



# ශ්‍රී ලංකා ප්‍රජාතාන්ත්‍රික සමාජවාදී ජනරජයේ ගැසට් පත්‍රය The Gazette of the Democratic Socialist Republic of Sri Lanka

අති විශේෂ EXTRAORDINARY

අංක 2186/43 – 2020 ජූලි 31 වැනි සිකුරාදා – 2020.07.31

No. 2186/43 – FRIDAY, JULY 31, 2020

( Published by Authority )

## PART I : SECTION (I) – GENERAL

### Government Notifications

My No. : CI/ 1873.

#### THE INDUSTRIAL DISPUTES ACT, CHAPTER 131

THE Collective Agreement entered into between Associated Motorways (Pvt) Ltd, No. 185, Union Place, Colombo 02 of the one part and the Free Trade Zones General Services Employees Union, No. 141, Ananda Rajakaruna Mawatha, Colombo 10 of the other part on 7th November 2019 is hereby published in terms of Section 06 of the Industrial Disputes Act, Chapter 131, of the Legislative Enactments of Ceylon (Revised Edition 1956).

A. WIMALAWEERA,  
Commissioner General of Labour.

Department of Labour,  
Labour Secretariat,  
Colombo 05.  
10th July, 2020.

#### Collective Agreement No. 19 of 2019

##### COLLECTIVE AGREEMENT 2019 - 2021

This Collective Agreement made and entered on this Seventh day of November, Two Thousand and Nineteen (2019), to take effect from the First Day of January Two Thousand & Nineteen (2019) pursuant to the Industrial Disputes act between the **ASSOCIATED MOTORWAYS (PRIVATE) LIMITED** a company duly registered in Sri Lanka under the Companies Ordinance and having its registered

office at No. 185, Union Place, Colombo 2, (hereinafter referred to as " the Employer") and the **FREE TRADE ZONES & GENERAL SERVICES EMPLOYEES UNION**, a trade union duly registered under the Trade Unions Ordinance (No. 7223) and having its registered office at No. 141, Ananda Rajakaruna Mawatha, Colombo 10. (hereinafter referred to as " the Union") witnesseth and it is hereby agreed between the parties as follows : -

**Title :** This Collective Agreement shall be known and referred to as the Collective Agreement Two Thousand and Nineteen (2019) between Associated Motorways (Private) Limited and **Free Trade Zones & General Service Employees Union** containing terms and conditions of employment and matters incidental there to and connected therewith.

1. **Parties Covered and Bound.** - This Collective Agreement shall cover and bind the Associated Motorways (Private) Limited (the Employer) in relation to persons employed at its establishment in Kalutara, Nagoda factory on permanent monthly contracts of employment, in the Manual grades in respect of production and engineering categories the Union, namely the Free Trade Zones & General Service Employees Union (the Union) and its members employed by the Employer in the said categories of employment as at the date of signing this Agreement and thereafter.

2. **Previous Collective Agreement 2016.** - This Agreement shall supersede the Collective Agreement 2016 entered into between in the parties on 19th Day of May Two Thousand and Sixteen (2016).

3. **Date of Operation and Duration.** - This Collective Agreement shall be effective from the 1st day of January Two Thousand and Nineteen (2019) and shall continue to be in force unless it is terminated by either party giving three months' notice in writing to the other, provided however, that no such notice shall be given by either party, prior to the 30th day of June, Two Thousand & Twenty one (2021) and this Collective Agreement shall not stand terminated until the 31st day of December, Two Thousand & Twenty one (2021). Any notice of termination given by a party prior to the 30th day of June, Two Thousand & Twenty one (2021) shall have no effect whatsoever.

4. **Hours of Work & Overtime.** - During the continuance in force of this Agreement the normal working hours shall be deemed to be those that are worked by the employees as at present. As and when requested by the Employer, the employees shall work reasonable overtime, for which the employees shall be paid overtime as stipulated by law.

5. **Salary Increase.** -

- (I) With effect from the 01st January, Two Thousand & Nineteen (2019), the monthly salaries applicable to each employee as at December Two Thousand and eighteen (2018) shall be increased by Rs. 3000/-.
- (II) With effect from the 01st day of January, Two Thousand & Twenty (2020), the monthly salaries applicable to each employees as at December Two Thousand and Nineteen (2019) shall be increased by Rs. 3,500/-.
- (III) With effect from the 01st day of January, Two Thousand & Twenty one (2021), the monthly salaries applicable to each employee as at December Two Thousand And Twenty (2020) shall be increased by Rs. 3,500/-.

