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# The Gazette of the Democratic Socialist Republic of Sri Lanka

## EXTRAORDINARY

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No. 1853/6 - MONDAY, MARCH 10, 2014

(Published by Authority)

## PART I : SECTION (I) — GENERAL

### Government Notifications

*My No. : CI/05.*

#### THE INDUSTRIAL DISPUTES ACT (CHAPTER 131)

THE Memorandum of Understanding entered into between Commercial Bank of Ceylon PLC of the one part and the Ceylon Bank Employees Union of the other part on 12th day of January 2012 is hereby published in terms of Section 06 of the Industrial Disputes Act, Chapter 131, of the Legislative Enactments of Ceylon (Revised Edition 1956).

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

Department of Labour,  
Labour Secretariat,  
Colombo 05,  
18th February, 2014.

#### Memorandum of Understanding No. 01 of 2012

MEMORANDUM OF UNDERSTANDING ENTERED INTO BETWEEN THE COMMERCIAL BANK OF CEYLON PLC (HEREINAFTER REFERRED TO AS 'THE BANK') AND THE CEYLON BANK EMPLOYEES UNION (HEREINAFTER REFERRED TO AS 'THE UNION') ON THIS 12TH DAY OF JANUARY 2012

This Memorandum of Understanding between the Commercial Bank of Ceylon PLC (hereinafter referred to as 'the

Bank') and the Ceylon Bank Employees Union (hereinafter referred to as 'the Union') entered into on this 12th day of January 2012 states as follows :

#### 1. EMPLOYEES COVERED AND BOUND

This Memorandum of Understanding shall cover and bind the Bank, the Union and the Employees in the Grade of Junior Executive Officers in the Bank hereinafter referred to as the 'Employees'.

#### 2. DATE OF OPERATION AND DURATION

The provisions of this Memorandum of Understanding shall operate with effect from 1st January 2012 until such time either party may terminate it by giving three (03) months written notice to the other or until such time the Bank may decide to upwardly revise the terms and conditions applicable to employees under this Memorandum of Understanding or where either party opts to review the terms and conditions set out here below.



### 3. CONSOLIDATED SALARY AND CONVERSION TO NEW SALARY

- (1) In the case of employees who are covered and bound and whose salaries are below the minimum salary point as set out in the Schedule 1 of this Memorandum shall be first placed at the said minimum salary point of Rs. 44,000/- with effect from 1st January 2012.
- (2) Thereafter, each employee will be entitled to an increment at a percentage decided by the Management based on his/her individual performance in the previous year. The base salary for this purpose will be the adjusted salary of the employee as per clause 3(1) above or his/her salary as at 31st December 2011, as applicable.
- (3) In addition, all employees covered under this Agreement will be entitled to a service increment as follows.

<i>No. of completed years as at 01.01.2012 in the Junior Executive Officer Grade</i>	<i>Amount (Rs.)</i>
1 Year	1,000/-
2 Years	2,000/-
3 Years	3,500/-
4 Years	4,500/-
5 Years and above	5,500/-

- (4) Employees covered by this Memorandum of Understanding in service shall be placed within the salary ranges set out in the Schedule 1 hereto.

### 4. ANNUAL INCREMENTS

The annual increments due to an employee will be determined in terms of the relevant Final Rating in the Annual Performance Appraisal applicable to each employee, based on the Key Performance Indicators (KPI) / Objectives agreed upon by such employee with his Reporting Officer at the beginning of the year.

### 5. FIXED AND PERFORMANCE BONUS

- (i) In keeping with the prevailing practice employees shall be entitled to a fixed bonus calculated at 10% of their salary per annum. This amount will be paid in two installments representing the 1st and 2nd 6 months period of a year. Accordingly, the said two payments will be made in January and July each year ;

- (ii) The 2 Junior Executive Officers whose names are set out in Schedule II hereto and on whose behalf representations were made by the then Commercial Bank Staff Association and the Union to the effect that their salaries were also adversely affected in the overall context of the alleged salary anomaly as adverted to in the Memorandum of Settlement dated 31st March 2006 will be granted an additional 5% of their annual monthly salaries in computing the fixed two half yearly bonuses payable to the Junior Executive Officer Grade in terms of clause 5 (i) above. Accordingly, the said 2 Junior Executive Officers will receive their fixed bonus calculated at 15% of their annual salary where as the others in this category will continue to receive it at the rate of 10% of their monthly salary.

