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No. 1801/33 – THURSDAY, MARCH 14, 2013

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PART I : SECTION (I) – GENERAL

Government Notifications

My No.: CI/1509.

THE INDUSTRIAL DISPUTES ACT, CHAPTER 131

THE Collective Agreement entered into between Rileys (Pvt) Limited, No. 400, Deans Road, Colombo 10 the one part and the United Tea Rubber and Local Produce Worker's Union, 513 - 2/1, Elvitigala Mawatha, Colombo 05 of the other part on 24th day of January 2011 is hereby published in terms of Section 06 of the Industrial Disputes Act, Chapter 131, of the Legislative Enactments of Ceylon (Revised Edition 1956).

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

Department of Labour,
Labour Secretariat,
Colombo 05.
21st February, 2013.

Collective Agreement No. 05 of 2011

THIS COLLECTIVE AGREEMENT made this Twenty Fourth day of January Two Thousand and Eleven to take effect from the First day of June Two Thousand and Ten pursuant to the Industrial Disputes Act

BETWEEN

RILEYS (PVT) LIMITED, having its registered office at 400 Deans Road, Colombo 10 (hereinafter referred to as the "Employer") of the ONE PART

AND

THE UNITED TEA RUBBER AND LOCAL PRODUCE WORKER'S UNION a registered Trade Union having its office at 513-2/1 Elvitigala Mawatha, Colombo 5 (hereinafter referred to as the 'Union') of the SECOND PART

WITNESSETH AND IT IS HEREBY AGREED BETWEEN THE PARTIES AS FOLLOWS :



TITLE : This Agreement shall be known and referred to as the RILEYS (PVT) LIMITED MANUAL WORKER'S COLLECTIVE AGREEMENT OF 2010.

PART I

CONTAINING TERMS AND CONDITIONS OF EMPLOYMENT AND MATTERS INCIDENTAL THERETO AND CONNECTED THEREWITH

1. **Persons Covered and Bound.** - This Agreement shall cover and bind the Employer, the Union and members of the Union who are employed by the Employer in a manual or labouring capacity on monthly contracts of employment and for whom provision has been made in the wage scales set out in Schedule 1 of this Agreement.

2. **Date of Operation and Duration.** - This Agreement shall be effective as from the 1st day of June Two Thousand and Ten and shall thereafter continue in force unless it is determined by either party giving notice in terms of the Industrial Disputes Act in writing to the other subject to the following provisos :-

- (a) That one party hereto shall not give such notice to the other party before the Thirty First day of May Two Thousand and Thirteen (2013 AD) and no notice given before that date shall be regarded as valid.
- (b) That in the event of a reduction in the par value of the Sri Lankan Rupee under any provision of law, a party shall be at liberty to abrogate this Agreement by giving one month's notice in writing to the other in terms of the Industrial Disputes Act.

3. **General Terms and Conditions of Employment.** - During the continuance in force of this agreement the terms and conditions of this Agreement shall be deemed to be included in each contract of service between the Employer bound by this agreement and an Employee covered and bound by this agreement, whether such contract of service be written or oral, which was subsisting on the date hereof or which shall come into being at any time after the date hereof or during the continuance in force of this Agreement.

4. **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 During the Period of probation or extended probation the Employer shall have the right to terminate the services of the employee without notice. 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 his Employer's service with effect from the day after the day on which the period of probation or extended probation, as the case may be, ended.

5. **Attendance.** - (1) Unless otherwise specifically instructed by Employer an employee shall present himself for work on every day (other than a holiday) at the usual starting time of the store, factory, mill or job and shall there remain available for work throughout the normal working hours.

(2) If, at a store, factory, mill or job work is temporarily not available for an employee in his own occupation he shall be deemed to be ready and willing to perform work within his capacity and skill in any other occupation at any other work site of the Employer where work is available.

(3) Irregular attendance or unpunctuality of an employee shall constitute neglect of duty for which he shall be liable to appropriate Disciplinary action.

6. **Hours of work.** - The hours of work on a normal working day or on a shift shall be nine and one half (9 1/2) hours inclusive of a half (1/2) hour interval for a meal and other intervals existing at the date of this Agreement.

7. **Forfeiture of Wages.** - Unless for good cause shown to the satisfaction of the Employer, an employee fails to hold himself available for work throughout the normal working hours of each working day he shall forfeit and his Employer shall be entitled to deduct his wages for the period from the time at which such failure occurs until he is again available for work.

8. **Overtime.** - (1) If required by his Employer an employee shall work reasonable overtime which has been authorised by the Employer. Refusal to work reasonable overtime in the absence of a satisfactory explanation which is acceptable to the Employer shall constitute neglect of duty for which an employee shall be liable to appropriate disciplinary action.

- (2) Overtime work (that is work performed in excess of normal working hours) shall be remunerated at one and one-half (1 1/2) times the normal hourly rate ascertained in accordance with the provisions of Clause 16(a) hereof.

9. Weekly Holiday and Saturdays. - (1) In respect of each week every employee shall be allowed a paid holiday on a Sunday in that week as the weekly holiday. Provided, however, that if an employee has not worked for a period of at least twenty-eight (28) hours, exclusive of any period of overtime work during that week, he shall be liable to forfeit and his Employer shall be entitled to deduct one day's wage in respect of the weekly holiday for that week computed in accordance with the provisions of Clause (16 (b) hereof.

- (2) In computing the period of twenty-eight (28) hours referred to in Sub-Clause (1) the Employer shall include.-

- (a) every holiday allowed by the Employer to Employee as annual holiday.
- (b) every public holiday granted by the Employer in terms of Clause 11 hereof; and
- (c) every day's absence on any ground approved by the Employer.

- (3) The Employer may employ any employee on a weekly holiday subject to the following conditions:

- (i) A day within the six days next 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 his 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 16(b) hereof in respect of the holiday which shall be allowed to that employee within six (6) days of that weekly holiday, provided further that in respect of not more than two (2) such weekly holidays in any one calendar month the Employer may with the consent of the employee.-

- (a) Instead of allowing an alternate holiday within six (6) 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 16(b) hereof in lieu of such alternate holiday,

OR

- (b) In case that an employee is entitled to an alternate holiday within six (6) 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 employ that Employee on the alternate holiday.

- (ii) that in respect of work done on such weekly holiday the 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 16(a) hereof for the number of hours worked during the first nine (9) hours (exclusive of one (1) hour for a meal); and
- (b) at double the normal hourly rate ascertained in accordance with the provisions of Clause (17(a) hereof for each subsequent hour of work.

The provisions of this sub-clause shall not apply to employees engaged on work outside the business premises of the Employer for periods exceeding twelve (12) hours in respect of the duration of each such period.

- (4) Saturday shall be a non-working day only for Employees for whom it was a non-working day as at present. In their case where an Employee does not qualify for a paid weekly holiday in terms of this clause he shall forfeit three fifth of his pay for Saturday if he has worked only 2 days in the week; four fifth of his pay for Saturday if he has worked only one day in the week and shall receive no pay for the Saturday if he has not worked on any day in the week. For the purpose of this sub-clause days worked will be reckoned in terms of sub-clause 2 above.

10. Annual Holidays. - Annual holidays shall be allowed to an employee in accordance with the decisions of the relevant Wages Board in the case of Employees in the Brush Manufacturing Trade the annual holidays shall be in terms of the decision of the wages Board for the Coir Matters and Bristle Fibre Export Trade.

11. Public Holidays. - (1) Public holidays shall be allowed to an employee in accordance with the decisions of the relevant Wages Board In the case of Employees in the Brush Manufacturing Trade the Public holidays shall be in terms of the decision of the Wages Board for the Coir Mattress and Bristle Fibre Export Trade. Provided however, that an employee may be employed on a public holiday in accordance with the decisions of the aforesaid Wages Board.

- (2) If any public holiday to which an employee is eligible under the provisions of sub-clause (1) falls on a Sunday, a day either in the 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 provisions of Clause 9 hereof.

- (3) If any public holiday to which an employee is eligible under the provisions of sub-clause (1) falls on a Saturday, the number of hours constituting the normal working day on the day immediately preceding the Saturday shall be five and one half (5 1/2) hours and no interval for a meal shall be granted.

12. **Casual leave.** - (1) 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 utilised, leave (hereinafter referred to as "casual leave") with remuneration for the period or an aggregate of periods not exceeding seven (7) days and the Employer shall allow such Casual leave and shall be liable to pay such remuneration Provided however that not more than two (2) days casual leave shall be taken at any one time save and except upon the ground of ill health. Provided further that any employee shall not be entitled to take casual leave immediately preceding or immediately following any period of annual holidays. 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 complete period of two months' service.

- (2) Casual leave will normally be granted on application without the employee being required to state that reason for the application. where an Employer finds it difficult to grant an application for casual leave, his 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. **Sick leave.** - In any year an employee shall be entitled to sick leave not exceeding twenty-one (21) days. Provided that:

- (a) his illness is supported by a medical certificate from a registered medical practitioner (unless waived by his Employer), and
(b) the employee shall not be on probation with in the meaning of Clause 6 hereof. Provided, however, that an employee who has been on probation shall as from the date of confirmation in respect of the remainder of the first year of employment be entitled to sick leave not exceeding ten (10) days if he is confirmed after six (6) months' probation and sick leave not exceeding five (5) days if he is confirmed after nine (9) months' probation.

14. **Monthly consolidated wages in Lieu of CCPI Consolidation.** - (1) Subject to the provisions of Clause 15 hereof and the Employer's right to make deductions from wages in terms of the practices prevailing at the date of this Agreement and also subject to the existing practices in relation to the performance by Employees of work in other grades (whether in higher or lower grades), as from the First day of June Two Thousand and Ten each Employee shall be paid upon and subject to the other terms and conditions herein contained, a monthly consolidated wage on the basis of the scales of consolidated wages set out in the Schedule 1 hereto.

- (2) The scales of consolidated wages set out in Schedule 1 hereto include the Allowances which were consolidated in terms of Clause 14 of the Ravi Industries Ltd Collective Agreement of 1993.

(3) This Agreement shall not have the effect of changing the incremental date of an Employee.

(4) The wages of employees who are in employment as at the date of this agreement will be revised as follows :

A sum of Rs. 500/- would be added to the wages payable to each Employee with effect from the First day of November Two Thousand and Ten.

A sum of Rs. 600/- would be added to the wages payable to each Employee with effect from the First day of November Two Thousand and Eleven.

A sum of Rs. 600/- would be added to the wages payable to each Employee with effect from the First day of November Two Thousand and Twelve.

(5) If during the continuance in force of this Agreement the Government of Sri Lanka -

- (a) 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 shall pay such increases in wages prescribed by such written law and in terms of such written law.
(b) Recommends increases in wages, such recommendations will not be applicable to the Employer, irrespective of whether or not such recommendations are applicable to categories covered by this Agreement.

(6) (a) As a matter of goodwill it is agreed that an employee, who is in employment at the date hereof shall receive an ex-gratia payment of a sum representing the amount added to the wage of each individual employee by virtue of Clause 15(i) hereof multiplied x 5.

(b) This lump sum payment by way of notional arrears shall not constitute a part of an employee's earnings for any purpose whatsoever and shall not attract consequential payments such as overtime, Provident Fund, Trust Fund, etc.

14A. **Incentive payments.** - The existing system of incentive payment shall continue, which is more fully described in Schedule 2.

15. **Conversion to Scales of Monthly Consolidated Wages.** - For the purpose of ascertaining the wage which an Employee shall receive with effect from the First day of June Two Thousand and Ten on the basis of scales of consolidated wages set out in the First Schedule hereto the following provisions subject to the provisions of clause 14 above shall apply:

- (i) All Employee shall be given an increase in wage of a sum of Rs. 800/- with effect from 01 june Two Thousand and Ten
- (ii) Each employee shall thereafter be placed on the corresponding point of the wage scale in the First Schedule without change in grade and if there is no corresponding point in terms of money value, the next higher stage on the same grade.
- (iii) All Employee in employment as at 31st December Two Thousand and Ten shall be given an increase in wage of Rs 400/- with effect from 01st January Two Thousand and Eleven.
- (iv) Each employee shall thereafter be placed on the corresponding point of the wage scale in the First Schedule without change in grade and if there is no corresponding point in terms of money value, the next higher stage on the same grade.

16. **Wages for Periods Less Than One Month.** - For the purpose of this Agreement the wages of any employee for periods less than one month shall be computed in the manner following:

- (a) for one hour the monthly wage divided by two hundred and forty (240)
- (b) for one day the monthly wage divided by thirty (30)
- (c) for one half day a day's wage ascertained as above divided by two (2)
(either morning or afternoon)
- (d) for one week a day's wage ascertained as above multiplied by seven (7)

17. **Annual Lump sum payment lieu of NRCOLG.** - (1) A lump sum payment based on revenue growth would be made in April each year on the following basis.

FOB Turnover Growth (FOB Turnover for the year less FOB Turnover for the previous year/ FOB Turnover for the previous year) % x Average Basic Salary that prevailed at the beginning of the year (April) x 12 subject to a minimum payment of Rs 14, 000 per year and a maximum payment equivalent to 2 months average basic salary that prevailed at the beginning of the year. Prorated deductions will be made from employees who have registered no pay during the year.

(2) No Provident Fund, Trust Fund, Overtime or any other payment shall be due or calculated on this lump sum payment.

18. **Provident Fund.** - (1) The Employer and an Employee shall contribute to the Provident Fund at rates prescribed by the Employees' Provident Fund Act No. 15 of 1958.

(2) Subject to the provisions of the Employee's Trust Fund Act No. 46 of 1980 where the Employer and Employee as at the date hereof were contributing to Provident Fund at rates more favourable than those prescribed by the Employee's Provident Fund Act, the more favourable rates of contribution will continue.

19. **Terminal Benefits.** - The Employer will pay terminal benefits to Employees in accordance with the Gratuity Act No. 12 of 1983.

20. **Bonus.** - (1) Without prejudice to existing bonus schemes and without prejudice to the Employer's claim that bonus payment in the past and as provided in this Agreement are *ex-gratia*, the Employer will, subject as hereinafter provided, continue to pay to each of his employees a bonus which will not be less than the sum of money paid to him as his bonus for the year immediately preceding the signing of the Ravi Industries Ltd. Manual worker's Collective Agreement of 1993. If in any year the Employer, in his discretion reduces the bonus

to an amount less than the sum of money paid to each of his Employees as bonus for the year immediately preceding the signing of the Ravi Industries Ltd. Manual Worker's Collective Agreement of 1993 the Union may canvas such reduction of bonus with the Employer concerned. If the Union is not satisfied by the Employer in the matter, the Union may pursue this matter with the Employers Federation of Ceylon. If the dispute as to the reduction of bonus is not settled with the Federation, the same shall be referred to a committee of three (3) persons (hereinafter referred to as a 'Bonus Committee') which shall be constituted in accordance with the provisions of sub-clause 2 for settlement in the manner hereinafter set forth.

- (2) At the written request of the parties to the dispute as to the reduction of the bonus the Commissioner General of Labour will constitute a Bonus Committee which shall consist of three (3) senior Accountants nominated by the Council of the Institute of Chartered Accountants of Sri Lanka. The said Chartered Accountants shall be persons with at least ten (10) years' post qualification experience. The selection of the three Chartered Accountants will be communicated by the Institute of Chartered Accountants to the Commissioner General of Labour, the Employer, the Union and to the Federation. Thereupon the Commissioner General of Labour will communicate in writing to each member of the Bonus Committee so constituted a statement of principles and procedures by which the members of the Bonus Committee shall be bound in settling the dispute as to the reduction of Bonus.
- (3) Upon receipt of the submissions and the statement of the principles and procedures from the Commissioner General of Labour the Bonus Committee shall in accordance with the said principles and procedures decide whether the reduction of the bonus by the Employer was justified and if the reduction was not justified to what extent, if any, the bonus should be reduced. The Bonus Committee shall communicate its decision in writing to the Employer, the Union, the Federation and the Commissioner General of Labour. If the decision of the Bonus Committee is unanimous, such decision shall be final and binding on the parties to the dispute and the Union and/or its members shall not pursue the matter further by any form of Trade Union action or otherwise during the continuance in force of this Agreement. If, however, the Bonus Committee is divided in its decision then the decision of the Commissioner General of Labour on the matter shall be final and binding on the parties to the dispute and the Commissioner General's decision shall be communicated in writing to the Federation and the Union or its members shall not pursue the matter further by any form of Trade Union action or otherwise during the continuance in force of this Agreement.
- (4) The Bonus Committee shall not be entitled nor be competent to decide that in any year the Employer should pay his Employees a bonus exceeding the sum of money paid as bonus as in the year immediately preceding the signing of the Ravi Industries Manual Worker's Collective Agreement of 1993.
- (5) The fees payable to the members of the Bonus Committee shall be borne equally by the parties to the dispute as to the reduction of bonus and be payable on demand by the Commissioner General of Labour.
- (6) The payment of a bonus exceeding the sum of money paid as bonus to employees in the year immediately preceding the signing of Ravi Industries Manual Worker's Collective Agreement of 1993 shall be in the sole discretion of the Employer and shall not be called in question by the Union and / or its members nor shall the Employer's failure or refusal to pay such bonus be the subject of any dispute.
- (7) The provisions of sub-clauses (1) (2) (3) (4) (5) and (6) shall mutatis mutandis apply to existing bonus scheme.
- (8) At the request of the Commissioner General of Labour the council of the Institute of Chartered Accountants of Sri Lanka will nominate three (3) chartered accountants with not less than ten (10) years of post qualification experience drawn from professional accountancy firms to serve on the Bonus Committee.

21. **Annual Increments.** - (1) The annual increments provided in each grade of the scales of consolidated wages in Schedule I hereto shall be automatic, unless as a matter of punishment for general inefficiency including irregular attendance or unpunctuality or disciplinary action on account of serious misconduct an increment is suspended, stopped or deferred in which case where an increment is -

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

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

(2) With effect from 1st June 2010 the incremental rates in Schedule 1 will be revised as follows :

Skilled	Rs. 80/-
Semi Skilled	Rs. 60/-
Unskilled	Rs. 40/-

22. Productivity Improvement and Elimination of Waste.— The employees agree to co-operate with the Employer to enhance productivity levels, comply with health and safety procedures and practices, various projects implemented by management to minimize waste in all forms in the mutual interest of preserving the future of the Company.

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

24. Suspension.— 1. An employee may be suspended without pay by his Employer—

- (a) Pending an inquiry to be held by the Employer on a charge or charges of misconduct which warrants dismissal;
- (b) In order to avoid a breach of the peace or damage to the property or disturbance of business of the Employer;
- (c) As a punishment for misconduct for a period not exceeding seven (7) working days after the inquiry;

2. At the time of suspension under sub-clause (1)(a) or within twenty-four (24) hours thereof the Employer shall provide the Employee with a written order of suspension specifying the reasons for such suspension and thereafter, hold an inquiry into the charge or charges in terms of clause 24 hereof.

25. Disciplinary Action.— Where the Employer proposes to proceed against an Employee then:

1. Irrespective of whether an Employee has been suspended under Clause 23 hereof or not, the Employee shall be furnished with a show cause notice, which shall set out the particulars of the charge or charges of misconduct alleged against such Employee and such show cause notice shall give the Employee not less than three (3) clear working days in which to give the answer or explanation to the charge or charges preferred.
2. Within three (3) clear 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 a written answer or explanation to the show cause notice and where such request is made by the 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 wages and entitlements due for 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 Ten (10) working days from the date of receipt by him 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 in respect of such charges shall be drawn from such charges.
6. If the Employee is under suspension and the Employer after such inquiry makes order that;
 - (a) The Employee shall not be dismissed then the Employee shall resume employment forthwith and shall subject to the provisions of sub-clause 23(1)(c) hereof be paid all wages and entitlements due for the period of suspension

irrespective of such other punishment less than dismissal that may be imposed by the Employer on the findings as to 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 the 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 inquiries and that the matter be therefore referred to the Police or other authorities or if in view of the serious or involved nature of the charges preferred against the Employee the matter had been previously referred to the Police or other authorities for investigations or inquiries that the outcome of such investigations or inquiries be awaited, then in either 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 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 a period of thirty (30) days from the date of such suspension and to his full remuneration for the period of suspension in excess of thirty (30) days up to the date on which the Employer makes and 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.

9. The Employer shall not be required to hold an inquiry as referred to in sub-clauses 4 and 5 hereof where the Employer proposes to warn the Employee or where the Employee admits to the charge or charges. Provided however, that if the Union disputes the warning or punishment imposed on the Employee by the Employer and requests the holding of an inquiry the Employer shall comply with such request and the provisions relating to the holding of an inquiry shall then apply subject to the exception that the fact that the inquiry had not commenced within ten (10) working days after the receipt of the Employee's explanation shall not be material or relevant.

26. **Retirement.**— On reaching the age of fifty five (55) years an Employee shall *ipso facto* retire and cease to be employed by the Employer and there shall be no obligation on the Employer to give the Employee any notice of such retirement. Provided however, that an Employee who has retired may, in the discretion of the Employer, be employed after his retirement on a temporary basis on such terms as may be mutually agreed.

27. **Termination of Services:** (1) Every contract, whether oral or written, for the hire of any Employee by the Employer except for work usually performed by the day, or by the job, or by the journey, shall (subject to the provisions of clause 4 hereof or unless otherwise expressly stipulated) be deemed and taken in law to be a contract for hire and service for the period of one month and to be renewable from month to month and shall be deemed and taken in law to be so renewed, unless one month's previous notice be given by either party to the other of his intention to determine the same and such month has expired.

(2) Where an Employee is engaged for a particular job or period such as casual or temporary work, he shall be informed thereof at the commencement of his employment and his contract of service will terminate on the completion of the job or period or the failure of the Employee to complete the job within reasonable time.

28. **Union Recognition.**— The Union shall be competent to make representations on behalf of any of its members who are employed in any work - place of the Employer bound by this agreement regard to issues of general application or to the effect of principle such as matters affecting general terms and conditions of employment either in the workplace or the trade as a whole, the following provisions shall apply.

(1) When the Union is representative of not less than forty per centum (40%) of the Employees whose membership subscription is not in arrears, the Employer of such Employees will recognize the Union for the purpose of general claims and matters and negotiate with it on that basis. If there is any other Union which is also representative of not less than forty per centum (40%) of such Employees the Employer will be at liberty to require that general claims and matters be discussed and negotiated with

all the Unions competent to make general demands by virtue of the requisite membership and not separately with each such Union.

