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The Gazette of the Democratic Socialist Republic of Sri Lanka

EXTRAORDINARY

අංක 2473/02 – 2026 ජනවාරි මස 26 වැනි සඳුදා – 2026.01.26
No. 2473/02 – MONDAY, JANUARY 26, 2026

(Published by Authority)

PART I: SECTION (I) – GENERAL

Government Notifications

My No.: CI/1905.

THE INDUSTRIAL DISPUTES ACT, CHAPTER 131

THE Collective Agreement entered into between Yokohama TWS Lanka (Private) Limited - Levin Drive, Sapugaskanda, Makola of the one part and Free Trade Zone and General Services Employees Union - No. 141, Ananda Rajakaruna Mawatha, Colombo 10 of the other part on 12th June 2024 is hereby published in terms of Section 06 of the Industrial Disputes Act, Chapter 131, of the Legislative Enactments of Ceylon (Revised Edition 1956).

H.M.D.N.K WATALIYADDA,
Commissioner General of Labour.

Department of Labour,
Labour Secretariat,
Colombo - 05,
12th January, 2026

Collective Agreement No. 39 of 2024





**Collective Agreement
Yokohama TWS Lanka (Private) Limited
2024 - 2026**

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FINAL PROVISIONS

COLLECTIVE AGREEMENT

THIS COLLECTIVE AGREEMENT made on the 12th Day of June Two Thousand Twenty Four (2024) pursuant to the Industrial Disputes Act between **Yokohama TWS Lanka (Private) Limited**, and having its registered office at Levin Drive, Sapugaskanda, Makola (hereinafter referred to as "the Company/Employer") of the **ONE PART** and **FREE TRADE ZONE AND GENERAL SERVICES EMPLOYEES UNION**, a trade union duly registered under the provisions of the Trade Unions Ordinance and having its registered office at No. 141, Ananda Rajakaruna Mawatha, Colombo 10 (hereinafter referred to as "the Union") of the **OTHER PART** witnesseth and it is hereby agreed between the parties as follows:

SECTION 1 - BASIC PROVISIONS

1.1 Purpose and Contents of the Collective Agreement

1.1.1 This Collective Agreement (hereinafter referred as the Agreement) regulates the relationship between the Employer and the Union and its' members as well as between the Employer and the Employees, and determines rights and obligations of the agreed parties unless otherwise stipulated further on. The Agreement is in conformity with respective provisions of the Industrial Dispute Act.

1.2 Purpose of Agreement

1.2.1 In order to strengthen positive relations of the Employees of Yokohama TWS Lanka (Private) Limited., and to strengthen partner relations between the Employer and the Union, both parties shall obligate themselves to settle problems that may arise by discussions, aiming at achieving an agreement between the parties.

1.3 Date of Operation and Duration

1.3.1 This Agreement shall be effective retrospectively from the First January Two Thousand Twenty Four (01.01.2024) and shall thereafter continue in force until Thirty first day of December Two Thousand and Twenty Six (31.12.2026), unless it is determined by either party giving one month's notice in writing to the other. Either party shall be at liberty to repudiate this Agreement by giving one month's notice in writing to the other in terms of the Industrial Disputes Act. The agreement is signed for three years in this instance.

1.3.2 The Agreement shall cover and bind all Manual Employees of the Yokohama TWS Lanka (Private) Limited who are members of the union.

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

1.4 Parties Bound

1.4.1 This Agreement shall, subject as hereinafter provided, bind the Employer and the manual employees of the company who are members of the union.

SECTION 2 - BASIC RIGHTS AND OBLIGATIONS OF CONTRACTING PARTIES

2.1 Non-discrimination

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

2.2 Solution for Disputes

2.2.1 Disputes concerning this Agreement shall be settled under the provisions of the Industrial Disputes Act (chapter 131).

2.3 Responsibility of Employer

2.3.1 Respect the right of each Employee to become a member of the Union.

2.3.2 Prevent discrimination of Employees due to Union work.

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

2.4 Responsibility of the Union

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

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

2.5 General Terms and Conditions of Employment and matters incidental and connected therewith:-

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

2.5.2

(a) The Union members who are Employees covered and bound by this Agreement, jointly agree with the Employer that during the continuance in force of this Agreement, they will not seek to vary or add to all or any of the terms and conditions of the Employment presently applicable to any of the employees covered by and bound by this Agreement, or all or any of the benefits presently enjoyed by any of the Employees covered and bound by this Agreement other than by mutual agreement This will not apply to the attachments which will considered for annual negotiations.

(b) Subject to the terms of this Agreement, the Employer agrees that it shall not seek to vary or add to all or any of the terms and conditions of employment presently applicable to any of the employees covered and bound by this Agreement, or all or any of the benefits presently enjoyed by and of the employees covered and bound by this Agreement other than by mutual agreement

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

SECTION 3 - EMPLOYMENT AREA

3.1 Probation

3.1.1 Every Employee recruited by the Employer shall serve a period of probation not less than nine (9) months. At the expiry of the nine (9) months probationary period if the Employer is not satisfied with the progress

of such Employee, the probationary period shall be extended for a further period of three (3) months and in that event the Employer shall indicate to the Employee in writing the reasons why the probationary period has been further extended. During the period of probation or extended probation, the Employer shall have the right to terminate the services of the Employee without notice.

3.2 Transfers

- 3.2.1 Employee transfers shall take place based on the contract of employment and on the business needs of the Company, and it will be at the discretion of the Company. A letter of transfer to the relevant Employee shall be issued once the transfer is finalized.
- 3.2.2 Where an Employee refuses to comply, the employer shall consider such action as an act of misconduct, and act according to the provision of this agreement.
- 3.2.3 Transfers will be done by taking into the suitability of the employee to handle the duties and responsibilities of the job. The management will avoid handing over duties and responsibilities which are of lesser in nature in comparison to current job.

3.3 Retirement

- 3.3.1 All employees shall retire from service upon reaching the age of 60 years.

3.4 Hours of Work

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

<i>Shift</i>	<i>Working Hours</i>	<i>Meal Break Spread Over</i>
Genral	8.00 a.m. to 4.30 p.m.	12.00 p.m. to 1.30p.m.
Saturday	8.00 a.m. to 1.00 p.m.	After 1.00 p.m.

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

<i>Shift</i>	<i>Working Hours</i>	<i>Meal Break Spread Over</i>
Rostered	6.00 a.m. to 2.00 p.m. 2.00 p.m. to 10.00 p.m. 10.00 p.m. to 6.00 a.m.	11.00 a.m. to 12.30 p.m. 5.30 p.m. to 7.00 p.m. 2.00 a.m. to 3.30 a.m.

- 3.4.2 Employees are entitled to ½ hour meal interval to be taken during the specified break time Employees are required to be at their respective places of work at the stipulated time of commencement and shall not stop work or leave the workplace until the Stipulaed closing time without prior permission from the Head of the Division.
- 3.4.3 Working hours are fixed purely at the discretion of the Company and may be revised according to the needs of the business. However, the Company will discuss the matter with the union and after reaching consensus, the decision will be implemented by the Management
- 3.4.4 An employee may be called upon to work beyond normal working hours as and when the necessity arises. Refusal to do so without a valid reason will be constituted as misconduct. Requesting employees to work on the earned off day should be decided on the agreement of both parties.

- 3.4.5 Employees may be called upon to work on poya days and statutory holidays as and when the necessity arises. Employer shall inform the Union of such requirements, 14 days prior to the poya day or statutory holiday. The union shall inform the employer of any disagreement within 7 days from the date communicated by the employer.
- 3.4.6 Employees are permitted to request for a maximum of three (3) changes per month in the shift with prior written approval of the head of the division for educational purposes, holidays and Trade Union activities (which will be restricted only to members of the Executive Committee). The covering arrangement should be done with an employee who has similar competence.
- 3.4.7 An employee who continuously work for 24 hours will get the following day as a day off

3.5 Annual Leave

- 3.5.1 In accordance to the legal requirement, employees shall be entitled to 14 days of annual leave. Employees have to earn their annual leave by working the required number of days during the calendar year from January to December.
- 3.5.2 Employees should avail of their annual leave during the calendar year in which it is due and cannot accumulate for use in subsequent years. A combination of annual leave and casual/medical leave shall not be permitted except in exceptional circumstances.
- 3.5.3 Employees shall agree to utilize 7 days of their annual leave during the plant shutdown period. The employer shall pay a production incentive calculated on the average of the previous two months during the total shutdown period. (This excludes the maintenance division)
- 3.5.4 If an employee falls sick while on annual leave, the period of illness will be set off against the medical leave entitlement upon producing a Medical Certificate. The employee shall be permitted to take the unutilized annual leave on a subsequent date.
- 3.5.5 Employees shall obtain prior approval for annual leave from the Head of the Division at least 4 days in advance. However, granting of leave will be subject to the exigencies of service and on a first come first serve basis.
- 3.5.6 Employees are permitted to avail of annual leave earned for the year during the period of notice/ prior to resignation. Annual leave on resignation should be applied for in advance and should be duly approved by the Head of the Division.

3.6 Casual Leave

- 3.6.1 In addition to the legal requirement, the Employer grants casual leave on the following basis:-

Employees who joined the company prior to 1st of April 2005	= 10 days
Employees who joined after 1st April 2005	= 07 days

In the first year of employment (i.e January to December), employees are entitled to avail 1 day of casual leave for every completed 2 months in employment. In the second year of employment, employees are entitled to the full casual leave entitlement

- 3.6.2 A maximum of 2 consecutive days of leave can be taken as casual leave. Employees shall not be entitled to take casual leave proceeding or followed by annual leave. Leave application should be forwarded 24 hrs in

advance and should be approved by the Head of the Division and forwarded to the HR division.

- 3.6.3 Leave will be granted based on the importance and urgency of the requirement. However, such applications may be refused subject to exigencies of service. Failure to obtain prior approval shall result in a deduction of attendance allowance. Failure to adhere to this rule shall be treated as an act of misconduct.

3.7 Unutilised Annual and Casual Leave

- 3.7.1 Any unutilized annual and casual leave shall be compensated in January of the following year. Computation will be for the number of unutilized annual and casual leave calculated based on the Basic Salary/Wage of the employee.

3.8 Medical Leave

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

- 3.8.2 On the first day of absence an employee should inform the Head of the Division by telephone, or telegram of the reason for his/her absence. Where the absence exceeds 2 days, a medical certificate should be forwarded along with the leave application form to the Human Resources Division upon reporting to work. The leave period recommended by a medical certificate shall cover all working days weekly holidays, statutory holidays, Poya days, *etc.*, falling within that period. Only the working days shall be deducted from the medical leave entitlement

- 3.8.3 Employer shall accept medical certificates from the following practitioners.

- a) Western-qualified medical practitioners registered with the Medical Council
- b) Registered Ayurvedic physicians
- c) Registered homeopathic practitioners

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

- 3.8.5 If an employee requires leave for communicable diseases such as Chickenpox, measles, mumps and sore eyes, such an employee is required to provide a DMO certificate or Medical Certificate from Company Doctor, or PH and leave. In addition to the 07 days medical leave entitlement will be granted as follows:

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

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

3.9 Unutilised Medical Leave

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

3.10 Statutory Holidays and Customary Holidays

3.10.1 The following statutory holidays shall be allowed each year as paid holidays.

Statutory Holidays

- Tamil Thai Pongal Day
- National Day
- Day immediately prior to the Sinhala & Tamil New Year Day
- Sinhala & Tamil New Year Day
- May Day
- Day immediately succeeding the Wesak Full Moon Poya Day
- Prophet Mohamed's Birthday
- Christmas Day

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

3.11 Maternity Leave

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

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

3.12 Duty Leave

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

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

3.13 Accident Leave

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

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

3.13.3 Number of days leave to be granted will be decided on the recommendation of the Company Doctor or the District Medical Officer (DMO).

3.14 Lieu Leave

3.14.1 An employee, who works for 24 hours, is entitled for a lieu leave within the next 24 hours.

3.15 Weekly Holiday

3.15.1 General Shift employees are entitled to 1 ½ days as weekly holiday after working 5 ½ days. Rostered employees are entitled to 2 days of weekly holidays after working 06 days.

3.15.2 General Shift employees who work on the weekly half-holiday (½ day) will be remunerated 1 ½ times their normal hourly rate of pay and 2 times the hourly rate, of pay for work done on the weekly holiday (01 day).

3.16 Half Day

3.16.1 Half day refers to the whole morning session or the whole afternoon session separated by the lunch interval for employees working on the general shift. Employees working on rostered shifts are not permitted to avail of ½ day's leave, However in an emergency, leave shall be granted at the discretion of the Head of the Division.

3.17 Special leave for natural disasters

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

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

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

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

SECTION 4 - PAYROLL**4.1 Remuneration**

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

Basic Salary of Rupees Twenty Five Thousand (Rs.25,000/-) Per month.

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

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

4.2. Salary For Periods Less Than One Month

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

- a) One hour - Salary for a month divided by two hundred and forty (240)
- b) One day - Salary for a month divided by thirty (30)
- c) One half day - A day's salary ascertained as in (b) above divided by two (2) (Morning or Evening)
- d) One week - A day's salary ascertained as in (b) above multiplied by seven (7)

4.3 Salary//Wage Compensation during down time

4.3.1 During downtime due to lack of customer orders, temporary failure caused by machinery (not caused by Employee), raw material flow, energy failure, employees shall be entitled to compensation in the form of Basic Salary/Wage and Cost of Living for the corresponding number of shifts/days they were unable to work due to this reason, provided they have not been assigned to do any other work.

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

4.4 Overtime

4.4.1 Work performed in excess of the normal hours of work specified shall constitute as overtime.

4.4.2 Employees working overtime on a normal working day shall be paid at the rate of one and a half times (1 ½) of the hourly rate of pay as authorized overtime. The hourly rate of pay shall be determined by dividing the monthly wage by two hundred and forty (240).

4.4.3 Employees working overtime on a Poya Day in addition to the legal requirement, shall be paid at the rate of two times of the hourly rate of pay as authorized overtime. The hourly rate of pay shall be determined by dividing the monthly wage by two hundred and forty (240)

4.4.4 Employees working overtime on a Statutory Holiday shall be paid at the rate of two times of the normal hourly rate of pay as authorized overtime. The hourly rate of pay shall be determined by dividing the monthly wage by two hundred and forty (240).

4.4.5 Employees working on the first off day shall be entitled to one and half time (1 ½) of the hourly rate of pay as authorized overtime and Employees working on the second off day shall be entitled for twice (02) the normal hourly rate of pay as over time determined by dividing the monthly wage by two hundred and forty (240).

4.4.6 Employees who are rostered to work on Sunday, (which is prescribed as the weekly holiday in the wages board applicable to the tyre manufacturing industry) will be paid 1 ½ times the hourly rate by dividing by 240.

