



ශ්‍රී ලංකා ප්‍රජාතාන්ත්‍රික සමාජවාදී ජනරජයේ ගැසට් පත්‍රය  
අති විශේෂ

**The Gazette of the Democratic Socialist Republic of Sri Lanka**  
**EXTRAORDINARY**

අංක 2342/52 – 2023 ජූලි මස 28 වැනි සිකුරාදා – 2023.07.28  
No. 2342/52 – FRIDAY, JULY 28, 2023

(Published by Authority)

**PART I: SECTION (I) – GENERAL**

**Government Notifications**

My No.: CI/1885.

**THE INDUSTRIAL DISPUTES ACT, CHAPTER 131**

THE Collective Agreement entered into between Nestle Lanka PLC, Kurunegala Factory, No. 440, T. B. Jayah Mawatha, Colombo 10 of the one part and the Inter Company Employees Union, No. 10, Council Lane, Dehiwala of the other part on 05th December 2022 is hereby published in terms of Section 06 of the Industrial Disputes Act, Chapter 131, of the Legislative Enactment of Ceylon (Revised Edition 1956).

B. K. PRABATH CHANDRAKEERTHI,  
Commissioner General of Labour.

Department of Labour,  
Labour Secretariat,  
Colombo 05.  
12th July, 2023.

**Collective Agreement No. 29 of 2022**



## **COLLECTIVE AGREEMENT**

**Between**

**NESTLÉ LANKA PLC, KURUNEGALA FACTORY**

**And**

**INTER COMPANY EMPLOYEES' UNION (ICEU)**

### **Contents**

#### **PART 1 - GENERAL**

**1. *Title* –.**

This Agreement shall be known and referred to as the "NESTLÉ Lanka PLC, Kurunegala Factory " Collective Agreement for the period 1st Dec. 2022 to 30th Nov. 2025.

**2. *Date of Operation and Duration***

**3. *Earlier Collective Agreements***

**4. *Persons Covered and Bound***

**5. *General Terms and Conditions***

**6. *Variation of Terms and Conditions of Employment or Benefits***

**7. *Check Off***

**8. *Union Meetings / Duty Leave***

**9. *Trade Union Action***

#### **PART II - PROBATION**

**10. *Probation on Recruitment***

#### **PART III - WORKING HOURS**

**11. *Working Hours***

#### **PART IV - WAGE ADMINISTRATION AND ALLOWANCES**

**12. *Initial Salary Points***

13. *Salaries*
14. *Non-Recurring Cost of Living Gratuity*
15. *Performance Based Payments*
16. *Overtime*
17. *Weekly Holidays*
18. *Statutory Holidays*
19. *Festival Advance*
20. *Uniforms*
21. *Bonus*
22. *Shift Allowance*
23. *Annual Leave*
24. *Casual Leave*

PART VI - SICK LEAVE AND MEDICAL BENEFITS

25. *Sick Leave*

PART VII - RETIREMENT AND TERMINAL BENEFITS

26. *Age of Retirement*
27. *Provident Fund*
28. *Employees' Trust Fund*

PART VIII - ATTENDANCE AND CARRYING OUT EMPLOYER'S INSTRUCTIONS

29. *Attendance*
30. *Carrying out Employer's Instructions*

PART IX - SUSPENSION, DISCIPLINARY PROCEDURE AND GRIEVANCE AND DISPUTES PROCEDURE

31. *Suspension*
32. *Disciplinary Procedure / Domestic Inquiries*
33. *Grievance and Disputes Procedure*

APPENDIX I

APPENDIX II

## COLLECTIVE AGREEMENT

Between

**NESTLÉ LANKA PLC, KURUNEGALA FACTORY**

And

**THE INTER COMPANY EMPLOYEES' UNION (ICEU)**

This Collective Agreement made and entered into on the 5th December 2022, Two Thousand and Twenty Two between NESTLÉ LANKA PLC Factory, located at Pannala, in the district of Kurunegala, having its registered office at No. 440, T. B. Jayah Mawatha, Colombo 10 (hereinafter referred to as the “Employer”) of the one part and The Inter Company Employees’ Union (ICEU), being a trade union duly registered under the Trade Unions’ Ordinance, having its registered office at No. 10, Council Lane, Dehiwala (hereinafter referred to as the “Union”) of the other part.

WITNESSETH

Whereas the Union has shown to the satisfaction of the employer that it represents a majority of the employees.

Therefore, in consideration of the above premises and the mutual terms and conditions hereinafter set out, the Union and the Employer agree as follows:

### PART I- GENERAL

1. *Title.*—

This Agreement shall be known and referred to as “NESTLÉ” Lanka PLC. Kurunegala Factory Collective Agreement for the period 1st December 2022 to 30th November 2025”.

2. *Date of Operation and Duration.*—

This Agreement shall come into force with effect from 1st December 2022 and shall be in force up to the 30th day of November in the year 2025, but shall continue to remain in force thereafter, until such time as valid notice of termination of the agreement is given by either party. No notice will be valid unless given in writing by either party and is of at least six (6) calendar months duration. The earliest date at which such notice could validly terminate the contract is 31st May 2025.

3. *Earlier Collective Agreements.*—

The provisions of this Agreement shall supersede and replace the provisions of any earlier Collective Agreement including the provisions of the “The NESTLÉ” Lanka PLC, Kurunegala Factory Collective agreement of 2019”, which shall stand terminated with effect from the date on which this Agreement takes effect.

**4. *Persons Covered and Bound.*–**

This Agreement shall cover and bind the Employer, the Union, employees who are members of the Union and all the employees who are employed on permanent monthly contracts of employment by the employer.

**5. *General Terms and Conditions.*–**

The terms and conditions of this agreement shall as from the date hereafter and during the continuance in force of this Agreement be deemed to be included in all contracts of employment between the Employer and the employees covered and bound by this Agreement.

**6. *Variation Of Terms and Conditions of Employment or Benefits.*–**

- 6.1 The Employer, the Union and its members, and employees covered and bound by this Agreement, agree that, during the continuance of this Agreement, that neither party will seek to vary or add to any of the terms and conditions of employment, and benefits presently covered and bound by this Agreement and existing benefits and privileges not specified in the agreement.
- 6.2 Any variations or additions required to any of the terms and conditions and benefits covered and bound by this Agreement should only be done by mutual agreement.

**7. *Check off.*–**

- 7.1 The Employer agrees to deduct Union subscriptions from the salaries of Union members and remit such subscriptions monthly to the Union provided prior consent in writing is received by the Employer from each member.
- 7.2 The above membership deductions under sub-clause 7.1 would be subject to the Union having a minimum membership of 40% of the employees in categories covered by this Collective Agreement.

**8. *Union Meetings / Duty Leave.*–**

- 8.1 The Union or the Branch Union may with the agreement of the Employer hold Committee meetings and General meetings of the union within the Employer's premises at such places and times as agreed by Management. No person who is not in the employment of the Employer shall attend such meetings without the written agreement of the Employer.

**8.2 Duty Leave**

Without prejudice to the rights 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 more than two (2) office bearers of the Union to attend to the following matters in connection with the membership in the Company without loss of wages for such absence.

- 8.2.1 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.

- 8.2.2 To attend inquiries before Industrial Courts, Arbitrators or Labour Tribunals.

- 8.3 The Employer will in his discretion grant leave without remuneration to an employee to attend a Trade Union course or seminar or conference, either in Sri Lanka or abroad. However, the employee concerned is entitled to make use of

his annual leave or statutory holidays for the purpose.

#### 9. *Trade Union Action.*—

The Employer, Union and the employees covered and bound by this Collective Agreement undertake that they shall not during the continuance in force of this Agreement attempt to seek to vary in any matter any of the terms and conditions agreed upon herein, unless otherwise mutually agreed upon, and the union and its members shall not resort to any form of trade union action in relation to any dispute connected with or arising out of any matter covered by the collective agreement.

In the event any dispute/s that may arise on a matter not covered by this agreement, Parent Union will inform the company and provide 7 working days' notice before engaging in trade union actions.

In the event trade union decides to resort to action, employees who are deployed in critical services would be exempted from such action on the request of the Company

### PART II - PROBATION

#### 10. *Probation on Recruitment.*—

- 10.1 All employees on first employment to the company shall be on probation for a period of six (6) months that may be extended by three (3) months if the Employer is not satisfied with the Progress of such employee.
- 10.2 On successful completion of the probationary period, the employee shall be advised in writing by the Employer of his confirmation.
- 10.3 During the period of probation or extended probation, either party shall have the right to terminate the service without notice.

### PART III - WORKING HOURS

#### 11. *Working Hours.*—

The hours of work shall be as stipulated below subject to any changes which may have to be effected as a result of the government or policy decision of the Company to meet any exigencies. However, any changes should be by mutual agreement between the two parties.

##### 11.1 General Office Staff

The normal hours of work will be from 8.00 a.m. to 5.00 p.m. from Monday to Friday each week.

##### 11.2 All Other Categories of Staff

The normal working hours per week shall be forty-four (44) hours excluding meal times. Schedules of working hours and rosters for shift employees shall be determined by the employer and these times shall be displayed on the notice boards.

**PART IV - WAGE ADMINISTRATION AND ALLOWANCES**

**12. Initial Salary Points.-**

As from the First day of December, Two Thousand Twenty Two, the initial salary points applicable to the categories of employees covered and bound by this agreement shall be as set out in Appendix I hereof. Revision of initial salary points will be decided by the company based on required skills and market value.

**13. Salaries.-**

As from the First day of December, Two Thousand Twenty Two the monthly salaries of the employees shall be revised as set out hereunder;

- 13.1 With effect from 1st December 2022, the Monthly Basic Salary as at 30th November 2022 drawn by each employee will be increased as follows.

<i>Salary Group</i>	<i>Percentage Increase</i>
Below Rs. 60,000	15%
Rs. 60,000 & Above	12.5%

The Basic Salary as at 30th November 2022 is taken for the above purposes. All employees earning a Monthly Basic Salary below Rs.60,000 as at 30th November 2022 will not exceed Rs.67,500 with this increase.

- 13.1 (a) Employees will receive a monthly hardship allowance of Rs.9,000 from 01st December 2022 to 30th November 2023. It is agreed by both parties that the payment of the said hardship allowance shall not part of the earnings/ remuneration and it shall not the liability on the Employer for payment of Employee Provident Fund and/or Employee Trust Fund and/or Gratuity and/or overtime or any other payment.

- 13.2 With effect from 01st December 2023, the Monthly Basic Salary of an employee as at 30th November 2023 will be increased as follows.

<i>Salary Group</i>	<i>Percentage Increase</i>
Below Rs.60,000	11% or Subject to minimum increase of Rs.7,000
Rs.60,000 & Above	10% or Subject to minimum increase of Rs.7,000

The Basic Salary as at 30th November 2023 is taken for the above purposes. All employees earning a Monthly Basic Salary below Rs. 60,000 as at 30th November 2023 will not exceed Rs. 67,000 with this increase.

- 13.3 With effect from 01st December 2024, the Monthly Basic Salary of an employee as at 30th November 2024 will be increased as follows.

<i>Salary Group</i>	<i>Percentage Increase</i>
Below Rs.60,000	10% or Subject to minimum increase of 7,000
Rs.60,000 & Above	9% or Subject to minimum increase of 7,000

The Basic Salary as at 30th November 2024 is taken for the above purposes. All employees earning a Monthly Basic Salary below Rs.60,000 as at 30th November 2024 will not exceed Rs.67,000 with this increase.

- 13.4 It is agreed and understood that the Monthly Basic Salary stated above, clauses 13.1, 13.2 and 13.3 are all-inclusive and shall not attract any additional amounts by way of annual increments on a salary scale or revision on account of cost of living based on a consumer price index.

#### 14. *Non-Recurring Cost of Living Gratuity:-*

It is agreed between The Company & The Union that mechanism of the Non-Recurring Cost of Living Gratuity (NRCLG) payment will be consulted and agreed upon in the next collective agreement between the two parties in the year 2025. Upon the agreement of above, company will pay lump-sum amount in December 2022, 2023, 2024 & 2025 instead of NRCLG as follows. Therefore, employees are not entitled for any other payment related to NRCLG during the current Collective Agreement. Annual lumpsum payment on an ex-gratia basis in lieu of Non- recurring Cost of Living Gratuity would be granted on the following basis.