- (2) When the Employer carries on more than one type of business or has more than one work - place and the claim or matter is restricted to one type of business or one work - place but is applicable or capable of being applicable to other Employees in the service of the Employer, the competence of the Union to make such claim or raise such matter shall be determined by reference to the duly qualified members of such Union in proportion to the total number of Employees in the service of the Employer in Sri Lanka.

29. *Disputes Procedure.* - (1) In the first instance, the Union shall submit any demand on behalf of its members to the Employer of such members and give the Employer at least ten (10) working days time within which to reply. If, in the Union's opinion, the Employer's reply is unsatisfactory, the Union and the Employer shall explore the possibility of reaching a settlement.

- (2) If there is no settlement the Union shall take up such unresolved dispute with the Employers' Federation of Ceylon and the discussion would be held at the Employers' Federation of Ceylon with all parties to resolve such dispute.
- (3) When the Union concludes that negotiations with the Employer and the Employer's Federation of Ceylon have been abortive, it shall ask the Department of Labour to intervene and give the Department not less than ten (10) working days to arrange conference and/or discussions with a view to a settlement of the dispute. Negotiations under the aegis of the Department of Labour shall then proceed until the Department of Labour reports failure.
- (4) Subject to the provisions of clause 30 hereof, all disputes between the Union and the Employer or between the parties hereto shall be settled in accordance with the provisions of the Industrial Disputes Act and the regulations made thereunder.
- (5) Any party to this Agreement shall not instigate support or engage in any unfair labour practice during the currency of this Agreement.

30. *How Anomalies in the Course of Implementing this Agreement shall be Dealt with.* - Any anomaly arising from the implementation of this Agreement shall be settled by negotiation between the Employer and the Union and if the matter cannot be settled by negotiation, it shall be settled in accordance with the provisions of the Industrial Disputes Act and the regulations made thereunder.

31. *Trade Union Action.* - The Union and the Employees 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 Union or the Employees and the Employer, whether or not such dispute is related to the Agreement, except where such dispute has been caused by an act of Employer which in the opinion of the controlling body, (by whatsoever name called) of the Union is *mala fide* or vindictive or calculated to threaten or undermine the existence or the legitimate activities of the Union and/or its members or is grossly unfair or seriously detrimental to the interests of the Union and / or its members. Provided, however, that at least seven (7) days notice in writing shall be given by the Union to the Employer the Federation and the Commissioner General of Labour before the date of commencement of any intended strike or other form of trade union action consequent/ an act of the Employer which in the opinion of the controlling body (by whatsoever name called) of the Union is *mala fide* or vindictive or calculated to threaten or undermine the existence or the legitimate activities of the Union and/or its member is grossly unfair or seriously detrimental to the interests of the Union and/or its members.

32. *Variations of Terms and Conditions of Employment and Benefits.* - (1) The Union and Employees jointly and severally agree with the Employer that during the continuance in force of this Agreement, they will not seek to vary, alter or add to all or any of the terms and conditions of employment presently applicable to any of the Employees covered and bound by this Agreement as amended or altered in terms of 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.

- (2) The Employer agrees with the Union and the Employees that the Employer shall not seek to vary, alter or withdraw all or any of the benefits presently enjoyed by the Employees other than by mutual Agreement.
- (3) Any dispute or difference arising from negotiations under the provision of sub-clauses (1) or (2) 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.

PART II

CONTAINING THE FACILITIES AND CONCESSIONS GRANTED BY THE EMPLOYER TO THE UNION

1. **Breaches of Collective Agreement.**— If in the opinion of the Employer and Federation the Union shall commit a breach of any of the terms of this Agreement, then and in any such event the Union shall cease to be entitled to enjoy the facilities and concessions granted by the Employer in the succeeding clauses of this Part and same shall stand withdrawn without prejudice to the Employer's right to restore such facilities and concessions upon such terms and conditions as the Employer may decide:

2. **Domestic Inquiries.**— If an employee who is furnished with a show cause notice in terms of clause 24 is a member of the union, the following provisions shall apply to the inquiry held by the Employer pursuant to such show cause notice-

- (a) The Employer will, subject as hereinafter provided, allow another member of the Union (hereinafter referred to as 'an Observer') to be present as An Observer without loss of wages for absence from work.
- (b) If the Employer who is served with a show cause notice desires an Observer to be present at the inquiry to be held pursuant to such show cause notice, he shall forty eight (48) hours at least before the time appointed for the commencement of the inquiry submit to the Employer the name of such Observer.
- (c) An Observer may answer any questions which the person who conducts the inquiry may ask him, but an Observer shall not be entitled to represent the Employee who is served with a show cause notice or otherwise partake in the inquiry.
- (d) The person who conducts an inquiry shall be entitled to require an Observer who obstructs such inquiry, in any manner whatsoever to withdraw therefrom and an Observer shall forthwith comply with such requirement.
- (e) The absence of an Observer from the whole or part of an inquiry for any reason whatsoever shall not vitiate such inquiry, nor the proceedings there at, nor the findings pursuant thereto.

3. **Union Meetings.**— The following Provisions shall apply to Meetings of the Union:-

- (a) In respect of each meeting, which the Union desires to hold at the Employer's premises, and 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 the under noted conditions
 - (i) that no person other than an Employee in the service of that Employer shall be present at a meeting of the union;
 - (ii) on occasions such as the Annual General Meeting of the Union, Office Bearers of the Parent Union may with the previous approval of the employer, attend;
 - (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 Union and its Office Bearers to ensure that the terms on which permission to hold a meeting of the Union is granted, are duly complied with.
- (d) It shall be the duty of the Union and its Office Bearers to ensure that no damage is caused in the course of or the, in connection with a meeting of the 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.

4. **Duty Leave.**— (1) The following provisions shall apply to duty leave:— Without prejudice to the right of the Employer, to refuse to grant permission if, in his discretion the exigencies of the circumstances warrant refusal, the Employer will generally grant permission for not less than two (2) Office Bearers of the Union -

- (a) to be present at conferences to be held under the aegis of the Employer or the Employers' Federation of Ceylon or the Department of Labour in connection with a dispute between the Union and the Employer.

OR

- (b) to attend inquiries before Industrial Courts, Arbitrators or Labour Tribunals.

without loss of wages for such absence.

- (2) The employer will, in his discretion, grant leave without remuneration to an employee to attend a trade union course of seminar or conference either in Sri Lanka or abroad unless the Employee concerned is entitled to Annual or other holidays which he wishes to utilize for the purpose.

5. Check - off.-

- (1) The facility of check-off shall be granted subject to Clause 1 of Part II hereof only so long as the Union represents no less than forty per centum (40%) of the employees covered and bound by this Collective Agreement.
- (2) The Employer shall, on the written request of an Employee, deduct from the wages due to such Employees 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.
- (3) Every Employee who agrees to the deduction of Union dues from his wages shall sign a statement to that effect in the form set out in Form No.1 referred to as an "Authorisation".
- (4) Every Employee shall be entitled to withdraw his agreement to check - off at any time by signing a statement to that effect in the form set out in Form No. 2 referred to as a "Revocation".
- (5) As far as practicable deduction under an authorisation shall commence from the wages due immediately after the date of receipt of such authorization and shall continue thereafter until the authorization is cancelled by a revocation.
- (6) As far as practicable deductions under an authorization shall cease from the date of receipt of a revocation cancelling such authorization. Provided however-
- (a) that the Employer shall not be liable in any manner whatsoever to the Union or the Employee concerned for failure to comply with sub - clauses (5) or (6).
- (b) that, at his discretion, the Employer shall be entitled not to make deductions by way of check-off in any month in which the deduction from the Employee's wages in that month exceed the deductions permitted by law.
- (7) The Employer shall not later than the tenth (10th) day of each month remit the Union dues deducted from the wages of the Employees in the month immediately preceding, to the Treasurer of the Union in accordance with the tenor of each authorisation by a cheque payable to the Treasures thereof and crossed "Account Payee".
- (8) The cheque shall be sent at the risk of the Union and the Employees concerned by post in a prepaid envelope addressed to the Treasurer of the Union at its address for the time being.
- (9) The Treasurer of the Union shall promptly acknowledge receipt of the cheque.
- (10) The Employer shall not be liable to pay to the Union or the Treasure on its behalf as aforesaid any sum other than the Union's dues actually deducted.

FORM No. I

Name of Employer : RILEYS (PVT) LIMITED

AUTHORIZATION

As I am an Employee covered and bound by the RILEYS (PVT) LIMITED COLLECTIVE AGREEMENT 2010 and I desire to avail myself of the facility for check-off contained in the Collective Agreement to which I am eligible as a member of the UNITED TEA RUBBER & LOCAL PRODUCE WORKERS' UNION, please deduct from my wages each month a sum of Rupees (Rs.) in respect of my current monthly membership dues to the said Union and remit same to the said Union on my behalf. The first payment should please be made from my wages due immediately following the date hereof.

.....
(Date of signing)

.....
(Signature of Employee)

.....
(Full name of Employee)

.....
Checkroll Number

Received on
(To be filled by the Employer)

FORM No. 2

Name of Employer : RILEYS (PVT) LIMITED

REVOCATION

With reference to the authorization submitted by me, please cease to deduct from my wages any further membership dues in favour of UNITED TEA RUBBER & LOCAL PRODUCE WORKERS' UNION with effect from the wages next due to me immediately following the date hereof.

.....
(Date of signing)

.....
(Signature of Employee)

.....
(Full name of Employee)

.....
Checkroll Number

Received on
(To be filled by the Employer)

PART III

CONTAINING DEFINITIONS OF CERTAIN WORDS

In Parts I and II of this Agreement unless excluded by the Subject or context, the following words shall have the meaning set opposite to them.

<i>Words</i>	<i>Meaning</i>
Branch Union	The Branch Union at the factory
Check-off	The act of the Employer deducting in terms of Clause 5 of Part II the subscriptions payable to the Union by an employee from the latter's pay.
Dispute	Shall have the same meaning as in the Industrial Disputes Act.
Employee (For convenience sometimes referred to as 'he' or its grammatical variations)	An employee covered and bound by this Agreement
Employer	Rileys (Pvt) Limited
Federation	Employer's Federation of Ceylon
Industrial Disputes Act	The Industrial Disputes Act, No. 43 of 1950
Normal Incremental Date	The date on which an employee would normally receive an increment
Relevant Wages Board	The Wages Board which covers the Trade in which the particular employee is employed in.
Union	United Tea Rubber & local produce Workers' Union
Wage	The monthly wage according to the scales of consolidated wages in the First Schedule hereto.
Week	The period between midnight on any Saturday night and midnight on the succeeding Saturday night.
Year	A continuous period of twelve (12) months

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

SCHEDULE 1

WAGE SCALES APPLICABLE TO MANUAL GRADE EMPLOYEES
WITH EFFECT FROM 01 JUNE 2010

ST	GR.A	GR.B	GR.C	GR.E1	GR.E2
1	199x80/- 11040.00	199x60/- 10970.00	199x40/- 10955.00	199x60/- 11015.00	199x40/- 10960.00
2	11120.00	11030.00	10995.00	11075.00	11000.00
3	11200.00	11090.00	11035.00	11135.00	11040.00
4	11280.00	11150.00	11075.00	11195.00	11080.00
5	11360.00	11210.00	11115.00	11255.00	11120.00
6	11440.00	11270.00	11155.00	11315.00	11160.00
7	11520.00	11330.00	11195.00	11375.00	11200.00
8	11600.00	11390.00	11235.00	11435.00	11240.00
9	11680.00	11450.00	11275.00	11495.00	11280.00
10	11760.00	11510.00	11315.00	11555.00	11320.00
11	11840.00	11570.00	11355.00	11615.00	11360.00
12	11920.00	11630.00	11395.00	11675.00	11400.00
13	12000.00	11690.00	11435.00	11735.00	11440.00
14	12080.00	11750.00	11475.00	11795.00	11480.00
15	12160.00	11810.00	11515.00	11855.00	11520.00
16	12240.00	11870.00	11555.00	11915.00	11560.00
17	12320.00	11930.00	11595.00	11975.00	11600.00
18	12400.00	11990.00	11635.00	12035.00	11640.00
19	12480.00	12050.00	11675.00	12095.00	11680.00
20	12560.00	12110.00	11715.00	12155.00	11720.00
21	12640.00	12170.00	11755.00	12215.00	11760.00
22	12720.00	12230.00	11795.00	12275.00	11800.00
23	12800.00	12290.00	11835.00	12335.00	11840.00
24	12880.00	12350.00	11875.00	12395.00	11880.00
25	12960.00	12410.00	11915.00	12455.00	11920.00
26	13040.00	12470.00	11955.00	12515.00	11960.00
27	13120.00	12530.00	11995.00	12575.00	12000.00
28	13200.00	12590.00	12035.00	12635.00	12040.00
29	13280.00	12650.00	12075.00	12695.00	12080.00
30	13360.00	12710.00	12115.00	12755.00	12120.00
31	13440.00	12770.00	12155.00	12815.00	12160.00
32	13520.00	12830.00	12195.00	12875.00	12200.00
33	13600.00	12890.00	12235.00	12935.00	12240.00
34	13680.00	12950.00	12275.00	12995.00	12280.00
35	13760.00	13010.00	12315.00	13055.00	12320.00
36	13840.00	13070.00	12355.00	13115.00	12360.00
37	13920.00	13130.00	12395.00	13175.00	12400.00
38	14000.00	13190.00	12435.00	13235.00	12440.00
39	14080.00	13250.00	12475.00	13295.00	12480.00
40	14160.00	13310.00	12515.00	13355.00	12520.00
41	14240.00	13370.00	12555.00	13415.00	12560.00
42	14320.00	13430.00	12595.00	13475.00	12600.00
43	14400.00	13490.00	12635.00	13535.00	12640.00
44	14480.00	13550.00	12675.00	13595.00	12680.00
45	14560.00	13610.00	12715.00	13655.00	12720.00
46	14640.00	13670.00	12755.00	13715.00	12760.00
47	14720.00	13730.00	12795.00	13775.00	12800.00
48	14800.00	13790.00	12835.00	13835.00	12840.00
49	14880.00	13850.00	12875.00	13895.00	12880.00
50	14960.00	13910.00	12915.00	13955.00	12920.00
51	15040.00	13970.00	12955.00	14015.00	12960.00
52	15120.00	14030.00	12995.00	14075.00	13000.00
53	15200.00	14090.00	13035.00	14135.00	13040.00
54	15280.00	14150.00	13075.00	14195.00	13080.00
55	15360.00	14210.00	13115.00	14255.00	13120.00
56	15440.00	14270.00	13155.00	14315.00	13160.00
57	15520.00	14330.00	13195.00	14375.00	13200.00
58	15600.00	14390.00	13235.00	14435.00	13240.00

ST	GR.A	GR.B	GR.C	GR.E1	GR.E2
59	15680.00	14450.00	13275.00	14495.00	13280.00
60	15760.00	14510.00	13315.00	14555.00	13320.00
61	15840.00	14570.00	13355.00	14615.00	13360.00
62	15920.00	14630.00	13395.00	14675.00	13400.00
63	16000.00	14690.00	13435.00	14735.00	13440.00
64	16080.00	14750.00	13475.00	14795.00	13480.00
65	16160.00	14810.00	13515.00	14855.00	13520.00
66	16240.00	14870.00	13555.00	14915.00	13560.00
67	16320.00	14930.00	13595.00	14975.00	13600.00
68	16400.00	14990.00	13635.00	15035.00	13640.00
69	16480.00	15050.00	13675.00	15095.00	13680.00
70	16560.00	15110.00	13715.00	15155.00	13720.00
71	16640.00	15170.00	13755.00	15215.00	13760.00
72	16720.00	15230.00	13795.00	15275.00	13800.00
73	16800.00	15290.00	13835.00	15335.00	13840.00
74	16880.00	15350.00	13875.00	15395.00	13880.00
75	16960.00	15410.00	13915.00	15455.00	13920.00
76	17040.00	15470.00	13955.00	15515.00	13960.00
77	17120.00	15530.00	13995.00	15575.00	14000.00
78	17200.00	15590.00	14035.00	15635.00	14040.00
79	17280.00	15650.00	14075.00	15695.00	14080.00
80	17360.00	15710.00	14115.00	15755.00	14120.00
81	17440.00	15770.00	14155.00	15815.00	14160.00
82	17520.00	15830.00	14195.00	15875.00	14200.00
83	17600.00	15890.00	14235.00	15935.00	14240.00
84	17680.00	15950.00	14275.00	15995.00	14280.00
85	17760.00	16010.00	14315.00	16055.00	14320.00
86	17840.00	16070.00	14355.00	16115.00	14360.00
87	17920.00	16130.00	14395.00	16175.00	14400.00
88	18000.00	16190.00	14435.00	16235.00	14440.00
89	18080.00	16250.00	14475.00	16295.00	14480.00
90	18160.00	16310.00	14515.00	16355.00	14520.00
91	18240.00	16370.00	14555.00	16415.00	14560.00
92	18320.00	16430.00	14595.00	16475.00	14600.00
93	18400.00	16490.00	14635.00	16535.00	14640.00
94	18480.00	16550.00	14675.00	16595.00	14680.00
95	18560.00	16610.00	14715.00	16655.00	14720.00
96	18640.00	16670.00	14755.00	16715.00	14760.00
97	18720.00	16730.00	14795.00	16775.00	14800.00
98	18800.00	16790.00	14835.00	16835.00	14840.00
99	18880.00	16850.00	14875.00	16895.00	14880.00
100	18960.00	16910.00	14915.00	16955.00	14920.00
101	19040.00	16970.00	14955.00	17015.00	14960.00
102	19120.00	17030.00	14995.00	17075.00	15000.00
103	19200.00	17090.00	15035.00	17135.00	15040.00
104	19280.00	17150.00	15075.00	17195.00	15080.00
105	19360.00	17210.00	15115.00	17255.00	15120.00
106	19440.00	17270.00	15155.00	17315.00	15160.00
107	19520.00	17330.00	15195.00	17375.00	15200.00
108	19600.00	17390.00	15235.00	17435.00	15240.00
109	19680.00	17450.00	15275.00	17495.00	15280.00
110	19760.00	17510.00	15315.00	17555.00	15320.00
111	19840.00	17570.00	15355.00	17615.00	15360.00
112	19920.00	17630.00	15395.00	17675.00	15400.00
113	20000.00	17690.00	15435.00	17735.00	15440.00
114	20080.00	17750.00	15475.00	17795.00	15480.00
115	20160.00	17810.00	15515.00	17855.00	15520.00
116	20240.00	17870.00	15555.00	17915.00	15560.00
117	20320.00	17930.00	15595.00	17975.00	15600.00
118	20400.00	17990.00	15635.00	18035.00	15640.00
119	20480.00	18050.00	15675.00	18095.00	15680.00
120	20560.00	18110.00	15715.00	18155.00	15720.00
121	20640.00	18170.00	15755.00	18215.00	15760.00
122	20720.00	18230.00	15795.00	18275.00	15800.00
123	20800.00	18290.00	15835.00	18335.00	15840.00
124	20880.00	18350.00	15875.00	18395.00	15880.00
125	20960.00	18410.00	15915.00	18455.00	15920.00

16 A I කොටස: (I) ඡේදය – ශ්‍රී ලංකා ප්‍රජාතාන්ත්‍රික සමාජවාදී ජනරජයේ අති විශේෂ ගැසට් පත්‍රය – 2013.03.14

PART I: SEC. (I) – GAZETTE EXTRAORDINARY OF THE DEMOCRATIC SOCIALIST REPUBLIC OF SRI LANKA – 14.03.2013

ST	GR.A	GR.B	GR.C	GR.E1	GR.E2
126	21040.00	18470.00	15955.00	18515.00	15960.00
127	21120.00	18530.00	15995.00	18575.00	16000.00
128	21200.00	18590.00	16035.00	18635.00	16040.00
129	21280.00	18650.00	16075.00	18695.00	16080.00
130	21360.00	18710.00	16115.00	18755.00	16120.00
131	21440.00	18770.00	16155.00	18815.00	16160.00
132	21520.00	18830.00	16195.00	18875.00	16200.00
133	21600.00	18890.00	16235.00	18935.00	16240.00
134	21680.00	18950.00	16275.00	18995.00	16280.00
135	21760.00	19010.00	16315.00	19055.00	16320.00
136	21840.00	19070.00	16355.00	19115.00	16360.00
137	21920.00	19130.00	16395.00	19175.00	16400.00
138	22000.00	19190.00	16435.00	19235.00	16440.00
139	22080.00	19250.00	16475.00	19295.00	16480.00
140	22160.00	19310.00	16515.00	19355.00	16520.00
141	22240.00	19370.00	16555.00	19415.00	16560.00
142	22320.00	19430.00	16595.00	19475.00	16600.00
143	22400.00	19490.00	16635.00	19535.00	16640.00
144	22480.00	19550.00	16675.00	19595.00	16680.00
145	22560.00	19610.00	16715.00	19655.00	16720.00
146	22640.00	19670.00	16755.00	19715.00	16760.00
147	22720.00	19730.00	16795.00	19775.00	16800.00
148	22800.00	19790.00	16835.00	19835.00	16840.00
149	22880.00	19850.00	16875.00	19895.00	16880.00
150	22960.00	19910.00	16915.00	19955.00	16920.00
151	23040.00	19970.00	16955.00	20015.00	16960.00
152	23120.00	20030.00	16995.00	20075.00	17000.00
153	23200.00	20090.00	17035.00	20135.00	17040.00
154	23280.00	20150.00	17075.00	20195.00	17080.00
155	23360.00	20210.00	17115.00	20255.00	17120.00
156	23440.00	20270.00	17155.00	20315.00	17160.00
157	23520.00	20330.00	17195.00	20375.00	17200.00
158	23600.00	20390.00	17235.00	20435.00	17240.00
159	23680.00	20450.00	17275.00	20495.00	17280.00
160	23760.00	20510.00	17315.00	20555.00	17320.00
161	23840.00	20570.00	17355.00	20615.00	17360.00
162	23920.00	20630.00	17395.00	20675.00	17400.00
163	24000.00	20690.00	17435.00	20735.00	17440.00
164	24080.00	20750.00	17475.00	20795.00	17480.00
165	24160.00	20810.00	17515.00	20855.00	17520.00
166	24240.00	20870.00	17555.00	20915.00	17560.00
167	24320.00	20930.00	17595.00	20975.00	17600.00
168	24400.00	20990.00	17635.00	21035.00	17640.00
169	24480.00	21050.00	17675.00	21095.00	17680.00
170	24560.00	21110.00	17715.00	21155.00	17720.00
171	24640.00	21170.00	17755.00	21215.00	17760.00
172	24720.00	21230.00	17795.00	21275.00	17800.00
173	24800.00	21290.00	17835.00	21335.00	17840.00
174	24880.00	21350.00	17875.00	21395.00	17880.00
175	24960.00	21410.00	17915.00	21455.00	17920.00
176	25040.00	21470.00	17955.00	21515.00	17960.00
177	25120.00	21530.00	17995.00	21575.00	18000.00
178	25200.00	21590.00	18035.00	21635.00	18040.00
179	25280.00	21650.00	18075.00	21695.00	18080.00
180	25360.00	21710.00	18115.00	21755.00	18120.00
181	25440.00	21770.00	18155.00	21815.00	18160.00
182	25520.00	21830.00	18195.00	21875.00	18200.00
183	25600.00	21890.00	18235.00	21935.00	18240.00
184	25680.00	21950.00	18275.00	21995.00	18280.00
185	25760.00	22010.00	18315.00	22055.00	18320.00
186	25840.00	22070.00	18355.00	22115.00	18360.00
187	25920.00	22130.00	18395.00	22175.00	18400.00
188	26000.00	22190.00	18435.00	22235.00	18440.00
189	26080.00	22250.00	18475.00	22295.00	18480.00
190	26160.00	22310.00	18515.00	22355.00	18520.00
191	26240.00	22370.00	18555.00	22415.00	18560.00
192	26320.00	22430.00	18595.00	22475.00	18600.00