4.5 Non-Recurring Cost Of Living Gratuity (NRCOLG)

- 4.5.1 Employees shall be paid NRCOLG as per annexure number (2) of this agreement and the ceiling will be Rs.16,000/=
- 4.5.2 A new Employee shall be eligible for NRCOLG from the day he/she commences employment. The NRCOLG for the first month in employment shall be paid in the following month. Employee resigning from his/her services shall be entitled for the NRCOLG only up to the date of his/her resignation.
- 4.5.3 NRCOLG shall not be regarded as a part of the wage of the employee for statutory purposes, *i.e.* EPF, ETF, Over Time, Gratuity *etc.*
- 4.5.4 Above mentioned NRCOLG has been frozen at Rs.12441/- as per the CCPI (N) index published by the government in May 2011 (Value per point = Rs.67). It is agreed that further revision of the NRCOLG will be discussed between the Company and the Union once the government *gazettes* the new value of the index.

4.6 Production Incentive

4.6.1 Employees who are permanent in employment shall be paid the Production Incentive based on the production target, production mix and quality . The production incentive shall be paid along with the salary. The Production Incentive calculation table is listed in Annexure No.1 of this Agreement.

- 4.6.2 Production incentive will be revised by LKR 1500/- with effect of 1st of January 2025, subject to an upon agreement on the revised production incentive scheme. The parties have already agreed on the revised scrap rates (0.5). The revised Production Incentive scheme will be discussed and agreed before 31st December 2024.

4.7 Bonus

4.7.1 Employees shall be granted a bonus at the end of each year based on the following criteria:

- a) An Employee should be in permanent employment of the company
- b) An Employee should be in service for a minimum of 6 months.

4.7.2 An Employee should not have unauthorised absence during the year, any unauthorised absence will be deducted from the bonus as follows:

$$\frac{\text{Basic Salary} \times 3}{20} \times \text{No. of Days NO PAY}$$

- 4.7.3 Employees who have completed more than 6 months but less than 1 year of continuous permanent employment will be granted bonus on a pro-rata basis. Employees with less than 6 months service period will not be paid any bonus.
- 4.7.4 The employee should have been in permanent service at the time.
- 4.7.5 Company will follow the present bonus payment of 3 months salary, and in the event the company is unable to pay the bonus of three months, both parties will discuss and resolve the issue amicably.
- 4.7.6 In the event both parties fail to settle the issue amicably, both the company and the union agrees to settle the matter under the dispute resolution method specified in this agreement.
- 4.7.7 The bonus payment shall be negotiable and the quantum of payment shall be based on the financial possibilities of the Company.

4.8 Salary Revision

4.8.1 A revision of the salaries shall be done each year at the discretion of the Company. The quantum of increase of salary per employee shall be LKR 5700/= for the year of 2024, For the period of 01st January 2024 to 31st December 2024.

4.9 Employee Provident Fund

4.9.1 The Employer and the Employee shall contribute to the Employees' Provident Fund the minimum rate prescribed by the Employees' Provident Fund Act No. 15 of 1958.

4.10 Employees Trust Fund

4.10.1 The Employer shall contribute to the Employees Trust Fund, at the minimum rate prescribed by the Employer's Trust Fund Act No. 46 of 1980.

4.11 Job Evaluation

4.11.1 The Company will conduct a job evaluation to categorize manual employees into different grades based on knowledge. Skills and attitudes required for the job. The union will be invited to participate in the job evaluation process.

4.11.2 Based on the Job Evaluation results, the company will propose to the Union - a new wage structure - which will recognise skill, knowledge and attitudes required for each job.

4.12 Attendance Allowance

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

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

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

4.13. Weekend/Holiday Allowance

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

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

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

4.14 Dust Allowance

- 4.14.1 A Dust Allowance based on attendance will be paid to Employees working under dust conditions. Where an employee continues the shift he/she shall be entitled to the same amount of the Dust Allowance during the continued shift.
- 4.14.2 The quantum of Dust Allowance and category of employees entitled to this allowance is listed in Annexure No.2 of this Agreement.
- 4.14.3 The Company shall endeavor to create a working environment free of dust and health hazards, and after certification by The Central Environment Authority of Sri Lanka, the dust allowance will be canceled.

4.15 Service Allowance

- 4.15.1 A Service Allowance will be paid to Employees based on the completed number of years of service in employment Service Allowance will be calculated based on the basic salary irrespective of no pay deductions.

<i>Period of Service</i>	<i>Amount</i>
5-9 years	2 ½%
10-14 years	5%
15-19 years	7 ½%
20-24 years	10%
25 - 29 years	12 ½%
30-35 years	15%

4.16 Night Shift Allowance

- 4.16.1. Employees who work on the night shift, [from 10 p.m. to 6 a.m] will be paid a Night Shift Allowance. Where an employee continues the afternoon shift [from 2p.m. to 10 p.m] until 6 a.m of the following day, such an employee will be paid the Night Shift Allowawce.
- 4.16.2 The quantum of Night Shift Allowance is listed in Annexure No. 2 of this Agreement

4.17 Poyaday/Statutory Holiday Allowance

- 4.17.1 Employees who work on a Poya day/Statutory holiday shall be paid the Poya day/Statutory Holiday Allowance. Where an employee continues the second shift, such an Employee shall be paid a further full day's payment of the Poya day/Statutory Holiday Allowance.
- 4.17.2 The quantum of poya day/ Statutory Holiday Allowance is listed in Annexure No. 2 of this Agreement

4.18 Washing Allowance

- 4.18.1 Employees covered by this agreement - who receive uniforms, will be paid a washing allowance.
- 4.18.2 The quantum Washing Allowance is listed in Annexure No. 2 of this Agreement

4.19 Drivers Subsistence

- 4.19.1 Drivers are provided subsistence for over night stay and day trips.
- 4.19.2 The quantum of Drivers subsistence is listed in Annexure No. 2 of this Agreement.

4.20 Recognition of period of service with the Company

4.20.1 The Employer shall reward Employees who have been employed with the Company in the following manner. If an employee completes his service period as mentioned below, prior to the retirement age of 60 years, the following one time rewards will be granted to the respective employee as an appreciation for the service rendered within the company.

<i>Period of Service</i>	<i>Amount</i>
35 years	Rs.40,000/-
30 years	Rs.30,000/-
25 years	Rs.25,000/-
20 years	Rs.15,000/-
15 years	Rs.12,000/-
10 years	Rs. 9000/-

4.21 Special Transport Allowance

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

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

4.22 Salary Advance

4.22.1 A fixed rate of Rs. 4,000/- shall be paid as a Salary Advance on the 10th of each month by way of a bank transfer.

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

4.23 Festival Advance

4.23.1 Permanent employees shall be granted a Festival Advance in April or December and shall be recovered in 10 monthly installments.

4.23.2 The quantum of the festival Advance is listed in Annexure No. 2 of this Agreement

4.24 The methodology of absorbing employees to the Permanent cadre

4.24.1 The Company absorbed 19 employees (whom here in after referred to as "New employees") into the permanent cadre in the year 2021. Out of which 15 assigned to TIT and 4 will be assigned to Pneumatic. TIT represent all the departments that comes under solid tyre department and Pneumatic represent all the departments that comes under Pneumatic tyre department.

4. 24.2 The basic salary of the New employees will be according to the Minimum wages stipulated by the Wages board. The Non-Recurring Cost of Living Gratuity (NRCOLG) will be paid as a separate payment to the New employees at LKR 12,441.

4. 24.3 The NRCOLG payment of (LKR 12,441) will be added to the Basic salary of the New employees on the day, the last employee who was made Permanent before 2015 gets NRCOLG added to their Basic salary (upon reaching LKR 16,000).

4. 24.4 At this stage the Basic salary of the New employee will not be increased to LKR 16,000. But The NRCOLG LKR12,441 will be added to their prevailing Basic salary.

4. 24.5 Further to this exercise, any future employment into the permanent cadre will not be entitled to NRCOLG. But the Basic salary will be LKR 25,000 per month.

SECTION 5 - SAFETY AT WORK AND PREVENTION OF OCCUPATIONAL ACCIDENTS

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

SECTION 6 - FACILITIES AND CONCESSION GRANTED BY THE EMPLOYER

6.1 Canteen Operations

- 6.1.1 Employer will offer Employees meals whilst on duty on all working days including Saturdays and Sundays.
- 6.1.2 Employer will grant its Employees, one main meal free of charge, during the 8-hour working cycle. If an Employee works 12 hours or continues a shift, such an employee will be entitled to two meals (*i.e.* lunch and dinner).
- 6.1.3 Providing meals shall be based on the needs of the Company and the operating time of the canteen shall be decided by the Company.

6.2 Annual Trip

- 6.2.1 The company shall grant Rs.1,000/- per adult, and Rs.800/- per child (under 12 years of age) to 8 each

Employee for the Annual Trip. This will be carried out with the practice which agreed by the Management in each year.

6.3 Sports

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

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

6.4 Medical Facility/Surgical & Hospital Expenses Insurance

6.4.1 OPD facility is provided to employees and his/her immediate family members. Employees are permitted to claim 10% from the annual basic salary up to a maximum limit of Rs.27,000/- per annum.

6.4.2 Employees will be covered by a Surgical & Hospital Expenses Insurance cover to the value of Rs.70,000/- per annum. Married employees will be eligible to submit claims for their spouse and children below the age of 21 year, and unmarried employees will have the facility for themselves only.

6.5 Personal Accident Insurance

6.5.1 Personal Accident

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

6.6 Advances

6.6.1 Performance-Based Monetary Advance

Employees shall be granted Performance Based Monetary Advance based on the financial position of the Company.

The loan amount and the terms & conditions are listed in Annexure No. 3 of the Agreement.

6.6.2 Salary Advance - II

Employees shall be granted Salary Advance II based on the financial position of the Company.

The loan amount and the terms & conditions are listed in Annexure No.3 of the Agreement.

6.7 Benefits

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

SECTION 7 - EDUCATION AND TRAINING

- 7.1 The Employer shall provide Education and Training in accordance with the business needs in the following areas.
- Safety, health, fire protection and ergonomics of work.
 - Quality requirements, technological demands and restrictions.
 - Performance tools for achieving performance at all levels.
 - Further education of Employees according to their professional qualifications, skills and abilities with an aim to train on problems relating to management practices, production, technical, technological, economic and social development of the Company.
 - Training Employees according to respective standards regulations and knowledge of employees.
 - Language and computer courses based on the needs.
- 7.2 The employees shall participate in such educational training programs and failure to do so will be considered as an act of misconduct. Employees will be excused in any case they have a valid reason and should be approved by the HR Manager.
- 7.3 The company will pay an allowance of Rs.250 (per employee, per day) for employees who are sent by the company for out side trainings to cover transport and meal expenses with effect from 1st January 2016

In instances where transport is provided, either meals **OR** an allowance of 150 (per employee, per day) will be paid.

The company will provide a transport if there are 5 or more employees going together from training (Only from office to training location and back to office)

The allowance will not be paid if both transportation and meals are provided

SECTION 8

DISCIPLINE

8.1 Work Discipline

8.1.1 Basic rules of Yokohama TWS Lanka [Private) Ltd.

- Since the company produces rubber products with a high fire risk factor, employees are required to strictly adhere to the fire protection rules
- Protect the Company property
- Strict adherence to the Company Code of Discipline listed in Annexure No. 4 of this Agreement
- Adhere to safety rules and regulations

- e) Respect Management decisions and Company targets
- f) Respect the quality, products, technological and technical specifications,
- g) Respect assigned duties and responsibilities in terms of relevant Job Description

8.2 Disciplinary Action

- 8.2.1 The need for disciplinary action arises as a result of employees acting in breach of their contracts of employment by committing acts of misconduct, which by implication are, not tenable with their position as employees. Employees not adhering to the Company rules and regulations shall be liable for disciplinary action.
- 8.2.2 Where an employee does not conduct him/herself in accordance with his/her obligations and duties, expressed or implied, arising from his/her employment, during or out of working hours, at his/her work-place or elsewhere, when representing the Company shall constitute as misconduct Types of Misconduct are listed in Annexure No. 6 of this Agreement
- 8.2.3 The disciplinary procedure is listed in Annexure No. 5 of this Agreement

SECTION 9 - RELATIONS BETWEEN THE EMPLOYER AND THE TRADE UNION

9.1 Basic Provisions

- 9.1.1 The Employer obligates himself to respect the basic Trade Union rights:
 - a) Become Trade Union members.
 - b) Recruit new members.
 - c) Give relevant information to their members
 - d) Meeting and Activites should only be with the prior written approval of the Company
 - e) Carrying out meetings of the Union in the Company should only be with the prior written approval of the company.
- 9.1.2 The Union hereby undertakes in respect of all the terms and conditions of employment covered by this Agreement not to seek to vary or alter any such terms or conditions other than by negotiation during the operation of this Agreement and hereby expressly undertakes, not to engage in a strike or other form of trade union action in respect of a dispute but will have such dispute settled in accordance with the procedure set out in this Agreement. In the event of illegitimate action by the Company to jeopardise union activity, this clause may not apply.
- 9.1.3 In case the Union decides to call for a general stoppage of work/strike in solidarity of other companies by its members, the Union will give prior written notice to the Employer of the work stoppage that is to take place, and will give its reasons thereof. The Union will endeavour to give prior written notice to the Employer, of the date of the stoppage, or even longer notice, between the date of the Union's decision to call for a general stoppage of work and the date fixed for the stoppage, in the circumstances in which such a stoppage may be decided upon. In such case, the Union will also instruct its members to exempt an agreed number of members from the work stoppage, in order to provide the Employer with a skeleton staff, in order to maintain essential services.
- 9.1.4 In the event of any dispute arising concerning any matter not covered by this agreement, the Union shall

give prior written notice to the Employer of any Trade Union Action that is to take place and will give its reasons thereoff.

9.2 Dispute Resolution Procedure

9.2.1 It is hereby agreed that the procedure to be followed for the settlement of any dispute shall be as follows.

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

9.3 Union Meetings

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

9.4 Membership of union / Check off

- 9.4.1 "Union" shall mean Employees bound by this Agreement and in whose establishment the membership of the Union is not less than forty percent (40%) of persons employed in relevant category.
- 9.4.2 If it becomes necessary to decide whether the membership of the Union is not less than forty percent (40%) of persons employed by the Employer in the category covered by this Agreement, the same shall be determined by a referendum which shall be held by the Department of Labour and the result of such referendum shall be binding on the parties hereto.
- 9.4.3 The Employer shall on the written request of an Employee deduct from the pay the current monthly Union dues payable monthly by the Employee to the Union and remit the amount deducted to the Union in accordance with the procedure.
- 9.4.4 Every Employee who agrees to the deduction of Union dues from his pay shall sign a statement to that

- effect as per Annexure No.7 Format 1.
- 9.4.5 Every Employee shall be entitled to withdraw his agreement to check-off at any time by signing a statement to that effect as per Annexure No.7 format 2.
- 9.4.6 No variation in the monthly deductions by way of check-off shall be made by the Employer except by mutual agreement with the Union and member concerned. In the event of any variation being agreed, each member will need to signify his agreement to the revised amount being deducted by way of check-off by signing a fresh authorisation to that effect.
- 9.4.7 Deductions under an authorisation shall commence from the pay, immediately after the date of receipt of such authorisation and shall continue thereafter until the authorisation is canceled by a revocation.
- 9.4.8 The Employer shall be entitled not to make deductions by way of check-off in any month if the deduction by way of check-off will together with all other deductions from an Employee's pay in that month exceed the deductions permitted by law.
- 9.4.9 (a) The Employer shall once a month within fifteen (15) days after the regular pay day remit to the Treasurer of the Union the total sums deducted by way of check-off by a cheque drawn payable to "Free Trade Zones and General Services Employees' Union" and crossed Account Payee.
- (b) The cheque shall be sent, at the Union's risk, by post in a pre-paid envelope addressed to the "The Treasurer, Free Trade Zones and General Services Employees Union, No.14,Ananda Rajakaruna Mawatha, Colombo 10".
- (c) The Treasurer of the Union shall acknowledge receipt of the cheque.
- (d) The Employer shall not be liable to pay to the Union or to the Treasurer on Its behalf as afore said any sum other than the actual deductons made.
- 9.4.10 The Employer may suspend the operation of this clause by specifying the reason for such action by written notice to the Union :-
- (a) If the Union resorts to a strike or any other form of trade union action in breach of the terms of provisions of this Agreement, the Employer may suspend the operation of this clause for such time as maybe decided by the Employer but not exceeding the duration of such strike or other form of trade union action. Before such a decision is made the Employer and the Union shall endeavour to effect an amicable settlement.
- (b) If the Union fails to maintain itself as a properly registered Trade Union under the Trade Unions Ordinance, the Employer may decide to suspend the operation of this clause for such time as may be required.

