time a list of Hospitals/ nursing homes, expenses incurred at which, will be eligible for reimbursement under the Scheme. Additions and/or deletions to this list will also be made by internal circular.
- b) If for reasons of geographical location any employee believes he may not be in a position to use any of the Institutions given in the list, he may apply to the Bank in writing within 30 days of publication of the list of amendments to the list referred to in the preceding sub-paragraph, requesting special dispensation to use a named Institution or Institutions and the Bank shall consider such application on a case by case basis and, where deemed appropriate, will grant such special dispensation, provided however, that the decision of the Bank on this matter shall be final and conclusive.

### 7) Exclusions

The Scheme shall not cover benefits/ expenses :

- a) Arising from an injury sustained or a sickness contracted outside Sri Lanka or for treatment outside Sri Lanka.
- b) Occasioned by or happening through
  - i) The participation by the employee or other eligible family members in War, Invasion, Act of Foreign Enemy, Hostilities (where war be declared or not), Civil War, Rebellion, Revolution, Insurrection, Mutiny or Usurped Power, Military, Popular Rising or while serving as a member of any Defence, Police, Security Force, Home Guard etc.
  - ii) Attempted suicide, Alcoholism, Venereal Diseases, Insanity and illnesses resulting from Acquired Immune Deficiency Syndrome.
  - iii) Normal child birth or pregnancy subject to clause 20(iv). Provided that if an employee has been employed for a continuous period of twelve months, the Bank will pay the medical expenses incurred for any abnormality of maternity which is in excess of what a normal child birth would have cost. The responsibility for furnishing the Bank with the required proof of the extra cost involved, such as a letter from the Doctor/ Hospital, will be on the employee who makes the claim.
  - iv) Earthquake, Volcanic Eruption or Tidal Wave.

- c. Incurred whilst travelling in an aircraft other than as a ticket holding passenger in a fully licensed standard type of civil aircraft operated by a recognized Airlines on a regular route or in a fully licensed standard type of civil aircraft having two or more engines operated by a recognized Air Charter Company or owned by a Commercial or Industrial firm and piloted by a Pilot holding a Commercial Pilot's License.
  - d. In respect of Eye Tests or Dental Treatment.
  - e. Arising from any physical defect or infirmity which existed prior to confirmation in the Banks Service.
- 8) The benefits under this Scheme shall not be cumulative and the words "any one Year" in Clause 20(iv) of the Agreement shall be deemed to be the period 1st January to 31 st December. In the case of employees who join during the course of a year the overall limit and event limit up to the period ending the next 31st December will be pro-rated to the number of full months of service up to 31st December.
- 9) In respect of claims for hospitalization which span the end of any year, reimbursement will be made out of the entitlement of either or both years, subject, however, to the event limit specified in Clause 20(iv) of the Agreement.

#### The Secend Schedule

The parties agree to the following conditions in relation to the introduction of new Computer Based Banking Technology by the Bank covered and bound by this Agreement.

1. Wherever practical, the Bank will endeavour to ensure that jobs are designed to include a mix of VDU/ non VDU tasks which seek to provide variation in visual and mental demands upon the operator.
2. The work load of operators of VDUs will be regularly reviewed by Management for the purpose of ensuring proper safety and effectiveness of the operation.
3. The Banks agree to provide VDU operators with adequate training within the parameters of their job description to ensure the safety and health of employees.
4. (a) In selecting VDUs, the Bank will attempt to obtain equipment, which will ensure the following :
  - (i) Screens that give clear stable images.
  - (ii) Proper sitting of keyboards so as to ensure the reduction of stress and improved maneuverability.
  - (iii) Equipment which is quiet in operation so that the level of noise is kept to a reasonable limit.
- (b) The Banks will undertake proper servicing and maintenance to ensure optimum functioning of the VDUs.

The Banks will pay attention to the proper positioning of screens, keyboards and provide facilities for placing documents and ancillary equipment in a manner to facilitate the work of employees.

The Bank will endeavour to provide lighting facilities to minimize visual fatigue in the operation of VDUs.

Employee whose main or primary function, as decided by the Management of the Banks, is the operation of a VDU, will be permitted to visit, at the cost of the Bank, an Optician selected by the Bank to have his eyesight examined prior to his commencing employment on a VDU. In the event of an adverse report being obtained from the Optician, the employee should inform the Bank immediately.

Where an employee whose main or primary function, as decided by the Management of the Banks, is the operation of a VDU, and he is already using spectacles, when he is called upon to operate a VDU for the first time, he will be permitted, at the expenses of the Bank, to be examined by an Optician nominated by the Bank for the purpose of obtaining an opinion as to whether any modification is necessary to his lenses. The cost of such examination and modification to the lenses if necessary, will be borne by the Bank on the following basis :

- (i) The cost of the examination will be met by the Bank outside the limits prescribed by the Medical Assistance Scheme herein.
  - (ii) The cost of modification of the lenses will be met within the Medical Assistance Scheme, but if such cost should exceed the limits prescribed by the scheme, the Bank will bear such additional cost as well.
5. Accepting the fact that continuous work at a terminal by a Data Entry Operator causes a certain amount of strain, the Banks are agreeable to a reasonable pause in entering information at or about the end of each period of 2 hours so long as there is no disruption of the smooth flow of work and so long as such pause does not exceed 10 minutes.
  6. The provisions of this Agreement will apply to employees whose main or primary function, as decided by the Management of the Banks, is operating a VDU. Provided however the Union will be entitled to make representations as to whether the main or primary function is the operation of a VDU subject to there being no industrial dispute being raised on this issue.
  7. The Bank agrees that they will not seek to retrench employees who become redundant solely and exclusively in consequence of the introduction of new Computer Based Banking Technology. Instead, the Banks may avail itself of any one or more of the following options:
    - (a) The aforementioned excess employees may be transferred to other sections / Departments to perform work which is within their skill and capacity without reduction in salary and allowances which are in force at such time in relation to such employees. This option refers to a transfer other than within the scope of employment, which the Banks would under normal circumstances be entitled to effect.
    - (b) The Banks may, on a transfer within the scope of (a) above, re-train an employee if the employer consider it necessary.
    - (c) The Banks will be entitled to negotiate with employees who are redundant for the reasons contemplated in this Agreement, with a view to achieving a cessation of employment on terms mutually agreed upon and this will not amount to retrenchment within the meaning of this schedule.
  8. For the purpose of this Agreement, retrenchment will mean an involuntary termination of the employees made redundant consequent upon the introduction of new Computer Based Banking Technology. It will not include a situation where such redundant employees voluntarily leave the service of the employer on terms mutually agreed upon.

ANNEXURE 1



**HEALTH CHECKUP FOR STAFF MEMBERS OVER 40 YEARS OF AGE  
CLAIM FORM**

EPF NO

Branch/Department .....

Name with initials

(Mr./Mrs./Miss.) .....

Age .....

Category .....

Amount .....

(Please tick "X")


<b>Haemogram</b>	
Haemoglobin	
P.C.V.	
R.B.C.	
MCHC MCV MCH	
Total W.B.C.	
E.S.R.	
Peripheral Smear	
<b>Biochemical Parameters</b>	
Fasting & PP Blood Sugar	
Urea	
Creatinine	
Uric Acid	
<b>Lipid Profile</b>	
Total Cholesterol	
HDL Cholesterol	
LDL Cholesterol	
Triglycerides	
Total Cholesterol/HDL Ratio	
<b>Liver Function Tests</b>	
Total Protein	
Albumin	
Globulin	
SGPT	
Alkaline Phosphatase	
GGTP	
SGOT	
Serum Bilirubin	
<b>General Tests</b>	
VDRL	
Blood Grouping & Rh typing	
Complete Urine Analysis	
Stools Test	
Pap Smear for women/ P.S.A. for men	
E.C.G.	
Chest X-Ray	
Ultrasonogram of the Abdomen	
Cardiac Stress Analysis (CSA/TMT)	
Pulmonary Function Test (PFT)	

I certify that this claim and the bills submitted therewith are genuine in respect of expenditure incurred by me. I also declare that I have not made a claim under the Health Checkup for the past 12 months.

Signature of Claimant

Date

In witness hereof the said parties have set their hands hereunto on this 13<sup>th</sup> day of November 2009 at Colombo.


  
For and on behalf of  
Hatton National Bank PLC

Name : J R P M Paiva  
Designation : Deputy General Manager  
Human Resources & Administration



For and on behalf of  
Ceylon Bank Employees' Union


Name : M Sukumaran  
Designation : General Secretary


  
R L P Perera  
Director General  
Employers' Federation of Ceylon

  
H P Ashoka Dharmasiri  
Assistant Secretary  
Ceylon Bank Employees' Union

Witness

  
U P P Gooneratne  
Senior Manager - Industrial Relations  
Hatton National Bank PLC

  
S B Abeysekera  
President  
Ceylon Bank Employees' Union  
Hatton National Bank PLC Branch

  
Eranganath Edirisinghe  
Secretary  
Ceylon Bank Employees' Union  
Hatton National Bank PLC Branch

We hereby certify that this is the Collective  
Agreement signed on behalf of the Hatton  
National Bank PLC with the Ceylon Bank Employees'  
Union  
**HATTON NATIONAL BANK PLC**

  
Indrani Goonesekera (Mrs)  
**DGM (LEGAL) / BOARD SECRETARY**

  
R Theagarajah  
**MANAGING DIRECTOR**

**THE INDUSTRIAL DISPUTES ACT, CHAPTER 131**

THE Collective Agreement entered into between Hongkong and Shanghai Banking Corporation Limited, No. 24, Sir 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 10th -February, 2010 is hereby published in terms of Section 06 of the Industrial Disputes Act, Chapter 131, Legislative Enactments of Ceylon (Revised Edition 1956).

W. J. L. U. WIJAYAWEERA,  
Commissioner General of Labour.

Department of Labour,  
Labour Secretariat,  
Colombo 05.  
19th March 2010.

**Collective Agreement No. 18 of 2010**

**Collective Agreement**

**2009**

**between**

**THE HONGKONG AND SHANGHAI BANKING CORPORATION LIMITED**

**AND**

**THE CEYLON BANK EMPLOYEES' UNION**

THIS Collective Agreement made this 10th day of February 2010 between the Hongkong and Shanghai Banking Corporation Limited, a Bank duly registered in Sri Lanka and having its registered office at 24, Sir Baron Jayatilaka Mawatha, Colombo 1 (hereinafter referred to as "the Bank") of the One Part and

The Ceylon Bank Employees' Union, a Trade Union duly registered in Sri Lanka and having its registered office at 20, Temple Road, Colombo 10, (hereinafter referred to as "the Union") of the other part.