ST	GR.A	GR.B	GR.C	GR.E1	GR.E2
193	26400.00	22490.00	18635.00	22535.00	18640.00
194	26480.00	22550.00	18675.00	22595.00	18680.00
195	26560.00	22610.00	18715.00	22655.00	18720.00
196	26640.00	22670.00	18755.00	22715.00	18760.00
197	26720.00	22730.00	18795.00	22775.00	18800.00
198	26800.00	22790.00	18835.00	22835.00	18840.00
199	26880.00	22850.00	18875.00	22895.00	18880.00
200	26960.00	22910.00	18915.00	22955.00	18920.00

SCHEDULE 2

EXISTING NORMS ACCEPTED BY THE UNION AS PER COLLECTIVE AGREEMENT OF 2004**TAWASHI**

OPERATION	NORM
BUNDLING	108
STENCILING	450
RODS CHECKING	
T-37	2525
T-70	2050
T-90	1650
SHOE BRUSH BENDING	2000
ALL TYPE PACKING	20600
SQUARE BRUSHES	
TWINE FIX /H-TRIM (TWINE TRIM)	1250
T-54 SQUARE BRUSHES	
H-TRIM & PACKING	800

NSP

OPERATION	NORM
TP-100/TP - 80 HAND COCO PAL	
CHECK & PACK	4200
RE-CHECKING	9000
LP-100/LM-120	
LP-140/TM-100	
CHECK & PACK	4140

TAIWAN BROOMS

OPERATION	NORM
NYLON COMMODE BRUSH TWISTING	210
BOILER TUBES	
GI WIRE CUTTING & GREESING	500
STEEL WIRE CUTTING & GREESING	72

BRUSH MAT

OPERATION	NORM
Checking 60 + 40 cm	More than 500 depending on quality of incoming goods (if less repairs)

PET SCRAPERS

OPERATION	NORM
Check & Pack with tag fixing	More than 500 depending on quality of incoming goods (if less repairs)

EXISTING NORMS ACCPTED BY THE UNION AS PER COLLECTIVE AGREEMENT OF 2000

TAWASHI

OPERATION - LOOPING	NORM
T-54N/T-54 SAGARA	4650
T-54TG/T-70 SAGARA	4650
HH-54/T-30P.P.	4650
T-30 COCO/T-40 P.P.	4650
T-40 W/ST-30 P.P.	4650
ST-50 W/ST-50 P.P.	4650
ST-50 COCO/ST-50 W.P.	4650
T-90 A/T-104 SAGARA	4650
BUNDLING	100
STENCILING	450

OPERATION - RODS CHECKING	NORMS
T-54N	2500
TB 54 45 M.M.	2300
T-37	2525
TB-54 40 MM	2300
T-54 T.G./HH-54	2250
T-40 P.P.	2300
T-23 R	3150
S.T. - 50 P.P./ST-50 W	1850
S.T. - 50 COCO	1850
T- 40 W	2500
T-30 P.P./T-30 COCO	2050
S.T. - 30 P.P.	2700
T - 30 R	3200
T- 30 T.G.R.	3150
T - 70	2025
T - 90	1600
T - 104/T - 108	2000
T - 130/T - 135	1575
T - 150	1275
T - 60 R	2250

T- 75 R	2000
T - 50/1 R	2500
T - 110 R	2500
T - 50/2 R	2800
T - 25 K.S	3000

OPERATION - LOOPING	NORMS
T- 54 G.I./T-70 MM	4650
T- 75/T - 60	4650
T - 70 PUSAN/T - 54 N B	4650
T - 54 T.G.B. / HH - 54 B	4650
T - 70 K.S.	4650

OPERATION - (T-30 P.P.)	NORMS
Tags Fixing/Tag fastener	3500
Packing & Marking in small boxes	1950
Packing in outer cartons	24000

OPERATION - (T- 40 P.P.)	NORMS
Tags Fixing/Tag fastener	3500
Packing & Marking in small boxes	1200
Packing in outer cartons	24000

SHOE BRUSHES

OPERATION	NORMS
BENDING	1650
S/TR & PACK W/O/T/P.P.Bag	1500
Pack with P.P. Bag	820

SQUARE BRUSHES

OPERATION	NORMS
All type packing	19000

SQUARE BRUSHES

OPERATION	NORMS
Twine Fix & H/Trimming	1250
T-54 Sq.S/Trim & Pack	800
T-90 Sq.S/Trim & Pack	800
T-150 Sq.S/Trim & Pack	700

N.S.P.

OPERATION - TP 100/TP 80/HAND/PAL & COCO	NORM
BENDING	4200
FORMING 2	4200
STAPLING	4200
COMBING/TRIMMING	4200
CHECK & PACK	4200
RECHECKING	8600

OPERATION - LP 160	NORM
BENDING	4080
FORMING 2	4080
STAPLING	4080
COMBING/TRIMMING	4080
CHECK & PACK	4080
RECHECKING	0

OPERATION - LM 160	NORM
BENDING	4092
FORMING 2	4092
STAPLING	4092
COMBING/TRIMMING	4092
CHECK & PACK	4092
RECHECKING	0

OPERATION - LM 120/LP 140/TM 100	NORM
BENDING	4080
FORMING 2	4080
STAPLING	4080
COMBING/TRIMMING	4080
CHECK & PACK	4080
RECHECKING	0

TAIWAN BROOMS

OPERATION	NORM
WEIGHING	5880
TRIMMING	5880
CHECK/PACK	2940
CHECK/PACK	2940
CHECK & PACK	3000
TRIM/CHECK/PACK (HAND COCO)	1100
CHECK/PACK WITH STICKER PASTE (B/B)	576
CHECK/PACK WITHOUT STICKER PASTING	720

OPERATION	NORM
HANDLES CHECKING	2700
HANDLES DRILLING	1500
HOOKS FIXING	1100
STICKER PASTING	1100
CUPS FIXING	1100
CHECK/PACK	1100
RUBBER CUPS CHECKING	2500

PUMP FIX (ONLY CUPS)

OPERATION	NORM
CHECK/PACK	1400


BRUSH MAT SECTION


OPERATION	NORM
STRAPPING	150
TAG FIXING	400
WRAPPERS STAPLING	350
PACKING 20 TYPE	150


OPERATION	RATE/UNIT RS.CTS.
PACKING (OVALS)	0.026
PACKING (RODS)	0.012
BUNDLING	3.247
STENCILING	0.981

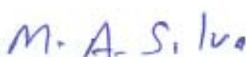
IN WITNESS WHEREOF PARTIES AFORESAID HAVE HEREUNTO SET THEIR HANDS IN COLOMBO. M. M. M. de SILVA FOR AND ON BEHALF OF RILEYS (PVT) LIMITED AND D. W. SUBASINGHE FOR AND ON BEHALF OF THE UNITED TEA AND RUBBER & LOCAL PRODUCE WORKERS' UNION ON THIS TWENTY FOURTH DAY OF JANUARY TWO THOUSAND AND ELEVEN


M M M de Silva
Director
RILEYS (PVT) LTD


D W Subasinghe
General Secretary
UNITED TEA RUBBER &
LOCAL PRODUCE WORKERS'
UNION



Witness to the said signature of
M M M de Silva


Witness to the said signature of
D W Subasinghe


Name


Name


Designation


Designation

THE INDUSTRIAL DISPUTES ACT, CHAPTER 131

THE Collective Agreement entered into between Coats Thread Exports (Pvt) Limited, 123, Level 2, Maclarence Building, Bauddaloka Mawatha, Colombo 04 of the one part and Inter Company Employees' Union, No. 12/2, Weera Mawatha, Soboothipura, Battaramulla of the other Part on 25th July, 2012 is hereby published in terms of Section 06 of the Industrial Disputes Act, Chapter 131, Legislative Enactments of Ceylon (Revised Edition 1956).

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

Department of Labour,
Labour Secretariat,
Colombo 05.
27th February, 2013.

Collective Agreement No. 24 of 2012

COLLECTIVE AGREEMENT

This Collective Agreement, made on this Twenty Fifth day of July, Two Thousand and Twelve, pursuant to the Industrial Disputes Act between the Coats Thread Exports (Pvt) Limited, a duly registered Company Under the Companies Act and having its registered office at No. 123, Level 2, Maclarence Building, Bauddaloka Mawatha, Colombo 4 (hereinafter referred to as "the Employer") of the one part and The Inter Company Employees' Union, a trade union duly registered under the Trade Unions Ordinance and having its registered office at No. 12/2, Weera Mawatha, Suboothipura, Battaramulla, (hereinafter referred to as "the Union") of the other part :-

WITNESSETH and it is hereby agreed between parties as follows :-

Title : This Collective Agreement shall be known and referred to as the Coats Thread Exports Employees Collective Agreement of 2012.

1. **Parties Covered and Bound.** - This Agreement shall cover and bind the Employer, the Union and the Employees to whom the Agreement shall apply.

2. **Employees Covered and Bound.** - This Agreement shall cover and bind all Employees employed at present by the Employer in its Factory at Moragahahena on permanent monthly contracts of employment in the categories of employment for which salaries have been spelt out in the First Shedule hereof and are members of the Union (hereinafter referred to as 'Employees').

3. **Duration of Agreement.** - This Collective Agreement shall be effective from the 1st day of January, 2012 and shall thereafter continue to be in force unless it is terminated by either party giving one month notice in writing to the other, subject to the proviso that one party, here to shall not give such notice to the other party to Commence before the 30 th day of November, Two Thousand & Fourteen and such notice shall not expire before 31st December 2014.

4. **Salaries.** - Parties agree that the annual consolidation of a sum to the monthly salary based on the Colombo Consumer price Index and the annual salary increase granted hitherto will be replaced by the following salary increase during the period as set out below.

- (i) With effect from 1st January, 2012, the Employer agrees to increase the monthly salaries of employees by the addition of a sum of Rs. 2,500/- to the salary drawn by each employee as at December 2011.
- (ii) With effect from 1st January, 2013, the Employer agrees to increase the monthly salaries of employees by the addition of a sum of Rs. 2,750/- to the salary drawn by each employee as at December 2012.
- (iii) With effect from 1st January, 2014, the Employer agrees to increase the monthly salaries of employees by the addition of a sum of Rs. 2,750/- to the salary drawn by each employee as at December 2013.

5. **Salary Scales and Annual Increments.** - (i) With effect from 1st January, 2012, the commencement point of the salaries applicable to the respective categories of employees and the annual increments applicable to such categories will be set out in the 1st shedule hereto.

- (ii) Each Employee shall be entitled to an annual increment on the grade applicable in terms of the First Shedule hereof, provided however that such increment is not suspended, stopped or deferred by Employer on the basis of disciplinary action taken in accordance with the provision hereof.

6. **Notional Arrears.** - All employees entitled to the salary increases referred to in clause 4 above will be paid a sum of Rs. 15,000/- as notional arrears for period of 01.01.2012 - 30.06.2012 (Rs.2,500x6). This payment shall be made by the Employer in July 2012. The Union and the Employees agree that the said notional arrears shall not be regarded as a part of employee earnings for any purpose whatsoever and shall not attract payments such as EPF, ETF, overtime and such like.

7. **Annual Ex-Gratia Payment.** - By way of an ex-gratia payment, the Employer shall pay each Employee covered and bound by this Agreement in the month of April each year, a sum equal to one month's salary of such Employee. The salary for this purpose will be the salary applicable at the time of such payment.

By way of arrers in respect of the above payment, the Company agrees to pay a sum of Rs. 2,500/- to all employees who qualified to receive this payment in April 2012. provided that such payment is subject to any proportionate deductions on account of service or absence from work. In other words if any employee received only a proportionate payment when this payment was made in April 2012, such employee will receive the above sum also to the same proportion.

8. **Bonus Based on Sales Achivement.** - (a) In addition to the payment in terms of Clause 7 above, the Employer shall make a further bonus payment to Employees in the month of March or April each year in accordance with the formula set out in the Second Shedule hereof. This payment will be linked to the achivement of sales volumes against budgeted sales targets.

- (b) The union and the employees agree that they shall not jointly and / or severally call into question or raise any dispute with regard to the sales budget determined by the Employer annually.

9. **Leave.** - (a) the leave entitlement of a confirmed Employee covered and bound by this Agreement shall be as follows in respect of each year, from the 2nd year of employment.

- (i) For employees who have joined the company on or before 31 st December 2011

Annual Leave : 14 days

Casual Leave : 07 days

Sick Leave : 14 days

- (ii) For Employees who have joined the company on or after 01 st January 2012

Annual Leave : 14 days

Casual Leave : 07 days

Sick Leave : 03 days

However, subject to a maximum of 11 days and the provisions in 9 (d) below, and employee who has commenced employment after 01st January 2012 will be granted leave in case such an Employee is been hospitalized for medical treatment.

- (b) All annual Leave shall be taken on dated mutually convenient to the Employer and the Employee concerned by prior arrangement and with the written approval of the Employer.

Other than due to circumstances beyond an Employee's control where prior approval of leave cannot be obtained from the Employer, all other leave must also be taken with the prior approval of the Employer. Casual leave to whom applicable shall not be permitted immediately preceding or succeeding a period of annual leave, except when approved by the Employer on exceptional circumstances.

In the case of absence on account of sickness in excess of two days, a medical certificate acceptable to the Employer should be submitted by the Employee. Any period of sick leave even for a single day, immediately preceding or succeeding annual leave will be permitted only subject to a medical certificate acceptable to the Employer.

- (c) The 'Year of Employment' and the 'Leave Year' of an Employee for purposes of computing the leave entitlement and availment of leave, shall be the 12 month period commencing from the first date of the month in which an Employee has joined the Company. For example, in the case of an Employee who joined on 10.04.2012 the 'leave year' shall be regarded as 1st April 31st March in any year.
- (d) Leave for hospitalization to employees applicable, shall be strictly on providing a diagnosis card from a registered Hospital along with the relevant medical certificates in proof of such hospitalization which is acceptable to the employer.

10. **Purchase of unavailed of leave.** - (a) At the end of the 'Leave Year' of each Employee, the Employer shall make payment to each Employee in respect of unavailed of Casual and Sick Leave in the following manner :-

- (i) Up to 10 days of unavailed of leave - payment at the rate of 1 1/4 day's salary for each day
- (ii) In excess of 10 days of unavailed of leave (to whom applicable) payment at the rate of 1 1/2 days salary for each additional day in excess of 10 days.
- (iii) leave granted for Hospitalization under paragraph 9 a (ii) above will not be considered for payment of unavailed of leave whatsoever.

Provided however that an employee who does not utilise his full quota of Casual and /or Sick leave may utilise in respect of an infectious disease hereunder identified, such number of days of Causal and / or Sick leave not utilised during the immediately preceding 2 years, regardless of such employee having obtained payment on account of such unavailed of leave. For example, if in the years 1998 and 1999 and employee has saved 10 days sick leave, he will, in addition to the payment he receives in respect of such 10 days, be permitted in 2000 to utilise 10 days leave with pay in the event of an infectious disease.

- (b) If an employee has exhausted his Casual and Sick leave entitlement at the time the employee contracts an infectious disease and has no leave saved in the two previous years, such absence will be treated as approved leave without pay.
- (c) 'Infectious diseases' for the purpose of the aforesaid proviso shall mean Chicken pox, Measles and Mumps only. All Leave applied for under this proviso will have to be supported by medical certificates acceptable to the Employer.

11. **Shift Allowance.** - Employees shall be paid as follows :

11.1 **2nd shift.** - For each 2nd shift worked, Rs.. 20/- will be paid subject to the following

11.1.1 Employee should report to all 2nd shifts without absence.

11.1.2 This payment will be calculated on a weekly basis. One day's (annual holiday) leave with prior approval during the 2nd shift in any calendar months will be allowed for this payment. No other category of leave will be considered for payment of the 2nd shift allowance.

11.1.3 This payment will be made monthly and will be included in the relevant month's salary.

11.2 **3rd Shift.** - 11.2.1 If only 50% or less of the available night shifts are worked within any calendar month, the allowance will be Rs. 85/- per shift

Eg. If the available night shifts are 12 days and if 6 or less days are worked in the night shift such employee's shift allowance will be calculated at the rate of Rs. 85/- X number of days worked.

11.2.2 Every additional night shift worked will be at the rate of Rs. 120/-

In addition, if all night shifts in a month are worked a night shift bonus will be paid as follows :

- (i) In a month where there are 6-9 night shifts (both days inclusive) available - Rs. 300/-, if all night shifts are worked.
- (ii) In a month where there are 10-12 night shifts (both days inclusive) available - Rs. 500/-, if all night shifts are worked.

12. **Production Bonus.** - Employees covered and bound by this Agreement shall be entitled to a monthly production bonus calculated in accordance with the rules laid down in the Third Schedule hereof, with effect from the date of signing hereof.

13. **Grading of Employees.** - The Employer shall carry out a re-grading exercise in respect of its maintenance employees as and when deemed necessary.

The Union may raise with the Management any dispute arising out of such re-grading and any such dispute shall be dealt with under the provisions of Clause 18 hereof.

14. **Batta Rates.** - Employees who on any day are required to leave their station on work and cannot return to station before 2.00 p.m. in the First Shift, 3.00 p. m. in the general Shift and 8.00 p.m. second shift will be paid Rs. 150/- by way of Batta in respect of such day.

15. **Uniforms.** - All Employees will be issued with three sets of uniforms per year and shall be required to wear them during their working hours. The employees will be provided with two cakes of soap per month for the washing of the Uniforms provided by the company.

16. **Meal Tokens.** - Employees who are required to work overtime for any period in excess of four hours beyond their normal shift will be entitled to receive a meal token the value of which will be determined by the management depending on the rates agreed with the service provider. The meal token value will automatically change from time to time on the rates to be agreed with the service provider. This meal token cannot be en-cashed under any circumstances.

In addition a short-eat will be provided, to the employees in the night shift at 2.00 a.m. at the discretion of the management.

17. **Levels of Production.** - It is agreed by and between the parties to this Agreement that the Collective and/ or individual production levels issued to employees will be achieved and maintained by employees.

The work norms in respect of employees where contracts of employment set out such norms shall however continue to apply to them.

- (a) The Employer will have the right to revise the production and/or incentive targets in the context of the introduction of additional or new machinery, changes in technology and/ or work procedures.
- (b) Such revisions will be done in consultation with the Union. In the event of arising of any dispute regarding the revision of minimum production levels and/ or incentive targets, parties agree to have the matter in dispute referred to the Textile Training and Services Centre or any other recognised institution. The decision of such body shall be final and binding on both parties. Parties shall accordingly comply with such findings and a refusal to work accordingly by employees shall constitute misconduct.
- (c) Production norms applicable to employee are set out in schedule 4 hereto.

18. **Disputes Settlement Procedure.** - It is agreed by and between the parties that any Industrial dispute that may occur on a matter not covered by this agreement between the Employer and the Union and/or the Employees during the pendency of this Agreement shall be dealt with in the manner set out hereunder.

- (i) The Branch Union or the Employees shall at the outset raise such dispute with the Employer and both parties shall endeavour to reach a satisfactory settlement of the dispute through consultation.
- (ii) In the event of there being no settlement after consultation between parties, the Union shall raise the dispute with the Employer's Federation of Ceylon of which the Employer is a member and the Union and the Federation shall through consultation with all parties attempt to reach a satisfactory settlement.
- (iii) Should there be no satisfactory outcome of the attempts at settlement by the Union and the Employer's Federation of Ceylon, the union may seek the intervention of the Commissioner of Labour to settle the dispute in accordance with the provisions of the Industrial Disputes Act.
- (iv) If after the conciliation has failed in the Labour Department, the Union wishes to take trade Union action, written notice should be given of not less than 21 days to the Employer's and the Federation of Ceylon.

General

19. The intervals of Employees will remain unchanged.

20. The Union and the employees jointly and severally agree that they shall not, during the pendency of this Agreement, resort to any form of Trade Union action in respect of any matter covered by this Agreement.

21. It is further agreed by and between parties that neither party will, during the pendency of this Agreement, attempt in any manner to change, vary, amend in any form, the terms or conditions set out in this Agreement, other than by way of mutual agreement.

22. If during the continuance in force of this Agreement, the Government prescribes increase in salary by any written Law, applicable to the Company, the Employer shall be entitled to take credit for the increases granted in terms of this Agreement. However, if the Government recommends increase in wages, such recommendations will not be applicable to the Employer and the Employees.


23. The Employer, the employees and the Union jointly and severally agree to co-operate with each other towards continuous improvement and commitment to quality through team work in the Employer's establishment.

24. In the event of any inconsistency between the English and the Sinhala texts of this Agreement, the English text shall prevail.

IN WITNESS HEREOF PARTIES HAVE SET THEIR HANDS ON THIS TWENTY FIFTH (25th) DAY OF JULY TWO THOUSAND AND TWELVE (2012) AT COLOMBO.