ANNEXURE No. 1

PRODUCTION INCENTIVE

- 1.1 Solid/POS Tyre Division - Production Incentive. Refer Page 27
- 1.2 Pneumatic Tyre Division - Production incentive. Refer Page 28
- 1.3 Mixing Division - Production Incentive. Refer Page 29
- 1.4 Maintenance Division - Production incentive - (Average of above 3)

1.1 Solid/POS-Production Incentive

Performance (PCS) - PRODUCTION ACTUAL Vs Agalva TARGET					RESPECT TO MIRA (BASED ON DIMENSION PLAN) - NET PRODUCTION					CURRENT SCRAP % (Consolidated Figure - Comparison & Incentive) (MONTHLY AVERAGE)				
		Ru / Month		Ru / Sh			Ru / Month		Ru / Sh			Ru / Month		Ru / Sh
60	*	66	58	2	60	*	64	150	7	1.50	*	1.53	100	5
64	*	65	150	7	64	*	68	285	13	1.56	*	1.53	200	9
68	*	72	250	11	68	*	72	420	19	1.62	*	1.48	300	14
72	*	76	350	16	72	*	76	555	25	1.67	*	1.44	400	18
76	*	77	450	20	76	*	77	650	31	1.63	*	1.40	500	23
80	*	81	500	23	80	*	81	825	38	1.70	*	1.36	600	27
82	*	83	550	25	82	*	83	960	44	1.75	*	1.32	700	32
84	*	85	600	27	84	*	85	1095	50	1.81	*	1.27	800	36
86	*	87	650	30	86	*	87	1230	56	1.86	*	1.23	900	41
88	*	89	725	33	88	*	89	1505	62	1.92	*	1.17	1,000	45
90	*	91	800	36	90	*	91	1500	68	1.96	*	1.11	1,100	50
92	*	93	900	41	92*	*	93	1700	78	2.00	*	1.01	1,200	57
94	*	95	1150	52	94*	*	95	2000	92	2.00	*	0.95	1,300	65
96	*	98	1300	59	96*	*	97	2650	120	0.94	*	0.82	1,600	78
98	*	99	1800	82	97*	*	99	3200	145	0.81	*	0.81	3,000	136
99+	*	100	2100	105	99*	*	100	3600	164	0.50	*	0.00	4,000	182
100+	*	101	2800	136										
101+	*	103	3850	175										
103+	*	105	5000	227										

Minimum	0	Ru / Month
Average	6300	Ru / Month
Maximum	12600	Ru / Month

1.2 Light Industrial Tyre Division -Production Incentive

Performance (Net/ Batch) - PRODUCTION ACTUAL Vs Agalva TARGET					SCRAP COMPOUND % (MONTHLY AVERAGE)					HOLD COMPOUND % (MONTHLY AVERAGE)				
		Ru / Month		Ru / Sh			Ru / Month		Ru / Sh			Ru / Month		Ru / Sh
60	*	64	50	2	1.00	*	0.95	150	7	5.00	*	4.70	150	7
64	*	68	150	7	0.94	*	0.85	285	13	4.69	*	4.40	285	13
68	*	72	250	11	0.88	*	0.81	420	19	4.39	*	4.30	420	19
72	*	76	350	16	0.82	*	0.73	555	25	4.09	*	3.80	555	25
76	*	77	450	20	0.76	*	0.71	640	31	3.79	*	3.50	690	31
80	*	81	500	23	0.70	*	0.65	825	38	3.49	*	3.20	825	38
82	*	83	550	25	0.64	*	0.59	960	44	3.39	*	2.90	900	44
84	*	85	600	27	0.58	*	0.53	1095	50	2.89	*	2.60	1095	50
86	*	87	650	30	0.52	*	0.47	1230	56	2.59	*	2.30	1230	56
88	*	89	725	33	0.46	*	0.41	1365	62	2.29	*	2.00	1365	62
90	*	91	800	36	0.40	*	0.35	1500	68	1.99	*	1.70	1500	68
92	*	93	900	41	0.34	*	0.32	1700	77	1.69	*	1.40	1600	86
94	*	95	1150	52	0.28	*	0.23	1850	89	1.39	*	1.10	2100	105
96	*	98	1300	59	0.22	*	0.17	2250	102	1.09	*	0.80	2650	110
98	*	99	1800	82	0.16	*	0.11	2600	118	0.79	*	0.50	3100	145
99+	*	100	2500	105	0.10	*	0.00	4000	182	0.49	*	0.00	5000	184
100+	*	101	3000	138										
101+	*	103	3850	175										
103+	*	105	5000	227										

Minimum	0	Ru / Month
Average	6550	Ru / Month
Maximum	12600	Ru / Month

1.3 Mixing Division - Production Incentive

Performance (w/ batches) - PRODUCTION ACTUAL N Against TARGET				
		Rs / Month	Rs / Sh	
60	*	64	50	2
64	*	68	150	7
68	*	72	250	11
72	*	76	350	16
76	*	77	450	20
80	*	81	500	23
82	*	83	550	25
84	*	85	600	27
86	*	87	650	30
88	*	89	700	33
90	*	91	800	36
92	*	93	900	41
94	*	95	1000	52
96	*	98	1300	59
98	*	99	1600	82
99+	*	100	2500	115
100+	*	101	3000	138
101+	*	103	3850	175
103+	*	105	5000	227

SCRAP COMPOUND N (MONTHLY AVERAGE)				
		Rs / Month	Rs / Sh	
1.00	*	0.55	150	7
0.94	*	0.85	285	13
0.88	*	0.83	430	19
0.82	*	0.77	555	25
0.76	*	0.73	640	31
0.70	*	0.65	825	38
0.64	*	0.59	966	44
0.58	*	0.53	1025	50
0.52	*	0.47	1200	56
0.46	*	0.43	1365	63
0.40	*	0.35	1500	68
0.34	*	0.32	1700	77
0.28	*	0.29	1850	89
0.22	*	0.27	2250	102
0.16	*	0.21	2600	118
0.10	*	0.09	4000	182

HOLD COMPOUND N (MONTHLY AVERAGE)				
		Rs/Month	Rs / Sh	
5.80	*	4.70	550	7
4.69	*	4.90	285	13
4.39	*	4.30	420	19
4.09	*	3.80	555	25
3.79	*	3.50	690	31
3.49	*	3.20	825	38
3.19	*	2.90	960	44
2.89	*	2.60	1095	50
2.59	*	2.30	1250	58
2.29	*	2.00	1365	62
1.99	*	1.70	1500	68
1.69	*	1.40	1600	76
1.39	*	1.10	2100	103
1.09	*	0.80	2650	130
0.79	*	0.50	3100	145
0.49	*	0.00	5000	164

Minimum	0	Rs/Month
Average	6550	Rs/Month
Maximum	17600	Rs/Month

ANNEXURE No. 2

ALLOWANCES

The quantum of allowances from the year 2024 is as follows.

- 2.1 Attendance Allowance - Rs. 1000/- per month (this will be applied for employees who have obtained only one approved leave for the relevant month and apply the conditions in 4.12) (w.e.f January 2020). Employees who have obtained more than approved leaves will be entitled to an attendance allowance of 750/-
- 2.2 Weekend/Holiday Allowance Rs.75/- for Saturday and Rs. 90/- for Sunday.
- 2.3 Dust Allowance Rs. 3/- per day for Mixing Division and Rs. 2/- per day for other Divisions.
- 2.4 Night Allowance Rs.500/- per shift
- 2.5 Poyaday/Statutory Holiday Allowance - Rs.2000/- per day (for 4 hours)
- 2.6 Washing Allowance - Rs.400/- per month.
- 2.7 Drivers Subsistence - Rs. 500/- for an overnight stay and Rs.350/- for return journey

24A

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2.8	Festival Advance	- Rs.40,000/-(w.e.f. April 2022)
2.9	Special Transport Allowance (Tyre & Tube)	- Rs.400/
2.10	Non-Recurring Cost of Living index) Gratuity (NRCOLG)	-frozen at Rs.12.441/, (As per May 2011 CCP1(N)
2.11	Transport allowance on downtime	-Rs.400/-per day
2.12	Shutdown allowance for maintenance	Rs, 1350/ day will be paid during shut down period.This allowance will include the payment of transportation.
2.13	Production Incentive	50% of the production incentive will be paid for employees who will be requested by the Management to present at work for even 01 hour on his day off.

ANNEXURE No.3

BENEFITS

3.1 Uniform/Soap

Employees will be provided with the following each year.

- 3.1.1 03 sets of uniforms to be worn while at work and 02 sets of uniforms to be worn while traveling to work will be issued to each employee.

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

- 3.1.2 06 pairs of socks

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

- 3.1.4 02 bars of washing soap

- 3.1.5 02 cakes of soap

3.2 Transport

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

3.3 Library Service

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

3.4 Holiday Bungalow

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

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

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

3.5 Toy Voucher

3.5.1 Toy vouchers will be granted to children of employees in December each year. (w.e.f December 2019)

<i>Age</i>	<i>Amount</i>
1 - 4 years	Rs. 1000/- per child
5 - 8 years	Rs. 1000/- per child
9-12 years	Rs. 1000/- per child

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

3.6 New Year Gift Voucher

3.6.1 A gift voucher of Rs.2,000/- and a currency note of Rs.100/- will be given to each employee on 1st January.

3.7 Sinhala / Tamil New Year Gift

3.7.1 A gift voucher or a gift parcel to the value of Rs.2,200/- will be given to the employees for the Sinhala/Tamil New Year.

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

3.8 Wedding Gift

3.8.1 The Company will grant Rs 4000/- in cash, as a Wedding Gift to an employee getting married.

3.8.2 A sum of Rs. 21,000/- or company provided car for the wedding or home coming of an employee.

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

3.9 Diary and Calendar

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

3.10 School Books Vouchers

3.10.1 Employee's children will be granted school book vouchers as follows.(w.e.f December 2019)

Category of Grade	Amount
Kindergarten	Rs. 2000/-
Grade 1	Rs. 2300/-
Grade 2	Rs. 2300/-
Grade 3	Rs. 2700/-
Grade 4	Rs.3300/-
Grade 5	Rs.2700/-

Grade 6	Rs.3300/-
Grade 7	Rs.3500/-
Grade 8	Rs.3700/-
Grade 9	Rs.3700/-
Grade 10	Rs.3800/-
Grade 11,	Rs.3800/-
Grade 12 & 13	Rs.4000/-
Undergraduates	Rs.4000/-

The Company will grant school book vouchers based on the age of each child declared by the employee and as per the records maintained by the company. The above amounts will come into effect from December 2019.

3.11 Funeral Expenses

Death of an Employee

3.11.1 in the event of a death of an employee, the company will meet all expenses of the funeral including the expenses of the 7-day almsgiving. Employees will be granted 4 hours of leave to attend the funeral of an employee.

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

Death of an employee's family member

3.11.3 The Company will grant a payment of Rs.28,000/- in the event of the death of an employee's family member as described below. This amount will be paid with effect from 1st January 2010. Payments should be made available when the death occurs and the death certificate should be produced within one month time. If the death certificate is not produced, the donation amount will be deducted from the employee's salary or any other dues.

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

Unmarried employees: Mother and Father.

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

3.12 Transport to attend the funeral of an employee's family member

3.12.1 The Company will provide a 35 seater passenger vehicle if the distance is more than 50 k.m. from the Plant and a 15 seater van if the distance is less than 50k.m. from the Plant, on one occasion.

3.13 Advances

3.13.1 **Performance-Based Monetary Advance:** - Employees shall be granted a Performance Based Monetary Advance of Rs.190,000/- -(w.e.f. 01st April . 2022) as a Performance Based Monetary Advance based on the following terms and Conditions:-

- The Performance Based Monetary Advance will be recovered in 36 monthly installments.
- All other monetary advances should be fully settled obtain the performance-based Monetary Advance.
- Maximum salary deduction should not be more than 40% of the basic salary.
- Employee should have completed a minimum of 5 years of service with the company.

- e. Two employees who have Completed 5 years of service with the company should sign as guarantors.
 - f. Should be recommended by the Superior Officer and approved by the Head of Division member.
 - g. Any unauthorised absence or warning letters issued during last 12 months will disqualify the employee from obtaining the performance Based Monetary Advance.
- 3.13.2 **Salary Advance - II;**- A maximum sum of Rs.40,000.00 (w.e.f .01W-.January 2021)shall be granted as Salary Advance - II to Employees on the folloeing terms and conditions.
- a. The Salary Advance - II, will be recovered in 12 monthly instalments.
 - b. Maximum salary deduction should not be more than 40% of the basic salary.
 - c. Employee should have completed a minimum of 1 years of service with the company.
 - d. Two employees who have completed 5 years of service with the company should sign as guarantors.
 - e. Should be recommended by the Superior Officer and approved by the Head of the Division.
 - f. Any unauthorized absence or warning letters issued during the last 12 months will disqualify the employee from obtaining the Salary Advance - II.

ANNEXURE No.4

CODE OF DISCIPLINE

4.1 Conduct & Behaviour

- 4.1.1 Employees are expected to conduct themselves responsibly and not to act in any manner prejudicial to the interests and good image of the Company.
- 4.1.2 Employees are required to observe the Company's rules and regulations and provisions of this agreement and its annexures. Such regulations may also be changed from time to time to ensure the relevance of regulations according to the needs of the Company. Such changes will be discussed with the union before implementation.

4.2 Discrimination & Harassment

- 4.2.1 The Company prohibits unlawful discrimination or harassment of any kind on the part of all employees, including discrimination or harassment on the basis of race, colour, veteran status, religion, gender, sex, age, mental or physical disability, nationality, marital status, verbal, physical and visual harassment or any other characteristics protected by law.
- 4.2.2 Where a complaint of retaliation is substantiated, appropriate disciplinary action shall be taken not excluding termination of services.