WHEREAS the Union made demands for re-negotiation of the Collective Agreement of 2006 which came into effect on 1st April 2006 and subsequent to negotiations between the Bank and the Union, agreement has now been reached between the said two parties for the purpose of ensuring better employee terms and conditions, cooperation between the Bank, the Union and the employees and maintaining an efficient and productive working environment, the matters agreed upon are set out hereunder :

1. **Parties to be Covered and Bound.** – This Agreement shall cover and bind The Hongkong and Shanghai Banking Corporation Limited (the Bank), The Ceylon Bank Employees Union (the Union) and members of the Union employed on monthly contracts of employment by the Bank and who are employed in any of the categories as at the date of signing this Agreement and for whom salary ranges have been prescribed in this agreement in the First Schedules hereto (hereinafter referred to as the employees). This Agreement shall not cover and bind any employee who is a Supervisor, Staff Officer, Secretary, Executive and any other Staff on special rates of pay.

2. **Date of Operation and Duration.** – This Agreement shall come into force on 1st April 2009 and shall continue until either party terminates it by written notice in terms of the Industrial Disputes Act but no such notice shall be given before the 31st March 2012. The Union shall, however, have the right to commence negotiations for a revised Collective Agreement at any time on or after 1st April 2011.

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

4. **Matters Covered and Bound.** –

- (a) This Agreement shall be in full and final settlement of all matters covered herein as well as of all the matters raised by the Union and in respect of which negotiations took place between the parties before the conclusion of this Agreement and the Union agrees that it will not during the continuance in force of this Agreement raise any of the matters which were discussed and negotiated between the parties preceding this Agreement except to the extent agreed.

- (b) The Union and its members shall not during the continuance in force of this Agreement seek to vary, alter or add to all or any of the terms and conditions of employment or benefits presently applicable or enjoyed as provided for in this Agreement other than by mutual agreement with the Bank.

5. **Consolidated Salary.** – Every employee covered by this Agreement in service as at the date of signing this Agreement shall, from the 1st April 2009 be placed on the salary range set out in the First Schedule hereto, which salary has been consolidated at the Colombo Consumers' Price Index figure of 2400.00.

6. **Immediate Increase and Conversion to Salary Ranges.** – For the placement of an employee on the salary range applicable in the First Schedule, the following provisions shall apply.

All employees in service as at 31 st March 2009, will receive the following increases;

- (i) A sum equivalent to 20% of gross salary payable to an employee as at 31 st March 2009 will be added to the basic salary effective from 1st April 2009,
- (ii) A Further sum equivalent to 5% of gross salary payable to an employee as at 31st March 2009 will be added to the basic salary effective from 1st April 2010.

All employees joining after 31 March 2009, will be placed on the starting salary of Rs 15,500/- . Upon completion of two (2) years service, such employees shall be granted a 25% increase in their basic salary calculated on the basis of 25% x (15,500/- + COLA as at 31 March 2009).

7. **Allowances.** –

- (a) **COST OF LIVING ALLOWANCE** .– The cost of living allowance paid to employees from the 1st April 2009 to 31st December 2009 based on the CCPI as per the Collective Agreement of 2006 will remain unchanged.

The cost of living allowance shall be paid to employees from the 1st of January 2010 at Rs 92.125 cents per point increase beyond the base figure of 71 in terms of the New Colombo Consumer Price Index (CCPI (N)).

- b) **Disturbance Allowance**

With effect from 1 April 2009 an employee called upon to report for work before 7.00 a.m. shall receive Rs. 350/= per day, and if required to report before 6.00 a.m. shall receive Rs. 600/= per day.

8. **Annual Salary Increments.**– With effect from 1st April 2009, the annual increments awarded to employees covered and bound by this Agreement will be based on the employee's performance during the previous Calendar year.

The performance of the employee will be assessed in terms of the performance Assessment Review and in terms of same, the granting of annual increments will be based on the ratings and the corresponding amounts of increments as follows :

<i>Ratings</i>	<i>Annual Increments</i>
1	Rs. 1,250 / =
2	Rs. 850 / =
3	Rs. 450 / =
4	Rs. 150 / =
5	Rs. 100 / =

In terms of the above ratings, a minimum annual increment of Rs. 100/= (except in cases where disciplinary action is being taken) will be payable during the period of this Agreement.

9. **Pension Payments To Employees Who Have Retired From Service.**– Any employee who has retired from service between 1 st April 2009 and the date hereof shall be entitled to have his pension calculated on the basis of the salary in terms of clause 6 (i) hereof.

10. **Promotions from Support Staff to Banking Assistant Grade.**– Without prejudice to the right of the Bank to recruit staff at their discretion, the Bank will consider the above promotions subject to the following criteria :

- (i) The number of vacancies in the clerical cadre will be announced internally by advertisement by Staff Notice annually. Such notice shall stipulate the job requirements of the vacancy advertised, ie. Educational qualifications, age, and any other particular criteria required for such job as determined by the Bank.

- (ii) Any such employee in the non-clerical grade whose record of service, conduct and attendance has been satisfactory, with more than four years of service with the Bank who has necessarily completed the first part of the chartered Institute of Bankers (London) or Institute of Bankers of Sri Lanka will be eligible to apply and will be considered for such clerical position. The selection process will include medical examinations, interview, written tests etc, as determined by the Bank.
- (iii) Any Support Staff whose record of service and conduct has been satisfactory with more than eight years' service with the Bank, shall be exempt from the minimum education qualifications stipulated in the Notice and may apply for such vacancy and will be considered in the manner specified at Para (ii) above.
- (iv) Any such employee promoted in the manner specified above will be required to serve a period of probation of twelve months which may be extended by the Bank for a further period of up to six months during which, or at the end of which, the Bank may at their discretion revert such employee to this earlier position and salary.
- (v) The basic salary to any such employee promoted in the manner - specified above shall be in the Clerical Salary range in relation to his basic salary received at such time as a non-clerical employee, which will result in an increase of not less than Rs. 350/=. Any non-clerical employee who conforms to the above requirements shall be promoted, if there are vacancies.
- (vi) The decision of the Bank in respect of selection for promotion shall be final and conclusive.

11. **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 the Bank.

- (c) **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 a 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 Employee's 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 Banks up to 31st March 1992.

From 1.1.71 to 31.12.80	-	9% of gross salary
From 1.1.81 onwards	-	12% of gross salary

Prior to 31.12.70 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.

12. **Terminal Benefits. -**

- (a) **PENSIONS.-** With effect from the date of this Agreement, an employee entitled to a pension in expressed terms of his employment shall, upon reaching the retirement age of the Bank 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 monthly pension computed on the following basis :

No. of completed years		Monthly salary
Service (max. 35 years) plus 5	×	payable in the month
Retirement age of the Bank		of retirement + COLA

(b) **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 12 (a) 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 to 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.

(c) **LUMP SUM GRATUITY IN LIEU OF PENSION RIGHTS.**— An employee who is entitled to receive a pension in terms of (a) or (b) above may at his discretion opt for the payment of a lump sum gratuity in lieu of his pension and any other payments arising there from. The payment will be computed on the following basis :

No. of completed years		1 Month's salary plus
Service (max. 35 years) plus 5	×	1 month's Cost of Living Allowance calculated for the month of retirement

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 12.

(d) **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 one and half month's gross salary for each year of completed service subject to a minimum of nine month's 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 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 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.

(e) **GRATUITY ON RESIGNATION/ TERMINATION PRIOR TO RETIREMENT.**— An employee shall, upon resignation/ termination of employment prior to retirement in circumstances which do not entitle him to the terminal benefits referred to at the aforementioned Clauses (a), (b), (c) and (d) be entitled to a gratuity computed in terms of the Payment of Gratuity Act (1983), which shall be paid within 30 days of the cessation of employment.

The salary for this purpose shall comprise the salary referred to at Clause 5 and the Cost of Living Allowance referred to at Clause 7 (a) hereof.

(f) Completed years of actual service shall include only actual continuous service worked excluding absence/ leave without pay, but subject to the provisions of the Payment of Gratuity Act (1983) and Clause 15 thereof.

(g) **COMMUTED PENSION.**—

(i) At the option of the employee at the time of retirement on or after 1st April 2000, 25% of the monthly pension into 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 agreement and who opt for such commuted pension.

(ii) 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.

13. **Medical Scheme.** -

- (i) **REIMBURSEMENT OF MEDICAL EXPENSES FOR NON-HOSPITALISATION EXPENSES.**- The Bank will reimburse an employee up to a maximum per annum limit as specified below in respect of medical expenditure incurred by him on his own behalf, on behalf of his spouse or unmarried legitimate children under the age of 18 in respect of routine non-hospitalisation/ non - surgical and specialist treatment, and subject to the following :

Limits per annum ;

Effective 1st April 2009 - Rs. 11,000/-

Effective 1st January 2010 - Rs. 13,000/-

- (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.  
(c) The unutilised portion of the allocation for the year could be utilised during a period of three years subject to valid bills being submitted as aforesaid.

- (ii) **SPECIAL NON - HOSPITALISATION AND NON - SURGICAL EXPENSES.**- The Bank will reimburse an employee on a non - cumulative basis a further sum up to a maximum of Rs. 17,000/= during the three year period on account of special non - hospitalisation and non - surgical expenses covering the following items only incurred on behalf of the employee and not on behalf of his family members.

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

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 a year, and in the case of spectacles 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, spouse and unmarried legitimate children under 18 years of age subject to the production of valid documentation covering every claim or expenditure, up to

Rs. 120,000/= per annum effective 1 April 2009

Rs. 125,000/= per annum effective 1 April 2010

Rs. 130,000/= per annum effective 1 April 2011

- (iv) **Extended coverage of Surgical and hospitalization expenses in exceptional circumstances**

In addition to the surgical and hospitalization cover specified in 13 (iii) above, the Bank will consider requests for reimbursement of additional costs incurred on account of hospitalization up to an annual limit of LKR 50,000/- under exceptional circumstances.

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

- (v) **Maternity Cover.** - With effect from 1 April 2009, normal child birth will be covered under the Surgical and Hospitalization limit as given in 13 (iii) above.

14. **Retirement.**-

- (a) The age of retirement shall be 55 years, or any other age mutually agreed to between the Bank and its employees, and on reaching the age of 55, or any other age mutually agreed upon, 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, such employee 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.

15. **Bonus.-**

- (i) **Guaranteed Bonus.-** 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 two months' salary as drawn by such employee for the month of December in respect of one complete year of service meaning January to December and proportionately for service less than one year at the rate of one-twelfth of such entitlement in respect of each complete month of service. The salary for this purpose shall include the cost of living allowance payable for that month.
- (ii) **Discretionary Performance Bonus.-** In addition to the above, the Bank reserves the right to introduce a discretionary variable performance bonus scheme for 1,2 and 3 rated performers to further recognize their contribution to the Bank.