 For & on behalf of Coats Thread Exports (Pvt) Ltd. Ajith M. Fonseka Director - Human Resources, Coats Thread Exports (Pvt) Ltd. No. 123, Level 2, Bauddhaloka Mw, Colombo 4:..... Name: Designation:	 COATS THREAD EXPORTS (PVT) LTD. Authorized Signatory PV - 2881	 For & on behalf of Inter Company Employees Union Name: <u>සමන්ත විජේගුණ</u> Designation: <u>සමන්ත වි. සමන්ත</u>
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Witnesses:

1.  Name: <u>කේ. ඩී. එම්. ඩයාලාකර්</u> Designation: <u>Head of Manufacturing</u>	1.  Name: <u>පී. ඩී. ඩයාලාකර්</u> Designation: <u>පාලක</u>
2.  Name: <u>Vijaya Eelipala</u> Designation: <u>Asst. Director Genl EFC</u>	2.  Name: <u>පී. ඩී. ඩයාලාකර්</u> Designation: <u>පාලක</u>

FIRST SCHEDULE

Grades	Starting Points	Annual Increment
Grade III	Rs. 13,026	Rs.45/-
Grade II	Rs. 13,076	Rs.55/-
Grade IB	Rs. 13,126	Rs.60/-
Grade IA & Spl Grade	Rs. 13,176	Rs.65/-

SECOND SCHEDULE

Step	Proportion of actual sales CLU volume achieved against P15	Proportion of Monthly Salary payable as Sales Bonus
1	75	75
2	76	75
3	77	75
4	78	75
5	79	75
6	80	85
7	81	88
8	82	90
9	83	92
10	84	96
11	85	100
12	86	102
13	87	105
14	88	124
15	89	131
16	90	134
17	91	138
18	92	143
19	93	148

20	94	152
21	95	156
22	96	176
23	97	185
24	98	190
25	99	196
26	100	215
27	101	222
28	102	230
29	103	237
30	104	245
31	105	252
32	106	258
33	107	265
34	108	273
35	109	280
36	110	300

SECOND SCHEDULE (*continued*)

1. The salary for the calculation of the bonus shall be the salary drawn by the respective employee in the last month of Financial Year in respect of which bonus is payable.

2. An employee who is absent in excess of his leave entitlement for a period of six (06) or more days will not be eligible to receive this bonus and it shall not be paid to such employee.

3. Subject to the number of days absent in excess of an employee's leave entitlement in any one year the employer shall be entitled to make deductions from the bonus payable to an employee in the under noted manner:

1 day in excess of leave entitlement	-	5% of declared bonus
2 days in excess of leave entitlement	-	12 1/2% of declared bonus
3 days in excess of leave entitlement	-	22 1/2% of declared bonus
4 days in excess of leave entitlement	-	35% of declared bonus
5 days in excess of leave entitlement	-	50% of declared bonus

Any period of no pay leave of an employee with the approval of the management will not be regarded as absence for the above computation.

THIRD SCHEDULEDye House Incentive Scheme

Employees Covered: Dye House Multi-skilled Operators, Drug Store men, Drug Store Helpers, Dettin Operators, Hydro Extractor Operators, RF Operators, Material Handlers, Bulk Machine Unloader, Card Winder, Sub Stores Leaders & workers, Wet Lab Helpers, Boiler Operators, Effluent Plant operators.

1.1) Group Incentive Based On passed Dye lots

Calculation Method: Calculate daily basis on Overall Average LpMpD (lots per machine per day) based on CF2000E Passed dye lots (SSP Equivalent). SSP equivalent factors conversions as per group Guidelines.

Stage	LpMpD (SSP Eq)		Overall LpMpD (SSP Eq) for Payment	Payment (Rs/Month)
	Below 6 Pkg (≤ 6 Packs)	Above 6 Pkg (> 6 Packs)		
1	12.00	8.00	10.34	60.00
2	12.25	8.25	10.58	70.00
3	12.50	8.50	10.84	80.00
4	12.75	8.75	11.09	90.00
5	13.00	9.00	11.34	100.00
6	13.25	9.25	11.58	110.00
7	13.50	9.50	11.84	120.00
8	13.75	9.75	12.09	130.00
9	14.00	10.00	12.34	140.00
10	14.25	10.25	12.58	150.00
11	14.50	10.50	12.84	160.00
12	14.75	10.75	13.09	170.00
13	15.00	11.00	13.34	180.00
14	15.25	11.25	13.58	190.00
15	15.50	11.50	13.84	200.00
16	15.75	11.75	14.09	210.00
17	16.00	12.00	14.34	220.00
18	16.25	12.25	14.58	230.00
19	16.50	12.50	14.84	240.00
20	16.75	12.75	15.09	250.00
21	17.00	13.00	15.34	260.00
22	17.25	13.25	15.58	270.00
23	17.50	13.50	15.84	280.00
24	17.75	13.75	16.09	290.00
25	18.00	14.00	16.34	300.00
26	18.25	14.25	16.58	310.00
27	18.50	14.50	16.84	320.00
28	18.75	14.75	17.09	330.00
29	19.00	15.00	17.34	340.00
30	19.25	15.25	17.58	350.00
31	19.50	15.50	17.84	360.00
32	19.75	15.75	18.09	370.00
33	20.00	16.00	18.34	380.00

34	20.25	16.25	18.58	390.00
35	20.50	16.50	18.84	400.00
36	20.75	16.75	19.09	410.00
37	21.00	17.00	19.34	420.00

Payments: Incentive will be calculated daily basis for Passed Dye lots(LpMpD - SSP Eq) and Payment will be made on monthly basis .

1.2) Group Incentive Based On Passed Orders Transfer to Finishing

Calculation Method: Calculate daily basis, based on SAP Stage 30 Confirmations of both drying confirmation weight and orders transferred to finishing section.

Stage	No of SAP Orders/Day	Payment (Rs/Day)
1	625	25
2	640	30
3	656	35
4	671	40
5	686	45
6	701	50
7	717	55
8	732	60
9	746	65
10	761	70
11	777	75
12	792	80
13	807	85
14	822	90
15	838	95
16	853	100
17	867	105
18	882	110
19	898	115
20	913	120
21	928	125
22	943	130
23	959	135
24	974	140
25	988	145
26	1003	150
27	1019	155
28	1034	160

Stage	Weight (Kg/Day)	Payment (Rs/Day)
1	7800	30
2	7950	35
3	8100	40
4	8250	45
5	8400	50
6	8550	55
7	8700	60
8	8850	65
9	9000	70
10	9150	75
11	9300	80
12	9450	85
13	9600	90
14	9750	95
15	9900	100
16	10050	105
17	10200	110
18	10350	115
19	10500	120
20	10650	125
21	10800	130
22	10950	135
23	11100	140
24	11250	145
25	11400	150
26	11550	155
27	11700	160
28	11850	165

29	1049	165
30	1064	170
31	1080	175
32	1095	180
33	1109	185
34	1124	190
35	1140	195
36	1155	200
37	1170	205

29	12000	170
30	12150	175
31	12300	180
32	12450	185
33	12600	190
34	12750	195
35	12900	200
36	13050	205
37	13200	210

Payments: Incentive will be calculated daily basis for Number of Orders & Weight(Kgs) transferred to finishing and Payment will be made on monthly basis .

1.3) Manufacturing Lead time

Calculation Method: Calculate weekly Basis, based on SAP stage 60 confirmation for 48 Hours.

MLT Target (48Hr)	Payment Based on Basic Salary
90.0%	1.0%
91.0%	2.0%
92.0%	3.0%
93.0%	4.0%
94.0%	5.0%
95.0%	6.0%
96.0%	6.5%
97.0%	7.0%
98.0%	7.5%
99.0%	8.0%
100.0%	8.5%

Payments: Incentive will be calculated weekly basis for Manufacturing Lead Time(MLT<48hrs) factory wise and Payment will be made on monthly basis.

1.4) Colour Quality(CQ 1.2 dE)

Calculation Method: Calculate weekly based Group Definition on CQ(less than or equal 1.2 dE tolerance)

CQ(%)	Payment Rs/Month
92.5	700.00
93.0	950.00
93.5	1100.00
94.0	1250.00
94.5	1500.00
95.0	1750.00
95.5	2000.00

96.0	2250.00
96.5	2500.00
97.0	2750.00
97.5	3000.00
98.0	3250.00
98.5	3500.00
99.0	3750.00
99.5	4000.00
100.0	4250.00

Payments: Incentive will be calculated weekly basis for Colour Quality(CQ=<1.2dE) and Payment will be made on monthly basis.

MANAGEMENT		UNION
Head of Manufacturing		Branch President
Dye House Manager		Dye House Representative

RAW MATERIAL STORES SCHEME

1. Employees Covered -

All workers involved in the Raw Material Stores (excluding sub stores)

2. Incentive will be payable on the following basis.

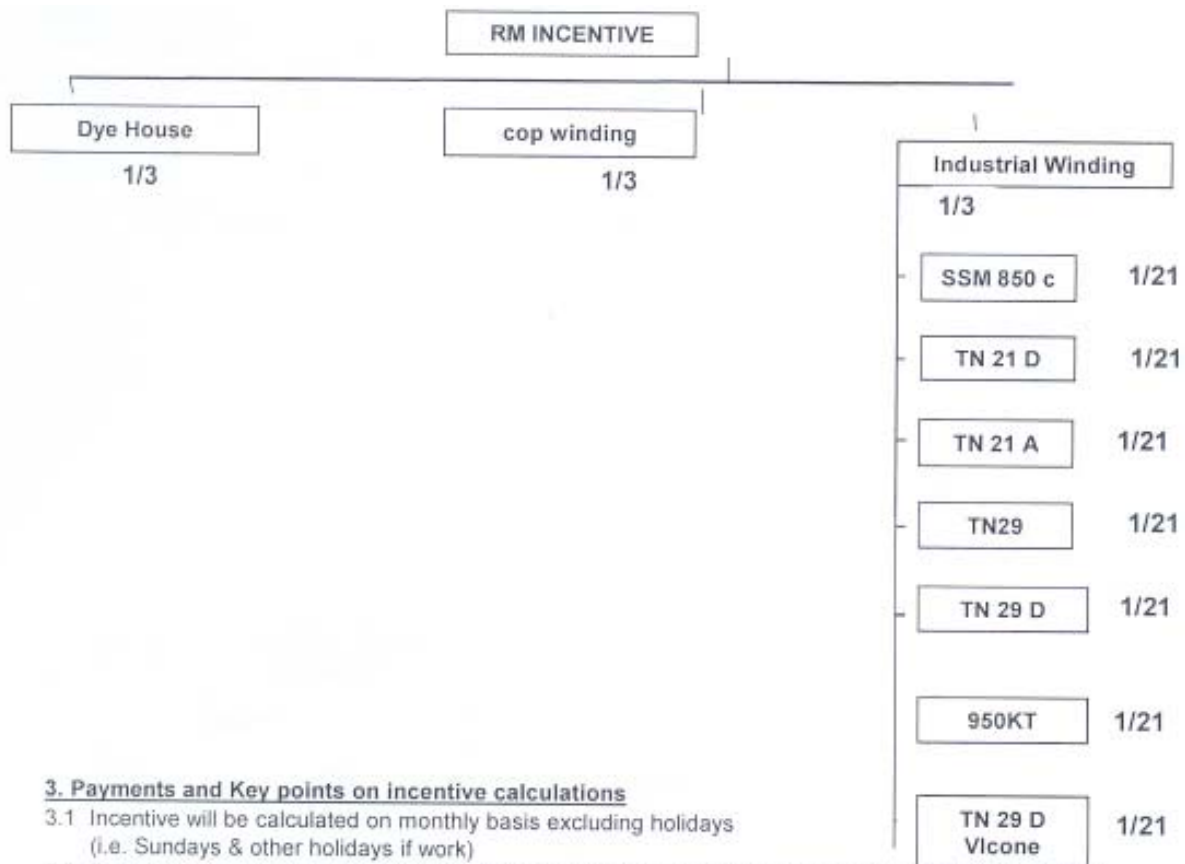
1 A minimum of 1% of the basic salary will be payable if 48 hrs Achievement (SAP) is 90%

48 Hrs achievement

90%
91%
92%
93%
94%
95%
96%
97%
98%
99%
100%

% Incentive of basic salary

1.0%
2.0%
3.0%
4.0%
5.0%
6.0%
6.5%
7.0%
7.5%
8.0%
8.5%

**3. Payments and Key points on incentive calculations**

3.1 Incentive will be calculated on monthly basis excluding holidays
(i.e. Sundays & other holidays if work)

3.2 Total incentive earning of a worker for a particular month will be proportionate to the number of days worked.

3.3 48 hrs achievement will be calculated on a weekly basis and paid monthly

MANAGEMENT

Supply Chain Director


UNION

Branch President

Stores Manager



Stores Representative



TRANSIT STORES SCHEME

1. Employees Covered -

All workers involved in Transit Stores

Targets are achieved & incentive payable are as follows.

2.1. A minimum of 5% of the basic salary will be payable if "Sales" achievement is 100% and every sales increase of 1% over the 100% will entitle employees for a 1% increase in incentive.

<u>Sales achievement</u>	<u>% incentive of basic salary</u>
100%	5%
101%	6%
102%	7%
103%	8%
104%	9%
105%	10%
106%	11%
107%	12%
108%	13%
109%	14%
110%	15%

Note -

No incentives is payable if achievement is < 100%

Performance will be evaluated monthly.

2.2. A minimum of 1% of the basic salary will be payable if 48 hrs Achievement (SAP) is 90%

<u>48 Hrs achievement</u>	<u>% Incentive of basic salary</u>
90%	1.0%
91%	2.0%
92%	3.0%
93%	4.0%
94%	5.0%
95%	6.0%
96%	6.5%
97%	7.0%
98%	7.5%
99%	8.0%
100%	8.5%

Note -

No incentives is payable if achievement is < 90%

Performance will be evaluated weekly.

2.3. 6% of the basic salary will be payable if there is no internal customer complaints

<u>No. of internal customer complaints</u>	<u>% incentive of basic salary</u>
0	6%
max 4	5%

Note -


Performance will be evaluated monthly.

Internal customer complaints - lorry delay 2(max) delivery mistake 2(max) per month

3. Key points on incentive calculations

3.1 Incentive will be calculated on monthly basis 2.2 on weekly basis excluding holidays (i.e. Sundays & other holidays if work)

3.2 Total incentive earning of a worker for a particular month will be proportionate to the number of days worked.

MANAGEMENT	UNION
Supply Chain Director 	Branch President _____
Stores Manager 	Stores Representative _____

MAINTENANCE SCHEME - DYE HOUSE		
Employees Covered Maintenance workers (excluding boiler operators & Effluent plant operators)		
Targets to be achieved & incentives payable are as follows.		
1 A minimum of 1% of the basic salary will be payable if 48 hrs Achievement (SAP) is 90%		
<u>48 Hrs achievement</u>	<u>% Incentive of basic salary</u>	
90%	1.0%	
91%	2.0%	
92%	3.0%	
93%	4.0%	
94%	5.0%	
95%	6.0%	
96%	6.5%	
97%	7.0%	
98%	7.5%	
99%	8.0%	
100%	8.5%	
N.B. No incentive is payable if achievement is less than 90%		
2 A minimum of 1% of the basic salary will be payable if "Non RFT Break Down" % is <=15.0% and will increase in the following manner.		
<u>Non RFT Break Downs</u>	<u>% Incentive of basic salary</u>	
15.0%	2.0%	
12.0%	4.0%	
10.0%	6.0%	
3 A minimum 3% of the basic salary is payable as production incentive if Down Time is equal or less than the targets below.		
<u>Machine Type</u>	<u>Down Time Target</u>	<u>% Incentive of basic salary</u>
	(BD + PM)	
<u>RF Dryers</u>		
40 KW	Less than or equal 2%	1.0%
25 KW	Less than or equal 2%	1.0%
<u>Extractors</u>		
Detlin	Less than or equal 1%	1.0%
Hydro extractor	Less than or equal 1%	1.0%
<u>Pressure Dryer</u>		
	Less than or equal 1%	1.0%
N.B. A maximum of 8 hours will deducted for Planned Maintenance work in respect of RF dryers, Extractors and Pressure dryer for the relevant week.		

<p>4 Additional Incentive Earnings Maintenance workers are entitled to the following additional incentive earnings if they do not exceed the Down Time targets given below.</p>								
<u>M/c Area</u>	<u>Down Time Target</u> (BD + PM)	<u>% Incentive of basic salary</u>						
Dye House (Dyeing Machines)	Less than or equal 2.2%	6.00%						
	Less than or equal 1.6%	8.00%						
	Less than or equal 1.0%	10.00%						
<p>Note One or two dyeing machines will be taken per day for planned maintenance work and a maximum of 8 hours per such machine will be added to the Down Time for this purpose.</p> <p>Total incentive earning of a worker for a particular month will be proportionate to the number of days worked.</p>								
<p>Payments 1 Performance in respect of all criteria will be evaluated weekly and incentives paid monthly</p>								
<p>2 Abbreviations BD - Breakdowns PM - Planned Maintenance</p>								
<table border="1"> <tr> <td><u>MANAGEMENT</u></td> <td><u>UNION</u></td> </tr> <tr> <td>Head of Manufacturing</td> <td>Branch President</td> </tr> <tr> <td>Chief Engineer</td> <td>Maint. Representative</td> </tr> </table>			<u>MANAGEMENT</u>	<u>UNION</u>	Head of Manufacturing	Branch President	Chief Engineer	Maint. Representative
<u>MANAGEMENT</u>	<u>UNION</u>							
Head of Manufacturing	Branch President							
Chief Engineer	Maint. Representative							

MAINTENANCE SCHEME - FINISHING

Details of Scheme

Machine Type	Details	Breakdown time (BD + PM)	Incentives
0° Vi-cone		<2.5%	2% of Basic salary
		<2.2%	3.5% of Basic salary
		<1.5%	4.5% of Basic salary
2° Vi-cone		<2.5%	0.5% of Basic salary
		<2.2%	0.75% of Basic salary
		<1.5%	1% of Basic salary
2° Cone		<2.5%	2% of Basic salary
		<2.2%	3% of Basic salary
		<1.5%	5% of Basic salary
Consumer		<1%	1% of Basic salary
Delivery date achievement		90%	1.0%
		91%	2.0%
		92%	3.0%
		93%	4.0%
		94%	5.0%
		95%	6.0%
		96%	6.5%
		97%	7.0%
		98%	7.5%
		99%	8.0%
		100%	8.5%
Waste	Fresh Thread used	Below 0.02 %	3%

Payments

Incentives for production will be calculated on a weekly basis.

All payments will be made on a monthly basis.

Total incentive earning of a worker for a particular month will be proportionate to the number of days worked.

MANAGEMENT	UNION
Head of Manufacturing	Branch President
Chief Engineer	Maint. Representative

05/07/2012

SOFT WINDING SCHEME

- 1.0) Employees Covered
Soft winding Machine Operators

- 2.0) Scheme summary
10% of basic salary will be payable if minimum production target is achieved as per the below tables

Cones to Pkgs

d'Tex*Ply	Substrate	Target(Kg)	Allocation	Incentive of basic salary
095/2	SSP	44.5	10	10%
095/3	SSP	55.8	8	10%
132/3	SSP	72.1	8	10%
205/3	SSP	66.2	6	10%
275/3	SSP	93.3	6	10%
125/2	PPC	44.3	11	10%
096/2	PPC	53	13	10%
167/1	TXP	37.4	20	10%
167/2	TXP	66.6	17	10%

Pkgs to Pkgs

d'Tex*Ply	Substrate	Target(Kg)	Allocation	Incentive of basic salary
095/2	SSP	118.8	24	10%
095/3	SSP	116.9	15	10%
132/3	SSP	140.3	14	10%
205/3	SSP	141.8	11	10%
275/3	SSP	142.9	8	10%
125/2	PPC	105.8	24	10%
096/2	PPC	105.1	24	10%
167/1	TXP	47.4	24	10%
167/2	TXP	99.3	24	10%

Part Cones to Pkgs (Dormant)

d'Tex*Ply	Substrate	Target(Kg)	Allocation	Incentive of basic salary
095/2	SSP	22.6	6	10%
095/3	SSP	28.5	6	10%
132/3	SSP	39.8	6	10%
205/3	SSP	64.4	6	10%
275/3	SSP	85.5	6	10%
125/2	PPC	28.7	6	10%
096/2	PPC	26.3	7	10%
167/1	TXP	19.2	8	10%
167/2	TXP	38.7	8	10%

3.0) Every out put increase of 1% over the target will be entitled employee's for a 1% increase in incentive earning.

4.0) Additional earnings available for 48hours Achievement, & Saving on waste ,

Detailed scheme for Softwinding / Rewinding machine Operators

Target	Additional Information	Minimum Target	Incentive as a proportion of salary
Production Target	Efficiency Utilization	Refer schedule (a)	10%
48Hrs achievement (SAP)		90% 91% 92% 93% 94% 95% 96% 97% 98% 99% 100%	1.0% 2.0% 3.0% 4.0% 5.0% 6.0% 6.5% 7.0% 7.5% 8.0% 8.5%
Waste against Monthly Dispatch		< 0.20 %	3%

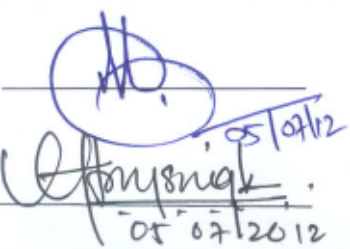
Detailed scheme for Half & Quater pkgs machine Operators

Target	Additional Information	Minimum Target	Incentive as a proportion of salary
48Hrs achievement (SAP)		90% 91% 92% 93% 94% 95% 96% 97% 98% 99% 100%	1.0% 2.0% 3.0% 4.0% 5.0% 6.0% 6.5% 7.0% 7.5% 8.0% 8.5%
Waste against total production in SW		< 0.20 %	3%
RFT ALL substrate % (Only Quarter dye machines)	Greater than	93.0%	5%
LpMpD (Only Quarter dye Machines)	Greater than	12.0	5%

N.B. Incentives for production will be calculated on a daily basis while incentives for other targets will be calculated on a weekly basis
All payments will be made on a monthly basis

Payments:-

All payments will be made on a monthly basis

MANAGEMENT		
Head of Manufacturing		Branch President
Finishing Executive		Soft Widning Representative

COP PACKING SCHEME

- 1.0) Employee covered
COP Packers

2.0) **Basic Targets**

Minimum Incentive earning is approximately 15% of basic salary if all basic targets are achieved

Target to be achieved & incentive s payable are as follows

- 2.1) 10% of the basic salary will be payable if following minimum target is achieved.
Every out put increase of 1% over the target will entitle employees for a 1% increase in incentive earnings.
Performance will be calculated daily basis

Art/Tkt	Length(m)	Target (Boxes) 90% Effi.	% incentive of basic salary
6651070	200	180	10%
6651070	200	278 (cop banding)	10%
6652070	400	165	10%
6654000	900	165	10%
8741120	200	180	10%

- 2.2) 5% of the basic salary will be payable if
(Monthly domestic producing Boxes) = (Monthly dispatched number of boxes)+(Closing WIP) answer \pm 1%

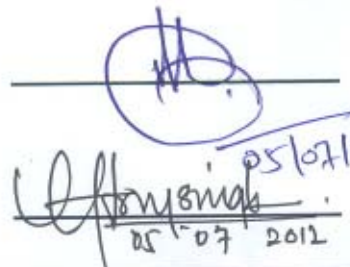
3.0) **Key points on incentive calculations**

- 3.1) Incentives will be calculated on daily basis for 2.1 and 2.2 on monthly basis excluding holidays
(i.e Sunday & other holidays ,if worked)

- 3.2) Total incentive earning of a worker for a particular month will be proportionate to the number of days worked.