4.3 Company Assets & Confidentiality

- 4.3.1 All employees must maintain the confidentiality of business information. The Company's tools, equipment, facilities and inventories, as well as its know-how, technology, market information and business plans, *etc.* are all valuable assets. It is the responsibility of every employee to preserve and protect the company's assets and confidential business information and to see that they are not misused or made available to outsiders in any manner that could be detrimental to the interests of the company. This obligation of confidentiality applies while an employee is in service of the Company.

4.4 Personal Use of Company Property

- 4.4.1 Employees shall not use company property, labour or information for personal use without prior written approval of the company

4.5 Conflict of Interest

4.5.1 A conflict of interest shall be when an employee or his/her family member has a direct or indirect financial interest in, or receives any compensation/other benefit from, any individual or firm that sells material, equipment or property to the Company, provides any service to the Company, has business dealings or contractual relations with the Company or is engaged in a similar business or competes with the Company. Family members include spouses, parents, children, siblings and in-laws. Employees shall ensure that they do not engage in any activity that shall create a conflict of interest in the Company.

4.6 Respecting Each other

4.6.1 An employee shall do his or her utmost to promote a respectful work place culture that is free of harassment, abuse (physical verbal & visual) intimidation, biasness and discrimination of any kind.

4.7 Fair Competition

4.7.1 Employees shall treat customers and suppliers honestly and fairly and shall not make false, misleading, or disparaging remarks to customers or suppliers about other customers/suppliers or about competitors, their products or services.

4.8 Commitment to Customers & Suppliers

4.8.1 Employees shall practice and promote high professional standards in carrying out his or her tasks and in his or her relationship with other employees, suppliers, customers, stakeholders and other persons dealing with the Company.

4.8.2 Employees shall not accept bribes, inducements or unauthorized commissions from customers or suppliers. Acts of such shall result in disciplinary action being taken according to the disciplinary procedures, not excluding termination of services.

4.9 The Environment

4.9.1 The Company requests all employees to have regard for the environment when carrying out their duties.

4.10 Gifts and Entertainment

4.10.1 Employees or members of their families shall not accept gifts, services, discounts or favours from those with whom the Company engages in business or intends engaging in business.

4.10.2 Employees may accept gifts of nominal value (calendars, appointment books, pens, *etc*) ordinarily used for sales promotion.

4.10.3 Where an employee receives a gift that does not fall within these guidelines, such an employee is required to report it to his or her superior and the gift shall be returned. If return of the gift is not practical, it shall be given to the Company for charitable disposition or such other disposition, as the Company deems appropriate.

4.11 Company Property

4.11.1 Employees shall take care of all Company property including tools, uniforms, machinery, vehicles, and ID cards. Employees shall not remove company property from its premises without proper authorization and shall report to the Company of damage to property, losses, sabotage and evidence of theft.

4.12 Frauds and Thefts

- 4.12.1 Company prohibits fraudulent activity and establishes procedures to be followed to ensure that incidents of fraud and theft relating to the Company are promptly investigated, reported and, where appropriate, prosecuted.
- 4.12.2 Fraudulent activity can include actions committed by an associates that injure suppliers and customers, as well as those that injure the Company, its shareholders and its associates.
- 4.12.3 Employees who suspect that any fraudulent activity may have occurred shall immediately report such concern to the Human Resources Director or the Human Resources Manager.
- 4.12.4 Such contact should occur before any action is taken with respect to the individual accused of perpetrating the alleged business impropriety.

4.13 Workplace Violence

- 4.13.1 The Company is committed to provide all employees with a completely safe work environment and shall not conform to any and all forms of workplace violence.
- 4.13.2 Employees shall not bring any sort of weapon to work or threaten violence of any kind, and violation of this policy will result in appropriate disciplinary action, up to and including termination of service.

4.14 Alcohol & Drugs

- 4.14.1 Consumption of or being under the influence of alcohol or drugs whilst on duty that will affect public relations, safety in the workplace, or the safety customers, suppliers, guests and other staff, or which shall violate law, shall result in termination of service.

4.15 Behaviour

- 4.15.1 All employees shall behave in a polite, respectful, cheerful and helpful manner towards customers, guest and other staff at all times. Any act of harassment, abuse, misconduct shall lead to disciplinary action.

4.16 Grooming and Appearance

- 4.16.1 In order to present a positive, professional image, personal appearance, employees, shall be clean, neat and tidy at all times.
- 4.16.2 Hair, moustaches and beards shall be shaved, kept clean, neat and well groomed, and uniforms and the company identity cards shall be worn all times whilst on duty within Company premises.

4.17 Occupational Health and Safety

- 4.17.1 All employees shall:
- Not interfere with, or misuse any item provided in the interests of safety.
 - Follow safe work practices and encourage others to do the same.
 - Know and comply with specific safety regulations affecting employee position.
 - Not put oneself in danger.

- e) Wear appropriate clothing and personal protective equipment.
- f) Use all safety devices.
- g) Report any hazards such as unsafe equipment, working conditions or work practices to a responsible officer of the Company.
- h) Report all accidents, injury immediately to a responsible officer of the Company.
- i) Know the location of phones, first aid kits and fire extinguishers and know how to use them.
- j) Know the identity of the first aid attendant

4.18 Smoking & Chewing Betel

4.18.1 Employees shall ensure the environment at the workplace does not endanger the health safety or welfare of any employees. Employees on duty or in uniform shall not smoke, and chew betel.

4.19 Unauthorised Use of company Vehicles

4.19.1 Employees are not permitted to drive vehicles owned by the Company without authorisation. Vehicles belonging to the Company must not be used other than for authorised purposes, and the person entrusted with a vehicle shall ensure that unauthorised persons do not use or drive such vehicle. Any employee who contravenes these requirements will be personally responsible for the consequences of his/her action, including payment of all claims for damages.

4.20 Private Business/Other Employment

4.20.1 An employee shall not, be engaged in any private business of his/her own, or be employed in any capacity or do any work or assignment elsewhere without the prior written approval of the Employer. Employees are expected to devote their working hours exclusively for the execution of their duties.

4.21 Publications/Interviews/Press Releases

4.21.1 Employees shall not publish any detrimental article, book, photograph or letter, give any interview or press releases or deliver any lecture or speech on any matter which concerns their duties or the business of the Company without the prior written consent of the Employer.

ANNEXURE No. 5

DISCIPLINARY PROCEDURE

5.1 Preliminary investigations

- 5.1.1 Company shall conduct preliminary investigations and obtain written statements from the complaint/s or witness/es in regard to the alleged act of misconduct committed or reported to have committed by an Employee.
- 5.1.2 In the event of theft, where a Security Officer makes any detection, such detection shall be immediately recorded in the information book [IB].
- 5.1.3 After the conclusion of the preliminary investigation, the Investigation Officer shall submit an Investigation Report to the Employer.

- 5.1.4 Where the charges relate to an attempt by the accused Employee to remove goods or articles, the relevant items shall be clearly preserved, marked and sealed wherever possible in the presence of the accused Employee and an entry should be made in the Police to that effect by the Security Officer or any relevant Officer.
- 5.1.5 A statement shall also be obtained from the accused Employee. If the employee refuses to make such a statement, he/she shall not be compelled to do so. In the event, an accused employee refuses to make a statement such fact shall be recorded and endorsed by the Investigation Officer.

5.2 Snow Cause Letter

- 5.2.1 Based on the preliminary investigation report, if disciplinary action is required, the Company shall issue a show cause letter setting out the particulars at the charges of misconduct alleged against the Employee. Show cause letter shall set out
- The approximate date, time and place the offence that has taken place
 - A time duration of 7 working days will be given to the Employee to submit his/her explanation to the charges issued
 - An intimation to the Employee that If he/she fails to submit explanation by the said date, it would be presumed that the he/she has no cause to show and action would be taken

5.3 Letter of Explanation

- 5.3.1 On receipt of the show cause letter the Employee concerned shall submit his/her explanation to the Company in writing within the specified period-
- 5.3.2 However, if an Employee requests for an extension of time to reply, the Company may, where it deems such request is reasonable, shall grant an extension.
- 5.3.3 If the Company is satisfied with the written explanation submitted by the employee such explanation, shall be accepted by the Company.
- 5.3.4 If the company is satisfied with the explanation given by the employee concerned and if the Employee is under suspension, he/she shall be reinstated and all emoluments and entitlements due to him/her during the period of suspension shall be paid.
- 5.3.5 If the Company is not satisfied and rejects the written explanation submitted by the employee, the Company shall commence an inquiry after receipt of the written explanation to the show cause letter
- 5.3.6 The Human Resources Division of the Company shall inform the Employee concerned and other relevant personnel of the inquiry in writing.
- 5.3.7 The Company shall not be required to hold an inquiry where it proposes to warn an Employee in a situation where the Employee admits to the charge/s.
- 5.3.8 If the Company does not receive any written explanation to the show cause letter, the inquiry shall be held ex-parte and action shall be taken accordingly.

5.4 Suspension of work

- 5.4.1 The Company shall suspend an Employee with pay, half month pay or without pay:-
Pending an inquiry to be held by the Company on a charge/s of misconduct where such, charge/s relate/s to;
- Fraud, theft, misappropriation or a like offence by the Employee in the course of employment

- b) Abuse, threat or gross insubordination relating to work by the Employee towards his supervisors
- c) Breach of peace, or damage to property, or disturbance of the business of the Company
- d) Charges which, in the opinion of the Company, shall warrant dismissal

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

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

5.5 Domestic Inquiry

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

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

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

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

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

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

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

ANNEXURE No. 06

TYPES OF MISCONDUCT

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

ANNEXURE No. 07

**7.1 Format 1
Authorization for check off**

As I am an employee covered and bound by the Collective Agreement between Yokohama TWS Lanka Private Limited., and the Free Trade Zone Employees Union and I desire to avail myself of the facility for check off contained in the said agreement of which I am eligible as a member of the Free Trade Zone Workers' General Services Employees' union, please deduct from my salary each month a sum of rupees Two Hundred (Rs. 200) in respect of my current monthly membership dues to the said union and remit the same to the said union on my behalf, the first payment should be made from my salary next due immediately following the date hereof.

Signature of the Employees
Full name of Employee
Date

Received on
(To be filled by the Employer]

7.2 Format 2

Name of Employer

Revocation

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

Date:
Signature of Employee
Full Name of Employee
Received on

FINAL PROVISIONS

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

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

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

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

Yokohama TWS Lanka Private Limited. will ensure printing this Agreement within fifteen days after registration with the Department of Labour.

This Agreement is in operation from 1st January 2024 to 31st December 2026 and has an effect after the date of signature. Both parties witness this agreement by the signature of their representatives.


.....
Sanjay Marvani
Managing Director
Yokohama TWS Lanka (Private) Limited


.....
Anton Marcus
Joint Secretary
Free Trade Zone and
General Services Employees
Union

Witnesses for the Company:

1. Name..... P.D.A. Sanath Kumar

Signature 

2. Name..... D.S.A Edirisuriya

Signature 

Witnesses for the Union:

1. Name..... Lalith Karunathilaka

Signature: 

2. Name..... W.M.U. Shantha

Signature:  (Secarti)


.....
Senior Assistant Director General - Employer's Federation of Ceylon

W,D,D. de Alwis
Senior Assistant Director General-Employer's Fedaration of Ceylon

THE INDUSTRIAL DISPUTES ACT, CHAPTER 131

THE Collective Agreement entered into between **Yokohama TWS Tyres Lanka (Private) Limited - Levin Drive, Sapugaskanda, Makola** of the one part and **Free Trade Zone and General Services Employees Union No. 141, Ananda Rajakaruna Mawatha, Colombo 10** of the other part on **12th June 2024** is hereby published in terms of Section 06 of the Industrial Disputes Act, Chapter 131, of the Legislative Enactments of Ceylon (Revised Edition 1956).

H.M.D.N.K. WATALIYADDA
Commissioner General of Labour

Department of Labour,
Labour Secretariat,
Colombo 05
12th January, 2026.

COLLECTIVE AGREEMENT NO. 38 OF 2024

COLLECTIVE AGREEMENT

Yokohama TWS Tyres Lanka (Pvt) Ltd.
2024 - 2026

COLLECTIVE AGREEMENT

THIS COLLECTIVE AGREEMENT made on the 12th Day of June Two Thousand Twenty Four 2024 pursuant to the Industrial Disputes Act between **Yokohama TWS Tyres Lanka (Private) Limited**, and having its registered office at Levin Drive, Sapugaskanda, Makola (hereinafter referred to as “the Company/Employer”) of the **ONE PART** and **FREE TRADE ZONE AND GENERAL SERVICES EMPLOYEES UNION**, a trade union duly registered under the provisions of the Trade Unions Ordinance and having its registered office at No.141. Ananda Rajakaruna Mawatha, Colombo 10 (hereinafter referred to as “the Union”) of the **OTHER PART** witnesseth and it is hereby agreed between the parties as follows:

SECTION 1-BASIC PROVISIONS

1.1 Purpose and Contents of the Collective Agreement

- 1.1.1 This Collective Agreement (hereinafter referred as the Agreement) regulates the relationship between the Employer and the Union and its’ members as well as between the Employer and the Employees, and determines rights and obligations of the agreed parties unless otherwise stipulated further on. The Agreement is in conformity with respective provisions of the Industrial Dispute Act

1.2 Purpose of Agreement

1.2.1 In order to strengthen positive relations of the Employees of Yokohama TWS Tyres Lanka (Private) Limited, and to strengthen partner relations between the Employer and the Union, both parties shall obligate themselves to settle problems that may arise by discussions, aiming at achieving an agreement between the parties.

1.3 Date of Operation and Duration

1.3.1 This Agreement shall be effective retrospectively from the First January Two Thousand Twenty Four (01.01.2024) and shall thereafter continue in force until Thirty first day of December Two Thousand and Twenty Six (31.12.2026), unless it is determined by either party giving one month's notice in writing to the other. Either party shall be at liberty to repudiate this Agreement by giving one month's notice in writing to the other in terms of the Industrial Disputes Act. The agreement is signed for three years in this instance

1.3.2 The Agreement shall cover and bind all Manual Employees of the Yokohama TWS Tyres Lanka (Private) Limited who are members of the union

1.3.3 For the purpose of collective bargaining the union shall be treated as the “ bargaining agent ”

1.4 Parties Bound

1.4.1 This Agreement shall, subject as hereinafter provided, bind the Employer and the manual employees of the company who are members of the union.

SECTION 2 - BASIC RIGHTS AND OBLIGATIONS OF CONTRACTING PARTIES

2.1 Non-discrimination

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

2.2 Solution for Disputes

2.2.1 Disputes concerning this Agreement shall be settled under the provisions of the Industrial Disputes Act (Chapter 131).

2.3 Responsibility of Employer

2.3.1 Respect the right of each Employee to become a member of the Union.

2.3.2 Prevent discrimination of Employees due to Union work.

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

2.4 Responsibility of the Union

- 2.4.1 The Union shall obligate itself that its activities shall be carried out so as not to disturb the working time and not to restrict the activity of the Employer.
- 2.4.2 The information given by the Employer connected with the Company's activity shall be considered confidential. The Union shall obligate itself that such information shall not be published nor abused against the interests of the Employer.