6. **Normal Annual Salary Increment .-**

- I. With effect from 1st January 2019 the employees covered shall be paid normal salary increment of Rs. 200/- as a fixed increment.
- II. The Normal Salary Increment shall not be subject to negotiation in the future.
- III. The Normal Salary increment shall be paid on the 1st January of each year.
- IV. The normal salary increments paid up to year 2018 based on the provisions of clause No. 6 of the 2010 Collective agreement will be stopped and replaced with the new annual salary increment specified in Clause 6(I).
- V. The normal salary increment implemented in Clause 6(I) shall Supersedes all the normal salary increments previously specified in the contracts of employment of employees covered and bounded by this agreement.

- VI. The normal annual increments provided shall be automatic, unless as a matter of punishment for general inefficiency including irregular attendance or unpunctuality or disciplinary action on account of serious misconduct an increment is suspended, stopped or deferred in which case where an increment is -
- Deferred, the loss of increment shall be continuous throughout the year;
  - Stopped, the loss of increment shall only be for the period of stoppage during the year;
  - Suspended, the increment is suspended pending a decision to defer or stop an increment, such decision being dependent upon a consideration of the factors giving rise to the suspension. Where on such decision an increment is neither stopped nor deferred, then the suspension shall be treated as waived and the full increment from the date of suspension thereof shall occur to the employee concerned.
  - Deferment, stoppage or suspension of an increment shall only be effected in cases where the employee has been notified, in writing of a complaint against such Employee and has been found guilty after due inquiry of inefficiency, fraud or misconduct which in the circumstances does not merit termination of employment.
7. If during the continuance in force of this Agreement, the Government of Sri Lanka -
- prescribes in any year, increases in salary by any written law applicable to categories of employees covered by this Agreement, the Employer shall be entitled to take credit for the salary increases granted to an employee in respect of such year in terms of Clause 5 hereof and determine the increase, if any, that is to be granted to an employee accordingly.
  - recommends increases in salaries, such recommendation will not be applicable to the Employer regardless of whether or not such recommendation is applicable to the categories of employees covered by this Agreement.
8. **Attendance Incentive .-**
- As agreed by parties, the eligibility criteria in respect of the new amalgamated attendance incentive, which comprises of the former,
    - Reward for Good attendance,
    - Attendance Bonus and
    - Attendance allowance shall be as follows:
      - Reward for Good attendance Rs. 1250/-
      - Attendance Bonus Rs. 450/- and
      - Attendance Allowance: Basic salary /52\*xNo. of Sundays on a particular month (in calculating the rupee equivalent of item number 3 set out above, it will be calculated as "01/01/2013 Basic Salary /52 Weeks x 4.3 Weeks").
      - The attendance allowance from 2013 Collective Bargaining agreement Rs. 500/=
      - The attendance allowance from 2016 Collective Bargaining agreement Rs. 500/=
  - Formula for calculating the attendance incentive shall be as follows:
    - Total Allowance = Rs. 1250 + Rs. 450 + Basic Salary (revised salary as at 01.01.2013) divided by 52 weeks, times 4.3 weeks, + previous Collective Bargaining agreement (2013) Rs.500/- +2016 Collective Bargaining agreement Rs. 500/,
    - The employer agrees to continue the payment of Rs. 2,500/= as attendance incentive to the employees joined the employer after 01.01.2016, subject to the following criteria,
    - Unplanned Leave - Leave applied by employee prior to employee's scheduled shift, approved by head of employee's division,
    - Planned Leave - Leave applied by employee, two shifts prior to employee's scheduled shift, approved by head of employee's division,
    - Unauthorized Absent - No approved leave application by employee prior to employee's scheduled shift,
    - The above attendance incentive will be paid subject to the conditions on planned leave, unplanned leave and unauthorized absence stipulated below based on which deductions would be made from the total amount eligible;

1. Total Planned and unplanned up to 31/2 days with unplanned leave not exceeding 2 1/2 days = 100%.
2. Total Planned and unplanned up to 4 days with unplanned leave not exceeding 3 days = 60 %.
3. Total Planned and unplanned up to 4 1/2 days with unplanned leave not exceeding 3 1/2 days = 40%.
4. Total Planned and unplanned exceeding 4 1/2 days = 0%.
5. Unauthorized Absence = No Payment (0%)

9. **Payment of Bonus** :- Parties agree that henceforth bonuses, if any, shall be paid at the discretion of the management based on a combination of the following factors :

- (a) Performance of the Employee;
- (b) Performance of the business unit;
- (c) Performance of AMW Group as a whole.