The scheme details to be shared with the union prior to such implementation.

16. **Probation.-** Every employee recruited by the Bank will serve a period of nine months probation subject to the right of the Bank to extend the period of probation by a period of three months.

17. **Concessions to Branch Union Office Bearers and General Councillors.-**

- (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 the Bank.
- (b) It is agreed that Central committee members (General Council) of the Union 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 General Councillors to attend Parent Union General Council meetings.
- (d) It is agreed that Executive Committee members will be released at 3.00 p.m. for meetings of the Executive Committee of the Union. These meetings will not usually be more than on a monthly basis.

18. **Special Leave to Visit Outstation Branch.-** The Bank shall permit office bearers of the Union employed by the Bank paid leave to visit outstation branches calculated on the basis of a day's leave available for each such branch, i.e., if there are X branches the total number of days paid leave available shall also be X. For this purpose an outstation Branch is one situated more than 30 miles from Colombo.

19. **Overtime.-**

- (a) If required by his employer an employee shall work reasonable overtime which has been authorised by the employer, subject to the provisions of any law for the time being in force.
- (b) Overtime work shall be remunerated in accordance with the provisions of the Shop and Office Employees Act.

20. **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 1 January but before 1 April.
- (b) A holiday of 15 days if his employment commenced on or after 1 April but before 1 July.
- (c) A holiday of 11 days if his employment commenced on or after 1 July but before 1 October, and
- (d) A holiday of 6 days if his employment commenced on or after 1 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 purpose of nursing third and fourth children beyond the Maternity Leave entitlement.

Provided that in the case of (b) and (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 and parents.

Provided also that such accumulation will be restricted up to a maximum of seven (7) days per year and provided further that such total accumulation shall be restricted to a maximum of ninety (90) 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**.- 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

(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 hospitalizations, 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 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 where of **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, such employee will, subject to the provisions of Sub-clauses (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 a 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 (k) (iii) 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 prevent the person carrying on the defence for unacceptable conduct) or a central Committee member of the Union employer in the bank 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 threat, 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. 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 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 provision, the 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 finds or punishment, raises a dispute in respect of such finds 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 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. **Technology.-**

- (i) The Third Schedule hereto contains matters relating to new Computer Based Banking Technology agreed upon between the parties.
- (ii) The Bank will furnish the Union on request information relating to new computer hardware to be introduced by the Bank, i.e., published manufacturer's specifications relating to equipment. The Bank will be under no obligation to provide

information relating to software.

- (iii) The Union will be free to make representations on matters relating to the introduction of new Computer Based Banking Technology in the Bank other than on matters covered in this Agreement and subject to sub-clause (ii) above.
- (iv) Notwithstanding the provisions of (iii) above, the Union will not be entitled to raise any industrial dispute on matters relating to Computer Based Banking Technology, will not resort to any industrial action in that regard and any representations/ dispute in that connection shall not fall within the meaning of an industrial dispute under the laws of Sri Lanka.
- (v) It is agreed that any matter raised by the Union relating to the adverse effects of the use of computers shall be referred to the Monitoring Committee set up under the Collective Agreement for resolution. In the event of the Monitoring Committee not being able to satisfy the Union, such matter shall be referred to the Department of Health and Safety of the Labour Department and the recommendation given by the Doctor-in-Charge shall be accepted by both parties and where changes are necessary in terms of such recommendation the Monitoring Committee shall prevail on the Bank to implement such changes.

#### 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 amicably 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.*- 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 the Bank 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 in relation to the Bank.

26. *Implementation and Interpretation of this Agreement.*- 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 consisting of two representatives from the Bank and two representatives from the Union. 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.

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.

28. *Definitions.*- In this Agreement, unless the context otherwise requires, the following words and phrases shall have the following

meanings.

Bank	The Hongkong and Shanghai Banking Corporation Limited.
Employee	an employee covered and bound by this Agreement.
Employer	The Hongkong and Shanghai Banking Corporation Limited.
Cost of Living Allowance	the Cost of Living Allowance calculated in the manner set out in Clause 7 (a) hereof on the Cost of Living Index Figure published by the Department of Census and Statistics each month.
Cost of Living Index	The Cost of Living Index published monthly by the Department of Census and Statistics.
Parent Union	The Ceylon Bank Employees' Union
Branch Union	The Branch Union of the Ceylon Bank Employees' Union at The Hongkong and Shanghai Banking Corporation Limited.
Dispute	A dispute shall have the same meaning as an Industrial Dispute in the Industrial disputes Act and shall include any dispute arising between the Bank and the Branch Union of the Ceylon Bank Employees' Union.
Salary	Shall mean the consolidated salary as defined in Clause 5.

Words indicating the masculine gender shall include the feminine and words indicating the singular number shall include the plural and vice versa.

#### THE FIRST SCHEDULE

##### BANKING ASSISTANT SALARY RANGES

Rs. 15,500 / = to Rs. 43,125 / =

Annual increments in accordance with Clause 8 of the Collective Agreement.

##### Support Staff Salary Ranges

Rs. 15,000 / = to Rs. 40,000 / =

Annual increments in accordance with Clause 8 of the Collective Agreement.

#### THE SECOND SCHEDULE

1. The benefits of the Scheme will accrue to the employee but will cover those persons specified in clause 13 (iii) of the Agreement. It shall be the duty of the employee to enroll members of his family immediately on becoming eligible to be included in this scheme.

No reimbursements will be made in respect of members of the family who have not been enrolled.

2. Reimbursements will only be effected on hospitalization involving at least one night's stay in a hospital.

3. The Bank must be notified promptly, and in any event not later than on the first business day following admission to hospital.
4. The Bank will be entitled to take out Insurance Policies covering reimbursements under this scheme and the employee shall be required to make declarations (including completion and signing of Insurance Proposal forms) and submit documentation required by Bank/ Insurers in a proper form and timely manner to enable the Bank to obtain reimbursement from the Insurance Companies. The Bank will advise by internal circular issued from time to time the documentary requirements and time limits within which documents should be submitted. Where an employee does not comply, such employee will not be entitled to benefits under this scheme.
5. Employees shall uphold the principle of uberrima fides when making declarations and submitting claims under this scheme and any deviation would disqualify the employee from receiving any benefit under this scheme. In addition, the employee will be liable to disciplinary action in accordance with provisions set out in this agreement.
6. (a) The Bank will circulate by internal circular published from time to time a list of Hospitals/ Nursing Homes, expenses incurred at which, will be eligible for reimbursement under the scheme. Additions and / or deletions to this list will also be made by internal circular.
- (b) If the reasons of geographical location any employee believes he may not be in a position to use any of the Institutions given in the list, he may apply to the Bank in writing within 30 days of publication of the list of amendments to the list referred to in the preceding sub-paragraph, requesting special dispensation to use a named Institution(s) and the Bank shall consider such application on a case by case basis and, where deemed appropriate, will grant such special dispensation, provided however, that the decision of the Bank on this matter shall be final and conclusive.
7. *Exclusions* .– The scheme shall not cover benefits / expenses :
  - (a) Arising from an injury sustained or a sickness contracted outside Sri Lanka or for treatment outside Sri Lanka.
  - (b) Occasioned by or happening through,
    - (i) The participation by the employee or other eligible family members in War, Invasion, Act of Foreign Enemy, Hostilities (whether war be declared or not), Civil War, Rebellion, Revolution, Insurrection, Mutiny or Usurped Power, Military, Popular Rising or while serving as a member of any Defence Force, Police, Security Force, Home Guard etc.
    - (ii) Attempted suicide, Alcoholism, Venereal Disease, Insanity and illnesses resulting from Acquired Immune Deficiency Syndrome.
    - (iii) Normal childbirth or pregnancy subject to clause 13 (iv). Provided that if an employee has been employed for a continuous period of twelve months, the Bank will pay the medical expenses incurred for any abnormality of maternity which is in excess of what a normal child birth would have cost. The responsibility for furnishing the Bank with the required proof of the extra cost involved, such as a letter from the Doctor/ Hospital, will be on the employee who makes the claim.
    - (iv) Earthquake, Volcanic Eruption or Tidal Wave.
  - (c) Incurred whilst travelling in an aircraft other than as a ticket holding passenger in a fully licensed standard type of civil aircraft operated by a recognized airlines on a regular route or in a fully licensed standard type of civil aircraft having two or more engines operated by a recognized Air Charter Company or owned by a Commercial or Industrial firm and piloted by a Pilot holding a Commercial Pilot's License.
  - (d) In respect of Eye Tests or Dental Treatment.
  - (e) Arising from any physical defect or infirmity which existed prior to confirmation in the Bank's service.
8. The benefits under this scheme shall not be cumulative and the words "any one Years" in clause 13 (iii) of the Agreement shall be deemed to be the period 01st January to 31st December. In the case of employees who join during the course of a year the overall limit and event limit up to the period ending the next 31st December will be pro-rated to the number of full months of service up to 31st December.
9. In respect of claims for hospitalization which span the end of any year, reimbursement will be made out of the entitlement of either or both years, subject, however, to the event limit specified in clause 13 (iii) of the Agreement.

### THE THIRD SCHEDULE

The parties agree to the following conditions in relation to the introduction of new Computed Based Banking Technology by the Bank covered and bound by this Agreement.

1. Wherever practical, the Bank will endeavour to ensure that jobs are designed to include a mix of VDU/ non VDU tasks which seek to provide variation in visual and mental demands upon the operator.
2. The workload of operators of VDUs will be regularly reviewed by Management for the purpose of ensuring proper safety and effectiveness of the operation.
3. The Banks agree to provide VDU operators with adequate training within the parameters of their job description to ensure the safety and health of employees.
4. (a) In selecting VDUs, the Bank will attempt to obtain equipment, which will ensure the following :
  - (i) Screens that give clear stable images.
  - (ii) Proper sitting of keyboards so as to ensure the reduction of stress and improved maneuverability.
  - (iii) Equipment which is quiet in operation so that the level of noise is kept to a reasonable limit.

- (b) The Bank will undertake proper servicing and maintenance to ensure optimum functioning of the VDUs.

The Bank will pay attention to the proper positioning of screens, keyboards and provide facilities for placing documents and ancillary equipment in a manner to facilitate the work of employees.

The Bank will endeavour to provide lighting facilities to minimize visual fatigue in the operation of VDUs.

Employee whose main or primary function, as decided by the Management of the Bank, is the operation of a VDU, will be permitted to visit, at the cost of the Bank, an Optician selected by the Bank to have his eyesight examined prior to his commencing employment on a VDU. In the event of an adverse report being obtained from the Optician, the employee should inform the Bank immediately.