2.5 General Terms and Conditions of Employment and matters incidental and connected therewith:-

- 2.5.1 From the date hereof and during the continuance in force of this Agreement terms and conditions of this agreement shall be included, in all the contracts of service between the Employer bound by this Agreement and an Employee covered and bound by this Agreement, whether such contracts of service be written or oral, which are subsisting as at the date hereof or which come into being during the continuance in force of this Agreement.
- 2.5.2
- a) The Union members who are Employees covered and bound by this Agreement. jointly agree with the Employer that during the continuance in force of this Agreement, they will not seek to vary or add to all or any of the terms and conditions of the Employment presently applicable to any of the employees covered by and bound by this Agreement, or all or any of the benefits presently enjoyed by any of the Employees covered and bound by this Agreement other than by mutual agreement. This will not apply to the attachments which will considered for annual negotiations.
- b) Subject to the terms of this Agreement, the Employer agrees that it shall not seek to vary or add to all or any of the terms and conditions of employment presently applicable to any of the employees covered and bound by this Agreement, or all or any of the benefits presently enjoyed by and of the employees covered and bound by this Agreement other than by mutual agreement.
- c) Any dispute or difference arising from negotiation under provisions of clause (a) or (b) shall be resolved by voluntary arbitration but only if all parties concerned agree to submit such dispute or difference for settlement, by voluntary arbitration.

SECTION 3 - EMPLOYMENT AREA

3:1 Probation

- 3.1.1 Every Employee recruited by the Employer shall serve a period of probation not less than nine (9) months. At the expiry of the nine (9) months probationary period if the Employer is not satisfied with the progress of such Employee, the probationary period shall be extended for a further period of three (3) months and in that event the Employer shall indicate to the Employee in writing the reasons why the probationary period has been further extended. During the period of probation or extended probation, the Employer shall have the right to terminate the services of the Employee without notice.

3.2 Transfers

- 3.2.1 Employee transfers shall take place based on the contract of employment and on the business needs of the Company, and it will be at the discretion of the Company. A letter of transfer to the relevant Employee shall be issued once the transfer is finalized
- 3.2.2 Where an Employee refuses to comply, the employer shall consider such action as an act of misconduct, and act according to the provision of this agreement
- 3.2.3 Transfers will be done by taking into the suitability of the employee to handle the duties and responsibilities of the job. The management will avoid handing over duties and responsibilities which are of lesser in nature in comparison to current job

3.3 Retirement

- 3.3.1 All employees shall retire from service upon reaching the age of 60 years.

3.4 Hours of Work

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

Shift	Working Hours	Meal Break Spread Over
General	8.00 a.m. to 4.30 p.m.	12.00 p.m. to 1.30 p.m.
Saturday	6.00 a.m. to 1.00 p.m.	After 1.00 p.m.

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

Shift	Working Hours	Meal Break Spread Over
Rostered	6.00 a.m. to 2.00 p.m.	11:00 a.m to 12.30 a.m
	2.00 p.m. to 10.00 p.m.	5.30 p.m. to 7.00 p.m.
	10.00 p.m. to 6.00 a.m	2.00 a.m. to 3.30 a.m.

- 3.4.2 Employees are entitled to 1/2 hour meal interval to be taken during the specified break time. Employees are required to be at their respective places of work at the stipulated time of commencement and shall not stop work or leave the workplace until the stipulated closing time without prior permission from the Head of the Division.
- 3.4.3 Working hours are fixed purely at the discretion of the Company and may be revised according to the needs of the business. However, the Company will discuss the matter with the union and after reaching consensus, the decision will be implemented by the Management.
- 3.4.4 An employee may be called upon to work beyond normal working hours as and when the necessity arises. Refusal to do so without a valid reason will be constituted as misconduct. Requesting employees to work on the earned off day should be decided on the agreement of both parties.

- 3.4.5 Employees may be called upon to work on poya days and statutory holidays as and when the necessity arises. Employer shall inform the Union of such requirements, 14 days prior to the poya day or statutory holiday. The union shall inform the employer of any disagreement within 7 days from the date communicated by the employer.
- 3.4.6 Employees are permitted to request for a maximum of three (3) changes per month in the shift with prior written approval of the head of the division for educational purposes, holidays and Trade Union activities (which will be restricted only to members of the Executive Committee). The covering arrangement should be done with an employee who has similar competence.
- 3.4.7 An employee who continuously work for 24 hours will get the following day as a day off

3.5 Annual Leave

- 3.5.1 In accordance to the legal requirement, employees shall be entitled to 14 days of annual leave. Employees have to earn their annual leave by working the required number of days during the calendar year from January to December.
- 3.5.2 Employees should avail of their annual leave during the calendar year in which it is due and cannot accumulate for use in subsequent years. A combination of annual leave and casual/medical leave shall not be permitted except in exceptional circumstances
- 3.5.3 Employees shall agree to utilize 7 days of their annual leave during the plant shutdown period. The employer shall pay a production incentive calculated on the average of the previous two months during the total shutdown period. (This excludes the maintenance division)
- 3.5.4 If an employee falls sick while on annual leave, the period of illness will be set off against the medical leave entitlement upon producing a Medical Certificate. The employee shall be permitted to take the unveiled annual leave on a subsequent date.
- 3.5.5 Employees shall obtain prior approval for annual leave from the Head of the Division at least 4 days in advance. However, granting of leave will be subject to the exigencies of service and on a first come first serve basis.
- 3.5.6 Employees are permitted to avail of annual leave earned for the year during the period of notice/prior to resignation. Annual leave on resignation should be applied for in advance and should be duly approved by the Head of the Division.

3.6 Casual Leave

- 3.6.1 In addition to the legal requirement, the Employer grants casual leave on the following basis:-
- | | | |
|---|---|---------|
| Employees who joined the company prior to 1st of April 2005 | - | 10 days |
| Employees who joined after 1st April 2005 | - | 07 days |

In the first year of employment (*i.e.* January to December), employees are entitled to avail 1 day of casual leave for every completed 2 months in employment. In the second year of employment, employees are entitled to the full casual leave entitlement.

- 3.6.2 A maximum of 2 consecutive days of leave can be taken as casual leave. Employees shall not be entitled to take casual leave proceeding or followed by annual leave. Leave application should be forwarded 24 hrs in advance and should be approved by the Head of the Division and forwarded to the HR Division.
- 3.6.3 Leave will be granted based on the importance and urgency of the requirement. However, such applications may be refused subject to exigencies of service. Failure to obtain prior approval shall result in a deduction of attendance allowance. Failure to adhere to this rule shall be treated as an act of misconduct.

3.7 Unutilised Annual and Casual Leave

- 3.7.1 Any unutilized annual and casual leave shall be compensated in January of the following year. Computation will be for the number of unutilized annual and casual leave calculated based on the Basic Salary/Wage of the employee.

3.8 Medical Leave

- 3.8.1 In addition to the legal requirement, the Employer grants medical leave as a privileged facility. Employees shall be entitled to 7 days paid medical leave on confirmation in employment.
- 3.8.2 On the first day of absence an employee should inform the Head of the Division by telephone, or telegram of the reason for his/her absence. Where the absence exceeds 2 days, a medical certificate should be forwarded along with the leave application form to the Human Resources Division upon reporting to work. The leave period recommended by a medical certificate shall cover all working days weekly holidays, statutory holidays, Poya days, *etc.*, falling within that period. Only the working days shall be deducted from the medical leave entitlement.
- 3.8.3 Employer shall accept medical certificates from the following practitioners.
- a) Western-qualified medical practitioners registered with the Medical Council
 - b) Registered Ayurvedic physicians
 - c) Registered homeopathic practitioners
- 3.8.4 A medical certificate from private Medical Practitioner /Ayurvedic Physician/Homeopathic Practitioner shall be valid only for a maximum continuous period of 14 days. If an extension of leave is required a medical certificate should be obtained from a government hospital/recognised private hospital or a Government Medical Officer/recognised Medical Officer employed in a private hospital.
- 3.8.5 If an employee requires leave for communicable diseases such as Chickenpox, measles, mumps and sore syes, such an employee is required to provide a DMO certificate or Medical Certificate from Company Doctor, or PHI and leave in addition to the 07 days medical leave entitlement will be granted as follows:

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

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

3.9 Unutilised Medical Leave

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

3.10 Statutory Holidays and Customary Holidays

3.10.1 The following statutory holidays shall be allowed each year as paid holidays.

Statutory Holidays

- Tamil Thai Pongal Day
- National Day
- Day immediately prior to the Sinhala & Tamil New Year Day
- Sinhala & Tamil New Year Day
- May Day
- Day immediately succeeding the Wesak Full Moon Poya Day
- Prophet Mohamed's Birthday
- Christmas Day

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

3.11 Maternity Leave

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

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

3.12 Duty Leave

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

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

3.13 Accident Leave

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

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

3.13.3 Number of days leave to be granted will be decided on the recommendation of the Company Doctor or the District Medical Officer (DMO)

3.14 Lieu Leave

3.14.1 An employee, who works for 24 hours, is entitled for a lieu leave within the next 24 hours.

3.15 Weekly Holiday

3.15.1 General Shift employees are entitled to 1 ½ days as weekly holiday after working 5 ½ days. Rostered employees are entitled to 2 days of weekly holidays after working 06 days

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

3.16 Half Day

3.16.1 Half day refers to the whole morning session or the whole afternoon session separated by the lunch interval for employees working on the general shift. Employees working on rostered shifts are not permitted to avail of ½ day's leave. However, in an emergency, leave shall be granted at the discretion of the Head of the Division.

3.17 Special leave for natural disasters

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

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

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

3.17.4 There is nothing herein contained to state that the Employer is bound to consider or completed to grant

special leave for Employers affected by natural disasters, and any special leave granted will be at the absolute discretion of the Employer.

SECTION 4 - PAYROLL

4.1 Remuneration

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

Basic Salary of Rupees Twenty Five Thousand (Rs.25,000/-) Per month.

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

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

4.2 Salary For Periods Less Than One Month

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

a) One hour - Salary for a month divided by two hundred and forty (240)

b) One day - Salary for a month divided by thirty (30)

c) One half day - A day's salary ascertained as in (b) above divided by two (2) (Morning or Evening)

d) One week - A day's salary ascertained as in (b) above multiplied by seven (7)

4.3 Salary//Wage Compensation during down time

4.3.1 During downtime due to lack of customer orders, temporary failure caused by machinery (not caused by Employee), raw material flow, energy failure, employees shall be entitled to compensation in the form of Basic Salary/Wage and Cost of Living for the corresponding number of shifts/days they were unable to work due to this reason, provided they have not been assigned to do any other work.

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

4.4 Overtime

- 4.4.1 Work performed in excess of the normal hours of work specified shall constitute as overtime
- 4.4.2 Employees working overtime on a normal working day shall be paid at the rate of one and a half times (1 1/2) of the hourly rate of pay as authorized overtime. The hourly rate of pay shall be determined by dividing the monthly wage by two hundred and forty (240).
- 4.4.3 Employees working overtime on a Poya Day in addition to the legal requirement, shall be paid at the rate of two times of the hourly rate of pay as authorized overtime. The hourly rate of pay shall be determined by dividing the monthly wage by two hundred and forty (240).
- 4.4.4 Employees working overtime on a Statutory Holiday shall be paid at the rate of two times of the normal hourly rate of pay as authorized overtime. The hourly rate of pay shall be determined by dividing the monthly wage by two hundred and forty (240).
- 4.4.5 Employees working on the first off day shall be entitled to one and half time (1 1/2) of the hourly rate of pay as authorized overtime and Employees working on the second off day shall be entitled for twice (02) the normal hourly rate of pay as over time determined by dividing the monthly wage by two hundred and forty (240).
- 4.4.6 Employees who are rostered to work on Sunday, (which is prescribed as the weekly holiday in the wages board applicable to the tyre manufacturing industry) will be paid 1 ½ times the hourly rate by dividing by 240.

4.5 Non-Recurring Cost Of Living Gratuity (NRCOLG)

- 4.5.1 Employees shall be paid NRCOLG as per annexure number (2) of this agreement and the ceiling will be Rs.16,000/=
- 4.5.2 A new Employee shall be eligible for NRCOLG from the day he/she commences employment. The NRCOLG for the first month in employment shall be paid in the following month. Employee resigning from his/her services shall be entitled for the NRCOLG only up to the date of his/her resignation
- 4.5.3 NRCOLG shall not be regarded as a part of the wage of the employee for statutory purposes. *i.e.* EPF, ETF, Over Time, Gratuity *etc.*
- 4.5.4 Above mentioned NRCOLG has been frozen at Rs.12441/- as per the CCPI (N) index published by the government in May 2011 (Value per point Rs.67). It is agreed that further revision of the NRCOLG will be discussed between the Company and the Union once the government gazettes the new value of the index.

4.6 Production Incentive

- 4.6.1 Employees who are permanent in employment shall be paid the Production Incentive based on the production target, production mix and quality. The production incentive shall be paid along with the salary. The Production Incentive calculation table is listed in Annexure No. 1 of this Agreement.
- 4.6.2 Production incentive will be revised by LKR 1500/- with effect of 1st of January 2025, subject to an upon

agreement on the revised production incentive scheme. The parties have already agreed on the revised scrap rates (0.5). The revised Production Incentive scheme will be discussed and agreed before 31 st December 2024.

4.7 Bonus

4.7.1 Employees shall be granted a bonus at the end of each year based on the following criteria:

a) An Employee should be in permanent employment of the company

b) An Employee should be in service for a minimum of 6 months.

4.7.2 An Employee should not have unauthorised absence during the year, any unauthorised absence will be deducted from the bonus as follows:

$$\frac{\text{Basic Salary} \times 3}{20} \times \text{No. of Days NO PAY}$$

4.7.3 Employees who have completed more than 6 months but less than 1 year of continuous permanent employment will be granted bonus on a pro-rata basis. Employees with less than 6 months service period will not be paid any bonus.

4.7.4. The employee should have been in permanent service at the time

4.7.5 Company will follow the present bonus payment of 3 months salary, and in the event the company is unable to pay the bonus of three months, both parties will discuss and resolve the issue amicably.

4.7.6 In the event both parties fail to settle the issue amicably, both the company and the union agrees to settle the matter under the dispute resolution method specified in this agreement.

4.7.7 The bonus payment shall be negotiable and the quantum of payment shall be based on the financial possibilities of the Company.

4.8 Salary Revision

4.8.1 A revision of the salaries shall be done each year at the discretion of the Company. The quantum of increase of salary per employee shall be LKR 5700/- for the year of 2024, For the period of 01st January 2024 to 31st December 2024.

4.9 Employee Provident Fund

4.9.1 The Employer and the Employee shall contribute to the Employees' Provident Fund the minimum rate prescribed by the Employees' Provident Fund Act No. 15 of 1958.

4.10 Employees Trust Fund

4.10.1 The Employer shall contribute to the Employees Trust Fund, at the minimum rate prescribed by the Employer's Trust Fund Act. No. 46 of 1980.

4.11 Job Evaluation

- 4.11.1 The Company will conduct a job evaluation to categorize manual employees into different grades based on knowledge. Skills and attitudes required for the job. The union will be Invited to participate in the job evaluation process.
- 4.11.2 Based on the job Evaluation results, the company will propose to the Union - a new wage structure - which will recognise skill, knowledge and attitudes required for each job.