Note To earn the 2.2 (5% of the basic salary) Employees should achieve the minimum production target 2.1
And also it will be calculated for achieved days only

Payments: All payments will be made on a monthly basis

MANAGEMENT		UNION
Head of Manufacturing		Branch President
Finishing Executive		Cop Packing Representative

COP WINDING SCHEME

1.0) **Employee covered**
COP winding Machine Operator

2.0) **Basic Targets**
Minimum Incentive earning is approximately 15% of basic salary if all basic targets are achieved

Target to be achieved & incentive s payable are as follows

2.1) 10% of the basic salary will be payable if following (90%) minimum target is achieved.
Every out put increase of 1% over the target will entitle employees for a 1% increase in incentive earnings.
Performance will be calculated daily basis

3 head allocation

Art/Tkt	Input	Length(m)	Boxes in 90% Effi.	Allocation	% incentive of basic salary
6651070	1Pkg	200	202	3	10%
6652070	1Pkg	400	176	4	10%
6654070	1Pkg	900	164	6	10%
8741120	1Pkg	200	197	3	10%
8742120	1Pkg	400	184	5	10%
8743120	1Pkg	900	166	7	10%

2.2) 5% of the basic salary will be payable if
(Monthly domestic producing Boxes) = (Monthly dispatched number of boxes)+(Closing WIP) answer \pm 1%

3.1) incentives will be calculated on daily basis for 2.1 and 2.2 on monthly basis excluding holidays
(i.e Sunday & other holidays ,if worked)

3.2) Total incentive earning of a worker for a particular month will be proportionate to the number of days worked.

Note

To earn the 2.2 (5% of the basic salary) Employees should achieve the minimum production target 2.1
And also it will be calculated for achieved days only

Payments: All payments will be made on a monthly basis

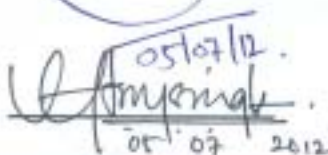
MANAGEMENT**UNION**

Head of Manufacturing



Branch President

Finishing Executive

05/07/12.

05.07.2012

Cop Winding
Representative

**CARTON PACKERS/MATERIAL HANDLERS/TENTER/
STICKER PRINTER SCHEME**

Scheme Summary

- 1) As mentioned in below table , proportion of incentives will be payable based on the incentive earning of 0° Vi-cone, 2° Vi-cone and 2° Cone average Machine operators earnings .
- 2) Additional earnings available for Savings on Waste and Manufacturing Lead Time (MLT) achievement.

Details of Scheme

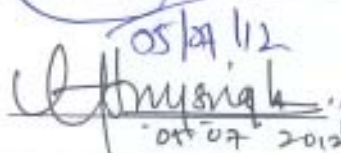
Machine Type	Target	Incentive Payment
0° Vi-cone		35% of average production incentive earnings% of 0° Vi-cone machine operators
2° Vi-cone		05% of average production incentive earnings% of 2° Vi-cone machine operators
2° Cone		60% of average production incentive earnings% of 2° Cone machine operators
48hrs achievement (SAP)	90%	1.0%
	91%	2.0%
	92%	3.0%
	93%	4.0%
	94%	5.0%
	95%	6.0%
	96%	6.5%
	97%	7.0%
	98%	7.5%
	99%	8.0%
	100%	8.5%
Waste	Below 0.02 %	3% of basic salary

- 3) Incentives for production will be calculated on a daily basis while incentives for other targets will be calculated on a weekly basis
- 4) Total incentive earning of a worker for a particular month will be proportionate to the number of days worked.

Payments: All payments will be made on a monthly basis

MANAGEMENT	UNION
Head of Manufacturing	Branch President
Finishing Executive	Anicillary Worker Representative



05/07/12

05/07/2012

WINDING MACHINE OPERATORS /PACKERS SCHEME			
Scheme Summary			
1.0) 10 % of basic salary will be payable if 90% production target is achieved. (Minimum production target - TN29/TN29D/TN29Y - 93% Eff: & 850HABA/950HABA/TN21/TN21D - 95% Eff:)			
2.0) Every out put increase of 01% over the target will entitle employees as below table increase in incentive earnings up to maximum 25 %			
3.0) Additional earnings available for Savings on Waste, Manufacturing Lead Time (MLT) ,			
Details of Scheme			
Target	Additional information	Target	Incentive as a proportion of salary
Production target	Operator Efficiency minimum Machine Utilization minimum	For Manual 93%, For Automatic 95% For Manual 95%, For Automatic 98%	
	Incentive will be started from 90% efficiency	90%	10.0%
		91%	11.0%
		92%	12.0%
		93%	13.0%
		94%	14.0%
		95%	15.0%
		96%	16.0%
		97%	17.5%
		98%	19.0%
		99%	20.5%
		100%	22.0%
48hrs achievement (SAP)		90%	1.0%
		91%	2.0%
		92%	3.0%
		93%	4.0%
		94%	5.0%
		95%	6.0%
		96%	6.5%
		97%	7.0%
		98%	7.5%
		99%	8.0%
		100%	8.5%
Waste	Skirn waste fin (skirn waste/monthly dispatch)	Below 0.02 %	3%
5.0) Incentives for production will be calculated on a daily basis while incentives for other targets will be calculated on a weekly basis			
6.0) If employee achieved the average minimum target (Auto - 95% & Manual - 93%, Efficiency) for a week, employee will be entitled a 25% of bonus from relevant week production incentive achievement.			
7.0) If employees absent, incentive deduction are follows in weekly basis			
8.0) Total incentive earning of a worker for a particular month will be proportionate to the number of days worked.			
Payments: All payments will be made on a monthly basis			
MANAGEMENT		UNION	
Head of Manufacturing		Branch President	_____
Finishing Executive	 05.07.2012	Employee Representative	_____

**LESS THAN 04 PACKAGES ORDERS
2 DEGREE WINDING MACHINE OPERATORS SCHEME**

Scheme Summary

- 1.0) 10 % of basic salary will be payable if minimum production target (60 order per Shift) is achieved. Any employee perform more than 60 orders per shift will be entitled for incentive as per the scheme below maximum upto 25 % from the basic salary from 10 heads of TN21 machine
- 2.0) Additional earnings available for , Savings on Waste, Manufacturing Lead Time (MLT) ,

Details of Scheme

Target	Additional information	Target	Incentive as a proportion of salary
Production target	Minimum target :No of Orders per shift	60	10%
		65	7.5%
		66	8.0%
		67	8.5%
		68	9.0%
		69	9.5%
		70	10.0%
		71	11.0%
		72	12.0%
		73	13.0%
		74	14.0%
		75	15.0%
		76	17.0%
		77	19.0%
		78	21.0%
		79	23.0%
		80	25.0%
48hrs achievement (SAP)	less than 4 paks orders	90%	1.0%
		91%	2.0%
		92%	3.0%
		93%	4.0%
		94%	5.0%
		95%	6.0%
		96%	6.5%
		97%	7.0%
		98%	7.5%
		99%	8.0%
		100%	8.5%
Waste	Skein waste fini (skein waste/monthly dispatch)	Below 0.02 %	3%

- 3.0) Incentives for production will be calculated on a daily basis while incentives for other targets will be calculated on a weekly basis
- 4.0) Incentive for Production will be paid from \$5 order, if's below the minimum target of 60 orders
- 5.0) If employee achieved the minimum target average (Total wound order Avg: 60 per week) for a week, employee will be entitled a 25% of bonus from relevant week production incentive achievement.
- 6.0) Total incentive earning of a worker for a particular month will be proportionate to the number of days worked.

Payments: All payments will be made on a monthly basis

MANAGEMENT	UNION
Head of Manufacturing	Branch President
Finishing Executive	Employee Representative

[Handwritten signatures and dates]
05/07/12
05.07.2012

PRODUCTION NORMS - DYE MACHINE OPERATORS

Industrial Engineering specified SSP Equivalent loading dye lots per day (SSP Equivalent LpMpD) based on Sedo Master system and SSP equivalent conversions factors as per group Guidelines as follows,

Machine Park	No Machines	Current Allocation	SSP Equivalent LpMpD IETargets
WDYEQRT	10	10	19.4
WDYE002	12	9	17.7
WDYE004	14	9	17.7
WDYE006	9	9	16.9
WDYE012	8	3	14.5
WDYE024	4	3	13.5
WDYE030	2	3	13.0
WDYE036	6	3	13.0
WDYE048	2	3	13.0
WDYE098	5	3	13.5
WDYE108	1	3	12.0
WDYE144	1	3	14.8
WDYE156	1	3	14.2
WDYE192	2	3	13.0

Head of Manufacturing

Dye House Manager


 05/07/12

PRODUCTION NORMS - DYE HOUSE FLOOR

Industrial Engineering specified targets for dyehouse floor operations as follows,

Operation	machine	Manning allocation per shift	production kgs/ shift	production / shift	
				Units	No.s
Carrier Unloading		1	1463 kgs	lots	86
Extraction	Dettin	1	1875 kgs	cycles	76
Extraction	Hydro extractor 1	1	907 kgs	cycles	6
Extraction	Hydro extractor 2	1	907 kgs	cycles	6
Drying	RF 1 & 2	1	4536 kgs	lots	329
Batch transfer		1	3877 kgs	lots	281
Card wrapping		1	3312 kgs	lots	228
Card wrapping pkg preparation		1	5477 kgs	lots	377
Dyeing - Non SOSU	32	11	3666kgs	lots	103
Dye weighing None SOSU		1	3150 kgs	lots	90
Chemical weighing None SOSU		1	4690 kgs	lots	134
Cup washing Non SOSU		1	4060 kgs	lots	116
Dyeing - SOSU	45	5	366 kgs	lots	194
Chemical weighing SOSU		1	475 kgs	lots	250
Cup washing SOSU		1	339kgs	lots	177
RC weighing + SOSU che. material H 2,4,6		1	576 kgs	lots	301
RC weighing + SOSU che. material H quarter		1	122kgs	lots	330
Grey Thread Loader SOSU (2/4/6)		1	315 kgs	lots	140
Grey Thread Loader Simplex		1	75 kgs	lots	203
Thread supplier SOSU(2/4/6)		1	315kgs	lots	140
Total manning/shift		34			

Head of Manufacturing



Dye House Manager



PRODUCTION NORMS - WINDING MACHINE OPERATORS

Minimum Work Load allocation for Finishing

For fully automatic machines (Hacoba 850/950 KT, TN21/21D) at 98 % machine utilization, 95 % target from IE std mentioned below on each allocation has to be achieved. For manual machines (TN 29/29D/29Y) at 95 % machine utilization, 93 % target from IE std mentioned below on each allocation has to be achieved. Currently established targets mentioned below & will be change based on allocation & Art/Tkt

850C 18 Head allocation

Art./kt	8756180	8756120	87564180	87564120	87564075	8725180	8725120	8725075	8725050	8725030	8710015	8710025	8710020	1541050	1554030
Yarn Speed(mpm)	1300	1300	1300	1300	1000	1300	1300	1000	1000	800	800	800	800	1000	800
100% IE target (Cones per Operator per Shift)	863	759	1636	1439	1119	2614	2267	1844	1567	1185	1070	2039	1544	822	1083

Att./Tkt	1554036	1505025	1505120	1505020	2996180	2996120	2994180	2994120	2994100	2994080	2925180	2925120	2925100	2925080	2925050
Yarn Speed(mpm)	800	800	1300	800	1300	1300	1300	1300	1300	1200	1300	1300	1300	1200	1000
100% IE target (Cones per Operator per Shift)	1185	1804	4668	1537	865	809	1642	1630	1440	1176	2971	2622	2444	2006	1416

Art./Tkt	2925040	2910120	2910025	2910018	2910016	2910012	5996180	5996120	6327120	5994180	5994120	5994075	6655110	5993050	5993030
Yarn Speed(mpm)	800	1300	800	800	800	800	1300	1300	1300	1300	1300	1000	1300	1000	800
100% IE target (Cones per Operator per Shift)	1296	4668	1802	1538	1290	1043	868	862	1249	1634	1344	1044	1587	1254	900

Art./Tkt	5992180	5992120	5992075	5992030	6329120	6329180	8754110
Yarn Speed(mpm)	1300	1300	800	800	1300	1300	1300
100% IE target (Cones per Operator per Shift)	2270	1927	1527	1063	709	858	1438

Head of Manufacturing

Finishing Executive

05/20/12
J. J. Smith
6/5/07 2012

65' 0" + 2012

850C 12 Head allocation

Art./Tkt	8756180	8756120	8754180	8754120	8754075	8726180	8723120	8725076	8726060	8726020	8710015	8710025	8710020	1541050	1554030
Yarn Speed(mpm)	1300	1300	1300	1300	1000	1300	1300	1000	1000	800	800	800	800	1000	800
100% IE target (Cones per Operator per Shift)	575	569	1092	1079	639	1961	1943	1061	1967	1185	1070	2039	1544	822	1063

Art./Tkt	1554036	1565025	1565120	1565020	2906180	2906120	2906180	2906120	2904100	2904080	2925180	2925120	2925100	2925080	2825050
Yarn Speed(mpm)	800	800	1300	800	800	1300	1300	1300	1300	1300	1300	1300	1300	1300	1000
100% IE target (Cones per Operator per Shift)	1185	1804	4001	1537	877	871	1095	1087	1080	1010	1081	1087	1665	1719	1307

Art./Tkt	2926040	2910120	2910025	2910018	2910016	2910012	5996180	5996120	6327120	5994180	5994120	5994078	6655110	8093030	8093030
Yarn Speed(mpm)	800	1300	800	800	800	800	1300	1300	1300	1300	1300	1300	1300	1000	800
100% IE target (Cones per Operator per Shift)	1296	4001	1802	1535	1290	1043	579	575	1071	1089	1075	835	1058	1264	900

Art./Tkt	5992180	5992120	5992075	5992030	2926030
Yarn Speed(mpm)	1300	1300	800	800	800
100% IE target (Cones per Operator per Shift)	1946	1927	1309	1063	1064

Head of Manufacturing
Finishing Executive
05/09/12
05.02.2012

TN21D 20 Head allocation

Art /Tkt	8756180	8756120	8754180	8754120	8754075	8725180	8725120	8725075	8725050	8725030	2996120	2994180	2994120
Yarn Speed(mpm)	1200	1200	1200	1200	1200	1200	1200	1200	1200	1000	1200	1200	1200
100% IE target (Cones per Operator per Shift)	848	582	1661	1231	071	2600	2115	1163	1292	1004	851	844	1403

Art /Tkt	2994100	2994080	2925180	2925120	2925100	2925080	2925060	2925040	5996180	5996120	5327180	5994180	5994075
Yarn Speed(mpm)	1200	1200	1200	1200	1200	1000	1000	1000	1200	1200	1200	1200	1200
100% IE target (Cones per Operator per Shift)	1229	969	2604	2280	1964	1707	1286	1015	756	530	1500	1141	890

Art /Tkt	6655110	5993050	5993030	5992180	5992120	5992075	5992030	6329180	6329120
Yarn Speed(mpm)	1200	1000	1000	1200	1200	1200	1000	1200	1200
100% IE target (Cones per Operator per Shift)	1406	1301	735	2440	1955	1629	877	802	626



TN21 20 Head allocation

Art /Tkt	8766180	8766120	8764180	8764120	8764075	8725180	8725120	8725075	8725020	8710025	8710020	1541050	1554030
Varn Speed (rpm)	800	900	800	900	800	900	900	900	900	800	800	800	800
100% IE target (Cones per Operator per Shift)	758	751	1477	1464	1240	2000	2506	2009	1800	1085	1230	1534	855
Art /Tkt	1554038	1505025	1505120	1505020	2896180	2896120	2894180	2894120	2894105	2894080	2825180	2825120	2825080
Varn Speed (rpm)	800	800	900	800	900	900	900	900	900	900	900	900	900
100% IE target (Cones per Operator per Shift)	1086	1580	3838	1265	758	753	1477	1405	1385	1083	2801	2050	1783
Art /Tkt	2925040	2810120	2810025	2810018	2810016	2810012	5998180	5998120	6327120	5994180	5994120	5984075	6655110
Varn Speed (rpm)	800	900	800	800	800	800	900	900	900	900	900	900	900
100% IE target (Cones per Operator per Shift)	1216	3930	1556	1284	1244	971	755	748	1463	1459	1387	1172	1618
Art /Tkt	5992180	5992120	5992075	5992030									
Varn Speed (rpm)	800	900	900	800									
100% IE target (Cones per Operator per Shift)	2506	2072	1780	1084									

Head of Manufacturing
Fishing Executive

25/04/12
of up 2/12

TN29 12 Head allocation

Art /Tkt	5934160	5743160	5743080	F785160	F785140	F785080	F78965M	5742160	5742080	F025160	F782080	F025140	F78965M	D703200	4525300
Yarn Speed(mpm)	800	800	800	800	800	800	800	800	800	800	800	800	800	800	800
100% IE target (Cones per Operator per Shift)	438	856	698	855	776	627	551	1009	866	1008	865	874	734	856	1015
Art /Tkt	1345300	1345180	1305010	5742040	F010080	F010140	5810160	5810080	4525040						
Yarn Speed(mpm)	800	800	500	800	800	800	800	800	700						
100% IE target (Cones per Operator per Shift)	853	855	557	698	1073	1052	1074	1057	635						

TN29 8 Head allocation

Art /Tkt	5934160	5743160	5743080	F785160	F785140	F785080	F78965M	5742160	5742080	F025160	F782080	F025140	F78965M	D703200	4525300
Yarn Speed(mpm)	800	800	800	800	800	800	800	800	800	800	800	800	800	800	800
100% IE target (Cones per Operator per Shift)	292	570	465	570	564	557	551	1009	866	1008	855	874	734	571	1015
Art /Tkt	1345300	1345180	1305010	5742040	F010080	F010140	5810160	5810080							
Yarn Speed(mpm)	800	800	500	800	800	800	800	800							
100% IE target (Cones per Operator per Shift)	671	570	557	698	1073	1052	1074	1057							

TN29D 8 Head allocation

Art /Tkt	5744160	5743160	5743080	F785160	F785140	F785080	F78965M	5742160	5742080	F025160	F025080	F025140	D703200	N705200	5810160
Yarn Speed(mpm)	950	950	950	950	950	950	600	950	950	950	950	950	600	600	950
100% IE target (Cones per Operator per Shift)	316	610	596	609	603	595	406	1019	854	1018	853	864	424	189	1152
Art /Tkt	5810080	F010080	F010160	F010140											
Yarn Speed(mpm)	950	950	950	950											
100% IE target (Cones per Operator per Shift)	1134	1132	1152	1144											

Head of Manufacturing

Finishing Executive

5749112
05 07 2013

TN29D Ycone 8 Head allocation

Art /Tkt	2565120	8052070	2086180	3208120	3208140	5743180	5742180	4529180	1345180	1345180	4525200	3733120	3733180	4525040	1321180	3214120
Yarn Speed(rpm)	850	850	850	850	850	850	850	850	850	850	850	850	850	850	850	850
100% IE target (Cones per Operator per Shift)	783	777	787	781	781	787	787	632	1043	1000	570	574	843	848	853	843

950KT 24 Head allocation

Art /Tkt	5744180	5743180	5743080	F785080	F785180	F785180	F785180	5934180	6050180	F025180	F025180	5742180	5742080	F025180	F025080
Yarn Speed(rpm)	950	950	950	950	950	950	950	950	950	950	950	950	950	950	950
100% IE target (Cones per Operator per Shift)	832	1541	1202	1287	1342	1531	1099	832	11541	2470	2060	2839	2100	2840	2104

Art /Tkt	F025180	5810180	8810080	F010080	F010180	F781140
Yarn Speed(rpm)	950	950	950	950	950	950
100% IE target (Cones per Operator per Shift)	2470	4190	3219	3454	4426	3708

Consumer Winding

Art /Tkt	0651070	0852070	6854070	8741120	8742120	0743120
Yarn Speed(rpm)	2800	2800	2800	2800	2800	2800
Allocation (spindle per Operator)	3	4	6	3	5	7
100% IE target (boxes per Operator per Shift)	224	197	182	218	204	184

Head of Manufacturing

Finishing Executive

[Signature]
25/04/12
17 07 2012

THE INDUSTRIAL DISPUTES ACT, CHAPTER 131

THE Collective Agreement entered into between Trelleborg Wheel Systems Lanka (Pvt) Limited, No. 45 BEPZ, Walgama, Malwana of the one part and the Free Trade Zones and General Services Employees Union, No. 141, Ananda Rajakaruna Mawatha, Colombo 10 of the other part on 30th day of May 2012 is hereby published in terms of Section 06 of the Industrial Disputes Act, Chapter 131, of the Legislative Enactments of Ceylon (Revised Edition 1956).

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

Department of Labour,
Labour Secretariat,
Colombo 05.
21st February, 2013.

Collective Agreement No. 17 of 2012

COLLECTIVE AGREEMENT

BETWEEN

TRELLEBORG WHEEL SYSTEMS LANKA PVT LIMITED, WALGAMA, MALWANA.