Where an employee whose main or primary function, as decided by the Management of the Bank, is the operation of a VDU, and he is already using spectacles, when he is called upon to operate a VDU for the first time, he will be permitted, at the expenses of the Bank, to be examined by an Optician nominated by the Bank for the purpose of obtaining an opinion as to whether any modification is necessary to his lenses. The cost of such examination and modification to the lenses if necessary, will be borne by the Bank on the following basis:

- (i) The cost of the examination will be met by the Bank outside the limits prescribed by the Medical Assistance Scheme herein.
  - (ii) The cost of modification of the lenses will be met within the Medical Assistance Scheme, but if such cost should exceed the limits prescribed by the scheme, the Bank will bear such additional cost as well.
5. Accepting the fact that continuous work at a terminal by a Data Entry Operator causes a certain amount of strain, the Bank is agreeable to a reasonable pause in entering information at or about the end of each period of 2 hours so long as there is no disruption of the smooth flow of work and so long as such pause does not exceed 10 minutes.
  6. The provisions of this Agreement will apply to employees whose main or primary function, as decided by the Management of the Bank, is operating a VDU. Provided however the Union will be entitled to make representations as to whether the main or primary function is the operation of a VDU subject to there being no industrial dispute being raised on this issue.
  7. The Bank agrees that they will not seek to retrench employees who become redundant solely and exclusively in consequence of the introduction of new Computer Based Banking Technology. Instead, the Bank may avail itself of any one or more of the following options:
    - (a) The aforementioned excess employees may be transferred to other sections / Departments to perform work which is within their skill and capacity without reduction in salary and allowances which are in force at such time in relation to such employees. This option refers to a transfer other than within the scope of employment, which the Bank would under normal circumstances be entitled to effect.
    - (b) The Bank may, on a transfer within the scope of (a) above, re-train an employee if the Bank consider it necessary.

(c) The Banks will be entitled to negotiate with employees who are redundant for the reasons contemplated in this Agreement, with a view to achieving a cessation of employment on terms mutually agreed upon and this will not amount to retrenchment within the meaning of this schedule.

8. For the purpose of this Agreement, retrenchment will mean an involuntary termination of the employees made redundant consequent upon the introduction of new Computer Based Banking Technology. It will not include a situation where such redundant employees voluntarily leave the service of the employers on terms mutually agreed upon.

In witness hereof the said parties have set their hands hereunto on this 10th day of February 2010 at Colombo.

**THE HONGKONG AND SHANGHAI  
BANKING CORPORATION LIMITED  
BY ITS ATTORNEY**

For and on behalf of

The Hongkong and Shanghai Banking Corporation Limited

Name : Nick A Nicolaou

Designation: Chief Executive Officer  
Sri Lanka and Maldives

For The Hongkong and Shanghai  
Banking Corporation Limited

Witness :

Manager,

*Kanishka Weerasinghe*

Name : Kanishka Weerasinghe

Designation: Deputy Director General  
Employers' Federation of Ceylon

*Ravi Jayasekera*

Name : Ravi Jayasekera

Designation: Senior Human Resources Manager

For The Hongkong and Shanghai  
Banking Corporation Limited

*M R Shah*

For and on behalf of

The Ceylon Bank Employees' Union

Name : M R Shah

Designation : President

*M Sukumaran*

Name : M Sukumaran

Designation : General Secretary  
The Ceylon Bank Employees' Union

*Ijaaz Jiffry*

Name : Ijaaz Jiffry

Designation : President  
HSBC CBEU Branch

### THE INDUSTRIAL DISPUTES ACT, CHAPTER 131

THE Collective Agreement entered into between Singer Industries (Ceylon) PLC, No. 2, 5th Lane, Ratmalana of the one part and the Ceylon Mercantile Industrial & General Workers Union (CMU), No. 03, 22nd Lane, Colombo 03 of the other part on 01 st January 2010 is hereby published in terms of section 06 of Industrial Disputes Act, Chapter 131, Legislative Enactments of Ceylon (Revised Edition 1956).

W. J. L. U. WIJAYAWEERA,  
Commissioner - General of Labour.

Department of Labour,  
Labour Secretariat,  
Colombo 05.  
15th March, 2010.

### Collective Agreement No. 17 of 2010

#### Singer Industries Manual Worker's & Factory Supervisory Staff Collective Agreement 2010

This Collective Agreement made and entered into on this first day of January two thousand and ten between Singer Industries (Ceylon) PLC having its registered office at No. 2, 5th lane, Ratmalana (hereinafter referred to as "the Employer") of the One Part and the Ceylon Mercantile, Industrial & General Workers Union (CMU) being a Trade Unions duly registered under the Trade Unions Ordinance, having its registered office at No. 3, 22nd Lane, Colombo3, (hereinafter referred to as "The Union") of the other part witnesseth :

where as the employer satisfied that the Union represents :

Now therefore for and in consideration of the above premises and the mutual terms and conditions hereinafter set out, the Union and the Employer hereby agree as follows :-

1. **Title** : This Agreement shall be known and referred to as the "The Singer Industries Manual Workers and Factory Supervisory staff Collective Agreement 2010".

2. **Parties to be Covered and Bound** .- This Agreement shall cover and bind by the Employer, the Union and all members of the Union employed by the Employer on monthly contracts in a Manual capacity and classified as skilled, semi skilled or Unskilled, in accordance with the present scheme of classifications, members of the Union Employed in the Supervisory Grades and for whom salary scales have been prescribed in the First Scheduled hereto at the Factory of the Employer at Ratmalana as at the date of signing hereof or at any time during the pendency of this Agreement.

3. **Date of Operation and Duration** .- This Agreement shall take effective from the First day of January, Two Thousand and Ten and thereafter continue in force unless it is terminated by either party with one month's written notice to the other provided, however, that such notice shall not be given prior to the Thirty First Day of December Two Thousand & Eleven and the Agreement shall not stand terminated until Thirty First day of December Two Thousand & Eleven.

4. **General Terms and Conditions of Employment** .- (i) The terms and conditions to this Agreement shall as from the date hereof and during the continuance in force of this Agreement be deemed to be included in all contracts of service between the Employer and an employee covered and bound by this agreement, whether such contract of service be written or oral, which are subsisting as at the date hereof or shall come into being during the continuance in force of this Agreement.

- (ii) Where an employee was immediately prior to the date hereof entitled or becomes entitled on or after that date under or by virtue of any law or under any contract, agreement, award or custom to any rights or privileges more favorable than those to which he would be entitled to under the agreement, nothing in this agreement shall be deemed or construed to authorize or permit the Employer to withhold, restrict or terminate such rights or privileges.

5. **Classification of employees.** - ; Each employee shall be classified as either (a) Permanent (b) Probationer (c) Apprentice (d) Temporary or (e) Casual, as the case may be every employee at the time of his Appointment, Confirmation or Promotion shall be given a written letter of appointment, Confirmation or Promotion, as the case may be by the Employer.

6. **Probation.** - Every Employee recruited by the Employer shall serve a period of probation of not more than six (6) months, provided however, that if during the six (6) months probationary period the Employer is not satisfied with the progress of such Employee, the probationary period may be extended for a further period of three (3) months and in that event the Employer shall indicate to the Employee in writing the reasons why the probationary period has been extended. The reasons shall be so stated before expiry of the original period of probation. During the period of probation or extended probation, the Employer shall have the right to terminate the service of the employee without notice, without prejudice to the right of the Union to dispute such termination of services if the union considers it to be unjustified. If the employee's services are not terminated for unsatisfactory service during the period of probation or extended probation and the employee has not been confirmed by the employer, the employee shall be deemed to be confirmed in the Employers service with effect from the day after the date on which the period of probation or extended probation as the case may be ended.

7. **Hours of Work.** - The normal working hours per day shall be 8 3/4 hours inclusive of meal interval of 3/4 hour from Monday to Friday and 5 1/2 hours exclusive of a meal interval on Saturdays. The normal working hours shall be as follows:

- (i) Monday to Friday - 7.00 a.m. to 3.45 p.m. (with a meal interval from 12.00 Noon to 12.45 p.m.)
- (ii) Saturdays - 7.00 a.m. to 12.30 p.m. (without a meal interval )

The normal work schedule and meal intervals for employees on shift work may be revised in accordance with the operational requirement on implementation.

Employees shall be allowed a tea break of 15 minutes each in the morning and afternoon as follows :-

- (a) 8.00 a. m. to 8.15 a.m.
- (b) 2.15 p.m. to 2.30 p.m.

Tea breaks and meals intervals will not be taken into account for purposes of computing production counts and man hours.

The normal hours of work applicable to Canteen and Conservancy Labourers shall be 6.00 a.m. to 2.45 p.m. on Monday to Friday (inclusive of a meal interval of 45 minutes) and 6.00 a.m. to 11. 30 a. m. on Saturdays.

Provided however, that the Employer may effect such reasonable changes in the work schedules in case of power stoppages/ raw material shortages, urgent maintenance and other exceptional circumstances having due regard to the convenience of employees affected thereby, the employees shall comply with such changes subject to the right of the Union to raise a dispute in respect of such change in terms of Clause 32 hereof.

8. **Forfeiture of Wages.** - Where Unless for good cause shown, an Employee fails to hold himself available for work throughout the normal working hours, such employee shall forfeit and the Employer shall be entitled to deduct his wages for the period of such failure.

#### 9. **Overtime .-**

- (a) Overtime work will be performed by an employee as and when, and for such period as the Employer may reasonably require, provided there is no good reason for refusal.
- (b) Overtime, i.e. work performed in excess of normal working hours, shall be remunerated at one and half (1 1/2) times the normal hourly rate.

#### 10. **Weekly Holidays**

1. In respect of each week, every employee shall be allowed a holiday on the Sunday in that week as the weekly holidays, provided, however, that if any employee has not worked for a period of at least twenty eight (28) hours exclusive of any period of overtime work during that week,

such employee shall be liable to forfeit and the Employer shall be entitled to deduct two days' wages in respect of the weekly holidays for that week, computed in accordance with Clause 20 hereof.