December 2022 - Rs. 7,500 (Onetime payment during the month of December 2022)

December 2023 - Rs. 7,500 (Onetime payment during the month of December 2023)

December 2024 - Rs. 20,000 (Onetime payment during the month of December 2024)

December 2025 -- Rs. 20,000 (Onetime payment during the month of December 2025)

- A sum of Rs 7500.00 payable in December 2022 for the period from 1st December 2021 to 30th November 2022. This will be in lieu of Clause 14.1 of Nestle Lanka PLC, Kurunegala Factory of 2019 Agreement.
- A sum of Rs 7500.00 payable in December 2023 for the period from 1st December 2022 to 30th November 2023.
- A sum of Rs 20,000.00 payable in December 2024 for the period from 1st December 2023 to 30th November 2024.
- A sum of Rs 20,000.00 payable in December 2025 for the period from 1st December 2024 to 30th November 2025.

No Provident Fund, Trust Fund, overtime or any other payment shall be due or calculated on these Ex-gratia payments. Employees recruited during the year will be subject to Pro rated basis.

#### 15. *Performance Based Payments.-*

It is agreed by and between parties that there shall be no fixed automatic increments applicable to any category of employees and whatever payments in the form of lump sum and /or increases during the period of this collective agreement shall be determined by the employer subject to a performance appraisal of each employee. The decision of the employer with regard to the grant / non-grant of this payment in the form a lump sum and /or increase shall be final and shall not be the subject of an industrial dispute.



**16. Overtime.-**

- 16.1 Overtime work shall mean work performed in excess of normal working hours.
- 16.2 If required by the Employer, due to exigency of the services, overtime work will be performed by the employee as and when and for such period as the Employer may reasonably require. An employee shall have a good reason for such refusal to do any overtime work required by the Employer.
- 16.3 Work performed in excess of the normal hours shall be remunerated as per the overtime schedule shown in Appendix II of this agreement.

**17. Weekly Holidays.-**

In respect of each week every industrial employee shall be allowed one (1) weekly holiday and every shop and office employee one and a half (1 1/2) days as weekly holidays, provided that an employee has worked for a period of at least twenty-eight (28) hours exclusive of any overtime work for that week and otherwise the Employer shall be entitled to deduct a day's wage in respect of the weekly holiday for that week.

- 17.1 In computing the period of twenty-eight (28) hours referred to, the Employer shall include

- 17.1.1 Every holiday allowed by the Employer to the employee as the annual holiday.
- 17.1.2 Every Public holiday granted by the Employer.
- 17.1.3 Every day's absence on any grounds approved by the Employer.

**18. Statutory Holidays.-**

- 18.1 Employee will be granted Statutory Holidays and Poya Holidays as determined by legislation subject to exigency of work.
- 18.2 If any of the Statutory Holidays fall on a weekly half day, an additional half-day shall be granted on the working day immediately preceding it and if it falls on a weekly holiday, a substitute holiday shall be granted on the working day immediately succeeding such weekly full holiday.

**19. Festival Advance.-**

The employer agrees to pay an advance not exceeding the amount stated below, for the respective years, for one festival per year of the employee's choice, if the concerned employee does not have any unauthorized absence days accumulated to his/her account for the Previous Calendar year. In the event an employee has been on unauthorized absence during the Previous Calendar year this advance will be reduced to maximum amount of Rs. 25,000/= per employee per festival per year.

2023	-	Rs. 50,000
2024	-	Rs. 50,000
2025	-	Rs. 50,000

This will be recovered ordinarily in ten (10) monthly installments or where the employee leaves the Employer's employment, the full balance will be deducted from his balance salary / final payment.

**20. Uniforms.-**

The employer provides free uniforms to those employees required to wear such uniforms according to the requirements of the job. It is obligatory on the part of the employees to wear such uniforms.

**21. Bonus.-**

The employer agrees to pay a bonus to employees each year for the period of this Agreement on the following basis;

**21.1 Two (2) months' salary each year.**

For any employee to be entitled to the full benefit set out in Clause 21.1 above, such employee should as at the date of such payment, have been in employment with the employer during the preceding twelve (12) month period. An employee who has not been in employment during the full preceding twelve (12) month period from the date of the payment to be granted in terms of Clause 21.1, shall be entitled to a prorated amount having regard to the number of completed months he/she was in employment during such preceding twelve (12) month period.

**21.2 In addition to the bonus at 21.1, a half-month's salary, as bonus will be paid subject to a scheme for non-utilisation of 7 days of Casual and/or Sick leave. On this basis, for each day unutilised of these 7 days, he will be paid half-month's salary divided by 7. Any No pay leave (authorised or unauthorised) will also be set off against the seven days for the purpose of this scheme.****21.3 The payment of bonus under 21.1 and 21.2 may be stopped totally or partly for disciplinary reasons and unauthorised no pay absence.****22. Shift Allowance.-**

Employees required to work on shift will be paid a shift allowance on the following basis. Shift allowance will be paid, only for the days the employee presents himself for full day's work.

<i>Shift</i>	<i>From</i>	<i>To</i>	<i>Amount</i>
Morning	06:00 Hrs	14:00 Hrs	Rs. 175.00
Afternoon	14:00 Hrs	22:00 Hrs	Rs. 200.00
Night	22:00 Hrs	06:00 Hrs	Rs. 400.00

**22.1 Additionally with effect from January 2023 an Attendance Incentive of Rs. 4,000.00 per month will be paid to employees, who will attend all their rostered night shifts in the given month. This payment will not be curtailed for employees basis the following conditions;****22.1.1 Should the company changes the night shift roster basis company requirement and shall not be curtailed for those employees who are on long Annual Leave with prior approval and any exception will be granted with 07 days prior approval.****22.1.2 The payment shall not be curtailed for a maximum of one rostered night shift is missed during a given month provided such leave is taken with prior approval under annual leave and/or if any employee applies casual leave after informing to the sectional head prior to start the rostered shift.****22.1.3 The payment shall not be curtailed if any employee wants to do one night shift change for personal request within the allocated 02 shift changes per month.****22.2 Apart from that company will pay half rate of the shift allowance for employees who has to work 12 hours due to company requirement or to cover absenteeism with effect from 01st January 2023 considering 4 hours continuation of work.**

23. **Free Tea/Coffee.**–

The company will provide a cup of tea/coffee to all employees during the two- tea/coffee intervals.

**PART V – LEAVE**

24. **Annual Leave.**–

- 24.1 Employees are entitled to earned annual leave of a maximum of fourteen (14) working days per calendar year and such leave will be allowed at times convenient to the Employer and the employees subject to the condition that at least seven (7) days have to be taken consecutively on the basis of a roster prepared at the beginning of each leave year. However, any changes to this roster due to exigencies of work should be only by mutual agreement.

Annual leave has to be applied for and approved in advance. However, an employee may opt to set off absence due to ill health in excess of twenty-one (21) day's sick leave allowed under clause 26 against his Annual leave entitlement.

- 24.2 **New Employees** shall be granted Annual leave during the following year on a proportionate basis as follows:

Employees joining between,

1 <sup>st</sup> January and 31 <sup>st</sup> March	- 14 days
1 <sup>st</sup> April and 30 <sup>th</sup> June	- 10 days
1 <sup>st</sup> July and 30 <sup>th</sup> September	- 07 days
1 <sup>st</sup> October and 31 <sup>st</sup> December	- 04 days

25. **Casual Leave.**–

- 25.1 Employees are entitled to seven (7) Working days casual leave per calendar year. The employee has to notify his immediate superior of his intention of taking such casual leave. Such casual leave will normally be granted on application without the employee being required to state the reason. When the Employer finds it difficult to grant, such casual leave requested for, such difficulty shall be notified to the employee as soon as possible. After the application is made and, in such circumstances, the employee may be required to state the reason for the leave requested for and the Employer may decide whether it is reasonable in the circumstances to grant him casual leave.

When an employee due to unforeseen circumstances is unable to apply for casual leave in advance, he shall notify the Company at the earliest opportunity and state the reason for his absence upon his return to work. The Employer will assess the reason for such an application and decide whether it is reasonable in the circumstances to grant him casual leave. The decision of the Employer to grant or not to grant such casual leave is final.

- 25.2 Employees shall be entitled to take casual leave on account of private business or other reasonable cause including ill health, if that employee's twenty-one (21) days sick leave allowed under clause 26 has been fully utilised. In such instances the Employer shall allow such casual leave with remuneration for a period, or an aggregate of periods, not exceeding seven (7) days.
- 25.3 Provided however, that not more than two (2) days' casual leave shall be taken at any one time except upon grounds of ill health.
- 25.4 Provided further that an employee shall not be entitled to take casual leave immediately preceding or immediately following any period of annual leave.

25.5A New **Employee** in his first year of employment including any period of probation shall be entitled to casual leave for that year computed on the basis of one day for each completed period of two (2) months' service.

## PART VI - SICK LEAVE & MEDICAL BENEFITS

### 26. *Sick Leave.*—

- 26.1 An employee shall be granted up to a maximum of Twenty one (21) working days leave on full pay in any one calender year in the case of sickness.
- 26.2 The Employer may request an employee to support his/ her sickness with a medical certificate from a Sri Lanka Medical Council Registered Medical Practitioner.
- 26.3 The Employer will be entitled to refuse to grant pay for any days of absence on grounds of sickness not supported by a certificate from any Medical Practitioner registered in the Medical Council of Sri Lanka or Ayurvedic Medical Council of Sri Lanka.
- 26.4 An employee shall inform the Company immediately of such sickness or at least within two (2) days and produce a Medical Certificate with in three (3) days.
- 26.5 An employee who takes less than Twenty one (21) days sick leave in any one calender year, as allowed above (clause 26.1) may avail himself of on the balance sick leave by accumulation to a maximum of Ninety (90) days with pay in any one-year. The accumulated sick leave shall only be on account of Prolonged illness, Hospitalisation, Infectious Diseases or similar circumstances, and such sick leave should be supported by a medical certificate from a Sri Lanka Medical Council Registered Medical Practitioner/ Consultant Physician or Surgeon and should be approved by the Company Medical Officer unless this requirement is waived by the employer. The accumulated sick leave shall be granted at the discretion of the employer.
- 26.6 During the period of probation employees are not entitled to any sick leave. However, after confirmation in respect of the first year of employment, employees will be allowed sick leave during that year up to the 31st of December, computed on the basis of one and a half (1 1/2) days for each month of, employment.

### 27. *Medical Benefits/ Hospitalisation.*—

- 27.1 The Employer agrees to reimburse medical expenses in terms of the Company Medical Scheme on the following basis :

2023 - Rs. 60,000.00

2024 - Rs. 60,000.00

2025- Rs. 60,000.00

The Employer agrees for the employee to accumulate to a maximum of Rs. 97,000.00 unutilised reimbursements of medical expenses.

- 27.2 Medical expenses are reimbursed only for employees and their immediate families. Immediate families are defined as Husband/ Wife and dependent legitimate children of employees. This is on condition that the Husband/ Wife is not covered by another Medical Benefits Scheme of their employer ; and in such case the Employer does not allow duplication.

- 27.3 Hospitalisation.- For hospital treatment, employees are granted a Medical Insurance Scheme through a reputed Insurance Company of Sri Lanka. Both the employee and the Employer pay 50 % of the insurance premium each. This scheme covers hospitalization of the employee only.

Employee may cover the immediate family (Spouse and Children) at there own discretion under the said Insurance Scheme, the employee and the Employer pay 50 % each of the insurance premiums for this purpose.

## PART VII - RETIREMENT AND TERMINAL BENEFITS

### 28. *Age of Retirement.*-

The retirement age of Employees shall be governed by the provisions of the Minimum Retirement Age of Workers Act No. 28 of 2021 or any others prevailing law for that effect from time to time. There shall be no obligation on the Employer to give the employee any notice of such retirement. In the event of an employee being offered employment after retirement, such employee shall not be covered by this Agreement.