4.12 Attendance Allowance

- 4.12.1 Employees shall be granted an Attendance Allowance based on the following criteria.
- a) Employees should obtain prior written approval when availing leave.
 - b) Employees should not have reported for work late for more than 15 minutes per month.
 - c) Employees should not have availed no pay leave for the month. If no pay leave is availed, the employees will not be entitled to the attendance allowance.
 - d) Employees should not have been liable for disciplinary action relating to attendance.
 - e) Employees who do not report for work for one day (1) without prior information, shall be liable to forfeit 50% of the monthly attendance allowance.
 - f) Where an employee is absent from work without informing for more than 1 day, the total amount will be deducted from this allowance.
- 4.12.2 The quantum of Attendance Allowance is listed in Annexure No. 2 of the Agreement.

4.13 Weekend/Holiday Allowance

- 4.13.1 Employees are required to work on Saturday and/or Sunday to be entitled for the Weekend Allowance. A minimum of 8 hours have to be worked to claim the full payment of the Weekend Allowance and 4 hours to claim half payment of the Weekend Allowance.
- 4.13.2 Employees working on the general shift for more than 5 hours on a Saturday or 8 hours on a Sunday shall be entitled to the full payment of the weekend allowance. Where an employee continues the shift he/she shall be permitted to claim the same amount of the Weekend Allowance during the continued shift.
- 4.13.3 The quantum of Weekend/Holiday Allowance is listed in Annexure No. 2 of this Agreement.

4.14 Dust Allowance

- 4.14.1 A Dust Allowance based on attendance will be paid to Employees working under dust conditions. Where

an employee continues the shift he/she shall be entitled to the same amount of the Dust Allowance during the continued shift.

4.14.2 The quantum of Dust Allowance and category of employees entitled to this allowance is listed in Annexure No. 2 of this Agreement.

4.14.3 The Company shall endeavor to create a working environment free of dust and health hazards, and after certification by The Central Environment Authority of Sri Lanka, the dust allowance will be canceled.

4.15 Service Allowance

4.15.1 A Service Allowance will be paid to Employees based on the completed number of years of service in employment. Service Allowance will be calculated based on the basic salary irrespective of no pay deductions.

Period of Service	Amount
5-9 years	2 1/2%
10-14 years	5%
15-19 years	7 1/2%
20-24 years	10%
25-29 years	12 1/2%
30-35 years	15%

4.16 Night Shift Allowance

4.16.1 Employees who work on the night shift, (from 10p.m. to 6a.m.) will be paid a Night Shift Allowance. Where an employee continues the afternoon shift [from 2 p.m. to 10 p.m.) until 6 a.m., of the following day, such an employee will be paid the Night Shift Allowance.

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

4.17 Poyaday/Statutory Holiday Allowance

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

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

4.18 Washing Allowance

4.18.1 Employees covered by this agreement - who receive uniforms, will be paid a washing allowance

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

4.19 Drivers Subsistence

4.19.1 Drivers are provided subsistence for over night stay and day trips.

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

4.20 Recognition of period of service with the Company

4.20.1 The Employer shall reward Employees who have been employed with the Company in the following manner. If an employee completes his service period as mentioned below, prior to the retirement age of 60 years, the following one time rewards will be granted to the respective employee as an appreciation for the service rendered within the company.

Period of Service	Amount
35 years	Rs.40,000/-
30 years	Rs 30,000/-
25 years	Rs.25,000/-
20 years	Rs 15,000/-
15 years	Rs. 12,000/-
10 years	Rs. 9000/-

4.21 Special Transport Allowance

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

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

4.22 Salary Advance

4.22.1 A fixed rate of Rs. 4,000/- shall be paid as a Salary Advance on the 10th of each month by way of a bank transfer.

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

4.23 Festival Advance

4.23.1 Permanent employees shall be granted a Festival Advance in April or December and shall be recovered in 10 monthly installments.

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

4.24 The methodology of absorbing employees to the Permanent cadre

4.24.1 The Company absorbed 19 employees (whom here in after referred to as "New employees") into the permanent cadre in the year 2021. Out of which 15 assigned to TIT and 4 will be assigned to Pneumatic.

TIT represent all the departments that comes under solid tyre department and Pnuematic represent all the departments that comes under Pnuematic tyre department.

- 4.24.2 The basic salary of the New employees will be according to the Minimum wages stipulated by the Wages board. The Non-Recurring Cost of Living Gratuity (NRCOLG) will be paid as a separate payment to the New employees at LKR 12,441.
- 4.24.3 The NRCOLG payment of (LKR 12,441) will be added to the Basic salary of the New employees on the day, the last employee who was made Permanent before 2015 gets NRCOLG added to their Basic salary (upon reaching LKR 16,000).
- 4.24.4 At this stage the Basic salary of the New employee will not be increased to LKR 16,000. But The NRCOLG LKR12,441 will be added to their prevailing Basic salary.
- 4.24.5 Further to this exercise, any future employment into the permanent cadre will not be entitled to NRCOLG. But the Basic salary will be LKR 25,000 per month.

SECTION 5 - SAFETY AT WORK AND PREVENTION OF OCCUPATIONAL ACCIDENTS

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

SECTION 6 - FACILITIES AND CONCESSION GRANTED BY THE EMPLOYER

6.1 Canteen Operations

- 6.1.1 Employer will offer Employees meals whilst on duty on all working days including Saturdays and Sundays
- 6.1.2 Employer will grant its Employees, one main meal free of charge, during the 8-hour working cycle. If an Employee works 12 hours or continues a shift, such an employee will be entitled to two meals (*i.e.* lunch and dinner)
- 6.1.3 Providing meals shall be based on the needs of the Company and the operating time of the canteen shall be decided by the Company.

6.2 Annual Trip

- 6.2.1 The company shall grant Rs.1,000/- per adult, and Rs.800/- per child (under 12 years of age) to 8 each Employee for the Annual Trip. This will be carried out with the practice which agreed by the Management in each year.

6.3 Sports

- 6.3.1 The Company shall sponsor clothing, tournament fees, and ground fees and shall provide sports equipment, refreshments, soft drinks, *etc.* to Employees taking part in cricket, and volleyball. The above will include expenses incurred at practices and tournaments
- 6.3.2 However such activities should not disrupt the smooth functioning of the Company.

6.4 Medical Facility/Surgical & Hospital Expenses Insurance

- 6.4.1 OPD facility is provided to employees and his/her immediate family members. Employees are permitted to claim 10% from the annual basic salary up to a maximum limit of Rs.27,000/- *per annum*.
- 6.4.2 Employees will be covered by a Surgical & Hospital Expenses Insurance cover to the value of Rs 70,000/- *per annum*. Married employees will be eligible to submit claims for their spouse and children below the age of 21 year, and unmarried employees will have the facility for themselves only.

6.5 Personal Accident Insurance

6.5.1 Personal Accident

A24 hours Personal Accident Insurance cover will be provided to Employees locally. This insurance will cover accidents resulting bodily injuries and death at work and away from work. Employees shall be paid a proportionate payment on partial disability and full amount on permanent disability. Any cost incurred by the Company on behalf of the employee as a result of the accident will be deducted from the insurance claim.

6.6 Advances

6.6.1 Performance - Based Monetary Advance

Employees shall be granted Performance Based Monetary Advance based on the financial position of the Company.

The loan amount and the terms and conditions are listed in Annexure No.03 of the Agreement.

6.6.2 Salary Advance - II

Employees shall be granted Salary Advance - II based on the financial position of the Company.

The loan amount and the terms & Conditions are listed in Annexure No.03 of the Agreement.

6.7 Benefits

6.7.1. Employer shall provide Employees with other semi - financial benefits as listed in Annexure No.03 of this Agreement.

SECTION 7- EDUCATION AND TRAINING

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

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

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

7.3 The Company will pay an allowance of Rs.250 (per employee, per day) for employees who are sent by the company for out side trainings to cover transport and meal expences with effect from 1st` January 2016.

In instances where transport is provided, either meals or an allowance of Rs. 150 (per employee, per day) will be paid.

The company will provide a transport if there are 5 or more employees going to gether from training (Only from office to training location and back to office)

The allowance will not be paid if both transportation and meals are provided.

SECTION 8

DISCIPLINE

8.1 Work Discipline

8.1.1 Basic rules of Yokohama TWS Tyres Lanka (Private) Ltd.

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

8.2 Disciplinary Action

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

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

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

SECTION 9

RELATIONS BETWEEN THE EMPLOYER AND THE TRADE UNION

9.1. Basic Provisions

1.1 The Employer obligates himself to respect the basic Trade union rights:

- a) Become Trade Union Members
- b) Recruit new Members.
- c) Give relevant information to their members

- d) Meeting and activities should only be with the prior written approval of the Company.
- e) Carrying out meetings of the Union in the Company should only be with the prior written approval of the Company.

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

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

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

9.2 **Dispute Resolution Procedure**

9.2.1 It is hereby agreed that the procedure to be followed for the settlement of any dispute shall be as follows.

- (a) Where a dispute is arises between an Employee and the Employer, the Employee, in the first instance shall raise the matter through the Union Officials of the Company and both parties shall endeavour to effect and amicable settlement.
- (b) In the event of a dispute not being settled, or in the case of a dispute between the Union and the Employer, the Union may, raise the matter with the Employer's Federation of Ceylon and there upon all steps shall be taken by the Union and the Employer's Federation of Ceylon for an amicable settlement of the matter in dispute utilising if desired, the offices of the Conciliation Division of the Department of Labour
- (c) In the event of a dispute not being resolved or settled under the preceding paragraphs (a) or (b) or in the case of a dispute between the Union and the Employer's Federation of Ceylon, the parties shall agree a settlement of the matters in dispute and such matter shall be referred to an Arbitrator or Arbitrators under section 3(I)(d) of the Industrial Disputes Act for settlement, or refer to a qualified mediator or body of mediators, However should the parties fail to agree on a settlement of the issue in dispute for purposes of

arbitration, each party shall furnish the Commissioner of Labour with a statement setting out the issues in dispute and thereafter the Commissioner of Labour shall set out the issues in dispute to be referred to the Arbitrator or Arbitrators.

- (d) The Union may notify the EFC in writing with a statement of the matter in dispute that should be dealt with. After such notification by the Union to the Employer's Federation of Ceylon, a Special Disputes Committee of the Employer's Federation of Ceylon shall endeavour to settle the dispute. If no settlement is effected within seven (7) days from the date of the Union notifying the Employer's Federation of Ceylon, the dispute shall be referred to the Commissioner of Labour for settlement by arbitration as provided in (c) above, or if the Union or the Employer requests, the dispute shall be referred to a Special Arbitrator for settlement

9.3 Union Meetings

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

9.4 Membership of union/Check off

- 9.4.1 "Union" shall mean Employees bound by this Agreement and in whose establishment the membership of the Union is not less than forty percent (40%) of persons employed in the relevant category.
- 9.4.2 If it becomes necessary to decide whether the membership of the Union is not less than forty percent (40%) of persons employed by the Employer in the category covered by this Agreement, the same shall be determined by a referendum which shall be held by the Department of Labour and the result of such referendum shall be binding on the parties hereto
- 9.4.3 The Employer shall on the written request of an Employee deduct from the pay the current monthly Union dues payable monthly by the Employee to the Union and remit the amount deducted to the Union in accordance with the procedure.
- 9.4.4 Every Employee who agrees to the deduction of Union dues from his pay shall sign a statement to that effect as per Annexure No.7 Format 1.
- 9.4.5 Every Employee shall be entitled to withdraw his agreement to check-off at any time by signing a statement to that effect as per Annexure No.7 format 2.
- 9.4.6 No variation in the monthly deductions by way of check-off shall be made by the Employer except by mutual agreement with the Union and member concerned. In the event of any variation being agreed, each member will need to signify his agreement to the revised amount being deducted by way of check-off by signing a fresh authorisation to that effect.

- 9.4.7 Deductions under an authorisation shall commence from the pay, immediately after the date of receipt of such authorisation and shall continue thereafter until the authorisation is canceled by a revocation
- 9.4.8 The Employer shall be entitled not to make deductions by way of check-off in any month if the deduction by way of check-off will together with all other deductions from an Employee's pay in that month exceed the deductions permitted by law.
- 9.4.9 (a) The Employer shall once a month within fifteen (15) days after the regular pay day remit to the Treasurer of the Union the total sums deducted by way of check-off by a cheque drawn payable to "Free Trade Zones and General Services Employees' Union" and crossed Account Payee.
- (b) The cheque shall be sent, at the Union's risk, by post in a pre-paid envelope addressed to the "The Treasurer, Free Trade Zones and General Services Employees' Union, No. 141. Ananda Rajakaruna Mawatha, Colombo 10".
- (c) The Treasurer of the Union shall acknowledge receipt of the cheque.
- (d) The Employer shall not be liable to pay to the Union or to the Treasurer on its behalf as aforesaid any sum other than the actual deductions made.
- 9.4.10 The Employer may suspend the operation of this clause by specifying the reason for such action by written notice to the Union:-
- (a) If the Union resorts to a strike or any other form of trade union action in breach of the terms of provisions of this Agreement, the Employer may suspend the operation of this clause for such time as may be decided by the Employer but not exceeding the duration of such strike or other form of trade union action. Before such a decision is made the Employer and the Union shall endeavour to effect an amicable settlement.
- (b) If the Union fails to maintain itself as a properly registered Trade Union under the Trade Unions Ordinance, the Employer may decide to suspend the operation of this clause for such time as may be required.