2. In computing the period of twenty eight (28) hours referred to in Sub - clause (1) above the Employer shall include :—
  - (a) every holiday or leave allowed by the Employer of the employee as Annual, Casual or Sick leave ;
  - (b) every Public Holiday granted by the Employer in terms of Clause 13 hereof ;
  - (c) every day's absence on any ground approved by the Employer
3. The Employer may employ any employee on a weekly holiday as when and such period as the Employer may reasonably require, provided there is no good reason for refusal by such employee subject to the following conditions :—
  - (i) A day within the six days succeeding such weekly holiday shall be allowed to that employee as a Holiday with remuneration, provided, however, that if any employee who is employed on a weekly holiday is liable to forfeit and the Employer is entitled to deduct one day's wage in respect of that weekly holiday as provided in Sub clause (1) then and in such event that employee shall forfeit and the Employer shall be entitled to deduct one day's wage computed in accordance with the provisions of Clause 19 in respect of the holiday which shall be allowed to that employee within the six (06) days of that weekly holiday, provided further that in respect of not more than two (02) such weekly holidays in any calendar month the Employer may with the consent of the employee :—
    - (a) instead of allowing an alternate holiday within the six (06) days of the weekly holiday in respect of which that employee shall not be liable to forfeit and the Employer shall not be entitled to deduct one day's wage as aforesaid pay him one day's wage computed in accordance with the provisions of Clause 20 hereof, in lieu of such alternate holiday ; or
    - (b) in case that employee is entitled to an alternate holiday within the six (06) days of the weekly holiday as aforesaid, in respect of which alternate holiday he shall be liable to forfeit, and the Employer shall be entitled to deduct a day's wage as aforesaid and employ that employee on the alternate holiday.
  - (ii) That in respect of work done on such weekly holiday an employee shall be paid as remuneration :
    - (a) One and one half (1 1/2) times the normal hourly rate ascertained in accordance with the provisions of Clause 20(i) hereof for the number of hours worked during the first eight (8) hours (exclusive of the meal intervals) ; and
    - (b) At double the normal hourly rate ascertained in accordance with the provisions of Clause 19(i) hereof for each subsequent hour of work.

**11. Annual Leave .-**

- (1) Fourteen days Annual Leave shall be allowed to employees in each year in accordance with the present agreed practice, of which seven days shall be set off for the Annual "shut down" of the Factory. In the case of employees in the first year of their employment Annual Leave shall be allowed in accordance with the decisions of the Wages Board for the Engineering Trade.
- (2) The balance portion of the Annual leave referred in sub-Clause (1) above shall be availed of by any employee with the prior consent and approval of the Employer.
- (3) The Employer shall be entitled to effect an Annual "Shut Down" of the Factory subject to the following conditions :
  - (a) The period of the "Shut Down" shall be decided by the Employer in consultation with the Branch Union.
  - (b) The period of the "Shut Down" shall be limited to incorporate a maximum of seven working days, Unless otherwise mutually decided by the Employer and the Branch Union.
  - (c) The number of working days falling during the "shut Down" will be set off against the Annual leave of each employee. Provided however that if at the time of the "Shut Down" an employee is not entitled to Annual leave, or is not entitled to Annual leave to the extent of the number of working days covered by the period of the "shut Down", the period of the "shut Down" or the difference between such employee's entitlement and the period of the "shut Down" will be on no pay.
  - (d) It shall be a condition that the period of the "shut Down" shall be a period of compulsory attendance for tool Room employees. Other employees whose services are specifically required for maintenance work by the employer during the "shut Down" will be informed two weeks before the "shut Down".

**12. Casual Leave . -**

- (a) In respect of each year of employment, during which any employee has been continuously in employment that Employee shall be entitled to take on account of private business or other reasonable cause including ill health, if that employee's entitlement to sick leave has been fully utilized, leave (hereinafter referred to as 'Casual Leave') with remuneration for the period or an aggregate of periods not exceeding seven (07) days and the Employer shall allow such Casual Leave and shall be liable to pay such remuneration provided, however, that not more than two (02) days' Casual Leave shall be taken at any time save and except upon the ground of ill health. Provided that any employee shall not be entitled to take Casual Leave immediately preceding or immediately following any period of Annual leave. Provided further that in respect of any employee's first year of employment, including any period of probation he Shall be entitled to Casual Leave for that year computed on the basis of one day for each completed period of two month's service.
- (b) Casual Leave will normally be granted on application without the employee being required to state the reasons for the application. Where an Employer finds it difficult to grant an application for Casual Leave such difficulty shall be notified to the employee as soon as possible after the application is made, and in such case the employee may be required to state the reason for the application in order that the Employer may decide whether it is reasonable in the circumstances to grant him Casual Leave.

**13. Public Holidays.-** The Employer shall allow the following holidays in each year as paid holidays : -

- (1)
  - (i) The Tamil Thai Pongal Day
  - (ii) National Day (February 4th)
  - (iii) The day immediately prior to the Sinhala and Tamil New Year day
  - (iv) The Sinhala & Tamil New year Day
  - (v) May Day (May 01st)
  - (vi) The day immediately following the Full Moon Poya Day of the Sinhala month of Vesak
  - (vii) Milad-Un-Nabi (Holy Prophet Mohamed's Birthday)
  - (viii) Christmas Day
- (2) If any holiday to which an employee is eligible under the provision of sub clause (i) hereof falls on a Sunday, a day either in six (6) days immediately preceding or in the six (6) days immediately succeeding such public Holiday shall be granted to the employee as a weekly holiday in accordance with the provision of Clause 10 hereof.
- (3) If any holiday to which an employee is eligible under the provision of subclause (i) hereof falls on a Saturday, the number of hours constituting the normal working day (inclusive of 3/4 hour for meals) on the day immediately preceding such Public Holiday shall be as on a Saturday.

**14. Full Moon poya holidays.-** Full moon Poya day will be a paid holiday for all monthly rated employees covered by this agreement. Any monthly rated employee covered by this agreement who is required to work on this day shall be remunerated at one and half (1 1/2) times the daily rate ascertained in accordance with the provision of Clause 19 (ii) hereof, irrespective of the number of hours worked during normal working hours.**15. Sick Leave.-**

- (1) An employee shall be entitled to not less than twenty one (21) 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 (2) hereof.
- (2) The employer 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 (2) days 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 ten (10) days in any one year and the employer has reasonable cause for suspicion of the bona fides of the application of the employee.

- (c) Where the absence of the employee on grounds of sickness immediately follows or precedes any holiday allowed Clauses 11, 12 & 13 hereof.

Provided further that any employee who has abused the concession conferred para (a) above shall be liable to forfeit the same and the employer may by agreement with the Union accordingly withdraw such concessions.

- (3) An employee who takes less than twenty one (21) days sick leave in any one year as prescribed above, shall be entitled to avail himself of balance entitlement in any succeeding year or years. Provided however, that in no case shall the entitlement of sick leave on full pay in any one year by reason of such accumulation of sick leave entitlement exceed 90 days. Provided however, that such accumulated sick leave shall be availed of only for the following purposes:

- (1). **Hospitalisation** - Only in Government hospitals and subject to production of Medical Certificate from the same hospital
- (2). **Infectious diseases** - Subject to production of an Official Medical Certificate from the respective M.O.H., P.H.I or Panel Doctor.
- (3). **Accidents at work** - For periods not covered by leave under the Workmen's Compensation Ordinance.
- (4). **Other accidents** - Subject to production of Medical Certificate from the Government Hospital treating the employee or a Panel Doctor.

- (4) As a supplement to leave granted in case of TB/ Leprosy. Provided further that an employee may avail himself of the accumulated leave for aforementioned purpose before he has exhausted his Sick leave entitlement for the current year.

- (5) An employee who was in the employment of the Employer prior to the date hereof shall be entitled to accumulated Sick leave as prescribed in sub clause (3) above in respect of any period of employment under the Employer after 1st January 1979.

16. **Wages :-** The Employer shall as from the First Day of January 2010 pay wages to the employees in accordance with the scales of consolidated wages set out in the First Schedule hereto.

- (i) To ascertain the monthly wage payable to an employee with effect from 1st January 2010 the following provisions shall apply ;

(a) A sum of Rs. 2,000/= will be added to the wages paid to an employee as at 31st December 2009.

(b) To the amount arrived at in terms of (a) above a sum of Rs. 15/= per each completed year of service per employee as at 31.12.2009. will be added.

(c) A sum of Rs. 250/= will be added to the Supervisory Grade for responsibility.

(d) Increments of all Grades will be increased by Rs.15/=.

16. a) (i) **NOTIONAL ARREARS.** - A lump sum payment of 7 month's basic salary as Notional Arrears would be payable one week after the signing of the Collective Agreement. Such Notional Arrears would not attract EPF/ ETF and other statutory payments. However, in this regard as a special consideration the half month's salary already paid as a Christmas gift would also be considered. Period from 1st July 2008 to 31st January 2009.

- (ii) **ADDITIONAL NOTIONAL ARREARS.** - A lump sum payment of 6 months Basic Salary as Additional Notional Arrears, be payable one week after the signing of the Collective Agreement. Such Notional Arrears will not attract EPF/ ETF and other statutory payments. Period from 1st July 2009 to 31st December 2009. However, in this regard as a special consideration the half month's salary already paid as a "Christmas gift" would also be considered.

Each employee shall thereafter be placed on the corresponding point in the grade applicable to him in the scales of consolidated wages set out in the First Schedule hereto. In the event of there being no corresponding point the employee shall be placed on the next higher point on the Grade applicable to him.

- (ii) With effect from **1st January 2011** the Employer shall increase the wages of the employees by a sum of **Rs. 500/-** and each employee shall thereafter be placed on the corresponding point in the Grade applicable to him on the scales of consolidated wages applicable at such time.
- (iii) At the expiry of every 12 month period commencing from the **First day of September Two Thousand and Nine** the scales of the consolidated wages set out in the First Schedule hereto shall be revised by addition to and consolidation with the wages at each stage of each grade of an amount 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 two (2), and the wages payable to each Employee under this Agreement shall accordingly be increased by a like amount as from the **First day of September, Two Thousand and Ten.**

At the expiry of each twelve month period commencing from the First Day of September Two Thousand and Ten scales of consolidated wages revised in the manner prescribed above shall be revised in like manner as from the First Day of September of the succeeding year by addition to and consolidation with the wages of each stage and grade of the consolidated wages in force in the twelve month period immediately preceding of an amount equal of the number of complete points by which the Colombo Consumer's Price Index has increased during such preceding twelve month period, multiplied by two (2) and the wage of each employee as from the First Day of September of the succeeding year shall be increased by a like amount, during the continuance in force of this Agreement.

- (iv) Employees who are in employment as at the date of signing hereof shall be entitled to a special Non-Recurring lump sum payment representing the amount added to wages of such employees in terms of clause (i), (a), (b) & (c) hereof multiplied by Thirteen (13). This payment shall not be regarded as a part of an employees' wages or earnings and shall not attach any consequential benefits such as EPF, ETF, Bonus or such like.
- (v) If during the continuance in force of the Agreement the government of Sri Lanka.
- (01) Prescribes increases in wages by any written law applicable to categories covered by this Agreement legally obliging the Employer to make such payment, the Employer will pay such increases in wages prescribed by such written law and in terms of such written law :
- (02) Recommends increases in wages, such recommendations will not be applicable to the Employer covered and bound by this Agreement, irrespective of whether or not such recommendations are applicable to categories covered by this Agreement.