On reaching the age of Sixty (60) years an employee shall *ipso facto* retire and cease to be employed by the Employer. There shall be no obligation on the Employer to give the employee any notice of such retirement. In the event of an employee being offered employment after retirement, such employee shall not be covered by this Agreement.

### 29. *Provident Fund.*-

Contributions to Provident Fund will be at the rate of 12% by the employer and 8% by the employee of the consolidated monthly salary as prescribed by legislation.

### 30. *Employees' Trust Fund.*-

The Employer shall contribute to the Employees' Trust Fund at the rates prescribed by the legislation.

## PART VIII-ATTENDANCE & CARRYING OUT EMPLOYER'S INSTRUCTIONS

### 31. *Attendance.*-

Unless otherwise specifically instructed by Management, an employee shall present himself/herself for work on every day (other than holidays) at the usual starting time for the job and shall remain there available for work throughout the normal working hours.

### 32. *Carrying Out Employer's Instructions.*-

- 32.1 If an employee considers any duty, which he/she is required to perform by the Employer, does not fall within the scope of his/her employment under the Employer, he/she shall be entitled to bring this matter to the notice of the Employer. If notwithstanding such notification the Employer requires the employee to carry out such instructions, then the employee shall be entitled to request the Employer to give him/her such instructions in writing.
- 32.2 If the Employer gives the employee such instructions in writing, the employee shall carry out the same but without prejudice to the rights of the Union on his/her behalf to dispute such matters with the Employer thereafter as provided in this Agreement.
- 32.3 If the Employer refuses to give such instructions in writing, the employee shall be entitled not to carry out such instructions and in such event the Employer shall have no right of action against the employee.

- 32.4 If the Employer gives such instructions in writing but the employee fails to carry out the same, the Employer shall be entitled to suspend the employee immediately without pay and to take disciplinary action against him/her without prejudice to the rights of the employee or the Union on his/her behalf to dispute such suspension or such disciplinary action as may be taken against the employee as provided in this Agreement.
- 32.5 Irregular attendance or un-punctuality of the employee shall constitute neglect of duty for which the employee is liable for appropriate disciplinary action.

### **PART IX-SUSPENSION, DISCIPLINARY PROCEDURE AND GRIEVANCE & DISPUTES PROCEDURE**

In case of misconduct, the Employer is entitled to start DISCIPLINARY ACTION, which is detailed hereunder.

#### **DISCIPLINARY ACTION**

#### **33. *Suspension.*—**

- 33.1 An employee may be suspended without pay by the Employer;
- 33.1.1 Pending an inquiry to be held by the Employer on a charge or charges of misconduct which are appeared to be against the company,
- 33.1.2 In order to avoid a breach of the peace or damage to property or disturbance of the business of the employer,
- 33.1.3 In case of fraud, theft, misappropriation or like offence by the employee in the course of his employment,
- 33.1.4 In case of abuse, threat or gross insubordination by the employee to a member of the Management Staff of the Employer,
- 33.1.5 For failing to carry out Employer's instructions in terms of clauses 31 and 32.
- 33.2 At the time of suspension or within twenty-four (24) hours the Employer shall provide the employee with a written order of suspension specifying the reasons for such suspension.

#### **34. *Disciplinary Procedure/Domestic Inquiries.*—**

Where the Employer proposes to proceed against an employee then: -

- 34.1 Irrespective of whether an employee has been suspended under clause 33 hereof or not, an employee shall be furnished with a show cause notice, which shall set out the particulars of the charges of misconduct alleged against such employee. Such show cause notice shall give the employee not less than Three (3) clear working days within which to give the answer.
- 34.2 Within Three (3) working days after the day of the show cause notice the employee shall furnish in writing to the employer, the answer or explanation to the charges against such employee. The employee may request for an extension of time for reply. The Employer may grant such request for such further period of time if deemed necessary in the circumstances of the case.

- 34.3 if the Employer is satisfied with the written answer or explanation of the employee, the employee shall, if he is suspended, be reinstated forthwith and be paid all entitlements due to him for the period of such suspension.
- 34.4 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 Seven (7) working days from the date of receipt by him of the written answer or explanation to the show cause notice.
- 34.5 After holding such inquiry, the employee shall normally be informed of the findings of each of the charges in the show cause notice and the punishment, if any, within thirty (30) working days from the date of the conclusion of the inquiry. If the Employer fails to inform the employee, except for reasons beyond the control of the Employer, the employee shall not be liable to be punished in respect of the charges and no inference adverse to the employee in respect of such charges shall be drawn.
- 34.6 If the employee is under suspension and the Employer after inquiry decides that;

34.6.1 The employee is not guilty of the charges, the employee shall be reinstated immediately and all wages and entitlements paid.

34.6.2 The employee is guilty of one or more charges, the employee shall be informed of the findings and the punishment imposed by the Employer.

If the punishment given to the employee is not dismissal, suspension without pay shall not exceed seven (7) working days. If the service of the employee is to be terminated, such termination shall take effect from the date of suspension of the employee and the employee shall not be paid for the period of suspension.

- 34.7 If in the opinion of the Employer the nature of the charges is serious and the case has been referred or is to be referred to the police or other authorities for investigation, and the Employer is unable to inform the employee of the outcome of the inquiry, the employee shall remain under suspension without pay until the investigations are completed and the Employer is able to decide on the outcome of the inquiry.

If the Employer fails to inform the employee of the outcome of the inquiry within thirty (30) working days due to reasons beyond the control of the Employer, the employee shall be paid half his monthly wages for the first thirty (30) working days and full wages after thirty (30) days to the time a decision is taken regarding the outcome of the inquiry. This will not apply in cases where the inquiry is postponed, or a decision is unable to be taken on the outcome of the inquiry for any reasons due to the employee's own seeking.

#### 34.8 Domestic Inquiries

34.8.1 An employee may request the Employer to allow an 'observer' to be present at the inquiry to be held into the charges. The 'observer' who shall be another employee, shall be present at the inquiry without loss of wages due to absence from the workplace.

34.8.2 The employee shall inform the Employer the name of the 'observer' one (1) working day before the commencement of the inquiry.

34.8.3 The 'observer' shall not be entitled to represent the employee or otherwise participate in the inquiry.

34.8.4 If an 'observer' obstructs such inquiry, the officer who conducts the inquiry shall be entitled to request the



'observer' to withdraw from the inquiry immediately and the 'observer' shall comply with such request.

34.8.5 The absence of an 'observer' from whole or any part of an inquiry for any reason shall not change or nullify the inquiry, the proceedings or the findings.

34.8.6 The employee may make a written submission to the Employer within one (1) working day on conclusion of the inquiry on any special observations he wishes to make in the manner in which the inquiry was held, or the evidence was recorded.

34.8.7 The Union may make written submissions to the Employer within one (1) working day on conclusion of the inquiry regarding the manner in which the inquiry was held or the evidence was recorded.

### 35. *Grievance & Disputes Procedure.-*

35.1 Recognizing the value and importance of full discussion in clearing up misunderstanding and preserving harmonious relations, every effort shall be made by the Employer and the Union to dispose of any inquiries, complaints, grievances or disputes as soon as possible. The following procedure shall be followed in respect of such matter and for any interpretation.

35.2 An employee may present his grievance or complaint to his immediate supervisor or to his head of department. The employee may be accompanied by his Branch Union representative. If the employee is not satisfied with the answer he receives, he may then proceed to clause 35.3.

35.3. An employee may present his grievance or complaint to the factory Human Resources Manager. The employee may be accompanied by his Branch Union representative if the employee is not satisfied, he may then proceed to clause 35.4.

35.4 The Branch Union may present the grievance or complaint in writing to the Vice President- Technical. The Vice President Technical may consult the parties involved before submitting a reply in writing. If the Branch Union is not satisfied with the written explanation of the Vice President Technical, the Branch union may request for a discussion between the vice President-Technical and the Branch Union.

35.5 If the Branch Union and the employees are not satisfied with the outcome of the discussion with the Vice President-Technical, the Branch union may refer it to the Union. The Union may make a written submission to the Vice President-Technical with a copy to the Vice President Human Resources/Head of Human Resources of the employer in Colombo. If the Union is not satisfied with the written explanation given by the Vice President Technical or Vice President Human Resources/Head of Human Resources in Colombo, the Union may request for a discussion with the Vice President-Technical and the Vice President Human Resources/ Head of Human Resources

35.6 If the Union not satisfied with the outcome of the discussion with the Vice President Technical and the Vice President Human Resources/ Head of Human Resources, the Union may refer the matter to the Employer's Federation of Ceylon, who will endeavor to bring about an amicable settlement in the matter and, if desired, utilizing the offices of the Department of Labour.

35.7 In the event where the grievance or dispute is not resolved with the Employers' Federation of Ceylon, the matter by agreement shall be referred to an arbitrator or a panel of arbitrators jointly selected by the parties under section 3(1) (d) of the Industrial Disputes Act for settlement by arbitration if the parties fail to agree on an arbitrator or a panel of arbitrators such selection shall be made by the Commissioner of Labour. The decision and award of the arbitrator or the panel of arbitrators shall be final and binding on both parties.



35.8 In case the Employer or the Union is of the opinion that in view of importance of the dispute there in need for quick settlement of such grievance or dispute, either party may decide to refer the matter to the Employers' Federation of Ceylon, in which event the procedure to be followed shall be as laid down in 35.6 and 35.7

APPENDIX I

NESTLE LANKA PLC. - KURUNEGALA FACTORY  
INITIAL SALARY POINTS - ALL EMPLOYEES

GRADE	MINIMUM
Multi Skilled	Rs. 35,000.00 p. m.
Highly Skilled	Rs. 32,500.00 p. m.
Skilled	Rs. 30,000.00 p. m.
Semi-Skilled	Rs. 27,500.00 p. m.

APPENDIX II

NESTLE LANKA PLC.-KURUNEGALA FACTORY  
OVERTIME PAYMENT SCHEDULE

WORKED ON	OFFICE STAFF	OTHER INDUSTRIAL EMPLOYEES INCLUDING ENGINEERING TRADE & DRIVERS
Over Normal Working Hours	1 1/2 times the normal hourly rate.	1 1/2 times the normal hourly rate.
Weekly 1/2 holiday OR Short working day for the week	1-4 hrs @1 1/2 times 4 1/4 -9 hrs. @ 2 times Over 9 hrs. @ 3 times & 1/2 day's pay for work over 4hrs	Over 4 hrs. @ 1 1/2 times
Weekly holiday	1-4 hrs. 1 day's salary + 1/2 day's salary OR 1/2 day's lieu leave. 4 1/4 -9 hrs. 2 day's Salary + 1 day's salary OR 1 day's lieu leave Over 9 hrs. 3 days salary + 1 day's salary OR 1 day lieu leave.	1-4 hrs. @ 1 1/2 times + 1/2 day's salary 4 1/4 -8 1/2 hrs. @ 1 1/2 times + 1 day's Salary.* Over 8 1/2 hrs. @3 times + 1 day's salary. • Engineering trade employees for Sunday work, one day alternate holiday or 1 day's salary.
Statutory Holiday	1-4 hrs. 1 day's salary + 1/2 day's salary OR 1/2 day's lieu leave 4 1/4 -9 hrs 2 day's salary +1 day's salary OR 1 day lieu leave	1-4 hrs. @1 1/2 times+ 1/2 day's salary. 4 1/4 -8 1/2 hrs. @ 1 1/2 times+ 1 day's salary.
Poya day	2 1/2 times the normal Hourly rate.	2 1/2 times the normal Hourly rate.

The above overtime payments are in addition to the monthly salary.

No overtime should be paid for Lunch / Dinner breaks.