AND

INDUSTRIAL DISPUTES ACT-CHAPTER 131

2009 - 2013

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COLLECTIVE AGREEMENT

THIS COLLECTIVE AGREEMENT made on 30th day of May Two Thousand Twelve pursuant to the Industrial Disputes Act between TRELLEBORG WHEEL SYSTEMS LANKA (PVT) LIMITED, and having its registered office at No. 45 BEPZ, Walgama, Malwana (hereinafter referred to as “the Company/ Employer”) of the ONE PART and FREE TRADE ZONES AND GENERAL SERVICES EMPLOYEES UNION, a trade union duly registered under the provisions of the Trade Unions Ordinance and having its registered office at No. 141, Ananda Rajakaruna Mawatha, Colombo 10 (hereinafter referred to as ‘the Union’) of the OTHER PART, witnesseth and it is hereby agreed between the parties as follows :

Section 1 - Basic Provisions

1.1. **Purpose and Contents of the Collective Agreement.** – 1.1.1. This Collective Agreement (hereinafter referred as the Agreement”) regulars the relationship between the Employer and the Union and its members as well as between the Employer and the Employees, and determines rights and obligations of the agreed parties unless otherwise stipulated further on. The Agreement is in conformity with respective provisions of the Industrial Disputes Act.

1.2. **Purpose of Agreement.** – 1.2.1. In order strengthen positive relations of the Employees of Trelleborg Wheel Systems Lanka (Pvt.) Ltd., and to strengthen partner relations between the Employer and the Union, both parties shall obligate themselves to settle problems that may arise by discussions, aiming at achieving an agreement between the parties.

1.3. **Date of Operation and Duration.** – 1.3.1. This Agreement shall be effective retrospectively from the Fifth Day of December Two Thousand and Nine (05.12.2009) and shall thereafter continue in force until Thirty first day of December Two Thousand and Thirteen (31.12.2013), unless it is determined by either party giving one month’s notice in writing to the other. Either party shall be at liberty to repudiate this Agreement by giving one month’s notice in writing to the other in terms of the Industrial Disputes Act, (This agreement is signed for 4 years in this instance).

1.3.2. The Agreement shall cover and bind all Manual Employees of the Trelleborg Wheel Systems Lanka (Pvt) Ltd. who are members of the Union.

1.3.3. For the purpose of collective bargaining, the union shall be treated as the ‘bargaining agent’.

1.4. **Parties Bound.** – 1.4.1. This Agreement shall, Subject as hereinafter provided, bind the Employer and Manual Employees of the company who are members of the union.

Section 2 - Basic Rights and Obligations of Contracting Parties

2.1. **Non - discrimination .–** 2.1.1 Both parties shall not discriminate any of the Employees for reasons of gender, race, religion, age, disability, sexual orientation, nationality, political opinions or social or ethnic origin as justified claims under this Agreement or the contract of employment.

2.2. **Solution for Disputes .–** 2.2.1 Disputes concerning this Agreement shall be settled under the provisions of the Industrial Disputes Act. (Chapter 131.)

2.3. **Responsibility of Employer .–** 2.3.1 Respect the right of each Employee to become a member of the Union.

2.3.2 Prevent discrimination of Employees due to Union work.

2.3.3 Create material and organaizational conditions for activities of the Union, to the extent specified in this Agreement.

2.4. **Responsibility of the Union.** - 2.4.1 The Union shall obligate itself that its activities shall be carried out so as not to disturb the working time and not to restrict the activity of the Employer.

2.4.2 The information given by the Employer connected with the Company's activity shall be considered confidential. The Union shall obligate itself that such information shall not be published nor abused against the interests of the Employer.

2.5. **General Terms and conditions of Employment and matters incidental and connected therewith.** - 2.5.1 From the date hereof and during the continuance in force of this Agreement, terms and conditions of this agreement shall be included, in all the contracts of service between the Employer bound by this Agreement and an Employee covered and bound by this Agreement whether such contracts of service be written or oral, which are subsisting as at the date hereof or which come into being during the continuance in force of this Agreement.

2.5.2 (a) The Union members who are employees covered and bound by this Agreement jointly agree with the Employer that during the continuance in force of this Agreement, they will 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 employees covered and bound by this Agreement other than by mutual agreement. This will not apply to the attachments which will be considered for annual negotiations.

(b) Subject to the terms of this 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 and of the employees covered and bound by this Agreement other than by mutual agreement.

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

Section 3 - Employment Area

3.1. **Probation .-** 3.1.1 Every Employee recruited by the Employer shall serve a period of probation not less than nine (9) months. At the expiry of the nine (9) months probationary period if the Employer is not satisfied with the progress of such Employee, the probationary period shall 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 further extended. During the period of probation or extended probation, the Employer shall have the right to terminate the services of the Employee without notice.

3.2. **Transfers .-** 3.2.1 Employee transfers shall take place based on the contract of employment and on the business needs of the Company, and it will be at the discretion of the Company. A letter of transfer to the relevant Employee shall be issued once the transfer is finalized.

3.2.2 Where an Employee refuses to comply, the employer shall consider such action as an act of misconduct, and act according to the provision of this agreement.

3.2.3 Transfers will be done by taking into the suitability of the employee to handle the duties and responsibilities of the job. The management will avoid handing over duties and responsibilities which are of lesser in nature in comparison to current job.

3.3. **Retirement .-** 3.3.1 All employees shall retire from service upon reaching the age of 55 years.

3.4. **Hours of work .-** 3.4.1 Employees who are working on a General Shift are required to work 45 hours a week excluding meal interval and tea breaks. Hours of work and break times are as follows :-

Shift	Working Hours	Meal Break Spread Over
General	8.00 a.m. to 4.30 p.m.	12.00 p.m. to 1.00 p.m.
Saturday	8.00 a.m. to 1.00 p.m.	After 1.00 p.m.

Employees who are working on a roster basis are required to work 48 hours a week including meal interval and tea breaks. Hours of work and break times are as follows :-

Rostered	7.00 a.m. to 7.00 p.m. 7.00 p.m. to 7.00 a.m.	11.30 a.m. to 12.30 p.m. 11.00 p.m to 12.00 a.m.
<p>3.4.2 Employees are entitled to 1/2 hour meal interval to be taken during the specified break time. Employees are required to be at their respective places of work at the stipulated time of commencement and shall not stop work or leave the workplace until the stipulated closing time without prior permission from the Head of the Division. In addition to the 1/2 hour meal interval, rostered employees will be allowed two rest breaks of 15 minutes each depending on the production cycles.</p> <p>3.4.3 Working hours are fixed purely at the discretion of the Company and may be revised according to the needs of the business. However, the Company will discuss the matter with the union and after reaching consensus the decision will be implemented by the management.</p> <p>3.4.4 An employee may be called upon to work beyond normal working hours as and when the necessity arises. Refusal to do so without valid reason will be constituted as misconduct. Considering (calling) the earned off day for overtime payments should be decided on the agreement of both parties.</p> <p>3.4.5 Employees may be called upon to work on poya days and statutory holidays as and when the necessity arises. Employer shall inform the Union of such requirements, 14 days prior to the poya day or statutory holiday. The Union shall inform the employer of any disagreement within 7 days from the date communicated by the employer.</p> <p>3.4.6 Employees are permitted to request for a maximum of three (3) changes per month in the shift with prior written approval of the head of the division for educational purposes, holiday and Trade Union activities (which will be restricted only to members of the Executive Committee). The covering arrangement should be done with an employee who has similar competence.</p> <p>3.5 Annual Leave. - 3.5.1 In accordance to the legal requirement, employees shall be entitled to 14 days annual leave Employees have to earn their annual leave by working the required number of days during the calendar year January to December.</p> <p>3.5.2 Employees should avail their annual leave during the calendar year in which it is due and cannot accumulate for use in subsequent years. A combination of annual leave and casual/ medical leave shall not be permitted except in exceptional circumstances.</p> <p>3.5.3 Employees shall agree to utilize 7 days of their annual leave during the plant shut down period. Employer shall pay production incentive calculated on the average of the previous two months during the total shut down period. (This excludes the maintenance division)</p> <p>3.5.4 If an employee falls sick while on annual leave, the period of illness will be set off against the medical leave entitlement upon producing a Medical Certificate. The employee shall be permitted to take the unavailed annual leave on a subsequent date.</p> <p>3.5.5 Employees shall obtain prior approval for annual leave from the Head of the Division at least 4 days in advance. However, granting of leave will be subject to the exigencies of service and on a first come first serve basis.</p> <p>3.5.6 Employees are permitted to avail annual leave earned for the year during the period on notice/ prior to resignation. Annual leave on resignation should be applied for in advance and should be duly approved by the Head of the Division.</p> <p>3.6 Casual Leave. - 3.6.1 In addition to the legal requirement, the Employer grants 7 days leave as casual leave.</p> <p>In the first year of employment (i.e.. January to December) employees are entitled to avail 1 day of casual leave for every completed 2 months in employment. In the second year of employment, employees are entitled to the full casual leave entitlement.</p> <p>3.6.2. A maximum of 2 consecutive days of leave can be taken as casual leave. Employees shall not be entitled to take casual leave proceeding or followed by annual leave. Leave application should be forwarded 24 hrs. in advance and should be approved by the Head of the Division and forwarded to the HR division.</p> <p>3.6.3. Leave will be granted based on the importance and urgency of the requirement. However, such applications may be refused subject to exigencies of service. Failure to obtain prior approval shall result in deduction of attendance allowance. Failure to adhere to this rule shall be treated as and act of misconduct.</p>		

3.7 Unutilised Annual and Casual Leave. - 3.7.1 Any unutilized annual and casual leave shall be compensated in January of the following year. Computation will be for the number of utilized annual and casual leave calculated based on the Basic Salary/ Wage of the employer.

3.8 Medical Leave.- 3.8.1 In addition to the legal requirement, Employer grants medical leave as a privileged facility. Employees shall be entitled for 7 days paid medical leave on confirmation in employment.

3.8.2 On the first day of absence and employee should , inform the Head of the Division by telephone, telegram of the reason for his/ her absence. Where the absence exceeds 3 days, a medical certificate should be forwarded along with the leave application form to the Human Resources Division upon reporting to work. The leave period recommended by a medical certificate shall cover all working days weekly holidays, statutory holidays, Poya days, etc. falling within that period. Only the working days shall be deducted from the medical leave entitlement.

3.8.3 Employer shall accept medical certificates from the following practitioners.

- (a) Western qualified medical practitioner registered with the Medical Council;
- (b) Registered Ayurvedic physicians;
- (c) Registered Homeopathic practitioners.

3.8.4 A medical certificate from a Private Medical Practitioner/ Ayurvedic Physician/ Homeopathic Practitioner shall be valid only for a maximum continuous period of 14 days. If an extension of leave is required a medical certificate should be obtained from a government hospital/ recognised private hospital or Government Medical Officer/ recognised Medical Officer employed in a private hospital.

3.8.5 If an employee requires leave for communicable diseases such as Chicken Pox, Measles, Mumps and Sore Eyes, such an employee is required to provide a DMO certificate or Medical Certificate from Company Doctor, or PHI and leave in addition to the 07 days medical leave entitlement will be granted as follows :

Chicken Pox and Measles 14 days
Mumps 07 days
Sore Eyes 03 days

3.8.6 Failure to adhere to the above conditions shall be considered as an act of misconduct and above leave will not be granted whilst disciplinary action shall be taken accordingly.

3.9 Unutilised Medical Leave.- 3.9.1 Any unutilised medical leave shall be compensated in January of the following year. Computation of payment will be for the number of unutilised medical leave calculated based on the Basic Salary/ Wage of the employee.

3.10 Statuary Holidays.- 3.10.1 The following statutory holidays shall be allowed each year as paid holidays

Statutory Holidays

Tamil Thai Pongal Day
National Day
Day immediately prior to the Sinhala and Tamil New Year Day
Sinhala and Tamil New Year Day
May Day
Day immediately succeeding the Weask Full Moon Poya Day
Prophet Mohamed's Birthday
Chirstmas Day

3.10.2 Employees required to work on Statutory Holidays shall be employed on the normal roistered shifts and will be remunerated according to the appropriate rate of pay.

3.11 Maternity Leave.- 3.11.1 Employees will be granted maternity leave as per the conditions stipulated in the Maternity Benefits Ordinance.

3.11.2 Employees availing their maternity leave should submit their leave application form supported with a medical certificate to the Head of the Division for approval and forward same to the Human Resources Division. If an employee is unable to submit her leave application form prior to her confinement, such an employee should forward the application form within 10 days of the confinement.

3.12. **Duty Leave.** – 3.12.1. Duty leave shall be granted to the President, Secretary and 2 Office Bearers of the Union once in two months to attend the Union meetings and the entire Executive Committee shall be granted duty leave once in two years to attend General Meeting.

3.12.2. Duty leave shall also be granted to Employees (except the accused employee) to attend Domestic Inquiries, Industrial courts, Arbitrators or Labour Tribunals.

3.13. **Accident Leave.** – 3.13.1. Accident Leave is granted to employees who meet with accident arising out of and in the course of employment and where the said accidents is not due to willful default or negligence of the employees. Accident leave shall be granted by the Human Resources Division based on the recommendations of the Safety Health and Environment Manager who will make the decision after proper investigation.

3.13.2. If an accident occur due to a fault in the machine (which is decided by the Maintenance Manager, SHE Manager, HR Manager and Department Manager) the machine will be stopped until preliminary investigations are completed.

3.12.3. Number of days leave to be granted will be decided on the recommendation of the Company Doctor or the District Medical Officer.

3.14. **Lieu Leave.** – 3.14.1. An employee, who works for 24 hours, is entitled for a lieu leave within the next 24 hours.

3.15. **Weekly Holiday.** – 3.15.1. General Shift employees are entitled to 1 1/2 days as weekly holiday after working 5 1/2 days. Rostered employees are entitled to 2 days of weekly holidays after working 4 days (12 hours each)

3.15.2. General Shift employees (8.00 a.m.-4.30 p.m) who work on the weekly half holiday (1/2) will be remunerated 1 1/2 times their normal hourly rate of pay, and 2 times the hourly rate of pay for work done on the weekly holiday (01 day).

3.15.3. It is unlikely an employee is required to continue overtime work for another shift of 12 hours, after the rostered normal shift. The employees will be allowed 2 hours rest during the overtime shift.

(a) Rostered workers (12 hours shift) who work on first off day the number of hour worked will be doubled and paid at normal overtime hourly rate.

(b) For those who work on the second off day the number of hours worked will be calculated by the normal OT hourly rate.

3.16. **Half Day.** – 3.16.1. Half day refers to the whole morning session or the whole afternoon session separated by the lunch interval for employees working on general shift. Employees working on rosters shift are not permitted to avail 1/2 days leave. However in an emergency, leave shall be granted at the discretion of the Head of the Division.

3.17. **Special leave for natural disasters.** – 3.17.1. The employer at its total discretion may consider granting special leave for Employees affected by natural disasters.

3.17.2. Employees affected by natural disasters should notify the Employer regarding the disaster within 24 hours, and the Employer after careful evaluation of the situation may consider granting special leave.

3.17.3. In the event of such a situation the employee will be liable to produce all necessary documents requested by the Employer, before any consideration is extended for such special leave.

3.17.4. There is nothing herein contained to state that the Employer is bound to consider or compelled to grant special leave for Employees affected by natural disasters, and any special leave granted will be at the absolute discretion of the Employer.

Section 4 - Payroll

- 4.1. **Remuneration.** - 4.1.1. The Employer shall determine the salary of a new employee based on the experience and level of skills required for the position. However, the minimum salary point of a monthly paid unskilled new employee will be :-

Basic Salary of Rs. 6,900/- and Rs. 1,000/- as the Budgetary Relief Allowance per month.

- 4.1.2. Salaries of employees shall paid on or before the 25th of each month. If the 25th falls on a non working day, salaries shall be paid on the last working day before the 25th of the month.

- 4.1.3. Salaries shall be remitted to the employee's bank account. Employees are required to open a savings account at a Bank nominated by the Company and forward the particulars of the bank account to the Human Resources Division upon commencement of employment. The Employer shall certify the account applicant form.

4.2. **Salary For Periods Less Than One Month. -**

- 4.2.1. For the purpose of this Agreement, salaries of any Employee for a period less than one month shall be computed in the following manner. :-

- | | | |
|-----------------|---|--|
| a) One hour | - | Salary for a month divided by two hundred (200) |
| b) One day | - | Salary for a month divided by thirty (30) |
| c) One half day | - | A day's salary ascertained as in (b) above divided by two (2) (Morning or Evening) |
| d) One week | - | A day's salary ascertained as in (b) above multiplied by Seven (7) |

- 4.3. **Salary / Wage Compensation during down time.** - 4.3.1. During down time due to lack of customer orders temporary failure, employees shall be entitled to compensation in the form of Basic Salary/ Wage and Cost of Living for the corresponding number of shifts/days they were unable to work due to this reason, provided they have not been assigned to do any other work.

- 4.3.2. Where the Employer assigns Employees with other reasonable work within the working contract, due to above mentioned work interruption, such Employees will be paid based on the Basic Salary, Cost of Living and the average Incentive of the Division for the last three months. In such instance Employees have to accept the work assigned, by their Head of the Division which will be in line with the current designation and responsibilities.

- 4.4. **Overtime** :- 4.4.1 Work performed in excess of the normal hours of work specified shall constitute as overtime.

- 4.4.2 Employees working overtime on a normal working day shall be paid at the rate of one and a half times (1 1/2) of the hourly rate of pay as authorized overtime. The hourly rate of pay shall be determined by dividing the monthly wage by two hundred.(200).

- 4.4.3 Employees working overtime on a Poya Day, in addition to the legal requirement, shall be paid on the basis of multiplying the hours worked by two, and calculating at 1 1/2 time the hourly rate. The hourly rate of pay shall be determined by dividing the monthly wage by two hundred.(200).

- 4.4.4 Employees working overtime on a Statutory Holiday, shall be paid on the basis of multiplying the hours worked by two, and calculating at 1 1/2 time the hourly rate. The hourly rate of pay shall be determined by dividing the monthly wage by two hundred.(200)

Employees working on off days will be paid according to clause 3.15.2 of this agreement.

- 4.4.5 Employees who are rostered to work on Sunday, (which is prescribed as the weekly holiday in the wages board applicable to the tyre manufacturing industry) will be paid 1 1/2 times the hourly rate by dividing by two hundred(200) as practiced presently.

- 4.5. **Non Recurring Cost of Living Gratuity (NRCOLG).**- 4.5.1 Employees shall be paid NRCOLG as per annexure number (2) of this agreement and the ceiling will be Rs. 16,000/-.

- 4.5.2 A new Employee shall be eligible for NRCOLG from the day he/ she commences employment. The NRCOLG for the first month in employment shall be paid in the following month. Employee resigning from his/ her services shall be entitled for the NRCOLG only up to the date of his/ her resignation.
- 4.5.3 NRCOLG shall not be regarded as a part of the wage of the employee for statutory purposes. I.e. EPF, ETF, Over time, Gratuity etc.
- 4.5.4 Above mentioned NRCOLG has been frozen at Rs. 12,441/- as per the CCPI (N) index published by the government in May 2011 (Value per point = Rs.67). It is agreed that further revision of the NRCOLG will be discussed between the Company and the Union once the government gazettes the new value of the index.
- 4.6. **Production Incentive.**– 4.6.1 Employees who are permanent in employment shall be paid the Production Incentive based on the Production target, production mix and quality. The production incentive shall be paid along with the salary. The Production Incentive calculation table is listed in Annexure No. 1 of this Agreement.
- 4.7. **Bonus.**– 4.7.1 Employees shall be granted a bonus at the end of each year based on the following criteria:
- (a) An Employee should be in permanent employment of the Company.
 - (b) An Employee should be in service for a minimum of 6 months.
- 4.7.2 An Employee should not have unauthorized absence during the year, any unauthorized absence will be deducted from the bonus as follows:
- $$\frac{\text{Basic Salary} \times 3}{20} \quad \times \quad \text{no. of days No PAY}$$
- 4.7.3 Employees who have completed more than 6 months but less than 1 year of continuous permanent employment will be granted bonus on a *pro - rata* basis. Employees with less than 6 months service period will not be paid any bonus. The employee should be in the permanent service at the time.
- 4.7.4 Company will follow the present bonus payment of 3 months salary, and in the event the company is unable to pay the bonus of three months, both parties will discuss and resolve the issue amicably.
- 4.7.5 In the event both parties fail to settle the issue amicably, both the company and the union agrees to settle the matter under the dispute resolution method specified in this agreement.
- 4.7.6 The bonus payment shall be negotiable and the quantum of payment shall be based on the financial possibilities of the Company.
- 4.8. **Salary Revision.**– 4.8.1 A revision of the salaries shall be done each year at the discretion of the Company. The quantum of increase shall be discussed with the Union during the period of collective bargaining and will be decided upon after discussion.
- 4.9. **Employee Provident Fund.**– 4.9.1 The Employer and the Employee shall contribute to the Employees' Provident Fund the minimum rate prescribed by the Employees' Provident Fund Act No. 15 of 1958.
- 4.10. **Employees Trust Fund.**– 4.10.1 The Employer shall contribute to Employee's Trust Fund, the minimum rate prescribed by the Employee's Trust Fund Act No. 40 of 1980.
- 4.11. **Job Evaluation.**– 4.11.1 The Company will conduct a job evaluation to categorise manual employees into different grades based on knowledge. Skills and attitudes required for the job. The Union will be invited to participate in the job evaluation process.
- 4.11.2 Based on the Job Evaluation results, the company will propose to the Union - a new wage structure - which will recognize skill, knowledge and attitudes required for each job.

4.12. **Attendance Allowance.**- 4.12.1 Employees shall be granted an Attendance Allowance based on the following criteria.

- (a) Employees should obtain prior written approval when availing leave.
- (b) Employees should not have reported for work late for more than 15 minutes per month (workers of general shift 30 min. those who don't have transport).
- (c) Employees should not have availed no pay leave for the month. If no pay leave is availed the employees will not be entitled to the attendance allowance.
- (d) Employees should not have been liable for disciplinary action relating to attendance.
- (e) Employees who do not report for work one day (1) without prior information, shall be liable to forfeit 50% of the monthly attendance allowance.
- (f) Where an employee is absent from work without informing for more than 1 day, the total amount will be deducted from this allowance.

4.12.2 The quantum of Attendance Allowance is listed in Annexure No. 2 of the Agreement.

4.13. **Weekend/ Holiday Allowance.**- 4.13.1 Employees are required to work on Saturday and/ or Sunday to be entitled for the Weekend Allowance. A minimum of 8 hours have to be worked to claim the full payment of the weekend Allowance and 4 hours to claim half payment of the Weekend Allowance.