#### 17. *Allowance.* -

- (a) Each employee shall be paid a shift allowance as agreed in 1997 subject to revision on implementation of shift work.
- (b) The employer agrees to provide the Laundry Facility by making internal arrangements for same. However, the employer may has the option of making an allowance according to the prevailing market price. The said market price will be reviewed only twice a year.
- (c) An employee who is called upon to act for a Charge Hand, Quality Control Inspector, Forklift Operator, Storeman and Canteen Supervisor (only when the Canteen Supervisor is on half day's leave) shall be paid an allowance of Rs. 25/= per day.
- (d) Employees shall not be entitled to any other allowances.

#### 18. *Increments.* -

Annual Increments shall be paid in January or in July of each year as specified in the Letter of Appointment of each employee. The Annual Increments provided in each grade of the scales of consolidated wages in the First Schedule hereto shall be automatic unless as a matter of punishment for general inefficiency or disciplinary action on account of established misconduct an increment is suspended, stopped or deferred in which case an increment is ;

- (a) deferred, the loss of increment shall be continuous throughout the year;
- (b) stopped, the loss of increment shall only be for the period of stoppage during the year;

- (c) Suspended, the increment is suspended pending a decision to defer or stop the increment, such decision being dependent upon a consideration of the factors giving rise to the suspension. Where on such decision an increment is neither stopped nor deferred then the suspension shall be treated as waived and the full increment from the date of suspension thereof shall accrue to the employee concerned.

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

The Management may grant double increments to all employees in any Section if such Section achieves production targets, quality improvements, reduces scrap as set by the Management.

19. *Wages for periods less than one month. -*

For the purpose of this Agreement the wage of any employee for periods less than one month shall be computed in the manner following;

- |                        |   |  |
|------------------------|---|--|
| (i) For one hour       | : | The monthly wage divided by two hundred and forty (240)                          |
| (ii) For one hour      | : | The monthly wage divided by thirty (30)  |
| (iii) For one half-day | : | A day's wage ascertained as above (either morning or evening) divided by two (2) |
| (iv) For one week      | : | 1 day's wage ascertained as above multiplied by seven (7)                        |

20. *Non Recurring cost of Living gratuity. -*

- (a) As the scales of consolidated wages set out in the First Schedule hereto have been fixed on the basis of the Colombo Consumer's Price Index being **6551** an employee shall be entitled to receive and the Employer shall be liable to pay a Non-Recurring Cost of Living Gratuity to employee in service in September each year in respect of the preceding twelve months (i.e. 1st September to 31st August hereinafter referred to as "the qualifying period") commencing from the **First day of September Two Thousand & Nine** ascertained in accordance with the under noted formula.

*The Formula*

If the average of the Colombo Consumer's Price Index for the qualified period exceeds **6551** a sum computed at Rupees Two (Rs. 2/=) for each complete point (i.e. 1.0) by which such average exceeds **6551** in respect of each month of service during the qualifying period.

- (b) When at the expiry of each twelve month period, commencing from the First day of September Two Thousand & Nine the scales of consolidated wages have been revised in the manner set out in Clause 16 (3) hereof, the base index figure in the Formula referred to at sub-clause (a) and (b) above for the purpose of calculating the Non Recurring Cost of Living Gratuity shall be increased by the number of points by which the Colombo Consumer's Price Index has risen during each twelve month period as specified in Clause 16(3) hereof.

- (C) The Non-Recurring Cost of Living Gratuity shall be payable by the employer to an employee who is eligible to receive 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 September of any year or he joined the Employer's service during the course of the qualifying year.

21. *Provident fund. -* The minimum rates of contribution to the Employee's provided fund shall be 12% by the Employer and 8% by the employee. of the employee's earnings as defined by the Employee's Provident Fund Act.

22. *Bonus :*

- (1) The Employer will pay a sum equal to one month's wages to each employee by way of Bonus each year.

- (2) If the Employer finds it necessary in his discretion to reduce the quantum of Bonus payment in respect of any year, the Branch Union in the Company may canvass the question of the reduction with the Employer. If the Branch Union is not satisfied by the response of the Employer in the matter, the Union may pursue the matter with the federation. There upon the Federation will consider the matter and advise the Employer in such manner as the Federation deems fit in the circumstances. If the Union is not satisfied in regard to the quantum of Bonus payment finally decided on by the Employer in the light of the advice given by the Federation, the Union will not pursue the matter further, by any form of Trade Union action or otherwise during the pendency of this Agreement.
- (3) Payment of a Bonus, higher than the quantum referred to in sub clause (1) above, will be at the sole discretion of the Employer and the payment of such higher Bonus shall not be the subject to any dispute.
- (4) Any employee who has ceased to be employed prior to the date of payment of the Bonus referred to herein, shall be entitled to a proportionate payment calculated upto the last completed month of service prior to the termination of his contract.

However such employee shall not be entitled to the payment of the proportionate share of the variable Bonus referred to Sub Clause (3), until such time as the variable Bonus is declared by the Management. The Management shall notify such employee the date of payment of such proportional of the variable Bonus to his last Known address.

- (5) The Employer and the Union reserve the right to review the provision of this clause in the event of profit sharing or employee participation of profits becoming compulsory by virtue of any law. Any dispute arising there from shall be dealt with, as provided in Clause (31) hereof.

23. **Promotion:** - The following shall be the principles which would guide the Employer on the question of promotions : -

- (1) Mere length of service shall not be the sole criterion for promotions and the Employer shall be entitled to take into account other factors such as efficiency, educational qualifications. Where suitability is comparable, seniority shall be given preference.
- (2) Promotions will depend on the availability of vacancies in the Higher Grades and the ability of the employees to perform the duties in the Higher Grade to the satisfaction of the Employer.
- (3) Where an employee is promoted from one grade to another in accordance with the preceding clause (1) and (2), such employee shall be placed at a wage not less than which he would have received at the next normal incremental date, had he remained in the grade from which he is promoted.
- (4) Those who are serving or had served in a particular department in which the vacancy exists, will be given preference, considering of such service. If no applicants are available from the department in which the vacancy has occurred applicants will be considered on the basis of (1), (2) and (3) above.

24. **Resignation.**- An employee may resign by giving notice or making payment of wages in lieu of notice, as prescribed in his letter of Appointment. An employee who resigns from his post without giving without giving the stipulated notice or payment in lieu of such notice shall be liable to reimburse the Company the amount due by way of wages in lieu of notice and such amount shall be set off from any amounts due to the employee from the Company.

25. **Transfers.**-

- (1) An employee may be transferred from one operation to another within the same department if in the opinion of the Employer, there is no other employee in such Department possessed of such skill as is required to carry out the job/ operation to which such employee is to be transferred.
- (2) If work is temporarily not available in his own job, an employee will be offered such other work as the Management may so direct within his skill.
- (3) An employee could also be transferred from one Department/ Section / Operation to another Department/ Section / Operation on the grounds listed below after stating reasons for such transfer.

- (a) On account of conduct and/ or application to work after assigning the specific reason for such a transfer.
- (b) On consideration of application made by an employee or after an employee expresses willingness to such a transfers.

26. **Warnings :-** Where the Employer is of the opinion that the conduct of an employee warrants a warning, the same shall be conveyed to the employee by a letter and a duplicate of the said letter shall be signed in acknowledgement by the employee, subject to the right of the Union to raise a dispute in terms of Clause (31) hereof.

27. **Suspension :-** Subject as hereinafter provided, an employee may be suspended without pay by the Employer :-

- (a) pending an inquiry to be held by the Employer on a charge or charges of misconduct where such charge or charges relate to :
  - (i) fraud, theft, misappropriation or a like offence by the employee in the course of his employment ;
  - (ii) abuse, threat or gross insubordination by the employee to the Employer or to any other employee of the Employer, whether such other employee is a member of the supervisory staff or otherwise;
  - (iii) In the event of, or in order to avoid, a breach of the peace or any disturbance at or about the undertaking of the Employer, or to prevent damage being caused to such undertaking as a result of the conduct of the employee, provided however that the Employer shall be entitled to suspend an employee only for so long as the employee's continuance in employment will or is likely to be undesirable or to be prejudicial to the proper investigation of the Charges or the Employer carrying on its business ;
- (b) as a punishment for misconduct for a period of not exceeding seven (07) working days, after due inquiry;
- (c) if any employee fails to carry out the Employer's written instructions.

At the time of the suspension, or within twenty four (24) hours thereof, the employer shall provided the employee with a written order of suspension specifying the reason for such suspension.

28. **Disciplinary Action :-** Where the Employer proposes to proceed against any employee, then : -

- (1) irrespective of whether such employee has been suspended under Clause (28) or not, the employee shall be furnished with a show cause Notice which shall set out the particulars of charges misconduct alleged against such employee, and such show cause notice shall give the employee not less than five (05) working days in which to give the answer or explanation, to the preferred.
- (2) Within five (5) working days after the date of the show Cause Notice, the employee shall furnish in writing to the Employer the answer or explanation to the charges preferred against such employee. Provided however, that if in the circumstances it is reasonable, the employee may ask the Employer for an extension of time within which to furnish the written answer or explanation to the show Cause Notice, and where such request is made by an employee to the Employer, the Employer, shall grant such request for such further period of time as is deemed necessary in the circumstances of the case.
- (3) If the Employer is satisfied with the written answer or explanation of the employee, the employee shall, if he is under suspension forthwith be reinstated and shall be paid all emoluments and entitlement due during the period of such suspension.
- (4) If the Employer is not satisfied with the written answer or explanation of the employee to the show Cause Notice and such answer or explanation is rejected by the Employer, the Employer shall commence an inquiry within fourteen (14) working days from the date of receipt by the Employer of the written answer or explanation to the show Cause Notice.
- (5) After holding such inquiry, the Employer shall notify the employee of the findings on each of the charges in the show Cause Notice and the punishment, if any, imposed by the Employer. Provided that if the Employer fails to make an order except for reasons beyond the control of the Employer on the charges in the Show Cause Notice within thirty (30) working days from the conclusion of the inquiry into such charges, the employee shall not be liable to be punished thereafter, in respect of such charges and no inference adverse to the employee shall be drawn from such charges.