Normal Hourly Rate = Salary / 240

IN WITNESS WHEREOF THE parties aforesaid have hereunto set their hands at The Employers' Federation of Ceylon, 385 J3 B62, Sri Jayawardenepura Kotte JASON AVANCENA, Managing Director of NESTLE LANKA PLC., KUMUDU DIAS, Vice president - Finance & Control of NESTLE LANKA PLC., PIERRE-EMMANUEL MORIN, VICE PRESIDENT - TECHNICAL of NESTLE LANKA PLC, DONA ENOCA SAMANTHI SIRIMANNE, Vice President - Human Resources, NESTLE LANKA PLC., have set their hands for and on behalf of the said Company on the 5th day of December, TWO THOUSAND AND TWENTY TWO.

  
 JASON AVANCENA  
  
 PIERRE-EMMANUEL MORIN

  
 KUMUDU DIAS  
  
 DONA ENOCA SAMANTHI  
 SIRIMANNE

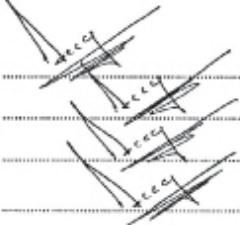
Witness to the signatures of the said,

JASON AVANCENA

KUMUDU DIAS

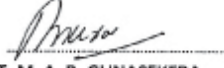
PIERRE-EMMANUEL MORIN

DONA ENOCA SAMANTHI SIRIMANNE



IN WITNESS WHEREOF THE parties aforesaid have hereunto set their hands at The Employers' Federation of Ceylon, 385 J3 B62, Sri Jayawardenepura Kotte Wasantha Samarasinghe, General Secretary, the Inter Company Employees' Union, T.M.A.R. Gunasekera, President, Inter Company Employees' Union, NESTLE LANKA PLC. Kurunegala Factory Branch Union, W.I.R. Kumara, Secretary, Inter Company Employees' Union, NESTLE LANKA PLC. Kurunegala Factory Branch Union, have set their hands for and on behalf of the said Union on the 5th day of December, TWO THOUSAND AND TWENTY TWO.

  
 WASANTHA SAMARASINGHE  
  
 W. I. R. KUMARA

  
 T. M. A. R. GUNASEKERA

Witness to the signatures of the  
WASANTHA SAMARASINGHA

T. M. A. R. GUNASEKERA

W. I. R. KUMARA



**THE INDUSTRIAL DISPUTES ACT, CHAPTER 131**

THE Collective Agreement entered into between Bata Shoe Company of Ceylon Ltd, No. 100, Gen. Sir John Kotalawala Road, Ratmalana of the one part and the Wanija Ha Karmika Sewaka Sangamaya, No. 17, Barracks Lane, Colombo 02 of the other part on 23rd May 2022 is hereby published in terms of Section 06 of the Industrial Disputes Act, Chapter 131, of the Legislative Enactment of Ceylon (Revised Edition 1956).

B. K. PRABATH CHANDRAKEERTHI,  
Commissioner General of Labour.

Department of Labour,  
Labour Secretariat,  
Colombo 05.  
20th July, 2023.

**Collective Agreement No. 14 of 2022**

This Collective Agreement made 23rd May 2022, pursuant to the Industrial Disputes Act between THE BATA SHOE COMPANY OF CEYLON LIMITED, having its registered office at No 100, General Sir John Kotalawala Road, Ratmalana (hereinafter referred to as "the Company") of the ONE PART and the WANIJA HA KARMIKA SEWAKA SANGAMAYA, a Trade union duly registered under the provisions of the Trade Unions Ordinance and having its registered office at No. 17 Barracks Lane, Colombo 02. (hereinafter referred to as "the Union") of the OTHER PART witnessed and it is hereby agreed between the parties as follows:

**TITLE**

This Agreement shall be known and referred to as  
THE BATA MANUAL AND LABOUR WORKFORCE  
COLLECTIVE AGREEMENT 2021

**PART - 1**

CONTAINING TERMS AND CONDITIONS OF EMPLOYMENT AND MATTERS INCIDENTAL  
THERE TO OR CONNECTED THEREWITH

**1. *Employees to be Covered and Bound.***

This agreement shall cover and bind only members of the union who are employed in a manual or laboring capacity by the company, but will not be applicable to employees employed in such capacities who are on probation or are employed by the day or by the job or by the journey.

**2. *Date of Operation and Duration.***

This Agreement shall be effective as from the first day of January 2021 until 31st December 2023.

**3. *Authorised Version.***

In the event of any dispute regarding the interpretation of this Agreement as between the English and Sinhala versions, the English version shall prevail.

**4. *Matters Covered and Variation of Terms and Conditions of Employment or Benefits.***

- a. This Agreement shall be in full and final settlement of all matters covered herein and in the event of any conflict or inconsistency between matters provide for in this Agreement and any pre-existing terms of practices, the terms of this Agreement shall prevail.
- b. The Union and its members shall not, during the continuance in force of this Agreement, seek to vary, alter or add to all or any of the terms and conditions of employment or benefits presently applicable to or enjoyed by any of the employees covered and bound by this Agreement, whether such terms and conditions are provided for in this Agreement or otherwise, other than by mutual Agreement.
- c. The Company agrees that during the continuance in force of this Agreement it shall not vary, alter or withdraw all or any of the benefits presently enjoyed by the employees covered and bound by this Agreement other than by mutual agreement, except to the extent that such benefits have been modified by the terms of this Agreement.
- d. Any dispute or difference under the provisions of sub-clause (b) or (c) but excluding a dispute arising from the termination of the services of an employee may be resolved by voluntary arbitration only if both parties to this Agreement agree to submit such dispute or difference for settlement by voluntary arbitration. In the event of either party not agreeing to voluntary arbitration no application shall be made by either party to have any dispute referred for settlement under Section 4(1) or (2) of the Industrial Disputes Act 1950 (as amended) in relation to any matter referred to in sub-clause (b) and (c) except a dispute arising from the termination of the service of any employee.

**5. *Standing Orders.***

On any matter not expressly provided in this Agreement, the employee shall be bound by the Standing Orders and Rules of the Company in force from time to time and such Standing Orders and Rules shall be deemed to form a part and partial of the contracts of employment of each employee.

**6. *Wages.***

(i)

- a. The Company will continue to pay by results according to the prevailing system of standard production wage basis which contains incentives for employees and as from the first day of January 2021 shall pay in terms of Schedule A hereto.

- b. All standard production wages are determined by the Company using scientific work study methods and it is agreed that all such figures and the Company standard production wages rates shall be treated at all times as Company's confidential information which shall not be divulged to outsiders.
  - c. As all standard production wages have been determined with reference to the present methods of work, present machinery and equipment, the same may be changed by the Company when there is a change in the content of work, in machinery, material used, in equipment, in work layout, supply of work handled or other circumstances under which the employee can deliver the required output.
  - d. When an employee is put on a new operation, the employee affected will be guaranteed his past average earnings for the next four weeks during which period the employee is required to achieve the standard output as per training program. The past average earnings mean : earnings for the last four weeks immediately preceding, excluding overtime and other extra payments. If the earnings are below his minimum basic wage he will be paid between the Minimum and the Maximum as an average.
  - e. Employees who as at the date of this Agreement are on weekly fixed wage Scales, shall as from the first day of January 2021 be paid on the wages scales set out in schedule B hereto.
  - f. Employees who as at the date of this Agreement are on monthly fixed wage scales shall as from the first day of January 2021 be paid on the wages scales set out in schedule C hereto. Employees in the Engineering Grade who as at the date of this Agreement are on monthly fixed wage scales shall as from the first day of January 2021 be paid on the wage scales set out in Schedule D hereto with the relevant conditions laid in the Schedule DD.
  - g. If as a result of power failure, machine breakdown or absenteeism which is not the direct or indirect result of the action or conduct of any employee or an employee on standard production wages or otherwise is unable to achieve his basic minimum wage, his earnings will be made up to his daily minimum basic wage. The Company shall guarantee basic minimum wage, except in the event of trade union action, such as strikes or go-slow, refusal to work, disrupting work whether such action is on written notification or otherwise and the employees in such situations will only be entitled to a basic minimum wage calculated up to the actual number of hours they have worked.
  - h. Every employee is expected to achieve the Standard Output in terms of the Standard Production Minutes System which is part and partial of the contract of employment.
- (ii)
- a. To correct any incorrect standard production minutes of any operation, prevailing at present, the Company will use work study methods to establish Standard Production Minutes. In the event of the established Standard Production Minutes cannot be achieved with the combined or single operations, with maximum production done in that department so far, the maximum production done in that department or other department for same or similar operations will be considered to establish standard production minutes.
  - b. All employees, if they so wish will be allowed to earn up to 120% standard production wage basic.
  - c. In the event of an employee earning over 120% of standard production wage basis he/she shall not be entitled to any payment for production over the 120% limit and the standard production minutes of the operation will be identified by the Company to be wrongly established. The Company shall re-study such operations with the view to establishing and implementing correct standard production minutes.

- d. The above shall constitute the usual production process in the Company and not be subject to any negotiation or review in future.
- e. It is agreed between parties that with the wages and production process being amended as aforesaid the red circle rates will be eliminated.

(iii) *Shift Allowance*

- a. The shift allowance payable to employees who work on shifts shall be as follows according to their earnings for the shifts.
  - 1<sup>st</sup> Year 20%
  - 2<sup>nd</sup> Year 20%
  - 3<sup>rd</sup> year 22.50%
- b. Earnings for this purpose shall mean an employee's earnings in terms of Schedules A, B, C and D hereof as the case may be.
- c. The Company will be provided a cup of Nestomalt and Breakfast to first shift (6.00 am to 2.00 pm) before they commence work.

7. *Non-Recurring Cost of living Gratuity.-*

- a. Each employee covered and bound by this Agreement shall be paid a Non- Recurring Cost of Living Gratuity in April each year in respect of the Preceding twelve months (1st April to 31st March hereinafter referred to as the "Qualifying period") commencing from April ascertained in accordance with the under-noted formula:

The Formula

If the average of Colombo Consumer Price index figure for the qualifying period exceeds 2000.0 points in the first year, second year and third year in the case of employees paid in accordance with Schedule 'A' and 2100.0 points in the first year, second year and the third year in the case of employees paid in accordance with schedules B, C & D a sum computed at Rupees 2/- (Two) for each completed point (*i.e.* 1.0).

- b. The Non-Recurring Cost of Living Gratuity shall also be payable to an employee who is in employment only during part of the qualifying period either by virtue of the fact that he joins the Company's services during the qualifying period or is not in the Company's services when the Non -Recurring Cost of Living Gratuity becomes payable in April of any year. In the case of such employees their Non-Recurring Cost of Living Gratuity shall be calculated on the basis of Rupees Two (Rs. 2/-) for each completed point by which the average exceeds the base index figure 2000.0 first year second year and third year or 2100.0 first year, second year, and third year during the months in which such employees were in employment.
- c. Provided that in the event the Government of Sri Lanka discontinuing the publication CCPI figures ,parties agreed to meet to discuss the basis on which this payment could be continued.

8. *Casual Leave.-*

- a. An employee covered by this Agreement shall, in respect of each year of Employment, during which he has been continuously in employment, will be entitled to take on account of private business or other reasonable cause,

including ill health if the employee entitlement of sick leave has been fully utilized, seven day's casual leave with remuneration.

- b. Not more than two day's casual leave shall be taken on consecutive days at any time except where such leave is on the grounds of ill health. Any casual leave availed of on the ground of ill health shall be subject to the provisions relating to sick leave in this Agreement.
- c. No employee shall be entitled to casual leave immediately preceding or immediately following any period of annual leave.
- d. In respect of any employees first year of employment, excluding any period of probation, his casual leave shall be computed on the basis of one day for each completed period of two months service.
- e. Casual Leave will normally be granted on written application without the employee being required to state the reason for the application. Where the Company finds it difficult to grant an application for casual leave its 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 Company may decide whether it is reasonable in the circumstances to grant him casual Leave.
- f. An employee shall make his written application for casual leave 24 hours in advance else his absence will be unauthorized and will be without pay.