### 6. REIMBURSEMENT OF FUEL

The employees covered by this Memorandum of Understanding will be entitled for reimbursement of fuel for traveling up to a maximum of 60 liters of petrol per month, calculated on the basis of the market rate prevailing at the given time.

### 7. HOLIDAY ALLOWANCE

Each employee shall be entitled to receive a Holiday Allowance of Rs. 32,000/- on account of expenses incurred on a holiday during the consecutive 14 calendar days of Annual Leave taken in a year.

### 8. SPECIAL PAYMENTS

#### (i) Disturbance Allowance -

Employees who will be required to report for clearing duties will be entitled to claim a disturbance Allowance as follows :

Before 4:00 a.m.	Rs. 700/-
Before 5:00 a.m.	Rs. 650/-
Before 7:00 a.m.	Rs. 600/-
Before 7:30 a.m.	Rs. 425/-

#### (ii) Out of Pocket Allowance -

An employee required to work outside normal working hours on a weekday will be entitled to an Out of Pocket Allowance of Rs. 200/- per each completed hour subject to a minimum of 2 hours and a maximum of 4 hours.

An employee, working on a weekday after 8.30 p.m. shall be entitled to claim Rs. 250/- as Dinner allowance.

(iii) **Work on holidays -**

- (a) An employee will be entitled to an Out of Pocket Allowance of Rs. 275/- per hour during work on holidays, provided such employee has completed a minimum of three (03) hours of work. This entitlement is available up to a maximum of ten (10) hours ;

This Out of Pocket allowance will also be applicable to the staff members who are required to make themselves available during weekends to carry out functions relating to Automated Teller Machines (ATM) provided they complete a minimum of two (02) hours of work on such day.

Provided however, if a staff member required to carryout functions related to an ATM during weekdays (after normal working hours)/ weekends completes such task/function within a duration less than two (02) hours, he/ she will be entitled to claim Rs. 500/- (per visit) on account thereof.

No employee shall be entitled to a separate Meal/Dinner Allowance on account of him/ her being at work after 8.30 p.m.

- (b) Payments for minicoms/Saturday Banking and 365 day Banking

An employee will be entitled to an Out of Pocket Allowance of Rs. 325/- per hour during work of holidays, provided such employee has completed a minimum of 3 hours of work. This entitlement is available up to a maximum of 10 hours.

In the event a Branch not carrying out Saturday or 365 day Banking, is directed by the Bank to be opened for business on a holiday, employees who report at the Branch on account thereof will also be entitled to claim Out of Pocket Allowance as specified above.

In respect of staff working at Minicoms the maximum number of hours for the purpose of this allowance shall be eleven (11) instead of ten (10) hours referred to above.

No employee will be entitled to a separate Meal/Dinner Allowance for work on weekends/holidays.

(c) **IT DEPARTMENT (ADDITIONAL SHIFT ALLOWANCE)**

An employee having to work additional hours on weekdays will be entitled to Shift Allowance of Rs. 250/- per hour provided such employee completes a minimum of 4 such additional hours.

An employee, working on a weekday after 8.30p.m. shall be entitled to claim Rs. 250/- as Dinner Allowance.

No other allowance will be applicable in addition to the above payment.

An employee having to work additional hours on a holiday will be entitled to a Shift Allowance of Rs. 265/- per hour provided such employee completes a minimum of 4 hours.

Night shift Allowance (weekdays/weekends)

Any employee is required to work during nights, will be entitled to a Night Shift Allowance of Rs. 500/- per night in addition to the above.

**9. MEDICAL SCHEME**

- (i) **Reimbursement of Medical Expenses for Non-Hospitalization Expenses**

The Bank will reimburse an employee up to a maximum of Rs. 26,000/- in respect of medical expenditure incurred by his own behalf, on behalf of his spouse or unmarried legitimate children under the aged of 18 in respect of routing non-hospitalization/non-surgical and specialist treatments, subject to the following ;

- (a) All medical claims shall be supported by valid and relevant prescription, bill and receipts ;  
(b) Prescriptions or Doctor's bills are from a Registered Medical Practitioner ;  
(c) The unutilized portion for the allocation for the year could be utilized during a period of 3 years subject to valid bills being submitted as aforesaid.