- (6) if the employee is under suspension and the Employer after such inquiry makes orders that ;
- (a) The employee shall not be dismissed, then the employee shall resume employment forthwith and shall, subject to Clause (27) (b) hereof, be paid all emoluments and entitlement due during the period of suspension, irrespective of such other punishment less than dismissal that may be imposed by the Employer on the findings as the charges in the Show Cause Notice.
  - (b) The employee shall be dismissed, the employee's dismissal shall take effect from the date of the employee's suspension and accordingly employee shall not be paid for the period of such suspension.
  - (c) In view of the serious or involved nature of the charges in the show Cause Notice against the employee, the employer is unable to make a final order as it is necessary and desirable that the matter be referred to the Police or other authorities for further investigations or inquires and that the matter be therefore, referred to the police or other authorities or in view of the serious or involved nature of the charges preferred against the employee the matter had been previously referred to the police or other authorities for investigations or inquiries that the outcome of such investigations or inquiries be awaited, then in either of such circumstances, the employee may remain suspended without pay.
- (7) if in any case where an employee is suspended as provided for herein, the Employer fails to make an order under paragraphs (a) to (c) of the preceding sub-clause for any reason other than that of the employee's own seeking within thirty (30) working days from the date of the employee's suspension, the employee shall be entitled to half his normal remuneration for the period of thirty (30) working days from the date of such suspension and to his full remuneration for the period in excess of thirty (30) working days upto the date on which the Employer makes an order under paragraphs (a) to (c) of the preceding sub-clause, irrespective of the outcome of the inquiry.
- (8) in any case, where an employee is suspended as provided herein, the Employer shall make an order under paragraphs (a) to (c) of sub clause (6) within Ninety (90) days of the date of suspension of the employee, unless he is prevented from so doing by reason of the employee's own seeking or for reasons beyond the control of the Employer or it is agreed between the Employer and the Union that in the circumstances of the case, the period of Ninety (90) days be extended for such further time as may be agreed.

29. **Retirement.** - The age of retirement shall be 60 years of age. An employee would also have the right to retire on reaching the age of 55 years or any time thereafter.

30. **Carrying out Employer's Instructions as to Duties.** -

- (1) If an employee considers that any duty which he is required to perform by the Employer does not fall within the scope of his employment in the Company, the employee shall be entitled to bring such matter to the notice of the Employer. If notwithstanding such notification, the Employer requires the employee to carry out such instructions, then the employee shall be entitled to request the Employer to give him such instructions in writing.
- (2) If the Employer gives the employee such instructions in writing, the employee shall carry out same but without prejudice of the right of the employee or the Branch Union on his behalf to dispute the same with the employer.
- (3) If the Employer refuses to give such instructions in writing the employee shall be entitled to refuse to carry out such instructions and in that event the Employer shall have no right of action against the employee.
- (4) If the Employer gives such instructions in writing but the employee fails to carry out the same, the Employer shall be entitled to suspend the employee immediately without pay and to take disciplinary action against him without prejudice of the right of the employee or the Branch Union or the Union on his behalf to dispute such suspension or such disciplinary action, as may be taken against the employee as provided in this Agreement.

31. **Grievance and dispute procedure.** - Subject to the provisions of clause 33 hereof, in the event of any dispute or grievance other than a dispute or grievance in relation to any kind of Bonus arising between an employee or employees and the Employer, of between the Union and the Employer, the following procedure shall be followed for the settlement of such dispute or in resolving such grievance :

- (a) The employee or the Branch Union representative will, in the First instance, raise the dispute or grievance with the Foreman/ Departmental Manager.
- (b) If the dispute or grievance is not satisfactorily resolved, the employee or the Branch Union representative will then represent matters to the Manager Human Resources or Assistant Manager - Human Resources in writing and the manager, Human Resources/ Assistant Manager, Human Resources will discuss the matter with the employee or the Branch Union representative and endeavor to bring about a settlement.
- (c) If no satisfactory solution is arrived at, then the issue in dispute will be discussed by the Branch Union and the Group Director - Human Resources / Factory Director/ Managing Director/ Chairman.
- (d) If the Union is not satisfied with the decision of the Employer in this matter, the Union may pursue the matter with the Employer's Federation of Ceylon, of which the Employer is a member.
- (e) Nothing contained in sub-Clause (a) to (d) will prejudice the right of the Union to take up with the Employer or with the Federation any dispute the Union may consider necessary.
- (f) In the event of a dispute or grievance not being resolved or settled under the preceding Sub-Clauses and if the Union or the Employer requests a reference of the dispute under the Section 3 (1) (d) of the Industrial Dispute Act and regulations made hereunder for settlement by arbitration, the other party shall consent to such reference.

32. **How anomalies in the course of implementation under this agreement shall be dealt with.** - Any anomaly arising from the implementation of this Agreement shall be settled by negotiations between the Employer and the Union or between the Federation and the Union. and if the matter cannot be settled by negotiations, the matter shall be settled by reference to arbitration under Section 3 (1) (d) of the Industrial Disputes Act.

33. **Trade Union Action.** - The Union and its members covered and bound by this Agreement jointly and severally agree with the employer that during the continuance in force of this Agreement they shall not engage in any strike or other form of Trade Union Action against the Employer in respect of any dispute between the Employer on the one hand and the Union and its members and/or any employee or employees covered and bound by this Agreement on the other hand, whether or not such dispute is relative to this Agreement. Provided however, that this Clause shall not apply in respect of any dispute arising out of any breach by the Employer of the provisions of Clause (28), Clause (31) and Clause (34) hereof.

34. **Unfair Labour Practice .-**

- (a) Any person bound by this Agreement shall not during the currency of this Agreement instigate, support or engage in any unfair labour Practice.
- (b) The Employer will not take any action which is calculated to undermine the existence of the Union in the establishment of the Company.

35. **Variation of terms and conditions of Employment or Benefits.-**

- (a) The Union and its members and employees covered and bound by this Agreement jointly and severally agree with the Employer that during the continuance in force of this Agreement, they shall not seek to vary or add to all or any of the terms and conditions of the employment presently applicable to any of the employees covered by and bound by this agreement, or all or any of the benefits presently enjoyed by any of the employee covered and bound by this Agreement other than by mutual agreement.
- (b) Subject to the terms of this Collective Agreement, the Employer agrees that it shall not seek to vary or add to all or any of the terms and conditions of employment presently applicable to any of the employees covered and bound by this Agreement or all or any of the benefits presently enjoyed by any of the employees covered and bound by this Agreement other than by mutual agreement.

- (c) Any dispute or difference arising from negotiation under the provisions of sub clauses (a) and (b) may be resolved by voluntary arbitration but only if all the parties concerned agree to submit such dispute or difference for settlement by voluntary arbitration.

36. **Union Meetings.** -

- (i) The following provisions shall apply to the meetings of their Branch Union :-

- (a) in respect of each meeting which the Branch Union desired to hold at the Company's premises, an application for permission shall be previously made to the Employer.
- (b) If the Employer decides to grant permission, the Employer shall be entitled to impose, inter alia one or more of the under mentioned conditions.
- (i) That no person other than an employee in the service of the Company shall be present at the meeting of the Branch Union.
- (ii) On occasions such as a General Meeting, Office Bearers of the Parent Union may, with the previous approval of the Employer, be present.
- (iii) Fix a time limit within which a meeting of the Union shall be concluded or adjourned.
- (c) It shall be the duty of the Branch Union and its Office Bearers to ensure that the terms on which permission to hold a meeting of the Union were granted are duly complied with.
- (d) It shall be the duty of the Branch Union and its Office Bearers to ensure that no damage is caused in the course of or in connection with a meeting of the Branch Union to the Employer's property or any other person at the Employer's premises and the Union shall indemnify the Employer and keep the Employer indemnified against any such damage.

- (ii). **Annual General Meeting.** - Members of the Branch Union will be allowed two (2) hours leave without loss of pay to attend the Annual General Meeting of the Branch Union on a week day on one day in the year provided the Employees agrees to a short lunch interval of 20 minutes. On such day, the Factory will be closed at 1.20 p.m. The date of the Annual General Meeting will have to be agreed upon between Employer and the Branch Union taking into account the exigencies of the work in the Factory.

37. **Duty Leave.** - The following provisions shall apply to duty leave :-

- (a) Without prejudice to the right of the Employer to refuse to grant permission if, in its discretion, the exigencies of the circumstance warrant refusal, the Employer will generally grant permission for not less than two Office Bearers of the Branch Union :-
- (i) to be present at discussions and conference held with the Employer or under the aegis of the Department of Labour, in connection with a dispute between the Union and the Employer, or
- (ii) to attend inquiries before Industrial Courts, Arbitrators or Labour Tribunals; without loss of wages for such absence.
- (b) The Following provision shall apply to meetings of the General Council of the Union :-
- (i) Without prejudice to the right of the Employer to refuse to grant permission if in its discretion the exigencies of the circumstances warrant refusal, the Employer will generally grant permission to members of the General Council, of the union in order to attend a meeting of the General council to leave Office not earlier than 1 O'clock in the afternoon on not more than one occasion in a month without loss of salary for such absence, if application for permission to attend is made at least forty eight (48) hours before the time appointed for holding the meeting of the General Council.

- (ii) For the purpose of paragraph (i) above, the Union shall forthwith furnish the Employer, in whose service there are members of the General Council of the Union, with a list of such members and keep the Employer informed of all changes therein, which may be made from time to time.
- (iii) The Employer will grant Duty Leave to the Nominated Branch Union delegates to attend the Delegates Conference once in 2 years.
- (c) The provision of the preceding sub-clauses (a) and (b) shall not be in derogation of any existing concessions or facilities granted by the Employer to the Branch Union regarding Union meetings.

**38. Check Off. –**

- (a) This clause shall apply to the Employer so long as the Union maintains a membership of not less than forty per centum (40%) of the employees of the Employer, employed in manual and labouring capacity at the Factory at Ratmalana.
- (b) The Employer shall, on the written request of an employee, deduct from the wages due to such employee the current monthly Union dues as are specified by the employee, to be payable monthly by the employee to the Union and remit the amount so deducted to the Union in accordance with the procedure and upon and subject to the conditions hereinafter set forth.
- (c) Every employee, who agrees to the deduction of Union dues from his wages, shall sign an authorisation and forward it to the Employer.
- (d) Every employee shall be entitled to withdraw his agreement to check off at any time by signing a statement to that effect and forwarding the same to the Employer.
- (e) As far as practicable, deductions under an authorisation shall commence from the wages due immediately after the date of receipt of such authorisation and shall continue thereafter until the authorisation is cancelled by a revocation.
- (f) As far as practicable, deductions under an authorisation shall cease from the date of receipt of a revocation canceling such authorisation, provided, however :-
  - (i) That the Employer shall not be liable in any manner whatsoever to the Union or the employee concerned for the failure to comply with sub - clauses (d) or (e)
  - (ii) That at its discretion the Employer shall be entitled not to make deductions by way of Check Off in any month in which the deductions by way of Check Off will together with all other deductions from an employee's wage in that month exceed the deductions permitted by Law.
- (g) The Employer shall, not later than the Tenth day of each month remit to the Union, dues deducted from the wages of employees in the month immediately preceding, to the Treasurer of the Ceylon Mercantile Industrial and General worker's Union (CMU) in accordance with the tenor of each authorisation, by a cheque payable to the Treasurer hereof, and crossed "Account payee".
- (h) The cheque shall be sent at the risk of the Union and the employees concerned, by post in a pre-paid envelope addressed to the Treasurer of the Union at its address for the time being.
- (i) The Treasurer of the Union shall promptly acknowledge receipt of the cheque.
- (j) The Employer shall not be liable to pay to the Union or to the Treasurer on its behalf as aforesaid any sum other than the union dues actually deducted.