9. **Sick Leave.**—

- a. In any one year an employee shall be entitled to sick leave with remuneration not exceeding 21 days provided that:
  - i. his illness supported by a certificate from a registered medical practitioner and the leave is recommended by the Company Doctor; and
  - ii. The employee has been in the Company's service for not less than six months immediately preceding such leave.
- b. In the first year of employment an employee's sick leave entitlement shall be computed on the basis of two working days for each completed period of two months service.
- c. An employee substituting for another employee who is on maternity leave shall whenever necessary be re-assigned to the work he/she was performing before the assignment or work in a similar grade job on the return of the employee from maternity leave. On re-assignment of his/her previous job, the employee will be paid the standard production wage rates earned.
- d. An employee will be permitted to avail himself of Sick Leave unsupported by a Medical Certificate subject to the following provisions:
  - i. The period in respect of which such unsupported Sick leave will be allowed shall not exceed one day.
  - ii. The number of occasions on which such unsupported Sick Leave shall be allowed in any one year shall not exceed eight occasions.



- iii. Where an employee has on eight occasions in an year availed himself/herself of Sick Leave unsupported by a Medical Certificate, any further Sick Leave in that year shall be covered with a Medical Certificate and he shall inform the company of his inability to report for work before the end of his shift (other than third shift employee who shall inform of his inability to report for work before the end of the general shift immediately following) if this procedure is not followed either in respect the submission of a valid Medical Certificate or informing the Company as aforementioned, his absence will be unauthorized and will be without pay.

10. **Annual Leave.**—

- a. An employee will be entitled to annual leave in terms of the decisions of the Wages Board for the Tanning, Footwear and Leather Goods Manufacturing Trade subject to the sub-clause (b) hereunder.
- b. The Company shall be entitled to calendar 10 days of the said annual leave on consecutive working days during any year depending on the need to do so.
- c. The balance annual leave, if any, may be availed of by an employee at times convenient to both the employee and the Company by giving written 6 application for leave 24 hours in advance else his absence will be unauthorized and will be without pay.

11. **Holidays.**—

- a. The holiday with remuneration allowed each year shall be those listed in the Company's Standing Orders and Rules and/or prescribed by the Wages Board decision for the Tanning, Footwear and Leather Goods Manufacturing Trade.
- b. The Company will be entitled to call upon an employee to work on any such Holiday and the employee shall be liable to perform such work unless he/she furnished the Company with a reasonable excuse personal to him.

12. **Provident Fund.**—

- a. The Company shall contribute twelve percent (12%) and each employee eight percent (8%) of an employee's earnings each week or month, as the case may be, to the Provident Fund.
- b. Earnings" for this purpose shall mean only the earnings of an employee in terms of Schedule A, B, C, D and E hereto.

13. **Bonus.**—

- a. The Company will pay to each employee a Bonus equivalent to one and Half months (1 1/2) (1/12<sup>th</sup> of the Gross Earnings)
- b. In computing the Bonus Twelve Months period will be:
  - i. In case of weekly paid employees the 52 week ending with week 44 of the year in which the Bonus is paid.
  - ii In the case of monthly paid employees twelve months ending on 31st October of the year in which the Bonus is paid.
  - iii. For above calculation 1/12th of Provident Fund deductible income should be taken (excluding) overtime non-recurring cost of living gratuity, Night Shift Allowance and other extra payments.



- iv. The Union agrees that they shall not raise a dispute on the payment of any Bonus which is stated in the Collective Agreement.
- c. The Gross earnings, excluding overtime, Non-Recurring Cost of Living Gratuity and other extra payment for the 52 weeks period in the case of standard production wage earners will be computed thus:

All earnings for the bonus year less overtime, Non-Recurring Cost of Living Gratuity, Shift Allowance and other extra payments will be aggregated and divided by the total of the number of days in which the employee had actually worked and the number of days on which he had been on paid leave during the. bonus year. The portion will be a day's average earnings of the employee. Provided that if a day's average earnings of an employee is less than 1/16<sup>th</sup> of the Minimum Basic Wage, then the Minimum Basic Wage will be deemed to be a day's Average earnings of that employee for the purpose of computing bonus. The gross earnings for the bonus year will be a day's average earnings multiplied by the total number of days on which the employee had actually worked plus the number of days on which he had been on paid leave during the bonus year.

- d. Retiring Employees

it is Agreed to pay proportionate bonus, only for the retiring employee, if any employee served at least 9 months on her/his retirement Year. ( Weekly paid employee - week 31 and Monthly paid employee - 31<sup>st</sup> July)

#### 14. *Grievance Procedure.-*

- a. Any employee is free to make representations to the Management in respect of an individual grievance, dispute or other matter and the procedure for settling the same is as follows:
  - i. In the first instance, the matter shall be discussed with the department Supervisor.
  - ii. If the matter is not settled by the departmental Supervisor, the employee may then, together with a Branch Union Committee Member in the employee department, discuss the matter with the Group Supervisor who may, if he thinks it desirable, discuss the matter or refer same to the Factory Superintendent or Assistant Manager.
  - iii. In the event if the matter not being satisfactorily settled at stage (ii), the employee may together with a Branch Union representative discuss the matter with the Factory Manager.
  - iv. In the event if the matter not being satisfactorily settled at stage (iii), the matter may be submitted in writing to the Human Resources Manager.
  - v. In the event if the matter not being satisfactorily settled at stage (iv) the Branch Union may make an appeal to the Managing Director or his deputy in his absence.
  - vi. If no settlement is reached and the dispute related to any terms or Condition of employment or benefit, Clause 4 hereof shall apply.
- b. The Branch Union is free to make representations to the Management in respect of any grievance or other matter affecting the employees covered and bound by this Agreement generally and the procedure for settling the same shall be as follows:
  - i. The Branch Union shall submit the matter in writing to the Human Resources Manager for settlement.

- ii. In the event of the matter not being satisfactorily settled at stage (I) above, the Branch Union may make an appeal to the Managing Director.
- iii. In the event of there being no satisfactory settlement after following (ii) above, the Union may make representations to the Employer's Federation of Ceylon and thereafter to the Commissioner of Labour.
- iv. If notwithstanding of the above no settlement is reached and the dispute related to any term or condition of employment or benefit, whether covered by this Agreement or otherwise, Clause 4 hereof shall apply.

15. **Warnings and Communications.-**

- a. If in the opinion of the Company an offence warrants a warning the same shall be conveyed to the employee by a letter.
- b. An employee who refuses to accept receipt of a written communication by the Company shall be liable to disciplinary action.

16. **Purchase of Leave.-**

- a. In respect of 2021 and subsequent years the Company will pay each employee a sum of money representing one days basic minimum wage for each day of sick and casual leave not availed of by an employee, out of his sick and casual leave entitlement in respect of that year.
- b. This payment in respect of any particular year will be made on or before 31st January of the succeeding year.
- c. Notwithstanding the provisions of clause 9 hereof, where an employee has taken 14 days of his 21 days of Sick Leave, 25% of his Annual Bonus will be paid.

In according to above (16-c) -

If an employee has additional 7 days leave made up of both Sick and Casual totaling up to 14 days, will be paid 50% of his Annual Bonus.

17. **Retirement.-**

- a. On reaching the age of 60 years males and females employee shall ipso facto retire and cease to be employed and there shall be no obligation on the employer to give the employee any notice of retirement.
- b. For the purpose of determining the retirement age of an employee the date of birth as set out in the employee's Birth Certificate shall apply and, in its absence, the age shown in the National Identity Card. In the event of both the Birth Certificate and National Identity Card not being available the age as declared by the employee to the Company is the Official application form for employment shall determine the employee's age for the purpose of retirement.
- c. The Company may in its sole and absolute discretion offer temporary employment to an employee after his retirement on terms and conditions mutually agreed upon between the Company and the employee.

18. **Suspension.-**

- a. An employee may be suspended without pay by the Company.

- i. Pending an inquiry to be held by the Company on a charge or charges of Misconduct which warrants dismissal.
  - ii. In order to avoid a breach of the peace or damage to the property or disturbance of the business of the Company.
  - iii. As a punishment for misconduct for a period not exceeding seven (7) working days after due inquiry.
- b. At the time of suspension under sub-clause (a) (I) hereof or within twenty four (24) hours thereof, the Company shall provide the employee with a written order or letter of suspension specifying the reason for such suspension, and thereafter hold an inquiry into the charge or charges against him, if the Management considers it necessary to establish the guilt or innocence of the accused.
- c. If the Company after such inquiry makes order that:
- i. The employee shall not be dismissed, then the employee shall resume work forthwith and shall, subject to sub-clause (a) (iii) hereof be paid all wages and entitlements due during the period of suspension irrespective of any other punishment less than dismissal that may be imposed by the Company on the findings as to the charge or charges against the employee.
  - ii. The employee shall be dismissed, the employee's dismissal shall take effect as from the date of his suspension and accordingly he shall not be paid for the period of such suspension.
  - iii. In view of the seriousness involved in the nature of the charge or charges against the employee, the Company 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 the matter is therefore referred to the Police or other authorities or in view of the seriousness involved in the nature of the charge or charges preferred against the employee, the matter has been previously referred to the Police or other authorities for investigations or inquiries and that the outcome of such investigations or inquiries be awaited.
- then in either of such circumstances the employee shall be suspended without pay.
- d. If in any case where an employee is suspended as provided for herein the Company fails to make an order under paragraph (I) to (iii) of the preceding sub-clause for any reason other than that of the employees own seeking within thirty (30) working days from the date of the employees suspension, the employee shall be entitled to half his normal wages for the period of thirty (30) days from the date of such suspension and to his full wages for the period of suspension in excess of thirty (30) days up to the date on which the Company makes an order under paragraph (I) to (iii) of the preceding sub-clause, irrespective of the outcome of the inquiry.
- e. Suspension under sub-clause (a) (ii) hereof may continue for so long as the employees continuance in employment with or is likely to be undesirable to be prejudicial to the proper investigation of the charges or the employer carrying on his business.

**19. *Non Union Activities.***

The Union undertakes not to interfere in any of the following matters :

- a. Social functions organized by the Company
- b. Welfare services organized or sponsored by the Company
- c. Other activities which are directly or indirectly sponsored by the Company
- d. Matters that do not concern in membership

**20. Trade Union Action.-**

The Union and the employees covered and bound by the agreement agree that during the continuance of this Agreement or any renewal thereof, they shall not engage in any strike, go slow, boycott, demonstration or any other form of trade union or collective action in respect of any industrial dispute between the Company and the employees or the Company and the Union whether or not such dispute is related to this Collective Agreement.

**21. Overtime.-**

If required by the Company, an employee shall work reasonable overtime which has been authorized by the Company. Refusal to work reasonable overtime in the absence of a satisfactory explanation which is personal to the employee and an acceptable to the Company shall constitute misconduct for which the employee shall be liable to disciplinary action.

**22. Employees Transfers.-**

- a. The provisions of this clause shall apply only in the event of a transfer within a department or to another department arising in consequence of a reduction in production or the elimination of a particular operation thus resulting in excess staff on that particular operation.
- b. The term “ transfer” used herein shall have the meaning assigned to it in “a” above.
- c. Where the proposed transfer is for a period less than three months, the Company will first attempt to provide the employee with work in the same department and his production earnings will be paid.
- d. If the Company cannot find work for him in the same department on another operation he has performed earlier, the most junior Operator will be transferred to another department where his production earnings will be paid.
- e. If on a transfer within or outside his department he does not achieve his minimum basic wage, he will nevertheless be paid his minimum basic wages except in the event of a deliberate “go slow”.
- f. In the event of a transfer, the employee’s name, new operation and the period of his transfer must be submitted to the Personnel department using the relevant form for each employee.
- g. In the event of a permanent transfer of an employee from one operation to another operation the provisions of clause 6(d) of the Collective Agreement will apply.
- h. In effecting Transfers from one department to another.
  - i. The employee who is the most junior on the particular operation will be transferred irrespective of his service in the Company.
  - ii. Notwithstanding (a) above where an employee to be transferred on the guidelines set out in (a) above has a minimum of twenty-five years’ service in the same department, though not on the same job, he will not be transferred and will be offered anyone of the jobs he performed previously and the most junior person will be transferred instead.
  - iii Where due to the elimination of an operation an employee with a minimum of twenty five years of service in the same department is to be transferred, he will be given an alternative operation in the same department after a training program of four weeks, with an average payment If after the training program he is found unsuitable, he will be transferred elsewhere he can be provided with work.