4.13.2 Employees working on the general shift for more than 5 hours on a Saturday or 8 hours on a Sunday shall be entitled to the full payment of the weekend allowance. Where an employee continues the shift he/ she shall be permitted to claim the same amount of the Weekend Allowance during the continued shift.

4.13.3 The quantum of Weekend if Holiday Allowance is listed in Annexure No. 2 of this Agreement.

4.14. **Night Shift Allowance.**- 4.14.1. Employees who work on the night shift (from 7.00 p.m. to 7.00 a.m.) will be paid a Night Shift Allowance.

4.14.2. The quantum of Night Shift Allowance is listed in Annexure No. 2 of this Agreement.

4.15. **Poya day Statutory Holiday Allowance.** - 4.15.1. Employees who work on a Poya day/ Statutory holiday shall be paid the Poya day/ Statutory Holiday Allowance. Where an employee continues the second shift, such an employee shall be paid a further full day's payment of the Poya day/ Statutory Holiday Allowance.

4.15.2. The quantum of Poya day/ Statutory Holiday Allowance is listed in Annexure No. 2 of this Agreement.

4.16. **Washing Allowance.** - 4.16.1. Employees covered by this agreement - who receive uniforms, will be paid a washing allowance.

4.16.2. The quantum of Washing Allowance is listed in Annexure No. 2 of this Agreement.

4.17. **Drivers Subsistence.** - 4.17.1. Drivers are provided subsistence for over night stay and day trips.

4.17.2. The quantum of Drivers subsistence is listed in Annexure No. 2 of this Agreement.

4.18. **Recognition of period of service with the Company.** - 4.18.1. The Employer shall reward Employees who have been employed with the Company in the following manner. The payment shall be made in the month the Employee completes his or her period of service.

Period of Service	Amount
25 years	Rs. 20,000/-
20 years	Rs. 10,000/-
15 years	Rs. 7,500/-
10 years	Rs. 5,000/-

4.19. **Special Transport Allowance.** - 4.19.1. Employees will be paid a Special Transport Allowance the month of December in order to compensate the allowance paid for tyres and tubes.

4.19.2. The quantum of the Special Transport Allowance is listed in Annexure No. 2 of this Agreement.

4.20. **Salary Advance.** - 4.20.1. A fixed rate of Rs. 6,000/- shall be paid as a Salary Advance on the 10th of each month by way of a bank transfer.

4.20.2. A cash advance will be allowed only in exceptional circumstances subject to approval by the respective Head of Division and authorization of the Director - Human Resources.

4.21. **Festival Advance.** - 4.21.1. Permanent employees shall be granted a Festival Advance in April or December and shall be recovered in 10 monthly installments.

4.21.2. The quantum of the Festival Advance is listed in Annexure No. 2 of this Agreement.

Section 5 - Safety work and prevention of occupational accidents

- 5.1 Employer will work towards providing a safe work environment to Employees with a view to minimizing adverse incidents in health and safety (to avoid accidents and injuries during work).
- 5.2 Employer shall avoid using chemicals known to be as a risk to health, bear a viable replacement if available and shall identify toxic and hazardous chemicals. Instructions with regard to method of toxic chemicals or chemicals which are hazardous, will be displayed in areas where such chemicals are used. Employer shall provide necessary protective and safety equipments, to Employees.
- 5.3 Employees will be educated with regard to hazardous chemicals and protective gear to be used. Instructions indicating where, when and what protective gear to be used will be displayed in the required areas. All employees should be equipped with protective and safety gears during the entire time of their activity in specified areas and at specified machines.
- 5.4 Employees will be educated with regard to startup, stopping of machines and work instructions, and guidelines relating to same will be displayed at every machine.
- 5.5 Employer, will ensure that machines are equipped with emergency stops, safety devices, protective guards, and fences, and the electrical installation and wiring are safe and secured.
- 5.6 Any employee activity leading to disabling or overcoming of safety and protective devices installed at machines, equipment, buildings or other facilities will be considered as violence of safety rules, endangering safety and health of all employees and Company property and will result in disciplinary action.
- 5.7 Scrap materials will be collected in separate demarcated area and will be disposed in an environment friendly manner. Employees shall avoid spillage of oil, chemicals and solvents.
- 5.8 All Employees are required to adhere to instructions with regard to Health & Safety. Employee not following such instructions shall be liable for disciplinary action.

Section 6 - Facilities and concession granted by the employer

6.1 **Canteen Operations.**- 6.1.1 Employer will offer all Employees meals whilst on duty on all working days including Saturdays and Sundays.

6.1.2 Employee will grant Employees, two main meals free of charge during the 12 hour working cycle. In addition to the main meals, snacks. will be served during the 15 minute rest periods.

6.1.3 Providing meals shall be based on the needs of the Company and the operating time of the canteen shall be decided by the Company.

6.2 **Annual Trip.-** 6.2.1 The Company shall grant an annual trip, with a night stay, only for the employees. The Company shall bear all expenses of the trip.

6.3. **Sports .-** 6.3.1 The Company shall sponsor clothing, tournament fees, ground fees and shall provide sports equipment, refreshments, soft drinks etc. to Employees taking part in cricket, and volleyball. The above will include expenses incurred at practices and tournaments.

6.3.2 However such activities should not disrupt the smooth functioning of the Company.

6.4 **Medical Facility/ Surgical & Hospital Expenses Insurance.-** 6.4.1 OPD facility is provided to employees and his/ her immediate family members, Employees are permitted to claim 10% from the annual basic salary up to a maximum limit of Rs. 13,000/- per annum.

6.4.2. Employees will be covered by a Surgical and Hospital Expenses Insurance cover to the value of Rs. 40,000/- per annum. Married employees will be eligible to submit claims for their spouse and children below the age of 21 year, and unmarried employees will have the facility for themselves only.

6.5 **Personal Accident Insurance.-** 6.5. *Personal Accident.-* A 24 hours Personal Accident Insurance cover will be provided to Employees locally. This insurance will cover accidents resulting bodily injuries and death at work and away from work. Employees shall be paid a proportionate payment on partial disability and full amount on permanent disability. Any cost incurred by the Company on behalf of the employee as a result of the accident will be deducted from the insurance claim.

6.6 **Loans.-** 6.6.1 Long Term Loans

Employees shall be granted Long Term loans based on the financial position of the Company. The loan amount and the terms and conditions are listed in Annexure No. 3 of the Agreement.

6.6.2 Short Term Loans

Employees shall be granted Short Term Loans based on the financial position of the Company. The loan amount and the terms and conditions are listed in Annexure No. 3 of the Agreement.

6.7 **Benefits.-** 6.7.1 Employer shall provide Employees with other semi financial benefits as listed in Annexure No. 3 of this Agreement.

Section 7 - Education and training

7.1 The Employer shall provide Education and Training in accordance with the business needs in the following areas.

- (a) Safety, health, fire protection and ergonomics of work
- (b) Quality requirements, technological demands and restrictions
- (c) Performance tools for achieving performance at all levels
- (d) Further education of Employees according to their professional qualifications skills and abilities with an aim to train on problems relating to management practices, production, technical, technological, economic and social development of the Company.
- (e) Training Employees according to respective standards regulations and knowledge of employees
- (f) Language and computer courses based on the needs.

7.2 The employees shall participate in such educational training programs and failure to do so will be considered as an act of misconduct. Employees will be excused in case they have a valid reason and should be approved by the HR manager.

Section 8 - discipline

8.1 **Work Discipline.**- 8.1.1 Basic rules of Trelleborg Wheel Systems Lanka (Pvt.) Ltd.

- (a) Since the Company produces rubber products with a high fire risk factor, employees are required to strictly adhere to the fire protection rules.
- (b) Protect the Company property.
- (c) Strict adherence to Company Code of Discipline listed in Annexure No. 4 of this Agreement
- (d) Adhere to safety rules and regulations.
- (e) Respect Managements decisions and Company targets.
- (f) Respect the quality, Products, technological and technical specifications
- (g) Respect assigned duties and responsibilities in terms of relevant Job Description.

8.2 **Disciplinary Action.**- 8.2.1 The need for disciplinary action arises as a result of employees acting in breach of their contracts of employment by committing acts of misconduct, which by implication are, not tenable with their position as employees not adhering to the Company rules and regulations shall be liable for disciplinary action.

8.2.2 Where an employee does not conduct him/herself in accordance with his/her obligations and duties, expressed or implied, arising from his/ her employment, during or out of working hours at his/ her work place or elsewhere, when representing the company, shall constitute as misconduct. Types of Misconduct is listed in Annexure No. 6 of this Agreement.

8.2.3. The disciplinary procedure is listed in Annexure No. 5 of this Agreement.

Section 9- Relations between the Employer and the trade union

9.1 **Basic Provisions.**- 9.1.1 The Employer obligates himself to respect the basic Trade Union rights

- (a) Become Trade Union members
- (b) Recruit new members
- (c) Give relevant information to their members
- (d) Meeting and activities should only be with the prior written approval of the Company
- (e) Carrying out meetings of the Union in the Company should only be with the prior written approval of the company.

9.1.2 The Union hereby undertakes in respect of all the terms and conditions of employment covered by this Agreement not to seek to vary or alter any such terms or conditions other than by negotiation during the operation of this Agreement and hereby expressly undertakes, not to engage in a strike or other form of trade union action in respect of a dispute but will have such dispute settled in accordance with the procedure set out in this Agreement. In the event of illegitimate action by the Company to jeopardies union activity, this clause may not apply.

9.1.3 In case the Union decides to call for a general stoppage of work/ strike in solidarity of other companies by its members, the Union will give prior written notice to the Employer of the work stoppage that is to take place, and will give its reasons thereof. The Union will endeavor to give prior written notice to the Employer, of the date of the stoppage, or even longer notice, between the date of the Union's decision to call for a general stoppage, of work and the date fixed for the stoppage, in the circumstances in which such a stoppage may be decided upon. In such case, the Union will also instruct its members to exempt an agreed number of members from the work stoppage, in order to provide the Employer with a skeleton staff, in order to maintain essential services.

9.1.4 In the event of any dispute arising concerning any matter not covered by this agreement, the Union shall give prior written notice to the Employer of any Trade Union Action that is to take place and will give its reasons thereof.

9.2 **Dispute Procedure.**- 9.2.1. It is hereby agreed that the procedure to be followed for the settlement of a dispute shall be as follows.

- (a) Where a dispute is arises between an Employee and the Employer, the Employee, in the first instance shall raise the matter through the Union Officials of the Company and both parties shall endeavour to effect an amicable settlement.

- (b) In the event of a dispute not being settled, or in the case of a dispute between the Union and the Employer, the Union may, raise the matter with the Employer's Federation of Ceylon and there upon all steps shall be taken by the Union and the Employer's Federation of Ceylon for an amicable settlement of the matter in dispute utilising if desired, the offices of the Conciliation Division of the Department of Labour.
- (c) In the event of a dispute not being resolved or settled under the preceding paragraphs (a) or (b) or in the case of a dispute between the Union and the Employer's Federation of Ceylon, the parties shall agree a settlement of the matters in dispute and such matter shall be referred to an Arbitrator or Arbitrators under section 3 (I) (d) of the Industrial Disputes Act for settlement, or by mutual agreement decide on a reference to a qualified mediator or body of mediators, However should the parties fail to agree on a settlement of the issue in dispute for purposes of arbitration, each party shall furnish the Commissioner of Labour with a statement setting out the issues in dispute and thereafter the Commissioner of Labour shall set out the issues in dispute to be referred to the Arbitrator or Arbitrators.
- (d) The Union may notify the EFC in writing with a statement of the matter in dispute that should be dealt with. After such notification by the Union to the Employer's Federation of Ceylon a Special Disputes Committee of the Employer's Federation of Ceylon shall endeavour to settle the dispute. If no settlement is effected within seven (7) days from the date of the Union notifying the Employer's Federation of Ceylon, the dispute shall be referred to the Commissioner of Labour for settlement by arbitration as provided in (c) above, or if the Union or the Employer requests, the dispute shall be referred to a Special Arbitrator for Settlement.

9.3 Union Meetings.- 9.3.1 The Employer shall hold a meeting to discuss pertinent issues with the Union Officials of the Company once in every two (2) months.

9.4 Membership of Union / Check Off.- 9.4.1 "Union" shall mean Employees bound by this Agreement and in whose establishment the membership of the Union is not less than forty percent (40%) of persons employed in the relevant category.

- 9.4.2 If it becomes necessary to decide whether the membership of the Union is not less than forty percent (40%) of persons employed by the Employer in the category covered by this Agreement, the same shall be determined by a referendum which shall be held by the Department of Labour and the result of such referendum shall be binding on the parties hereto.
- 9.4.3 The Employer shall on the written request of an Employee deduct from the pay the current monthly Union dues payable monthly by the Employee to the Union and remit the amount deducted to the Union in accordance with the procedure.
- 9.4.4 Every Employee who agrees to the deduction of Union dues from his pay shall sign a statement to that effect as per Annexure No. 7 Format 1.
- 9.4.5 Every Employee shall be entitled to withdraw his agreement to check-off at any time by signing a statement to that effect as per Annexure No. 7 Format 2.
- 9.4.6 No variation in the monthly deductions by way of check-off shall be made by the Employer except by mutual agreement with the Union and member concerned. In the event of any variation being agreed, each member will need to signify his agreement to the revised amount being deducted by way of check-off by signing a fresh authorisation to that effect.
- 9.4.7 Deductions under as authorization shall commence from the pay, immediately after the date of receipt of such authorization and shall continue thereafter until the authorization is canceled by a revocation.
- 9.4.8 The Employer shall be entitled not to make deductions by way of check - off in any month if the deduction by way of check off will together with all other deductions from an Employees pay in that month exceed the deductions permitted by law.
- 9.4.9 (a) The Employer shall once a month within fifteen (15) days after the regular pay day remit to the Treasure of the Union the total sums deducted by way of check off by a cheque drawn payable to "Free Trade Zones and General Services Employees' Union" and crossed Account Payee.
- (b) The cheque shall be sent at the Union's risk, by post in a pre-paid envelope addressed to the "The Treasure, Free Trade Zones and General Services Employee' Union, No. 141, Ananda Rajakaruna Mawatha, Colombo 10".

(c) The Treasurer of the Union shall acknowledge receipt of the cheque.

(d) 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 actual deductions made.

9.4.10 The Employer may suspend the operation of this clause by specifying the reasons for such action by written notice to the Union:-

(a) If the Union resorts to a strike or any other form of trade union action in breach of the terms of provisions of this Agreement, the Employer may suspend the operation of this clause for such time as maybe decided by the Employer but not exceeding the duration of such strike or other form of trade union action. Before such a decision is made the Employer and the Union shall endeavour to effect an amicable settlement.

(b) If the Union fails to maintain itself as a properly registered Trade Union under the Trade Unions Ordinance, the Employer may decide to suspend the operation of this clause for such time as may be required.

Production Incentive

1.1 **Solid Tyre Division - Production Incentive.**- 1.2 A new incentive scheme will be introduced in future. Until such time, the employees of the Maintenance Division will be paid the production incentive.

1.1 Solid Tyre Department - Production Incentive

INCENTIVE SYSTEM FOR 2008 (SOLID TYRE DEPARTMENT AT TSLD, PCS & TSL2) - SHIFT WISE									
Performance (PCS) - PRODUCTION ACTUAL % Against TARGET					RESPECT TO MIX (BASED ON DIMENSION PLAN) NET PRODUCTION				
			Rs / Month	Rs / Sh				Rs / Month	Rs / Sh
80	★	64	75	2	81	★	64	100	7
81	★	68	100	7	88	★	68	285	13
82	★	72	200	12	85	★	72	330	19
83	★	76	350	16	82	★	76	380	20
84	★	77	400	20	79	★	77	400	21
85	★	81	500	25	80	★	81	500	26
86	★	84	600	30	82	★	83	600	31
87	★	85	650	33	84	★	85	1095	50
88	★	87	700	36	86	★	87	1230	56
89	★	89	725	38	88	★	89	1365	62
90	★	91	800	40	90	★	91	1500	68
91	★	93	900	45	91+	★	93	1900	86
92	★	95	1150	52	93+	★	95	2300	105
93	★	98	1300	59	95+	★	97	2500	120
94	★	99	1800	82	97+	★	99	3200	160
95+	★	100	2300	105	99+	★	100	3800	164
100+	★	101	3000	135					
101+	★	103	3850	173					
103+	★	105	5000	227					

Minimum	0	Rs/Month
Average	6300	Rs/Month
Maximum	11600	Rs/Month

1. Annexure No. :2***Allowances***

The quantum of allowances from year 2011 is as follows.

- | | |
|--|---|
| 2.1 Attendance Allowance | - Rs. 750/- per month |
| 2.2 Weekend/ Holiday Allowance | - Rs. 45/- for Saturday and Rs.65/- for Sunday |
| 2.3 Night Allowance | - Rs. 150/- per shift |
| 2.4 Poyaday/ Statutory Holiday Allowance | - Rs. 450/- per day |
| 2.5 Washing Allowance | - Rs. 400/- per month |
| 2.6 Drivers Subsistence | - Rs. 500/- for over night stay and Rs. 350/- for return journey |
| 2.7 Festival Advance | - Rs. 10,000/- |
| 2.8 Special Transport Allowance (Tyre & Tube) | - Rs. 350/- |
| 2.9 Non Recuring Cost of Living
Gratuity (NRCOLG) | - Frozen at Rs. 12,441/- (as per May 2011 CCPI (N) index) |
| 2.10 Transport allowance on down time | - Rs. 350/- per day |
| 2.11 Shutdown allowance for maintenance | - Rs. 600/- day will be paid during shut down period. This allowance will include the payment of transportation |

Annexure No. : 3***Benefits and Loans***

- 3.1 **Uniform/ Soap.-** Employees will be provided with the following each year.

03 sets of uniforms to be worn while at work and 02 sets of uniforms to be worn while travelling to work will be issued to each employee.

The Company will reserve the right to suspend or cancel the issuance of uniforms for the purpose of travelling to work, in the event it is observed that employees fail to wear the uniform provided.

to revoke the issuance of uniform to travel in case the workers were observed to be not wearing the uniform.

06 pairs of socks.

In addition to the above the employees will be provided with the following each month.

02 bars of washing soap

02 cakes of soap.

- 3.2 **Transport.-** Employees will be provided with transport to and from work. The Company will operate the transport system on fixed routes and the maximum distance will be 40 km. The vehicles used for this purpose will be non - air conditioned.

- 3.3 **Library Service.-** 3.3.1 Library Services will be kept open on Mondays and Fridays from 1.00 p.m. to 4.00 p.m. Failure to return library material on the due date shall subject to a penalty of Rs. 5/- per book per day.

3.4. **Holiday Bungalow.-** 3.4.1 The resumption of the Holiday Bungalow facility which expired on 31st July 2009 will be made available only when the Company sales volumes returns to the equivalent level of July 2008, which should also be proportionate to the development of the production capacity.

3.4.2 The Company will reserve the target to provide this facility in the form of a holiday package or holiday bungalow depending on the financial viability.

3.4.3 The Company will introduce ne guidelines for the use of this facility at the time of resumption.

3.5. **Toy Voucher.-** 3.5.1 Toy Vouchers will be granted to children of employees in December each year.

Age	Amount
1 - 4 years	Rs. 325/- per child
5 - 8 years	Rs. 425/- per child
9 - 12 years	Rs. 475/- per child

The Company will grant the toy voucher based on the age of each child declared by the employee, and as per the records maintained by the Company.

3.6 **New Year Gift Voucher.-** 3.6.1 A gift voucher of Rs. 1,800/- and a currency note of Rs. 100/- will be given to each employee on 1st January.

3.7 **Sinhala/ Tamil New Year Gift .-** 3.7.1 A gift voucher or a gift parcel to the value of Rs. 2,000/- will be given to the employees for the Sinhala/ Tamil New year.

3.7.2 The Company at its descretion, reserves the right to link any increase in the said value to performance targets to be achieved during the year.

3.8. **Wedding Gift.-** 3.8.1 The Company will grant Rs. 4,000/- in cash, as a Wedding Gift to an Employee getting married.

3.8.2 A sum of Rs. 4,000/- or company provided car for the wedding or home coming of an employee.

3.8.3 The employee will be required to produce the original marriage certificate to the wedding gift.

3.9 **Diary and Calendar.-** 3.9.1 Each employee will be provided with a desk diary and two calendars at the end of each year.

3.10 **School Book Vouchers.-** 3.10.1 Employee's children will be granted school book vouchers as follows:

Category of Grade	Amount
Grade 4	Rs. 1140/-
Grade 5	Rs. 1200/-
Grade 6	Rs. 1,500/-
Grade 7	Rs. 1,575/-
Grade 8	Rs. 1,700/-
Grade 9	Rs. 1,820/-
Grade 10	Rs. 1,830/-
Grade 11	Rs. 1890/-
Grade 12 & 13	Rs. 1900/-
Undergraduates	Rs. 2075/-

The Company will grant school book vouchers based on the age of each child declared by the employee and as per the records maintained by the Company. The above amounts will come into effect from December 2011.

3.11 *Funeral Expenses*

Death of an Employee.- 3.11.1 In the event of a death of an employee, the Company will meet all expenses of the funeral including the expenses of the 7 days alms giving. Employees will be granted 4 hours leave to attend the funeral of an employee.

3.11.2 However, if 4 hours is not adequate to attend the funeral, the union will make necessary arrangements to keep the plant in operation whilst employees attend the funeral.

Death of an Employee's family member.- 3.11.3 The Company will grant a payment of Rs. 18,000/- in the event of a death of an employee's family member as described below. This amount will be paid with effect from 1 st of January 2010. Payments should be made available when the death occurs and the death certificate should be produced within one month's time. If the death certificate is not produced, the donation amount will be deducted from employee salary or any other dues

Married employees : Mother, Father, Spouse, Unmarried children, Mother-in-law and Father-in-law.

Unmarried employees : Mother and Father.

The original copy of the death certificate & other relevant documents should be submitted to claim the money.

3.12 **Transport to attend a funeral of employee's family member.-** 3.12.1 The Company will provide a 35 seater passenger vehicle if the distance is more than 50 k.m. from the Plant and a 15 seater van if the distance is less than 50 k.m from the Plant, on one occasion.

3.13 *Loan*

3.13.1 **Long Term Loans :** - Employee shall be granted a loan of Rs. 150,000/- as a long term loan based on the following terms and conditions : -

(a) The loan will be recovered in 60 monthly instalments.