10. **Minimum Levels of Production** :-

- a. The Union and the employees agree with the Employer that during the continuance in force of this Agreement the employees of the Employer covered under this Agreement shall maintain minimum production levels as set out in the First Schedule hereto, in the factories of the Employer. These minimum production levels, however, shall be liable to review depending on operational requirements.
- b. The Union and the employees agree to accept and provide the production required as per the **First Schedule** attached here to.
- c. The employer agrees to discuss with the union that in the events of installation of new machinery, Introduction of new process, upgrading the existing machinery or production line, introduction of new Technology, when the production target is required to be increased in accordance with the suppliers' specifications or as a result of any work-study carried out by the company.

11. **Disciplinary Action** :- Where the Employer proposes to proceed against an employee on disciplinary grounds, then -

- (a) Regardless of whether an employee has been suspended or not, the employee shall be furnished with a 'show cause' notice setting out the misconduct alleged against him,
- (b) The employee shall be required to submit his written explanation to the 'show cause' notice within 5 clear working days. The employee may, however, if he so requires, seek an extension of time to submit his explanation and the Employer may at its discretion grant such extension of time as deemed appropriate,
- (c) On receipt of the employee's written explanation, the Employer shall conduct a domestic disciplinary inquiry into the alleged misconduct.
- (d) After the conclusion of the domestic inquiry, the employee shall be informed in writing of the findings of the said inquiry and the punishment, if any, that has been imposed,
- (e) The Employer shall not be required to hold a domestic inquiry in terms of sub-clause (c) above, where the employee has admitted the acts of misconduct alleged against him, or follow the disciplinary action procedure in terms hereof where the employee shall only be warned in respect of an act of misconduct,
- (f) The services of an employee may be suspended without pay by the Employer pending disciplinary action or by way of punishment on the findings of a domestic disciplinary inquiry,
- (g) The employer may inform the decision of the management on the findings of the independent inquiring officer of the charges preferred against the employee at the domestic inquiry, within 21 working days of the receipt of the findings of the independent inquiring officer,

12. **Variation of Terms & Conditions.** - During the continuance in force of this Agreement, neither party shall seek or attempt to vary, alter or change any of the terms and conditions contained herein and/or terms and conditions or other benefits applicable to employees as at the date of signing this Agreement, other than by way of mutual agreement between the parties.

13. **Dispute Settlement Procedure**

- (a) In the event of any dispute that shall arise between the parties during the continuance in force of this Agreement, of matters not covered by the agreement, the branch of the Union in the Employer's establishment shall raise such dispute with the Factory Management of the Employer and the parties shall take all efforts to resolve such disputes amicably.
- (b) If no settlement of the dispute can be reached between the parties, the branch of the Union shall request the Union to raise the matter in dispute with the Employer and/ or with the Employers' Federation of Ceylon and the Union, the Employees and the Federation shall thereafter take all possible steps to resolve the dispute.
- (c) Failing a settlement of the dispute as provided in the preceding sub-clause the Union shall raise the dispute with the Department of Labour and move to have the dispute resolved under the conciliatory provisions of the Industrial Disputes Act.
- (d) In the event of failure to settle a dispute, as per the procedure given above, and if the Union wishes to take Trade Union Action, prior written notice should be given by the Union to the employer, the employers' Federation of Ceylon, and the Commissioner of Labour, before the commencement of any intended strike or Other form of trade union action.

14. **Trade Union Action.** - The Union and the employees covered and bound by this Agreement undertake that they shall not during the continuance of this Agreement attempt to seek to vary, in any manner, any of the terms and conditions agreed upon herein and shall not resort to any form of Trade Union action in relation to any dispute connected with or arising out of any matter covered by this Agreement.

15. **Check Off.**

- I. The Employer agree on the written request of an employee, to deduct from the wages due to such employee, the current monthly union dues as are specified by the employee to be payable monthly by the employee to the union and remit the amount so deducted to the Union by way of "check off" facility, until such time as the employee maintains his request.
- II. In the event of the union being representative of less than 40% of the employees in the relevant categories at the said Kalutara, Nagoda Factory, and no remittance in respect of the check - off would be made thereafter.

16. **Union Committee Meetings.** - The Following provisions shall apply to meetings of the branch committee of the Union :

- I. In respect of each meeting the branch committee desires to hold in the Company premises, an application shall be made to the Employer at least 36 hours prior to the date of the meeting,
- II. If the Employer decides to grant permission to hold such meeting, the Employer may upon a written request of the branch union, permit a representative of the Union (Parent Union) to attend such branch committee meeting provided, however, that the branch union shall not make such requests on more than 4 occasions during one year,
- III. The Employer may also impose any other condition they desire fit subject to which such branch committee meeting shall be conducted.