**23. *Leave on Occasion of Death of Employee or Family Member.*–**

- a. In the event of the death of an employee in service, Company will donate LKR 115,000/-.
- b. In the event of the death of a confirmed employee in service, leave will be granted in the following manner for attendance at the funeral of such deceased employee.
  - i. Provided the distance to the place of the funeral is such that attendance at the funeral will require less than four hours, leave from work for a period not less than four hours will be granted to:
    - a. Employee in the general shift in the department in which the deceased employee worked.
    - b. An employee from each department
    - c. Three branch union officials, and
    - d. An officer from Death Relief Society

To attend such funeral without loss of pay provided however that if employees other than those specifically identified above also attend the funeral during working hours such employees shall cover up for the work time lost on this account on another day within a week without any claim for additional payment by way of overtime or otherwise.

- ii. In the event of the place of the funeral being such that a period in excess of four hours is required for attendance, the Company will grant not less than nine hours of leave subject to the same conditions as given in (i) above.
  - iii. The question of distance of the place of a funeral will be decided by mutual Agreement between the Management and the Branch Union.
- c. Transport Facility - Company agrees to grant LKR 10,000/- as transport facility.
- d. In the event of a death of a family member of a confirmed employee, the employee of the department in which such employee is employed will be granted leave for a period depending on the distance of the place of the funeral but in any event not exceeding four hours which leave, such employees shall cover up by working in lieu without payment of overtime, on another day within a period of one week.
- e. For the purpose of (d) above, family member shall mean spouse, child, father, mother, mother-in-law, father-in-law and unmarried brothers and sisters under eighteen years of age.

**24. *Employees' Wedding.*–**

1/2 day leave will be granted to the respective department and employees. Such employee shall cover up for the work time loss on this account on any Saturday within two weeks without any claim for additional payment by way of overtime or otherwise.

**PART II**

**CONTAINING THE FACILITIES & CONCESSIONS GRANTED BY THE COMPANY TO THE UNION**

**25. *Union Meetings.*–**

1. The following provisions shall apply to meetings of the Branch Union.
  - a. In respect of each meeting which the Branch Union desired to hold at the Company's premises an application for

permission shall be previously made to the Company at least 24 hours prior to the date of the meeting.

- b. If the Company decides to grant permission, the Company shall be entitled to impose, inter alia, one or more of the undernoted conditions.
  - i. That no person other than an employee of the Company shall be present at a meeting of the Branch Union.
  - ii. On occasions when parent union officials are granted written permission to attend a branch union meeting, the Branch Union shall obtain the written approval of the Company, for such official or officials who is or are to attend the meeting and shall furnish his name or names, address or addresses and the official capacity or capacities or such person or persons in the parent union.
  - iii. On occasions, such as the annual general meeting of the Branch Union office bearers of the parent union may with previous approval of the Company shall attend.
  - iv. Fix a time limit within which a meeting of the Branch Union shall be concluded or adjourned.
- c. It shall be the duty of the Branch Union and its office bearers to ensure that the terms on which permission to hold a meeting of the branch union is granted are duly complied with.
- d. It shall be the duty of the Branch Union and its office bearers to ensure that no damage is caused in the course of or in connection with a meeting of the Branch Union to the Company's property or any person at the Company's premises and the Union shall indemnify the Company and keep the Company indemnified against any such damage.

2. The following provisions shall apply to meetings of the Executive Committee of the Union.

- a. Without prejudice to the right of the Company to refuse to grant permission if in its discretion the exigencies of the circumstances warrants permission or if in its discretion the exigencies of the circumstances warrants refusal, the Company will generally grant permission to three members of the Executive Committee, a day's leave for not more than one occasion, in a month without loss of salary for such absence if an application for permission to attend is made at least forty eight hours before the time appointed for holding the meeting of the executive committee.
- b. For the purpose of paragraph (a) above, the Union shall forthwith furnish the Company with a list of the employees covered and bound by the Agreement who are members of the Executive Committee and keep the Company informed of all changes therein which may be made from time to time. Subject to the amendments contained in this Agreement, the order of provisions contained in the original Collective Agreement shall continue to be in force.

26. **Duty Leave.-**

Without prejudice to the right of the Company to refuse to grant permission if in its discretion the exigencies of the circumstances warrant refusal, the Company will generally grant permission for not more than three office bearers of the Branch Union.

- a. To be present at conferences held under the aegis of the Company or the Employees Federation of Ceylon or the Department of Labour in connection with a dispute between the Branch Union and the Company, or
- b. To attend before Industrial Courts or Arbitrators at the sole discretion of the Company.

In respect of such absence office bearers shall receive their minimum basic wage.

**27. Domestic Inquiries.-**

- i. An employee in respect of whom a domestic inquiry is held in respect of charges framed against him shall be entitled to request that a member of the Union be present as an observer at the domestic inquiry.
- ii. The employee shall, at least 48 hours before the time appointed for the commencement of the inquiry, submit to the Company the name of such observer, and the Company shall allow an observer unless in the opinion of the Company the exigencies of business warrant refusal.
- iii. 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 or otherwise partake in the inquiry.
- iv. The person who conducts an inquiry shall be entitled to require an observer who obstructs such inquiry in any manner whatsoever to withdraw there from an observer shall forthwith comply with such requirement.
- v. The absence of an observer from the whole or any part of an inquiry for any reason whatsoever shall not vitiate such inquiry, nor the proceedings thereat, nor the findings pursuant thereto.

**28. Check Off.-**

- i. During the continuance in force of this Collective Agreement and provided the Union has not less than 40 percent membership among the employees covered and bound by this Agreement, the Company shall on the written request of an employee deduct every month from the wages due to such employees the current Union dues as specified by the employees to be payable by the employee to the Union and remit the amount so deducted to the Union in accordance with the procedure and upon the subject to the conditions hereinafter set forth.
- ii. Every employee who agrees to the deduction of Union dues from his earnings shall sign a statement to that effect in the form set out in form no. 1 in Schedule F hereto and hereinafter referred to as "an authorization".
- iii. Every employee shall be entitled to withdraw his agreement for check-off at any time by signing a statement to that effect in the form set out in form No. 2. In Schedule F hereto and hereinafter referred to as "a revocation".
- iv. As far as practicable deductions under an authorization 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.
- v. 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 Company shall not be liable in any manner whatsoever to the Union of the employee concerned for failure to comply with sub-clause (iv) or (v).
  - b. That in its discretion the Company shall be entitled not to make deductions by way of check-off for any period in which the deductions by way of check-off together with all other deductions from the employee's wages exceed the deductions permitted by law.
- vi. The Company shall not later than the fifteenth day of the month succeeding the month in which deductions have been made remit the Union dues deducted from the wages of the employees to the Treasurer of the Union in accordance with the tenor of such authorization by a cheque payable to the Treasurer thereof and crossed "account payee".



- vii. The cheque shall be sent at the risk of the Union and the employees concerned by post in a pre-paid envelope addressed to the Treasurer of the Union at its address for the time being.
- viii. The Treasurer of the Union shall promptly acknowledge receipt of the cheque.
- ix. The Company shall not be liable to pay to the Union or to the Treasurer on its behalf as aforesaid any sum other than the Union dues actually deducted.

29. ***Breaches of the Agreement by the Union And/Or its members.-***

If in the opinion of the Employees Federation of Ceylon the Union or its members have committed a breach of this Agreement then in any such event the Union shall cease to be entitled to enjoy the facilities and concessions granted by the Company in Part II of the Agreement and the same shall stand withdrawn without prejudice to the Company's right to restore such facilities and concessions upon such terms and conditions as the Company and the Employer's Federation of Ceylon may decide.

30. ***Cessation of Facilities.-***

The facilities and concessions in Part II of this Agreement shall *ipso facto* cease on the termination of this Agreement.

**PART III**

**CONTAINING DEFINITION OF CERTAIN WORDS**

In part I and II of this Agreement unless excluded by the subject of context the following words shall have the meaning set opposite to them.

WORDS	MEANING
Branch Union	the Branch Union of the Wanija Ha Karmika Sewaka Sangamaya in the Company.
Dispute	Shall have the same meaning as an Industrial Dispute in the Industrial Disputes Act (1950) as amended or in any act enacted by the National State Assembly to replace the Industrial Disputes Act subject to the provision that it shall not include a dispute involving the variation of this Collective Agreement or one which is in breach of it.
Union	the Wanija Ha Karmika Sewaka Sangamaya.
Employee	An employee covered and bound by this Agreement. Words importing the masculine gender shall include the feminine. Words importing the singular number shall include the plural and vice Versa.



1. IN WITNESS WHEREOF the parties aforesaid have hereunto set their hand at Colombo, CLIVE RODRIGO Country Manager/ Managing Director of Bata Shoe Company of Ceylon Limited, THALAKOTUNAGE CHAMILA PADMINIE DE SILVA, Human Resources Manager of Bata Shoe Company of Ceylon Limited, have set their hands for and on behalf of the said Company on the 23rd Day of May of Two Thousand and Twenty Two.
2. PRAVEEN WIJESINGHE, Finance Manager of Bata Shoe Company of Ceylon Limited witness to the signature of the said CLIVE RODRIGO and THALAKOTUNAGE CHAMILA PADMINI DE SILVA
3. IN WITNESS WHEREOF the parties aforesaid have hereunto set their hand at Colombo, PRASAD DE SILVA, Assistant Director General Of Employers' Federation Of Ceylon, his hand for and on behalf of the said Company, on the 23rd day of May Two Thousand and Twenty Two.
4. IN WITNESS WHEREOF the parties aforesaid have hereunto set their hand at Colombo, SURANJAYA AMARASINGHE, Secretary, Wanija Ha Karmika Sewaka Sangamaya, has set his hand for and on behalf of the said Union, on the 23rd day of May of Two Thousand and Twenty Two.
5. Witness to the signature of the said SURANJAYA AMARASINGHE.
6. IN WITNESS WHEREOF the parties aforesaid have hereunto set their hand at Colombo, RANASINGHE ARACHCHIGE VINIL, President, Bata Branch of the Wanija Ha Karmika Sewaka Sangamaya, W P J N S FERNANDO Secretary of Bata Branch of the Wanija Ha Karmika Sewaka Sangamaya, have set their hands for an on behalf of the said Union on the 23rd day of May of Two Thousand and Twenty Two.
7. Witness to the signature of the said RANASINGHE ARCHCHIGE VINIL. and W P J N S FERNANDO

  
CLIVE RODRIGO

  
T C P DE SILVA

  
PRAVEEN WIJESINGHE

  
PRASAD DE SILVA

  
S AMARASINGHE

  
S ARULINGAM

  
R A VINIL

  
W P J N S FERNANDO

  
W A WIJEPALA

## SCHEDULE-A

### WEEKLY PIECE RATED SCALE ( NRCOLG INDEX - 2000 POINTS )

1ST YEAR EFFECTIVE FROM 2021.01.01 TO 2021-12-31

GRADES	01	02	03	04	05	06	07	08
MBW	6,558.11	6,455.72	6,355.44	6,256.81	6,160.14	6,065.27	5,971.93	5,880.03
SPWB	8,722.29	8,586.10	8,452.74	8,321.56	8,192.98	8,066.81	7,942.67	7,820.44

### WEEKLY PIECE RATED SCALE ( NRCOLG INDEX - 2000 POINTS )

2ND YEAR EFFECTIVE FROM 2022.01.01 TO 2022-12-31

GRADES	01	02	03	04	05	06	07	08
MBW	7,082.76	6,972.18	6,863.88	6,757.35	6,652.95	6,550.49	6,449.69	6,350.43
SPWB	9,420.07	9,272.99	9,128.96	8,987.28	8,848.42	8,712.15	8,578.09	8,446.08