ANNEXURE NO.1

PRODUCTION INCENTIVE

- | | | |
|-----|---|----------------------|
| 1.1 | Solid / POS Tyre Division - Production Incentive | Refer Page 27 |
| 1.2 | Pneumatic Tyre Division - Production Incentive | Refer Page 28 |
| 1.3 | Mixing Division - Production Incentive | Refer Page 29 |
| 1.4 | Maintenance Division - Production Incentive - (Average of above 3) | |

1.1 Solid / POS - Production Incentive

Performance (PCS) - PRODUCTION ACTUAL % Against TARGET				
			Rs / Month	Rs / Bk.
68	→	64	58	2
64	→	68	158	7
68	→	72	258	11
72	→	76	358	16
76	→	77	458	20
88	→	81	588	23
82	→	85	568	25
84	→	85	688	27
86	→	87	668	30
88	→	89	725	33
98	→	91	888	36
92	→	93	988	41
94	→	95	1158	52
96	→	98	1388	59
98	→	99	1888	82
99+	→	100	2388	105
188+	→	101	3888	136
183+	→	103	5858	175
183+	→	105	5888	227

RESPECT TO MIX (BASED ON DIMENSION PLAN) - NET PRODUCTION ACTUAL % Against TARGET				
			Rs / Month	Rs / Bk.
68	→	64	158	7
64	→	68	285	13
68	→	72	488	19
72	→	76	565	25
76	→	77	688	31
88	→	81	825	38
82	→	85	968	44
84	→	85	1895	50
86	→	87	1388	56
88	→	89	1365	62
98	→	91	1588	68
97+	→	93	1988	86
95+	→	95	2388	105
95+	→	97	2658	120
97+	→	99	3888	145
99+	→	100	5688	164

Curing Scrap % (Monthly Average)				
			Rs / Month	Rs / Bk.
L60	→	1.57	180	5
L56	→	1.53	280	9
L52	→	1.48	380	14
L47	→	1.44	480	18
L43	→	1.48	580	23
L39	→	1.36	680	27
L35	→	1.33	780	32
L31	→	1.27	880	36
L26	→	1.23	980	41
L22	→	1.17	1080	45
L16	→	1.11	1300	59
L10	→	1.04	1700	77
L00	→	0.95	2300	105
894	→	0.83	2600	118
881	→	0.51	3800	136
850	→	0.08	4800	183

Minimum	0	Rs / Month
Average	6300	Rs / Month
Maximum	12600	Rs / Month

1.2 Light Industrial Division - Production Incentive

Performance (PCS) - PRODUCTION ACTUAL % Against TARGET				
			Rs / Month	Rs / Sq.
68	→	64	58	2
64	→	62	158	7
68	→	72	258	11
72	→	76	358	16
76	→	77	458	20
88	→	81	588	23
82	→	85	558	25
84	→	85	688	27
86	→	87	668	30
88	→	89	725	33
88	→	91	888	36
92	→	95	988	41
94	→	95	1158	52
96	→	98	1388	59
98	→	99	1888	82
99+	→	100	2388	105
100+	→	101	3088	136
101+	→	103	3858	175
103+	→	105	5088	227

RESPECT TO MIX (BASED ON DIMENSION PLAN) - NET PRODUCTION ACTUAL % Against TARGET				
			Rs / Month	Rs / Sq.
90.4	→	98.9	150	7
91.8	→	91.5	285	13
91.6	→	92.1	430	19
92.2	→	92.7	555	25
92.8	→	92.3	690	31
92.4	→	92.9	825	38
94.8	→	94.5	960	44
94.6	→	95.1	1095	50
95.2	→	95.7	1230	56
95.8	→	96.3	1365	62
96.4	→	96.9	1500	68
97.8	→	97.5	1908	86
97.6	→	98.1	2308	105
98.2	→	98.7	2658	123
98.8	→	99.3	3208	145
99.4	→	100	3608	164

Curing Scrap % (Monthly Average)				
			Rs / Month	Rs / Sq.
1.50	→	1.27	100	5
1.26	→	1.23	200	9
1.22	→	1.18	300	14
1.17	→	1.14	400	18
1.15	→	1.18	500	23
1.09	→	1.06	600	27
1.05	→	1.02	700	32
1.01	→	0.97	800	36
0.96	→	0.93	900	41
0.92	→	0.87	1000	45
0.86	→	0.81	1500	59
0.80	→	0.71	1700	77
0.70	→	0.65	2300	105
0.64	→	0.52	2600	118
0.51	→	0.88	4000	182

Minimum	0	Rs / Month
Average	6300	Rs / Month
Maximum	12600	Rs / Month

L3 Mixing Division - Production incentive.

Performance (Of Batches) - PRODUCTION				
ACTUAL % Against TARGET				
		Rs / Month	Rs / Sh.	
60	→	68	58	2
64	→	88	158	7
65	→	73	258	11
73	→	76	358	14
76	→	77	458	28
80	→	84	538	28
83	→	85	558	25
88	→	85	638	27
85	→	87	658	38
88	→	88	725	33
90	→	88	838	36
93	→	85	938	41
94	→	85	1150	53
96	→	88	1580	58
95	→	89	1880	83
90+	→	188	2580	185
188+	→	188	3880	156
184+	→	185	3850	175
183+	→	185	5880	227

SCRAP/COMPOUND % (MONTHLY AVERAGES)				
		Rs / Month	Rs / Sh.	
1.88	→	1.85	158	7
1.84	→	1.88	285	13
1.88	→	1.83	428	18
1.83	→	1.77	555	25
1.74	→	1.71	688	31
1.74	→	1.65	825	38
1.64	→	1.58	988	44
1.58	→	1.53	1185	58
1.53	→	1.47	1298	56
1.44	→	1.41	1365	62
1.48	→	1.35	1588	68
1.54	→	1.38	1788	86
1.38	→	1.33	1958	185
1.23	→	1.17	2258	180
1.34	→	1.11	2688	145
1.18	→	1.08	4888	183

Hold Compound % (Monthly Average)				
		Rs / Month	Rs / Sh.	
5.00	→	4.78	150	7
4.69	→	4.68	285	13
4.59	→	4.18	420	19
4.09	→	3.88	555	25
3.79	→	3.58	690	31
3.49	→	3.38	825	38
3.19	→	2.98	960	44
2.89	→	2.68	1095	58
2.59	→	2.38	1230	56
2.29	→	2.08	1365	62
1.99	→	1.78	1500	68
1.69	→	1.48	1635	86
1.59	→	1.18	2300	105
1.09	→	0.88	2650	128
0.79	→	0.58	3200	145
0.49	→	0.38	3650	164

Minimum	0	Rs / Month
Average	6550	Rs / Month
Maximum	12600	Rs / Month

ANNEXURE NO. 2

ALLOWANCES

The quantum of allowances from the year 2024 is as follows.

- | | | |
|------|--|---|
| 2.1 | Attendance Allowance | - Rs. 1000/- per month (this will be applied for employees who have obtained only one approved leave for the relevant month and apply the conditions in 4.12) (<i>w.e.f.</i> January 2020). Employees who have obtained more than approved leaves will be entitled to an attendance allowance of 750/- |
| 2.2 | Weekend/Holiday Allowance | - Rs. 75/- for Saturday and Rs. 90/- for Sunday. |
| 2.3 | Dust Allowance | - Rs. 3/- per day for Mixing Division and Rs. 2/- per day for other Divisions. |
| 2.4 | Night Allowance | - Rs.500/- per shift |
| 2.5 | Poyaday/Statutory Holiday Allowance | - Rs.2000/- per day (for 4 hours) |
| 2.6 | Washing Allowance | - Rs. 400/- per month. |
| 2.7 | Drivers Subsistence | - Rs. 500/-for an overnight stay and Rs.350/- for return journey |
| 2.8 | Festival Advance | - Rs.40,000/- (<i>w.e.f.</i> April 2022) |
| 2.9 | Special Transport Allowance
(Tyre & Tube) | - Rs.400/- |
| 2.10 | Non-Recurring Cost of Living index)
Gratuity (NRCOLG) | - Frozen at Rs.12,441/. (As per May 2011 CCPI(N) |
| 2.11 | Transport allowance on downtime | - Rs400/- per day |
| 2.12 | Shutdown allowance for maintenance | - Rs. 1350/day will be paid during shut down period This allowance will include the payment of transportation. |
| 2.13 | Production Incentive | - 50% of the production incentive will be paid for employees who will be requested by the Management to present at work for even 01 hour on his day off. |

ANNEXURE NO. 3**BENEFITS****3.1 Uniform/Soap**

Employees will be provided with the following each year.

- 3.1.1 03 sets of uniforms to be worn while at work and 02 sets of uniforms to be worn while traveling to work will be issued to each employee.

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

- 3.1.2 06 pairs of socks

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

- 3.1.4 02 bars of washing soap

- 3.1.5 02 cakes of soap

3.2 Transport

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

3.3 Library Service

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

3.4 Holiday Bungalow

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

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

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

3.5 Toy Voucher

3.5.1 Toy vouchers will be granted to children of employees in December each year. (*w.e.f* December 2019)

Age	Amount
1-4 years	Rs. 1000/- per child
5-8 years	Rs. 1000/- per child
9-12 years	Rs. 1000/- per child

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

3.6 New Year Gift Voucher

3.6.1 A gift voucher of Rs.2,000/- and a currency note of Rs.100/- will be given to each employee on 1 January.

3.7 Sinhala/Tamil New Year Gift

3.7.1 A gift voucher or a gift parcel to the value of Rs 2,200/- will be given to the employees for the Sinhala/Tamil New Year.

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

3.8 Wedding Gift

3.8.1 The Company will grant Rs. 4000/- in cash, as a Wedding Gift to an employee getting married.

3.8.2 A sum of Rs. 21,000/- or company provided car for the wedding or home coming of an employee.

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

3.9 Diary and Calendar

3.9.1 Each employee will be provided with a desk diary and two calendars at the end of each year

3.10 School Books Vouchers

3.10.1 Employee's children will be granted school book vouchers as follows. (*w.e.f* December 2019)

Category of Grade	Amount
Kindergarten	Rs. 2000/-
Grade 1	Rs. 2300/-
Grade 2	Rs. 2300/-

Grade 3	Rs.2700/-
Grade 4	Rs. 2700/-
Grade 5	Rs.3300/-
Grade 6	Rs 3300/-
Grade 7	Rs.3500/-
Grade 8	Rs.3700/-
Grade 9	Rs.3700/-
Grade 10	Rs.3800/-
Grade 11,	Rs.3800/-
Grade 12 & 13	Rs 4000/-
Undergraduates	Rs.4000/-

The Company will grant schoolbook vouchers based on the age of each child declared by the employee and as per the records maintained by the Company. The above amounts will come into effect from December 2019.

3.11 Funeral Expenses

Death of an Employee

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

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

Death of an employee's family member

3.11.3 The Company will grant a payment of Rs.28,000/- in the event of the death of an employee's family member as described below. This amount will be paid with effect from 1 January 2010. Payments should be made available when the death occurs and the death certificate should be produced within one month time. If the death certificate is not produced, the donation amount will be deducted from the employee's salary or any other dues

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

Unmarried employees: Mother and Father.

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

3.12 Transport to attend the funeral of an employee's family member

3.12.1 The Company will provide a 35 seater passenger vehicle if the distance is more than 50 k.m. from the Plant and a 15 seater van if the distance is less than 50k.m. from the Plant, on one occasion.

3.13 Advances

3.13.1 **Performance-Based Monetary Advance:** Employees shall be granted a Performance Based Monetary Advance of Rs 190,000/- (*w.e.f* 01st April 2022) as a Performance Based Monetary Advance based on the following terms and conditions:-

- a. The Performance Based Monetary Advance will be recovered in 36 monthly installments
- b. All other monetary advances should be fully settled to obtain the performance-based Monetary Advance.
- c. Maximum salary deduction should not be more than 40% of the basic salary.
- d. Employee should have completed a minimum of 5 years of service with the company.
- e. Two employees who have completed 5 years of service with the company should sign as guarantors.
- f. Should be recommended by the Superior Officer and approved by the Head of Division member
- g. Any unauthorised absence or warning letters issued during last 12 months will disqualify the employee from obtaining the Performance Based Monetary Advance

3.13.2 **Salary Advance II:** A maximum sum of Rs 40,000.00 (*w.e.f* 01st January 2021) shall be granted as Salary Advance - II to Employees on the following terms and conditions.

- a. The Salary Advance - II, will be recovered in 12 monthly installments.
- b. Maximum salary deduction should not be more than 40% of the basic salary.
- c. Employee should have completed a minimum of 1 year salary of service with the company.
- d. Two employees who have completed 5 years of service with the company should sign as guarantors.
- e. Should be recommended by the Superior Officer and approved by the Head of the Division.
- f. Any unauthorized absence or warning letters issued during the last 12 months will disqualify the employee from obtaining the Salary Advance - II

ANNEXURE NO. 4

CODE OF DISCIPLINE

4.1 Conduct & Behaviour

- 4.1.1 Employees are expected to conduct themselves responsibly and not to act in any manner prejudicial to the interests and good image of the Company.
- 4.1.2 Employees are required to observe the Company's rules and regulations and provisions of this agreement and its annexures. Such regulations may also be changed from time to time to ensure the relevance of regulations according to the needs of the Company. Such changes will be discussed with the union before implementation.

4.2 Discrimination & Harassment

- 4.2.1 The Company prohibits unlawful discrimination or harassment of any kind on the part of all employees, including discrimination or harassment on the basis of race, colour, veteran status, religion, gender, sex, age, mental or physical disability, nationality, marital status, verbal, physical and visual harassment or any other characteristics protected by law.
- 4.2.2 Where a complaint of retaliation is substantiated, appropriate disciplinary action shall be taken not excluding termination of services

4.3 Company Assets & Confidentiality

- 4.3.1 All employees must maintain the confidentiality of business information. The Company's tools, equipment, facilities and inventories, as well as its know-how, technology, market information and business plans, *etc.* are all valuable assets. It is the responsibility of every employee to preserve and protect the company's assets and confidential business information and to see that they are not misused or made available to outsiders in any manner that could be detrimental to the interests of the company. This obligation of confidentiality applies while an employee is in service of the Company.

4.4 Personal Use of Company Property

- 4.4.1 Employees shall not use company property, labour or information for personal use without prior written approval of the company

4.5 Conflict of Interest

- 4.5.1 A conflict of interest shall be when an employee or his/her family member has a direct or indirect financial interest in, or receives any compensation/other benefit from, any individual or firm that sells material, equipment or property to the Company, provides any service to the Company, has business dealings or contractual relations with the Company or is engaged in a similar business or competes with the Company. Family members include spouses, parents, children, siblings and in-laws. Employees shall ensure that they do not engage in any activity that shall create a conflict of interest in the Company.

4.6 Respecting Each Other

4.6.1 An employee shall do his or her utmost to promote a respectful workplace culture that is free of harassment, abuse (physical, verbal & visual), intimidation, biasness and discrimination of any kind.

4.7 Fair Competition

4.7.1 Employees shall treat customers and suppliers honestly and fairly and shall not make false, misleading, or disparaging remarks to customers or suppliers about other customers/suppliers or about competitors, their products or services.

4.8 Commitment to Customers & Suppliers

4.8.1 Employees shall practice and promote high professional standards in carrying out his or her tasks and in his or her relationship with other employees, suppliers, customers, stakeholders and other persons dealing with the Company.

4.8.2 Employees shall not accept bribes, inducements or unauthorized commissions from customers or suppliers. Acts of such shall result in disciplinary action being taken according to the disciplinary procedures, not excluding termination of services.

4.9 The Environment

4.9.1 The Company requests all employees to have regard for the environment when carrying out their duties.

4.10 Gifts and Entertainment

4.10.1 Employees or members of their families shall not accept gifts, services, discounts or favours from those with whom the Company engages in business or intends engaging in business.

4.10.2 Employees may accept gifts of nominal value (calendars, appointment books, pens, *etc*) ordinarily used for sales promotion.

4.10.3 Where an employee receives a gift that does not fall within these guidelines, such an employee is required to report it to his or her superior and the gift shall be returned. If return of the gift is not practical, it shall be given to the Company for charitable disposition or such other disposition, as the Company deems appropriate

4.11 Company Property

4.11.1 Employees shall take care of all Company property including tools, uniforms, machinery, vehicles, and ID cards. Employees shall not remove company property from its premises without proper authorization and shall report to the Company of damage to property, losses, sabotage and evidence of theft.

4.12 Frauds and Thefts

4.12.1 Company prohibits fraudulent activity and establishes procedures to be followed to ensure that incidents of fraud and theft relating to the Company are promptly investigated, reported and, where appropriate,

prosecuted.