(b) All other long term loans should be fully settled to obtain the loan.

(c) Maximum salary deduction should not be more than 40% of the basic salary + NRCOLG.

(d) Employee should have completed a minimum of 5 years of service with the company.

(e) Two employees who have completed 5 years of service with the company should sign as guarantors.

(f) Should be recommended by the Superior Office and approved by the Head of Division.

(g) Any unauthorised absence or warning letters issued during last 12 months will disqualify the employee from obtaining the loan.

3.13.2 **Short Term Loans :** - A maximum sum of Rs. 35,000.00 (w.e.f. December 2010) shall be granted as a short term loan to Employees on the following terms and conditions : -

(a) The loan will be recovered in 12 monthly instalments.

(b) Maximum salary deduction should not be more than 40% of the basic salary + NRCOLG.

(c) Employee should have completed a minimum of 1 year of service with the company.

(d) Two employees who have completed 5 years of service with the company should sign as guarantors.

(e) should be recommended by the Superior Officer and approved by the Head of Division.

(f) Any unauthorised absence or warning letters issued during the last 12 months will disqualify the employee from obtaining the loan.

Annexure No. : 4

CODE OF DISCIPLINE

- 4.1 **Conduct & Behaviour.-** 4.1.1 Employees are expected to conduct themselves responsibly and not to act in any manner prejudicial to the interests and good image of the Company.
- 4.1.2 Employees are required to observe the Company's rules and regulations and provisions of this agreement and its annexures. Such regulations may also be changed from time to time to ensure the relevance of regulations according to the needs of the Company. Such changes will be discussed with the union before implementation.
- 4.2 **Discrimination & Harassment.-** 4.2.1 The Company prohibits unlawful discrimination or harassment of any kind on the part of all employees, including discrimination or harassment on the basis of race, colour, veteran status, religion, gender, sex, age, mental or physical disability, nationality, marital status, verbal, physical and visual harassment or any other characteristics protected by law.
- 4.2.2 Where a complaint of retaliation is substantiated, appropriate disciplinary action shall be taken not excluding termination of services.
- 4.3 **Company Assets & Confidentiality.-** 4.3.1 All employees must maintain the confidentiality of business information. The Company's tools, equipment, facilities and inventories, as well as its know-how, technology, market information and business plans, etc. are all valuable assets. It is the responsibility of every employee to preserve and protect the company's assets and confidential business information and to see that they are not misused or made available to outsiders in any manner that could be detrimental to the interests of the company. This obligation of confidentiality applies while an employee is in service of the Company.
- 4.4 **Personal Use of Company Property.-** 4.4.1 Employees shall not use company property, labour or information for personal use without prior written approval of the company.
- 4.5 **Conflict of Interest.-** 4.5.1 A conflict of interest shall be when an employee or his/her family member has a direct or indirect financial interest in, or receives any compensation/other benefit from, any individual or firm that sells material, equipment or property to the Company, provides any service to the Company, has business dealings or contractual relations with the Company or is engaged in a similar business or competes with the Company. Family members include spouses parents, children, siblings and in-laws. Employees shall ensure that they do not engage in any activity that shall create a conflict of interest in the Company.
- 4.6 **Respecting Each Other.-** 4.6.1 An employees shall do his or her utmost to promote a respectful workplace culture that is free of harassment, abuse (physical, verbal & visual), intimidation, biasness and discrimination of any kind.
- 4.7 **Fair Competition.-** 4.7.1 Employees shall treat customers and suppliers honestly and fairly and shall not make false, misleading or disparaging remarks to customers or suppliers about other customers/ suppliers or about competitors, their products or services.
- 4.8 **Commitment to Customers & Suppliers.-** 4.8.1 Employees shall practice and promote high professional standards in carrying out his or her tasks and in his or her relationship with other employees, suppliers, customers, stakeholders and other persons dealing with the Company.
- 4.8.2 Employees shall not accept bribes, inducements or unauthorized commissions from customers or suppliers. Acts of such shall result in disciplinary action being taken according to the disciplinary procedures not excluding termination of services.
- 4.9 **The Environment.-** 4.9.1 The Company requests all employees to have regard for the environment when carrying out their duties.
- 4.10 **Gifts and Entertainment.-** 4.10.1 Employees or members of their families shall not accept gifts, services, discounts or favours from those with whom the Company engages in business or intends engaging in business.
- 4.10.2 Employees may accept gifts of nominal value (calendars, appointment books, pens, etc) ordinarily used for sales promotion.
- 4.10.3 Where an employee receives a gift that does not fall within these guidelines, such an employee is required to report it to his or her superior and the gift shall be returned. If return of the gift is not practical, it shall be given to the Company for charitable disposition or such other disposition, as the Company deems appropriate.

- 4.11 **Company Property.-** 4.11.1 Employees shall take care of all Company property including tools, uniforms, machinery, vehicles and ID cards. Employees shall not remove company property from its premises without proper authorization and shall report to the Company of damage to property, losses, sabotage and evidence of theft.
- 4.12 **Frauds and Thefts.-** 4.12.1 Company prohibits fraudulent activity and establishes procedures to be followed to ensure that incidents of fraud and theft relating to the Company are promptly investigated, reported and where appropriate prosecuted.
- 4.12.2 Fraudulent activity can include actions committed by an associate that injure suppliers and customers, as well as those that injure the Company, its shareholders and its associates.
- 4.12.3 Employees who suspect that any fraudulent activity may have occurred shall immediately report such concern to the Human Resources Director or the Human Resources Manager.
- 4.12.4 Such contact should occur before any action is taken with respect to the individual accused of perpetrating the alleged business impropriety.
- 4.13 **Workplace Violence.-** 4.13.1 The Company is committed to provide all employees with a completely safe work environment and shall not conform to any and all forms of workplace violence.
- 4.13.2 Employees shall not bring any sort of weapon to work or threaten violence of any kind and violation of this policy will result in appropriate disciplinary action, up to and including termination of service.
- 4.14 **Alcohol & Drugs.-** 4.14.1 Consumption of or being under the influence of alcohol whilst on duty that will affect public relations, safety in the workplace or the safety of customers, suppliers, guests and other staff or which shall violate law, shall result in termination of service.
- 4.15 **Behaviour.-** 4.15.1 All employees shall behave in a polite, respectful, cheerful and helpful manner towards customers, guest and other staff at all times. Any act of harassment, abuse, misconduct shall lead to disciplinary action.
- 4.16 **Grooming and Appearance.-** 4.16.1 In order to present a positive, professional image, personal appearance, employees' shall be clean, neat and tidy at all times.
- 4.16.2 Hair, moustaches and beards shall be shaved, kept clean, neat and well groomed and uniforms and the company identity cards shall be worn all times whilst on duty within Company premises.
- 4.17 **Occupational Health and Safety.-** 4.17.1 All employees shall :
- (a) Not interfere with or misuse any item provided in the interests of safety.
 - (b) Follow safe work practices and encourage others to do the same.
 - (c) Know and comply with specific safety regulations affecting employee position.
 - (d) Not put oneself in danger.
 - (e) Wear appropriate clothing and personal protective equipment.
 - (f) Use all safety devices.
 - (g) Report any hazards such as unsafe equipment, working conditions or work practices to a responsible officer of the Company.
 - (h) Report all accidents, injury immediately to a responsible officer of the Company.
 - (i) Know the location of phones, first aid kits and fire extinguishers and know how to use them.
 - (j) Know the identity of the first aid attendant.
- 4.18 **Smoking & Chewing Betel.-** 4.18.1 Employees shall ensure the environment at the workplace does not endanger the health, safety or welfare of any employees. Employees on duty or in uniform shall smoke and chew betels in the designated smoking areas provided by the company for this purpose.

- 4.19 **Unauthorised Use of Company Vehicles.-** 4.19.1 Employees are not permitted to drive vehicles owned by the Company without authorization. Vehicles belonging to the Company must not be used other than for authorised purposes and the person entrusted with a vehicle shall ensure that unauthorised persons do not use or drive such vehicle. Any employee who contravenes these requirements will be personally responsible for the consequences of his/ her action, including payment of all claims for damages.
- 4.20 **Private Business/ Other Employment.-** 4.20.1 An employee shall not be engaged in any private business of his/ her own, or be employed in any capacity or do any work or assignment elsewhere without the prior written approval of the Employer. Employees are expected to devote their working hours exclusively for the execution of their duties.
- 4.21 **Publications/Interviews/ Press Releases.-** 4.21.1 Employees shall not publish any detrimental article, book, photograph or letter, give any interview or press release or deliver any lecture or speech on any matter which concerns their duties or the business of the Company without the prior written consent of the Employer.

Annexure No :5

Disciplinary Procedure

5.1 **Preliminary Investigations.-** 5.1.1 Company shall conduct preliminary investigations and obtain written statements from the complainant/s or witness/es in regard to the alleged act of misconduct committed or reported to have committed by an Employee.

- 5.1.2 In the event of theft, where a Security Officer makes any detection, such detection shall be immediately recorded in the information book [IB]
- 5.1.3 After the conclusion of the preliminary investigation, the Investigation Officer shall submit an Investigation Report to the Employer.
- 5.1.4 Where the charges relate to an attempt by the accused Employee to remove goods or articles, the relevant items shall be clearly preserved, marked and sealed wherever possible in the presence of the accused Employee and an entry should be made in the Police to that effect by the Security Officer or any relevant Officer.
- 5.1.5 A statement shall also be obtained from the accused Employee. If the employee refuses to make such a statement, he/ she shall not be compelled to do so. In the event, an accused employee refuses to make a statement such fact shall be recorded and endorsed by the Investigation Officer.

5.2 **Show Cause Letter.-** 5.2.1 Based on the preliminary investigation report, if disciplinary action is required, the Company shall issue a show cause letter setting out the particulars of the charges of misconduct alleged against the Employee. Show cause letter shall set out.

- (a) The approximate date, time and place the offence that has taken place,
- (b) A time duration of 7 working days will be given to the Employee to submit his/ her explanation to the charges issued.
- (c) An intimation to the Employee that if he/she fails to submit explanation by the said date, it would be presumed that he/ she has no cause to show and action would be taken.

5.3 **Letter of Explanation.-** 5.3.1 On receipt of the show cause letter the Employee concerned shall submit his/ her explanation to the Company in writing within the specified period.

- 5.3.2 However, if an Employee requests for an extension of time to reply, the Company may, where it deems such request is reasonable, shall grant an extension.
- 5.3.3 If the Company is satisfied with the written explanation submitted by the employee such explanation, shall be accepted by the Company.
- 5.3.4 If the company is satisfied with the explanation given by the employee concerned and if the Employee is under suspension, he/she shall be reinstated and all emoluments and entitlements due to him/her during the period of suspension shall be paid.
- 5.3.5 If the Company is not satisfied and rejects the written explanation submitted by the employee, the Company shall commence an inquiry after receipt of the written explanation to the show cause letter.

- 5.3.6 The Human Resources Division of the Company shall inform the Employee concerned and other relevant personnel of the inquiry in writing.
- 5.3.7 The Company shall not be required to hold an inquiry where it proposes to warn an Employee in a situation where the Employee admits to the charge/s.
- 5.3.8 If the Company does not receive any written explanation to the show cause letter, the inquiry shall be held ex-parte and action shall be taken accordingly.

5.4 Suspension of work.- 5.4.1 The Company shall suspend an Employee with pay, half month pay or without pay :-

Pending an inquiry to be held by the Company on a charge/s of misconduct where such, charge/s relate/s to ;

- (a) Fraud, theft, misappropriation or a like offence by the Employee in the course of employment
- (b) Abuse, threat or gross insubordination relating to work by the Employee towards his supervisors
- (c) Breach of peace, or damage to property, or disturbance of the business of the Company
- (d) Charges which, in the opinion of the Company, shall warrant dismissal

5.4.2 The Company shall issue a written letter of suspension to the employee specifying the reasons for such suspension at the time of suspension or within 24 hours thereof.

5.4.3 Nothing in the preceding sub-clause shall prejudice the right of Employees or the Union on his behalf to dispute an order of suspension thereafter as provided in this Agreement.

5.5 Domestic Inquiry.- 5.5.1 The Company shall hold the inquiry or select an independent Inquiring Officer to hold the inquiry based on the gravity of the misconduct. The name of the Inquiring Officer will be notified to the accused employee prior to the inquiry. A Manager or an Executive of the Company or an external party may prosecute the case in order to facilitate the work of the Inquiring Officer.

5.5.2 The accused Employee shall be permitted to be present in person throughout the proceedings. If he/ she is not present at the commencement of the inquiry and no excuse has been submitted, the inquiry shall proceed 'ex - parte'. Evidence shall be recorded and relevant documents shall be marked. This procedure shall be followed in situations where an Employee withdraws from proceedings without reasonable cause. Witnesses shall be granted duty leave to attend the domestic inquiry.

5.5.3 One inquiry or several inquiries shall be held where there is more than one accused employee in respect of the same charges or there are several accused Employees charged with different offences in connection with the same transaction.

5.5.4 The accused Employee shall be allowed to represent himself/ herself or to be represented by a fellow Employee of equal rank, as non - participatory observer, provided a request is made for such representation.

5.5.5 The Inquiring Officer shall read out the charges and inquire whether the Employee is guilty or not guilty. If the Employee pleads guilty, he/she shall be asked whether he/ she has any statement to make in that connection. If she/ he answers in the affirmative his/ her statement shall be recorded. If an Employee replies not guilty, the inquiry shall proceed by :

- (a) The case shall be opened, by summoning witnesses in sequence for the Company and their evidence shall be recorded. Proceedings shall be recorded clearly and legibly and the date and place of the inquiry shall be recorded.
- (b) When a statement is being made by the accused Employee, the witnesses shall not be permitted to be present and when a statement of witnesses is recorded, the accused Employee shall be permitted to be present.
- (c) The evidence shall be recorded in the form of direct speech and in a language familiar to the accused Employee and witnesses.
- (d) When the evidence of a witness has been completed he/ she shall sign the record, (each page if his/ her evidence goes beyond one page) as a correct record of his/ her evidence. If the witness refuses to sign the record, an entry to that effect shall be made by the Inquiring Officer in the record.

- (e) The accused Employee shall be given an opportunity to cross - examine the witnesses. The prosecution shall be permitted to re - examine the evidence given. The Inquiring Officer may asked questions in clarification of any evidence given.
 - (f) On the conclusion of the evidence for the Employer, the accused Employee shall be requested to make a statement and give evidence if he/ she so wishes. If the accused Employee makes a statement, or gives evidence, his/ her evidence shall be recorded subject to cross - examination. If the accused Employee refuses to make a statement or give evidence he/ she shall not be compelled to do so, but a record shall be made of this effect. The accused Employee is required to sign his/ her recorded evidence and, if he/ she refuses to do so, a record shall be made to this effect. The same procedure stipulated above should be followed in respect of witnesses who refuse to make statements, give evidence or sign his/ her recorded evidence.
 - (g) The accused Employee shall be afforded an opportunity to call other witnesses, if any, to support his/ her case. If an accused Employee refuses to give evidence or to call witnesses, the Inquiring Officer shall record the fact that the accused Employee was afforded the opportunity of giving evidence and calling witnesses. If a witness refuses to sign recorded evidence, the Inquiring Officer shall sign the record confirming it to be a correct record of the witness's evidence.
 - (h) At the end of the inquiry, the accused Employee shall sign the statement to say that he/ she was satisfied that the inquiry was conducted in a fair and reasonable manner.
- 5.5.6 Where documents are produced at the inquiry on behalf of the prosecution the accused shall be given an opportunity to study (but not to remove) such documents. If the accused employee wishes to produce any document/s she/ he should certify the same prior to producing them.
- 5.5.7 The Inquiring Officer shall initial documents marked at an inquiry. The Inquiring Officer shall take possession of all documents and items produced before him/ her during the inquiry and, after the conclusion of the inquiry shall hand over the same to the Employer for safe custody.
- 5.5.8 Before the conclusion of the prosecution case, if it appears that additional charges need to be framed, or the existing statement of charges need to be amended, or other parties may be charge - sheeted, the Prosecuting Officer shall make an application to this effect to the Inquiring Officer who in turn shall inform the Company to issue a fresh show cause letter. If there is no Prosecuting Officer, the Company shall make such request.
- 5.5.9 In the event of the existing charges being amended or additional charges framed, the Prosecuting Officer may recall witnesses, summon new witnesses or entertain any further documents, as the Officer considers necessary. In such a case, the accused Employee must be afforded an adequate opportunity of defending himself/ herself against such new or amended charges, of cross - examining such witnesses or examining such documents as the case may be. Where the Inquiring Officer considers the presence of a certain witness or document necessary to throw light on the inquiry proceedings or in the interest of natural justice, he/ she should be entitled at any stage to call such witnesses or such documents to the inquiry.
- 5.5.10 The inquiry may be re - opened where the inquiry is concluded and no order has been made as yet and the Inquiring Officer feels that it is necessary to hear further evidence in order to make up his/ her mind, or if the Company makes a request for further evidence which was not available when the inquiry was proceeding, and such evidence has been subsequently received.
- 5.5.11 The inquiring Officer shall submit a report to the Employer after the conclusion of the inquiry. The report shall contain his/ her decision on each of the charges together with the reasons for such decision. The Inquiring Officer's findings and report should state specifically whether or not he/ she concludes that the accused Employee is guilty of the charge/s.
- 5.5.12 Company shall decide on the punishment to be imposed in respect of employee found guilty of misconduct. The Employer shall communicate the punishment to the employee.

Annexure No : 6

Types of Misconduct

- (a) Misappropriation or failure to account for the funds of the Company
- (b) Theft, fraud or dishonesty in relation to property belonging to the Company
- (c) Habitual breach of regulations or orders of the Company
- (d) Negligence resulting in loss or damage to the Company
- (e) Dangerous or unauthorized driving or use of vehicles belonging to the Company
- (f) Driving a vehicle belonging to the Company while under the influence of liquor or drugs

- (g) Acting in collusion with customers and/or agents of the Company, to the detriment of the Company and/or so as to cause loss to the Company
- (h) Insubordination
- (i) Conviction in Court of a criminal offence or finding by other statutory authority involving moral turpitude
- (j) Sabotage of or wilful damage to property of the Company
- (k) Taking or giving of bribes to Company personnel
- (l) Riotous or disorderly behaviour and gambling within the premises of a Company
- (m) Misuse of property belonging to the Company
- (n) Failure to carry out lawful orders
- (o) Issue of unlawful instructions to subordinates
- (p) Acting wilfully in a manner calculated to cause loss, prejudice or harm to the Company, or which affects adversely its goodwill or prestige and/or negligence
- (q) Misuse of authority, power or position for personal gain
- (r) Submission of false or forged certificates and/or travelling claims
- (s) False or incorrect declaration in forms pertaining to applications for employment
- (t) Insobriety or drunken behaviour
- (u) Wilfully giving false evidence or altering Company documents without authority
- (v) Habitual late attendance
- (w) Absence without authority (unauthorised absence)
- (x) Failure to observe the "Code of Conduct" and Company regulations
- (y) Sexual harassment of fellow employees or unbecoming conduct/behaviour
- (z) Causing disaffection or mischief among fellow workers
- (aa) Acts or omissions which undermine the management or members of the management staff or directors
- (bb) Refusal to accept communications from the Company
- (cc) Carrying on a business, occupation or calling which is in competition with the Company
- (dd) Refusal to perform overtime without a reasonable reason
- (ee) Unpunctuality
- (ff) Failure to wear uniforms and Safety equipments whilst on duty
- (gg) Discourtesy to customers and agents of the Company
- (hh) Failure to observe safety precautions
- (ii) Failure to report an accident involving vehicles owned by the Company
- (jj) Failure to maintain essential records
- (kk) Smelling of liquor whilst on duty
- (ll) Negligence during the course of work resulting in injuries to co-worker/s
- (mm) Smoking and Chewing betel in areas outside the allocated locations
- (nn) Causing injury to self through carelessness or negligence of duty
- (oo) Failure to wear uniform provided by the company when travelling to and from work
- (pp) Bringing disrepute to the Company by disgraceful behaviour whilst wearing the Company uniform at external locations

Annexure No : 7**7.1 Format 1.-** Authorization for check off

As I am an employee covered and bound by the Collective Agreement between Trelleborg Lanka (Pvt) Ltd., and the Free Trade Zone Employees Union and I desire to avail myself of the facility for check off contained in the said agreement of which I am eligible as a member of the Free Trade Zone General Services Employees' Union, please deduct from my salary each month a sum of rupees (Rs.) in respect of my current monthly membership dues to the said union and remit the same to the said union on my behalf, the first payment should be made from my salary next due immediately following the date hereof.

Signature of the Employees

Full name of Employee

Date

Received on

(To be filled by the Employer)

7.2 Format 2.- Name of Employer

Revocation

With reference to the authorization submitted by me please cease to deduct from my salary my future membership dues in favour of Free Trade Zones and General Services Employees' Union with effect from the salary due to me immediately forthcoming the date hereof.

Date

Signature of Employee

Full Name of Employee

Received on

FINAL PROVISIONS

if, in the period of existence of this Agreement, regulations are changed and provisions become invalid, both Contracting Parties obligate themselves to agree upon new provisions in accordance with the regulations in force. All amendments, changes and supplements, of this Collective Agreement will be discussed and agreed by both Contracting Parties in advance.

Both Contracting Parties undertake to maintain social conciliation after the signature of this Agreement.

Any disputes arising under this Agreement concerning fulfillment of provisions therein as well as disputes during conclusions of amendments to this Agreement will be settled according to the Industrial Disputes Act.

Both Contracting Parties agreed that supplementing and updating the Annexures of this Collective Agreement, if needed, will be made once a year during the Collective Bargaining Process.

Trelleborg Wheel Systems Lanka (Pvt.) Ltd. will ensure printing this Agreement within fifteen days after registration with the Department of Labour.

This Agreement is in operation from 5th December 2009 to 31st December 2013 and has an effect after the date of signature. Both parties witness this agreement by the signature of their representatives.

 Managing Director Trelleborg Wheel Systems Lanka (Private) Limited	 Joint Secretary Free Trade Zones & General Services Employees Union
Witnesses for the Company:	
1. Name: 	Witnesses for the Union:
Signature: 	1. Name: T. H. Thirakasiol.
2. Name: Sirekila Lyanatharanga.	Signature: 
Signature: 	2. Name: M. D. G. Kumara
	Signature: 
	 Employer's Federation of Ceylon