An employee who has a differently abled child/ children is entitled to receive Rs. 30,000/- per annum as medical expenses in addition to the amount specified above, subject to the recommendation

of the Medical Board and registration with the Compensation and Benefits Unit of the Bank.

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

The Bank will reimburse an employee on a non-cumulative basis a further sum as given below per annum on account of special non-hospitalization and non-surgical expenses covering the following items only incurred on behalf of the employee and not on behalf of his family members in keeping with existing practice ;

- |   |   |              |
|---|---|--------------|
| (a) Spectacles                              | - | Rs. 18,000/- |
| (b) Dentures/Nerve Filling/<br>Root Filling | - | Rs. 18,000/- |
| (c) Hearing Aids                            | - | Rs. 18,000/- |

Subject to valid documentation as in the case of (i) above and subject to the provisos that no claim is made in relation to any particular item more than once in three (3) years other than in the case of employees over the age of 45 years who will be entitled to reimbursement on account of Spectacles once in 2 years. In respect of Spectacles it must be supported by a prescription from a medical eye specialist.

(iii) Surgical and Hospitalization Expenditure

Employees will be reimbursed on account of surgical and hospitalization (whether Government or Private) expenses incurred on behalf of the employee, his spouse and unmarried legitimate children under 21 years of age subject to the production of valid documentation covering every claim or expenditure, up to the following limits per annum ;

- (a) Hospital or Nursing Room charges ;
- |                                  |   |             |
|----------------------------------|---|-------------|
| Daily limit                      | - | Rs. 6,000/- |
| Government Hospital<br>Allowance | - | Rs. 1,000/- |

The Bank will reimburse the actual room charges in the event the patient has undergone intensive care treatment.

(b) Emergency Treatment Travel

- |                                |   |             |
|--------------------------------|---|-------------|
| Expenses (maximum)             | - | Rs. 2,500/- |
| * The rate is Rs. 30/- per km. |   |             |

- (c) Overall limit for any one year - Rs. 200,000/-

Where the employee is aged 40 years or above, expenses he/she incurs on account of full body medical checkups, without being admitted to a hospital will be reimbursed up to a maximum of Rs. 12,000/- per annum under this entitlement.

(iv) General

If both husband and wife are employees, and the bill exceeds the limit of one employee, the balance to be paid from of the spouse's entitlement subject to a maximum of 50% of the full entitlement/available limit.

Normal child birth will be included for reimbursement under medical expenses subject to the above limits up to two times.

10. OTHER MATTERS

The parties to this Memorandum of Understanding agree that the basis adopted in respect of the following aspect would be covered under the general provision and or circulars applicable for the Executive grades of the Bank :

- (a) Provident Fund ;
- (b) Pension and commuted pension ;
- (c) Lump Sum gratuity in lieu of pension and Death Gratuity ;
- (d) Gratuity on resignation/termination prior to retirement ;
- (e) Leave ;
- (f) Retirement ;
- (g) Release of CBEU office bearers, concession to branch union office bearers and general councilors ;
- (h) Leave to visit outstation branches by the Union ;
- (i) Suspensions ;
- (j) Disciplinary procedure ;
- (k) Check off facility.

In witness hereof parties have set their hands hereunto on this 12th day of January 2012.

For and on behalf of the Commercial Bank of Ceylon PLC	For and on behalf of Ceylon Bank Employees' Union	..... R. L. P. Peiris, Director General, Employees' Federation of Ceylon.	..... A. L. Ranaweera, Secretary, Ceylon Bank Employees' Union, Commercial Bank Branch.
..... A. L. Goonaratne, Managing Director.	..... Amarapala Gamage, President.		

**SCHEDULE I**

**JUNIOR EXECUTIVE OFFICERS**

..... W. M. R. S. Dias, Chief Operating Officer.	..... Channa Dissanayake, Acting General Secretary.	<i>Salary Ranges</i> Rs. 44,000 per mensem	Rs. 88,000/- per mensem
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Witnesses

**SCHEDULE II**

**Junior Executive Officers Promoted from the Staff Officer Grade**

..... U. I. S. Tillakawardana, Deputy General Manager, Human Resource Management.	..... M. K. N. Wijayapala, President, Ceylon Bank Employee's Union Commercial Bank Branch.	<i>Name</i> 1. Mr. G. K. Wijesundara 2. Mr. S. D. K. Gunawardane 03 - 675	<i>Emp. No.</i> 965 1031
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