## WEEKLY PIECE RATED SCALE (NRCOLG INDEX - 2000 POINTS )

3RD YEAR EFFECTIVE FROM 2023.01.01 TO 2023.12.31

GRADES	01	02	03	04	05	06	07	08
MBW	7,649.38	7,529.95	7,412.99	7,297.94	7,185.18	7,074.53	6,965.66	6,858.47
SPWB	10,173.68	10,014.83	9,859.27	9,706.26	9,556.29	9,409.12	9,264.33	9,121.76

## SCHEDULE B

## WEEKLY FIXED WAGES (NRCOLG INDEX - 2100 POINTS )

1ST YEAR EFFECTIVE FROM 2021.01.01 TO 2021.12.31

	A SKILL	B SEMISKILL	C UNSKILL
1.	5998.13	5923.69	5880.04
2.	6052.27	5964.22	5915.12
3.	6106.34	6004.79	5950.28
4.	6160.41	6045.24	5985.38
5.	6214.50	6085.71	6020.47
6.	6268.67	6126.34	6055.58
7.	6322.73	6167.47	6090.67
8.	6376.83	6207.44	6125.76
9.	6431.01	6248.03	6160.83
10.	6485.06	6288.51	6195.99
11.	6539.14	6329.08	6231.04
12.	6593.26	6369.54	6266.21
13.	6647.41	6410.06	6301.35
14.	6701.45	6450.67	6336.46
15.	6755.54	6491.18	6371.59
16.	6809.61	6531.74	6406.67
17.	6863.69	6572.31	6441.79
18.	6917.87	6612.90	6476.88
19.	6972.00	6653.39	
20.	7026.05	6694.07	
21.	7080.18	6734.63	
22.	7134.27		
23.	7188.35		
24.	7242.45		
25.	7296.60		
26.	7350.69		
27.	7404.73		
28.	7458.88		
29.	7512.96		
30.	7567.04		

**SCHEDULE B**

WEEKLY FIXED WAGES (NRCOLG INDEX - 2100 POINTS )

2ND YEAR EFFECTIVE FROM 2022.01.01 TO 2022.12.31

	A SKILL	B SEMISKILL	C UNSKILL
1.	6477.98	6397.58	6350.44
2.	6536.45	6441.36	6388.33
3.	6594.85	6485.17	6426.30
4.	6653.24	6528.86	6464.21
5.	6711.66	6572.57	6502.11
6.	6770.17	6616.45	6540.03
7.	6828.55	6660.87	6577.92
8.	6886.98	6704.03	6615.82
9.	6945.49	6747.87	6653.70
10.	7003.87	6791.59	6691.67
11.	7062.27	6835.41	6729.53
12.	7120.72	6879.10	6767.51
13.	7179.20	6922.86	6805.45
14.	7237.57	6966.73	6843.37
15.	7295.99	7010.47	6881.32
16.	7354.38	7054.28	6919.20
17.	7412.79	7098.09	6957.13
18.	7471.30	7141.94	6995.03
19.	7529.76	7185.67	
20.	7588.13	7229.59	
21.	7646.59	7273.40	
22.	7705.01		
23.	7763.42		
24.	7821.85		
25.	7880.33		
26.	7938.75		
27.	7997.10		
28.	8055.59		
29.	8113.99		
30.	8172.40		

**SCHEDULE B**

WEEKLY FIXED WAGES (NRCOLG INDEX - 2100 POINTS )

3RD YEAR EFFECTIVE FROM 2023.01.01 TO 2023.12.31

	A SKILL	B SEMISKILL	C UNSKILL
1.	6996.22	6909.39	6858.47
2.	7059.37	6956.67	6899.40
3.	7122.44	7003.98	6940.41
4.	7185.50	7051.17	6981.35
5.	7248.59	7098.37	7022.27
6.	7311.78	7145.76	7063.23
7.	7374.83	7193.74	7104.16
8.	7437.94	7240.36	7145.08
9.	7501.12	7287.70	7186.00
10.	7564.18	7334.92	7227.00
11.	7627.26	7382.24	7267.89
12.	7690.38	7429.43	7308.91
13.	7753.54	7476.69	7349.89
14.	7816.57	7524.07	7390.84
15.	7879.67	7571.31	7431.82
16.	7942.73	7618.62	7472.74
17.	8005.81	7665.94	7513.70
18.	8069.00	7713.29	7554.63
19.	8132.15	7760.52	
20.	8195.18	7807.96	
21.	8258.32	7855.27	
22.	8321.41		
23.	8384.49		
24.	8447.60		
25.	8510.75		
26.	8573.85		
27.	8636.87		
28.	8700.03		
29.	8763.11		
30.	8826.19		

**SCHEDULE C**

MONTHLY FIXED SCALE ( NRCOLG INDEX - 2100 POINTS)

1ST YEAR EFFECTIVE FROM 2021.01.01 TO 2021.12.31

	A SKILL	B SEMI SKILL	C UNSKILL
1.	25815.94	25498.22	25308.93
2.	26048.52	25672.72	25460.27
3.	26281.00	25846.95	25611.25
4.	26513.55	26021.57	25762.26
5.	26746.03	26195.73	25913.56
6.	26978.59	26370.28	26064.88
7.	27211.09	26544.58	26215.77
8.	27443.65	26719.08	26367.11
9.	27676.09	26893.29	26518.07
10.	27908.66	27067.83	26669.42
11.	28141.20	27242.11	26820.39
12.	28373.68	27416.67	26971.73
13.	28606.23	27591.20	27122.64
14.	28838.76	27765.45	27273.94
15.	29071.25	27939.66	27424.92
16.	29303.81	28114.23	27575.93
17.	29536.40	28288.79	27727.26
18.	29768.84	28463.33	27878.56
19.	30001.38	28637.92	
20.	30233.87	28812.45	
21.	30466.43	28987.03	
22.	30698.95		
23.	30931.50		
24.	31163.95		
25.	31396.53		
26.	31629.06		
27.	31861.54		
28.	32094.08		
29.	32326.62		
30.	32559.10		

**SCHEDULE C**

MONTHLY FIXED SCALE ( NRCOLG INDEX - 2100 POINTS)

2ND YEAR EFFECTIVE FROM 2022.01.01 TO 2022.12.31

	A SKILL	B SEMISKILL	C UNSKILL
1.	27881.21	27538.08	27333.64
2.	28132.40	27726.54	27497.09
3.	28383.48	27914.71	27660.15
4.	28634.63	28103.29	27823.24
5.	28885.71	28291.38	27986.64
6.	29136.87	28479.91	28150.07
7.	29387.98	28668.15	28313.03
8.	29639.14	28856.61	28476.48
9.	29890.18	29044.75	28639.51
10.	30141.35	29233.26	28802.97
11.	30392.49	29421.48	28966.02
12.	30643.58	29610.00	29129.47
13.	30894.73	29798.50	29292.45
14.	31145.86	29986.69	29455.86
15.	31396.95	30174.83	29618.91
16.	31648.12	30363.37	29782.01
17.	31899.31	30551.89	29945.44
18.	32150.35	30740.40	30108.84
19.	32401.50	30928.95	
20.	32652.58	31117.45	
21.	32903.74	31306.00	
22.	33154.86		
23.	33406.02		
24.	33657.07		
25.	33908.25		
26.	34159.39		
27.	34410.46		
28.	34661.61		
29.	34912.75		
30.	35163.82		

**SCHEDULE C**

MONTHLY FIXED SCALE ( NRCOLG INDEX - 2100 POINTS)

3RD YEAR EFFECTIVE FROM 2023.01.01 TO 2023.12.31

	A SKILL	B SEMISKILL	C UNSKILL
1.	30111.71	29741.13	29520.34
2.	30382.99	29944.67	29696.86
3.	30654.16	30147.88	29872.96
4.	30925.40	30351.56	30049.10
5.	31196.57	30554.69	30225.57
6.	31467.82	30758.30	30402.07
7.	31739.02	30961.60	30578.8
8.	32010.27	31165.14	30754.60
9.	32281.39	31368.33	30930.67
10.	32552.66	31571.92	31107.21
11.	32823.89	31775.19	31283.30
12.	33095.07	31978.80	31459.82
13.	33366.30	32182.38	31635.84
14.	33637.53	32385.62	31812.33
15.	33908.70	32588.82	31988.43
16.	34179.97	32792.43	32164.57
17.	34451.26	32996.04	32341.08
18.	34722.38	33199.63	32517.55
19.	34993.61	33403.27	
20.	35264.79	33606.84	
21.	35536.04	33810.48	
22.	35807.25		
23.	36078.50		
24.	36349.63		
25.	36620.91		
26.	36892.14		
27.	37163.30		
28.	37434.53		
29.	37705.77		
30.	37976.93		

**SCHEDULE D**

MAINTAINANCE DEPT - MONTHLY FIXED SCALE (NRCOLG INDEX - 2100 POINTS)

1ST YEAR EFFECTIVE FROM 2021.01.01 TO 2021.12.31

	A SKILL	B SEMISKILL	C UNSKILL	PROB
1.	29910.35	27935.66	25308.93	16000.00
2.	30685.47	28319.81	25504.39	
3.	31460.56	28710.70	25699.86	
4.	32235.61	29094.83	25895.40	
5.	33010.64	29485.76	26084.06	
6.	33785.76	29869.90	26279.53	
7.	34560.85	30260.89	26474.97	
8.	35335.95	30645.04	26670.41	
9.	36110.95	31035.91	26859.17	
10.	36886.05	31420.12	27054.58	
11.	37661.13	31811.00	27249.99	
12.	38436.21	32195.20	27447.62	
13.	39211.27	32586.09	27634.24	
14.	39986.33	32970.25	27829.64	
15.	40761.46	33361.18	28025.12	
16.	41536.50	33745.29	28220.11	
17.	42311.58	34129.48	28409.27	
18.	43086.70	34513.63	28604.74	
19.	43861.73	34897.79		
20.	44636.82	35281.97		
21.	45411.89	35666.21		
22.	46186.98			
23.	46962.04			
24.	47737.16			
25.	48512.19			
26.	49287.34			
27.	50062.41			
28.	50837.50			
29.	51612.60			
30.	52387.69			



**SCHEDULE D**

MAINTAINANCE DEPT - MONTHLY FIXED SCALE (NRCOLG INDEX - 2100 POINTS)

2ND YEAR EFFECTIVE FROM 2022.01.01 TO 2022.12.31

	A SKILL	B SEMISKILL	C UNSKILL	PROB
1.	32303.18	30170.51	27333.64	16000.00
2.	33140.31	30585.40	27544.74	
3.	33977.40	31007.56	27755.84	
4.	34814.46	31422.41	27967.03	
5.	35651.49	31844.62	28170.79	
6.	36488.62	32259.50	28381.89	
7.	37325.72	32681.76	28592.96	
8.	38162.82	33096.64	28804.04	
9.	38999.83	33518.78	29007.91	
10.	39836.94	33933.73	29218.94	
11.	40674.02	34355.88	29429.99	
12.	41511.11	34770.81	29643.43	
13.	42348.17	35192.98	29844.97	
14.	43185.24	35607.87	30056.01	
15.	44022.38	36030.07	30267.13	
16.	44859.42	36444.92	30477.72	
17.	45696.51	36859.83	30682.01	
18.	46533.64	37274.72	30893.12	
19.	47370.67	37689.61		
20.	48207.76	38104.53		
21.	49044.84	38519.51		
22.	49881.94			
23.	50719.01			
24.	51556.14			
25.	52393.17			
26.	53230.32			
27.	54067.41			
28.	54904.50			
29.	55741.61			
30.	56578.70			

**SCHEDULE D**

MAINTAINANCE DEPT- MONTHLY FIXED SCALE (NRCOLG INDEX - 2100 POINTS)

3RD YEAR EFFECTIVE FROM 2023.01.01 TO 2023.12.31

	A SKILL	B SEMISKILL	C UNSKILL	PROB
1.	34887.43	32584.16	29520.34	16000.00
2.	35791.53	33032.23	29748.32	
3.	36695.59	33488.16	29976.31	
4.	37599.62	33936.21	30204.39	
5.	38503.61	34392.18	30424.45	
6.	39407.71	34840.26	30652.44	
7.	40311.77	35296.30	30880.40	
8.	41215.85	35744.37	31108.36	
9.	42119.82	36200.28	31328.54	
10.	43023.89	36648.43	31556.46	
11.	43927.94	37104.36	31784.39	
12.	44832.00	37552.48	32014.91	
13.	45736.02	38008.42	32232.57	
14.	46640.06	38456.50	32460.49	
15.	47544.17	38912.48	32688.50	
16.	48448.18	39360.51	32915.94	
17.	49532.23	39808.62	33136.57	
18.	50256.33	40256.69	33364.57	
19.	51160.32	40704.78		
20.	52064.38	41152.89		
21.	52968.43	41601.07		
22.	53872.49			
23.	54776.53			
24.	55680.63			
25.	56584.62			
26.	57488.75			
27.	58392.80			
28.	59296.86			
29.	60200.93			
30.	61105.00			

**SCHEDULE - DD**

**STEPS FOR WAGES STRUCTURE FOR ENGINEERING DEPT**

1. An unskilled worker seeking a promotion to the semiskilled grade should have served a minimum of 5 years in the unskilled grade and have during this period attended a practical course of training in one of the Technical Colleges and his basic grade course duration should be a minimum of 6 months (part time ). Further he should satisfy that he has gathered sufficient knowledge.

or

A Person has to stay a Minimum of 10 years in unskilled grade and prove to the satisfaction of his supervisors of his capabilities for promotion from unskilled to semiskilled.