**39. Definitions. –** The following words shall have the meaning set apposite to them :

EMPLOYER	:	SINGER INDUSTRIES (CEYLON) LIMITED
UNION	:	THE CEYLON MERCANTILE INDUSTRIAL & GENERAL WORKERS' UNION (CMU)
BRANCH UNION	:	THE BRANCH UNION OF THE CEYLON MERCANTILE INDUSTRIAL & GENERAL WORKERS' UNION (CMU) IN THE ESTABLISHMENT
FEDERATION	:	THE EMPLOYERS' FEDERATION OF CEYLON
INDUSTRIAL DISPUTES ACT	:	THE INDUSTRIAL DISPUTES ACT NO. 43 OF 1950 AS AMENDED
DISPUTE	:	A DISPUTE OR DIFFERENCE BETWEEN THE EMPLOYER AND AN EMPLOYEE OR BETWEEN THE EMPLOYER AND THE UNION ON ANY MATTER COVERED BY THIS AGREEMENT IN RELATION TO THEIR EMPLOYMENT UNDER THE EMPLOYER
WEEK	:	THE PERIOD BETWEEN MIDNIGHT ON ANY SATURDAY AND MIDNIGHT ON THE SUCCEEDING SATURDAY NIGHT
MANAGEMENT	:	THE CHAIRMAN, THE MANAGING DIRECTOR, DIRECTORS AND EXECUTIVE STAFF OF THE COMPANY
PERMANENT EMPLOYEES	:	ALL EMPLOYEES WHOSE EMPLOYMENT HAS BEEN CONFIRMED UPON COMPLETION OF THEIR PROBATIONARY PERIOD
PROBATIONERS	:	PERSONS ENGAGED ON TRIAL AND WHOSE APPOINTMENT HAVE NOT YET BEEN CONFIRMED.
APPRENTICES	:	TRAINEES ENGAGED FOR A SPECIFIC PERIOD AND PURPOSE
TEMPORARY EMPLOYEE	:	A DAILY PAID EMPLOYEE RECRUITED FOR A SPECIFIC PERIOD OR JOB
CASUAL EMPLOYEE	:	A DAILY PAID EMPLOYEE RECRUITED ON A DAILY CONTRACT OF EMPLOYMENT AND WHOSE WORK IS OF A CASUAL NATURE
EMPLOYEE OR EMPLOYEES	:	EMPLOYEE/ EMPLOYEES COVERED AND BOUND BY THIS AGREEMENT

We certify that the contents of Page (One) to Page 28 (Twenty Eight) both numbers inclusive and from Clause 1 (One) to Clause 39 (Thirty Nine) both numbers inclusive and First Schedule from Page 1 (One) to Page 6 (Six) both numbers inclusive and enumerated herein are in accordance with what was agreed upon.

In witness hereof parties have hereto have set their hands hereunder at Colombo on this 9<sup>th</sup> day of February 2010.



**THE FIRST SCHEDULE REFERRED TO ABOVE CONSOLIDATED SCALES OF  
MONTHLY WAGES CONSOLIDATED AT BASE INVESEX OF 6551**

(01)	SERVICE EMPLOYEE	Rs. 23,073/ =	- Rs. 65/ = x 8 - Rs. 70/ = x 10 - Rs. 72/ 50 x 13	= Rs 25,235/ 50
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(02)	SEMI SKILLED			
	Grade I	Rs. 23,143/ =	- Rs. 75/ = x 31	= Rs. 25,468/ =
	Grade II	Rs. 23,250/ 50	- Rs. 80/ - x 21 - Rs. 82/50 x 16	= Rs. 26,250/ 50

Employees classified as Semi Skilled Grade I shall be entitled to transfer to Semi Skilled Grade II on completion of four Annual Increments of Semi Skilled Grade I, unless as a matter of punishment for general inefficiency or disciplinary action on account of established misconduct after due inquiry

(03)	COUNTERMAN			
	Grade I	Rs. 23,143/ =	- Rs. 75/ = x 31	= Rs. 25,468/ =
	Grade II	Rs. 23,250/ 50	- Rs. 80/ = x 21 - Rs. 82/ 50 x 16	= Rs. 26,250/ 50

Counterman classified as Grade I shall be entitled to transfer to Counterman Grade II on completion of four Annual Increments of Counterman Grade I, unless as a matter of punishment for general inefficiency or disciplinary action on account of established misconduct after due inquiry

(04)	SKILLED	Rs. 23,333/ =	- Rs. 85/ = x 12 - Rs. 90/ = x 19	= Rs. 26,063/ =
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(05)	STOREMAN	Rs. 23,333/ =	- Rs. 85/ = x 12 - Rs. 90/ = x 19	= Rs. 26,063/ =
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(06)	CHARGE HAND			
	Grade I	Rs. 23,578/ =	- Rs. 100/ = x 21	= Rs. 25,678/ =
	Grade II	Rs. 23,663/ =	- Rs. 105/ = x 30 - Rs. 107/ 50 x 7	= Rs. 27,565/ 50

Will be eligible for Grade I and II Salary Scales. Transfer to Grade II will be automatic on achieving the maximum in each Grade I unless as a matter of punishment for general inefficiency or disciplinary action on account of established misconduct after due inquiry.

(07)	QUALITY CONTROL INSPECTORS			
	Grade I	Rs. 23,578/ =	- Rs. 100/ = x 21	= Rs. 25,678/ =
	Grade II	Rs. 23,663/ =	- Rs. 105/ = x 30 - Rs. 107/ 50 x 7	= Rs. 27,565/ 50

I. Will be restricted normally to the above mentioned Grade I Scale.

II. Hereinafter, Quality Control Inspector will be in addition to their duties act for Charge Hands as and when necessary, subject to the conditions having been met the Grade II Scale will be open to this category on reaching the Maximum of Grade I, unless as a matter of punishment for general inefficiency or disciplinary action on account of established misconduct after due inquiry.

(08)	TOOL ROOM SPECIALISTS *			
	Grade I	Rs. 23,578/ =	- Rs. 97/ 50 x 21	= Rs. 25,625/ 50
	Grade II	Rs. 23,663/ =	- Rs. 102/ 50 x 30	= Rs. 26,738/ =
	Grade III	Rs. 23,808/ =	- Rs. 105/ = x 28	= Rs. 26,748/ =

Will be eligible for Grade I, II and II Salary Scales, Transfer to Grade II & III will be automatic on reaching the maximum in each Grade irrespectively, unless as a matter of punishment for general inefficiency or disciplinary action on account of established misconduct after due inquiry.

(09)	CHIEF COOK	Rs. 23,333/ =	- Rs. 85/ = x 12	= Rs. 26,063/ =
(10)	COOK	Rs. 23,143/ =	- Rs. 75/ = x 12 - Rs. 80/ = x 19	= Rs. 25,563/ =
(11)	DRIVER	Rs. 23,333/ =	- Rs. 85/ = x 12 - Rs. 90/ = x 19	= Rs. 26,063/ =
(12)	PURCHASER	Rs. 23,663/ =	- Rs. 105/ = x 22	= Rs. 25,973/ =
(13)	CANTEEN SUPERVISOR			
	Grade I	Rs. 23,578/ =	- Rs. 100/ = x 21	= Rs. 25,678/ =
	Grade II	Rs. 23,663/ =	- Rs. 105/ = x 30 - Rs. 107/ 50 x 7	= Rs. 27,665/ 50

Will be eligible for Grade I and II Salary Scales. Transfer to Grade II will be automatic on reaching the maximum of Grade I unless as a matter of punishment for general inefficiency or disciplinary action on account of establishment misconduct after due inquiry.

(14)	SENIOR QUALITY CONTROLLER*			
	Grade I	Rs. 23,663/ =	- Rs. 105/ = x 22	= Rs. 25,973/ =
	Grade II	Rs. 23,808/ =	- Rs. 107/ 50 x 30	= Rs. 27,033/ =

I. Will be restricted normally to the above mentioned Grade I Scale.

II. Hereinafter, Senior quality Control Inspector will be in addition to thier duties act for Charge Hands as and when necessary, subject to the conditions having been met the Grade II Scale will be open to this category on reaching the Maximum of Grade I, unless as a matter of punishment for general inefficiency or disciplinary action on account of established misconduct after due inquiry.

(15)	ELECTRONIC MECHANIC			
	Grade I	Rs. 23,143/ =	- Rs. 75/ = x 31	= Rs. 25,468/ =
	Grade II	Rs. 23,250/ 50	- Rs. 80/ = x 21 - Rs. 82/50 x 16	= Rs. 26,520/ 50

Employees classified as TV/ Audio Electronic Grade I shall be entitled to transfer to TV/ Audio Electronic Mechanic Grade II on completion of four Annual increments of TV/ Audio Electronic Mechanic Grade I, unless as a matter of punishment for general inefficiency or disciplinary action on account of established misconduct after due inquiry. If an employee in this category graded before receiving four Annual increments in Electronic Mechanic Grade I he will be placed one step ahead in the Electronic Mechanic Grade II.

(16)	TV/ AUDIO ASSISTANT TECHNICIAN			
		Rs. 23,250/ 50	- Rs. 80/ = x 21 - Rs. 82.50 x 16	= Rs. 26,250/ 50
(17)	TV/ AUDIO TECHNICIAN			
	Grade I	Rs. 23,250/ 50	- Rs. 80/ = x 21 - Rs. 82.50 x 11	= Rs. 26,250/ 50
	Grade II	Rs. 23,333/ =	- Rs. 85/ = x 12 - Rs. 90/ = x 19	= Rs. 26,063/ =

(18) TV/ AUDIO LEADING TECHNICIAN\*

Grade I Rs. 23,578/ = - Rs. 100/50 x 21 = Rs. 25,678/ =

Grade II Rs. 23,663/ = - Rs. 105/ = x 30 = Rs. 27,565/ 50  
- Rs. 107/50 x 7

Will be eligible for Grade I and II Salary Scales, Transfer to Grade II will be automatic on reaching the maximum of Grade I unless as a matter of punishment for general inefficiency or disciplinary action on account of established misconduct after due inquiry.

(19) FOREMEN AND LEADING HAND

Rs. 24,453/ = - Rs. 135/ = x 28 = Rs. 28,233/ =