4.12.2 Fraudulent activity can include actions committed by an associate that injure suppliers and customers, as well as those that injure the Company, its shareholders and its associates.

4.12.3 Employees who suspect that any fraudulent activity may have occurred shall immediately report such concern to the Human Resources Director or the Human Resources Manager.

4.12.4 Such contact should occur before any action is taken with respect to the individual accused of perpetrating the alleged business impropriety.

4.13 Workplace Viblence

4.13.1 The Company is committed to provide all employees with a completely safe work environment and shall not conform to any and all forms of workplace violence.

4.13.2 Employees shall not bring any sort of weapon to work or threaten violence of any kind. and violation of this policy will result in appropriate disciplinary action, up to and including termination of service.

4.14 Alcohol & Drugs

4.14.1 Consumption of or being under the influence of alcohol or drugs whilst on duty that will affect public relations, safety in the workplace, or the safety of customers, suppliers, guests and other staff, or which shall violate law, shall result in termination of service

4.15 Behaviour

4.15.1 All employees shall behave in a polite, respectful, cheerful and helpful manner towards customers, guest and other staff at all times. Any act of harassment, abuse, misconduct shall lead to disciplinary action.

4.16 Grooming and Appearance

4.16.1 In order to present a positive, professional image, personal appearance, employees' shall be clean, neat and tidy at all times.

4.16.2 Hair, moustaches and beards shall be shaved, kept clean, neat and well groomed, and uniforms and the company identity cards shall be worn all times whilst on duty within Company premises.

4.17 Occupational Health and Safety

4.17.1 All employees shall:

- a) Not interfere with, or misuse any item provided in the interests of safety.
- b) Follow safe work practices and encourage others to do the same
- c) Know and comply with specific safety regulations affecting employee position.

- d) Not put oneself in danger.
- e) Wear appropriate clothing and personal protective equipment.
- f) Use all safety devices.
- g) Report any hazards such as unsafe equipment, working conditions or work practices to a responsible officer of the Company.
- h) Report all accidents, injury immediately to a responsible officer of the Company.
- i) Know the location of phones, first aid kits and fire extinguishers and know how to use them.
- l) Know the identity of the first aid attendant.

4.18 Smoking & Chewing Betel

4.18.1 Employees shall ensure the environment at the workplace does not endanger the health, safety or welfare of any employees. Employees on duty or in uniform shall not smoke, and chew betel.

4.19 Unauthorised Used of company Vehicles

4.19.1 Employees are not permitted to drive vehicles owned by the Company without authorisation. Vehicles belonging to the Company must not be used other than for authorised purposes, and the person entrusted with a vehicle shall ensure that unauthorised persons do not use or drive such vehicle. Any employee who contravenes these requirements will be personally responsible for the consequences of his/her action, including payment of all claims for damages.

4.20 Private Business/Other Employment

4.20.1 An employee shall not be engaged in any private business of his/her own, or be employed in any capacity or do any work or assignment elsewhere without the prior written approval of the Employer. Employees are expected to devote their working hours exclusively for the execution of their duties.

4.21 Publications/Interviews/Press Releases

4.21.1 Employees shall not publish any detrimental article, book, photograph or letter, give any interview or press releases or deliver any lecture or speech on any matter which concerns their duties or the business of the Company without the prior written consent of the Employer.

ANNEXURE NO. 5**DISCIPLINARY PROCEDURE****5.1 Preliminary Investigations**

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

5.2 Show Cause Letter

- 5.2.1 Based on the preliminary investigation report, if disciplinary action is required, the Company shall issue a show cause letter setting out the particulars of the charges of misconduct alleged against the Employee. Show cause letter shall set out
- The approximate date, time and place the offence that has taken place,
 - A time duration of 7 working days will be given to the Employee to submit his/her explanation to the charges issued
 - An intimation to the Employee that if he/she fails to submit explanation by the said date, it would be presumed that he/she has no cause to show and action would be taken

5.3 Letter of Explanation

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

- 5.3.2 However, if an Employee requests for an extension of time to reply, the Company may, where it deems such request is reasonable, shall grant an extension
- 5.3.3 If the Company is satisfied with the written explanation submitted by the employee such explanation, shall be accepted by the Company.
- 5.3.4 If the company is satisfied with the explanation given by the employee concerned and if the Employee is under suspension, he/she shall be reinstated and all emoluments and entitlements due to him/her during the period of suspension shall be paid.
- 5.3.5 If the Company is not satisfied and rejects the written explanation submitted by the employee, the Company shall commence an inquiry after receipt of the written explanation to the show cause letter
- 5.3.6 The Human Resources Division of the Company shall inform the Employee concerned and other relevant personnel of the inquiry in writing
- 5.3.7 The Company shall not be required to hold an inquiry where it proposes to warn an Employee in a situation where the Employee admits to the charge/s.
- 5.3.8 If the Company does not receive any written explanation to the show cause letter, the inquiry shall be held ex-parte and action shall be taken accordingly.

5.4 Suspension of work

- 5.4.1 The Company shall suspend an Employee with pay, half month pay or without pay:-
- Pending an inquiry to be held by the Company on a charge/s of misconduct where such, charge/s relate/s to;
- a) Fraud, theft, misappropriation or a like offence by the Employee in the course of employment
- b) Abuse, threat or gross insubordination relating to work by the Employee towards his supervisors
- c) Breach of peace, or damage to property, or disturbance of the business of the Company
- d) Charges which, in the opinion of the Company, shall warrant dismissal
- 5.4.2 The Company shall issue a written letter of suspension to the employee specifying the reasons for such suspension at the time of suspension or within 24 hours thereof.
- 5.4.3 Nothing in the preceding sub-clause shall prejudice the right of Employees or the Union on his behalf to dispute an order of suspension thereafter as provided in this Agreement.

5.5 Domestic Inquiry

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

- 5.5.2 The accused Employee shall be permitted to be present in person throughout the proceedings. If he/she is not present at the commencement of the inquiry and no excuse has been submitted, the inquiry shall proceed 'ex-parte. Evidence shall be recorded and relevant documents shall be marked. This procedure shall be followed in situations where an Employee withdraws from proceedings without reasonable cause. Witnesses shall be granted duty leave to attend the domestic inquiry.
- 5.5.3 One Inquiry or several inquiries shall be held where there is more than one accused employee in respect of the same charges or there are several accused Employees charged with different offences in connection with the same transaction.
- 5.5.4 The accused employee shall be allowed to represent himself/herself or to be represented by a fellow Employee of equal rank, as non-participatory observer, provided a request is made for such representation
- 5.5.5 The Inquiring Officer shall read out the charges and inquire whether the Employee is guilty or not guilty. If the Employee pleads guilty, he/she shall be asked whether he/she has any statement to make in that connection. If she/he answers in the affirmative his/her statement shall be recorded. If an Employee replies not guilty, the inquiry shall proceed by:
- a) The case shall be opened, by summoning witnesses in sequence for the Company and their evidence shall be recorded. Proceedings shall be recorded clearly and legibly and the date and place of the inquiry shall be recorded.
 - b) When a statement is being made by the accused Employee, the witnesses shall not be permitted to be present and when a statement of witnesses is recorded, the accused Employee shall be permitted to be present
 - c) The evidence shall be recorded in the form of direct speech and in a language familiar to the accused Employee and witnesses.
 - d) When the evidence of a witness has been completed he/she shall sign the record, (each page if his/her evidence goes beyond one page) as a correct record of his/her evidence. If the witness refuses to sign the record, an entry to that effect shall be made by the Inquiring Officer in the record.
 - e) The accused Employee shall be given an opportunity to cross-examine the witnesses. The prosecution shall be permitted to re-examine the evidence given. The Inquiring Officer may ask questions in clarification of any evidence given
 - f) On the conclusion of the evidence for the Employer, the accused Employee shall be requested to make a statement and give evidence if he/she so wishes. If the accused Employee makes a statement, or gives evidence, his/her evidence shall be recorded subject to cross - examination. If the accused Employee refuses to make a statement or give evidence he/she shall not be compelled to do so, but a record shall be made to this effect. The accused Employee is required to sign his/her recorded evidence and, if he/she refuses to do so, a record shall be made to this effect. The same procedure stipulated above should be followed in respect of witnesses who refuse to make statements, give evidence or sign his/her recorded evidence.
 - g) The accused Employee shall be afforded an opportunity to call other witnesses, if any, to support his/her case. If an accused Employee refuses to give evidence or to call witnesses, the Inquiring Officer shall record the fact that the accused Employee was afforded the opportunity of giving evidence and

calling witnesses. If a witness refuses to sign recorded evidence, the Inquiring Officer shall sign the record confirming it to be a correct record of the witness's evidence.

h) At the end of the inquiry, the accused Employee shall sign the statement to say that he/she was satisfied that the inquiry was conducted in a fair and reasonable manner.

5.5.6 Where documents are produced at the inquiry on behalf of the prosecution the accused shall be given an opportunity to study (but not to remove) such documents. If the accused employee wishes to produce any document/s she/he should certify the same prior to producing them.

5.5.7 The Inquiring Officer shall initial documents marked at an inquiry. The Inquiring Officer shall take possession of all documents and items produced before him/her during the inquiry and, after the conclusion of the inquiry shall hand over the same to the Employer for safe custody.

5.5.8 Before the conclusion of the prosecution case, if it appears that additional charges need to be framed, or the existing statement of charges need to be amended, or other parties may be charge-sheeted, the Prosecuting Officer shall make an application to this effect to the Inquiring Officer who in turn shall inform the Company to issue a fresh show cause letter. If there is no Prosecuting Officer, the Company shall make such request.

5.5.9 In the event of the existing charges being amended or additional charges framed, the Prosecuting Officer may recall witnesses, summon new witnesses or entertain any further documents, as the Officer considers necessary. In such a case, the accused Employee must be afforded an adequate opportunity of defending himself/herself against such new or amended charges, of cross-examining such witnesses or examining such documents as the case may be. Where the Inquiring Officer considers the presence of a certain witness or document necessary to throw light on the inquiry proceedings or in the interest of natural justice, he/she should be entitled at any stage to call such witnesses or such documents to the inquiry.

5.5.10 The Inquiry may be re-opened where the inquiry is concluded and no order has been made as yet and the Inquiring Officer feels that it is necessary to hear further evidence in order to make up his/her mind, or if the Company makes a request for further evidence which was not available when the inquiry was proceeding, and such evidence has been subsequently received.

5.5.11 The Inquiring Officer shall submit a report to the Employer after the conclusion of the inquiry. The report shall contain his/her decision on each of the charges together with the reasons for such decision. The Inquiring Officer's findings and report should state specifically whether or not he/she concludes that the accused Employee is guilty of the charge/s.

5.5.12 Company shall decide on the punishment to be imposed in respect of Employee found guilty of misconduct. The Employer shall communicate the punishment to the employee.

ANNEXURE NO. 6

TYPES OF MISCONDUCT

- a) Misappropriation or failure to account for the funds of the Company
- b) Theft, fraud or dishonesty in relation to property belonging to the Company
- c) Habitual breach of regulations or orders of the Company
- d) Negligence resulting in loss or damage to the Company
- e) Dangerous or unauthorized driving or use of vehicles belonging to the Company
- f) Driving a vehicle belonging to the Company while under the influence of liquor or drugs
- g) Acting in collusion with customers and/or agents of the Company, to the detriment of the Company and/or so as to cause loss to the Company
- h) Insubordination
- i) Conviction in Court of a criminal offence or finding by other statutory authority involving moral turpitude
- j) Sabotage of or wilful damage to property of the Company
- k) Taking or giving of bribes to Company personnel
- l) Riotous or disorderly behaviour and gambling within the premises of the Company
- m) Misuse of property belonging to the Company
- n) Failure to carry out lawful orders
- o) Issue of unlawful instructions to subordinates
- p) Acting wilfully in a manner calculated to cause loss, prejudice or harm to the Company, or which affects adversely its goodwill or prestige and/or negligence
- q) Misuse of authority, power or position for personal gain
- r) Submission of false or forged certificates and/or travelling claims
- s) False or incorrect declaration in forms pertaining to applications for employment
- t) Insobriety or drunken behaviour

- u) Wilfully giving false evidence or altering Company documents without authority
- v) Habitual late attendance
- w) Absence without authority (unauthorised absence)
- x) Failure to observe the "Code of Conduct" and Company regulations
- y) Sexual harassment of fellow employees or unbecoming conduct/behaviour
- z) Causing disaffection or mischief among fellow workers
- aa) Acts or omissions which undermine the management or members of the management staff or directors
- bb) Refusal to accept communications from the Company
- cc) Carrying on a business, occupation or calling which is in competition with the Company
- dd) Refusal to perform overtime without a reasonable reason
- ee) Unpunctuality
- ff) Failure to wear uniforms and safety equipments whilst on duty
- gg) Discourtesy to customers and agents of the Company
- hh) Failure to observe safety precautions
- ii) Failure to report an accident involving vehicles owned by the Company
- jj) Failure to maintain essential records
- kk) Smelling of liquor whilst on duty
- ll) Negligence during the course of work resulting in injuries to co-worker/s
- mm) Smoking and chewing betels
- nn) Causing injury to self through carelessness or negligence of duty.
- oo) Failure to wear uniform provided by the company when travelling to and from work.
- pp) Bringing disrepute to the Company by disgraceful behaviour whilst wearing the Company uniform at external locations

ANNEXURE NO.7

7.1 Format 1

Authorization for check off

As I am an employee covered and bound by the Collective Agreement between Yokohama TWS Tyres Lanka Private Limited, and the Free Trade Zone Employees Union and I desire to avail myself of the facility for check off contained in the said agreement of which I am eligible as a member of the Free Trade Zone Workers' General Services Employees' union, please deduct from my salary each month a sum of rupees Two Hundred (Rs. 200) in respect of my current monthly membership dues to the said union and remit the same to the said union on my behalf, the first payment should be made from my salary next due immediately following the date hereof.

Signature of the Employees

Full name of Employee

Date

Received on

(To be filled by the Employer)

7.2 Format 2

Name of Employer

Revocation

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

Date:

Signature of Employee

Full Name of Employee

Received on

FINAL PROVISIONS

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

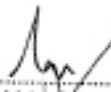




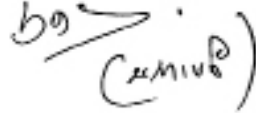

Both Contracting Parties undertake to maintain social conciliation after the signature of this Agreement.

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

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

Yokohama TWS Tyres Lanka Private Limited. will ensure printing this Agreement within fifteen days after registration with the Department of Labour.

This Agreement is in operation from 1st January 2024 to 31st December 2026 and has an effect after the date of signature. Both parties witness this agreement by the signature of their representatives.

 Sanjay Melvius Managing Director Yokohama TWS Tyres Lanka (Private) Limited	 Anton Marcus Joint Secretary Free Trade Zone and General Services Employees Union
Witnesses for the Company:	Witnesses for the Union:
1. Name: P. R. A. Sarath Kumar	1. Name: Lalith Karunathilaka
Signature: 	Signature: 
2. Name: DSA Edirisuriya	2. Name: N. Sajath Banjarewa
Signature: 	Signature: 
	

Senior Assistant Director General -
Employer's Federation of Ceylon
W.D.D. De Alwis