2. A Semiskilled worker seeking a promotion, should have worked a minimum of 07 years as a semiskilled worker and satisfy his superiors his capabilities handling skilled work.

Further he should have suitable technical qualifications covering his Trade obtained from a Technical College and should be conversant in reading manuals, catalogues, etc., in his trade.

3. Trade Learners and Apprentices should have followed a full time course in their respective field a period not less than 3 years. After a period of one year they will be entitled to go to a semiskilled grade provided they satisfy their superior of their capabilities.

**SCHEDULE - E**

The Company shall pay to each of the standard production wages rated employee covered and bound by this Agreement an annual long service award commencing in December 1991 and thereafter in December of each succeeding year during the continuance in force of this Agreement. Provided, however, that such Long Service Award shall not be payable to any employee who has not completed a full calendar year's service. The Long Service Award shall be paid in accordance with the scales set out below and such award shall be deemed to be part of wages only for the purpose of computing the bonus referred to in Clause 13 of this Agreement and Provident fund Contributions.

**YEARS OF SERVICE**

**LONG SERVICE AWARD**

1-5 Years	LKR. 700/-
6 - 10 years	LKR. 850/-
11 - 15 years	LKR. 1100/-
16 - 20 years	LKR. 1300/-
21- 25 years	LKR. 1,550/-
26 years and above	LKR. 2,000/-

### Memorandum of Settlement

entered into under the  
Provisions of the Industrial Disputes Act No. 1950 (as amended)

Between

**Bata Shoe Company of Ceylon Limited**  
(Hereinafter referred to as "The Company")

And

**The Commercial & Industrial Workers Union**  
Hereinafter referred to as "The Union"

The matters set out in the list of demands annexed to the Union's letter to the Company dated 15th January 2021 are all deemed to be settled in terms of the Collective Agreement entered into between the parties on 23rd March 2022 and as per this Memorandum of Settlement. A Copy of the Union demands annexed to the Letter dated 15th January 2021 is annexed hereto as Annexure I.

#### ***Wages Scale.-***

The company agrees to revise the scales of wage respective categories of employees as set out herein under accordingly; the wages of employees will be increased as follows.

- a. An increase by a sum equal to six percent(6%) of the wages applicable as at 1st January 2021 to 31 December 2021. (1st Year)
- b. An increase, by a sum equal to Eight percent (8%) of the wages applicable from 1st January 2022 to 31 st December 2022.(2nd year)
- c. An increase by a sum equal to Eight percent (8%) of the wages applicable as at 1st January 2023 to 31st December 2023. (3rd Year)

#### ***Demand No (1)-***

Pay the NRCOLG Allowance currently declared by the government with the arrears.

The union demand cannot be considered. Present practice will be continued.

#### ***Demand No (2) Salaries.-***

- I. Introduce a monthly salary scheme for all employees.

The union demand cannot be considered.

- Increase the monthly minimum basic salary of grade 8 employees up to LKR. 45,000/- and increase other higher grades by applying the same percentage.  
The Union demand cannot be considered.

- Increase the basic monthly salary of Grade C-1 Employees up to LKR. 45000/- Increase wages for other grades by the same percentage.

The Union demand cannot be considered.

- II. Increase all employees' salaries by 60%  
Increased 22% which will be split into three years starting from 2021 - 2023
- III. Current monthly NRCOLG payment to be incorporated to the basic  
The Union demand cannot be considered
- IV. All Government declared increments for the private sector employees to be added to the salary without any condition  
The union demand cannot be considered.

***Demand No. (3) Fixed Wages Employees.–***

All fixed waged employees' annual salary increments should be upgraded by 3 times per year according to their grades, instead of the one annual salary increment.

Union demand cannot be considered. Present practice will be continued.

***Demand No. (4) EPF Contributions.–***

Contribute to EPF 10% from the Employee and 15% from the Company.

Union demand cannot be considered. Present practice will be continued.

***Demand No. (5) Service Award.–***

Service award to be increase by 50%.

Please refer schedule E as above

***Demand No. (6) Bonus.–***

Increase the current Bonus amount of 1.5 months up to 3 months.

Union demand cannot be considered. Present practice will be continued.

***Demand No. (7) Temporary Transfers.–***

Ensure to pay maximum wages of the grade during temporary transfers.

Union demand cannot be considered. Present practice will be continued.

***Demand No. (8) Night Shift Allowance.–***

I. Second shift allowance to be increased from 20% to 50%.

2 nd Shift Allowance will be increased 22.5% in the year of 2023.

II. Provide transport facilities after the completion of the second shift (including overtime)  
Union demand cannot be considered.

III. Third Shift Allowance to be increased up to 60%  
Third Shift Allowance will be remain as 15%.

***Demand No. (9) Breakfast.–***

Provide breakfast for all workers and snack at the tea time (including overtime days)

Union Demand cannot be considered. Present practice will be continued.

***Demand No. (10) Casual & Annual Leave.-***

Reimburse remaining medical and casual leave by adding of 25% for the year when the employee retire.  
Union Demand cannot be considered. Present practice will be continued.

***Demand No. (11) Uniform & Pair Shoes.-***

Provide three sets of cotton uniforms and two pairs of shoes annually to replace the current uniform criteria.  
Union Demand cannot be considered. Present practice will be continued.

***Demand No. (12) Insurance.-***

- I. Increase the current OPD Amount of LKR. 6600/- to LKR. 15000/-  
Increased OPD Limit up to LKR. 7,000/- per annum.
- II. Increase the current payment of LKR. 100,000/- for hospitalization to LKR. 200,000/- and include the same insurance policy to the family members.  
Increased hospitalization amount up to 110,000/- per annum only for employees.
- III. Pay compensation of LKR. 1,000,000/- to the dependents in the event of an accident or natural death while an employees is in service.  
Present practice will be continued.
- IV. Increase accident leave from three to five days. Those holidays are considered to be paid holidays.  
Union demand cannot be considered. Present practice will be continued.

***Demand No. (13) Emergency Leave.-***

Grant 1.5 hour's Emergency leave on 2 occasions for a month.  
Union Demand cannot be considered. Present practice will be continued.

***Demand No. (14) Special Payment for Union Officials.-***

Union Officers Weekly payment of LKR. 1000 to be increased by 50%.  
Union Demand cannot be considered. Present practice will be continued.

***Demand No. (15) Fixed Wages.-***

When the fixed wages employees transfer to the temporary job, pay an allowance of LKR. 300/- and if they achieved the piece rate target pay another allowance of LKR. 300/-  
It is agreed to pay LKR. 100/- only if they achieved the target output.

***Demand No. (16) Spectacles.-***

Provide a pair high - quality spectacles.  
Increase current spectacles allowance up to LKR. 2500/- and that can be claimed once in one and half years.

***Demand No. (17) Flood.-***

During the production process if any natural disaster situation (flood) pay the maximum wages, at least if they have achieved 65% from the target output of the production.  
Union Demand cannot be considered.

***Demand No. (18) Travelling Expenses.–***

Provide an amount of LKR. 300/= as travelling expenses for employees who are called for work on annual leave.  
Union Demand cannot be considered.

***Demand No. (19) School Children.–***

For the school children of members, provide suitable pair of shoes matching to their school uniform, once a year.  
Union Demand cannot be considered.

***Demand No. (20) Birthday Gift Vouchers.–***

Increase the gift voucher given for birthdays up to LKR. 2500/=.  
Amount will be increased to LKR. 1500/-

***Demand No. (21) Shoe Purchase Card.–***

Increase the discount of the shoe card by 20% to 30% and increase its face value up to LKR.30, 000/=.  
Union Demand cannot be considered. Present practice will be continued.

***Demand No. (22)***

***Below Facilities/Allowances Enjoyed By Employees Has To Be Increased By 50%***

• **25 years long service award-Increased As follows.–**

Amount will be increased to LKR 32,500 for the employees who have completed 25 years of service and will be paid as follows.

LKR 20,000 in cash and LKR 12,500 worth of Bata Gift Vouchers.

This will be paid for those who are in the service by the time of the Collective Agreement is signed.

• **Scholarship -Increased as follows.–**

**Grade V Scholarships.–**

The Company will grant Scholarship Award of LKR 12,500/- per child for 15 children of the employees who have qualified at the Scholarship examination. In the event of there being more than 15 such children, the company will select the best 15 based on their marks obtained.

**Scholarships- University Entrance- Increased as follows.–**

The company will grant a scholarship of LKR 17,500/-per child for 10 children of the employees who have qualified for university entrance. In the event of there being more than 10 such children, arrangements will be made with the University to choose the 10 most meritorious. The amount shall be same for the entire University stay of each student

• **Picnic.–**

Union Demand cannot be considered. Present practice will be continued.

• **Retirement Gift.–**

Amount will be increased by LKR 12,500

- **Death Donation**

Amount will be increased by LKR 115,000.

- **Soap**

Present practice will be continued.

***Demand No. (23).-***

In case of death of a member, the full transport cost should be borne by the company.

Present practice will be continued.

***Demand No. (24).-***

Include the 2011 Interim Agreement into the Collective Agreement.

Union Demand cannot be considered.

***Demand No. (25).-***

Provide a Sinhala copy of the collective agreement to be signed.

Union Demand cannot be considered.

***Demand No. (26).-***

Grant the opportunity to make new proposals during the discussion period.

Union Demand cannot be considered.

1. To deploy Union Leaders in the production process

- One Union Leader will be available full time for Union requirements and the balance 2 will be involved in the production process.
- If the union leaders belong to Piece Rate work category will continue to get the weekly allowance of LKR.1000 each and if he belongs to monthly Fixed or weekly fixed payment category he will be entitle LKR.1000 per month.
- If the Union discussions exceeds over 2 hours, then the concerned Union Leader's earnings will depend on the department's performance of the day.
- If one Union Leader is deployed in the main operation, then he should be placed in a position which will not have an adverse effect on the production due to his time spent on union work. The Union Leader could be transferred within the same department if a vacancy exists and if not he will be transferred to any other department, but will have his attendance marked in the original department.
- If in case more than one union leader is appointed from a department, then one has to be transferred to another department. However, his attendance will be marked in the original department while his earnings/benefits will be as per his output in the transferred department. The other union leader will remain in the same department in a position which will not affect the production output adversely due to attending to Union matters.
- Subsequently upon completing his term, he will revert to his original department.



All agreed terms will be effective after the Collective Agreement is signed except the salary increase which will be effective from 1st January 2021.

  
**Clive Rodrigo**  
For & on behalf of  
**BATA SHOE COMPANY OF CEYLON LTD**

  
**S Amarasinghe**  
For & on behalf of  
**COMMERCIAL & INDUSTRIAL  
WORKERS UNION**

Signed before me on the 23<sup>rd</sup> May 2022.

EOG 07-0275