6 A

I කොටස: (I) ඡේදය - ශ්‍රී ලංකා ප්‍රජාතාන්ත්‍රික සමාජවාදී ජනරජයේ අති විශේෂ ගැසට් පත්‍රය - 2020.07.31

PART I: SEC. (I) - GAZETTE EXTRAORDINARY OF THE DEMOCRATIC SOCIALIST REPUBLIC OF SRI LANKA - 31.07.2020

In witness hereof, the parties aforesaid have here unto set their hands at Colombo on this 7th day of November, Two Thousand and Nineteen (2019).


  
.....  
For and on behalf of:  
**ASSOCIATED MOTORWAYS**

Name: Brandon Philip Morris  
Designation: Managing Director

  
.....  
For and on behalf of:  
**ASSOCIATED MOTORWAYS**

Name: K. Lasantha Anuradha  
Designation: Director Manufa

Witness to the above signature

  
.....  
Name: M.H.Mohamed Ibrahim  
Designation: Director Human  
**ASSOCIATED MOTORWAYS**

ASSOCIATED MOTORWAYS (PRIVATE)  
CO. REG. NO. PQ16PB/PV

  
.....  
Director

  
or /

## FIRST SCHEDULE

මිශ්‍රණ අංශයේ නිෂ්පාදන ඉලක්කයන්

No.	Area/Process ක්ෂේත්‍රය/ ක්‍රියාවලිය	
1	Chemical weighing රසායන ද්‍රව්‍ය නිවීම	No. of b රන් සේ බැරස් ග
2	Banbury Mixing බැංචරිසෙන් මිශ්‍ර කිරීම	No. of O රන් සේ ක්‍රියාකර
3	Material preparation ද්‍රව්‍ය පිළියෙළ කිරීම	No. of e රන් සේ සහන
4	Compound Milling	No. of O රන් සේ ක්‍රියාකර
5	Batch-off බැරි මල්	No. of h provide බෝන කරාට්
6	Banbury Mixing බැංචරිසෙන් මිශ්‍ර කිරීම	No. of b

For and on behalf of:  
**ASSOCIATED MOTORWAYS (PVT) LTD**  
Name: Brandon Phillip Morris  
Designation: Managing Director

For and on behalf of:  
**ASSOCIATED MOTORWAYS (PVT) LTD**  
Name: K. Lasantha Anuradha Wijewe  
Designation: Director Manufacturing

Witness to the above signatures:

Name: M.H.Mohamed Ibrahim  
Designation: Director Human Resources  
**ASSOCIATED MOTORWAYS (PVT) LTD**

8 A

I කොටස: (I) ඡේදය - ශ්‍රී ලංකා ප්‍රජාතාන්ත්‍රික සමාජවාදී ජනරජයේ අති විශේෂ ගැසට් පත්‍රය - 2020.07.31

PART I: SEC. (I) - GAZETTE EXTRAORDINARY OF THE DEMOCRATIC SOCIALIST REPUBLIC OF SRI LANKA - 31.07.2020

SOLID

**SOLID TYRE DEPARTMENT****Agreed Curing Targets -Extra-Premium, NM**

Tyre size	No of tyres per 12 hrs shift	No of per d
4.00-8/3.0	5	
4.00-8/3.75 RIB	5	
15x4.5-8/3.0	5	
140/55-9/4.0	5	
5.00-8/3.0	4	
16x6-8/4.33	4	
18x7-8/4.33	4	
6.00-9/4.0	4	
6.50-10/5.0	3	
7.00-12/5.0	3	
21x8-9	3	
200/50-10/6.5	3	
23x9-10/6.5	3	
23x10-12/8.0	3	
7.00-15/5.5, 6.0	3	
7.50-15/6.0, 6.5	3	
28x9-15/7.0	3	
250-15/7.0	3	
8.25-15/6.5	2	
27x10-12/8.0	2	
300-15/8.0	2	
355/65-15/9.75	2	
9.00-20/7.0	2	
28x12.5-15/9.75	2	
10.00-20/8.0	2	
1200-20/8.5	2	

  
 For and on behalf of:  
**ASSOCIATED MOTORWAYS (PVT) LTD**  
 Name: Brandon Philip Morris  
 Designation: Managing Director

  
 For and on behalf of:  
**ASSOCIATED MOTORWAYS (PVT) LTD**  
 Name: K. Lasantha Anuradha Wijeweera  
 Designation: Director Manufacturing

Witness to the above signatures:

  
 Name: M.H. Mohamed Ibrahim  
 Designation: Director Human Resources  
**ASSOCIATED MOTORWAYS (PVT) LTD**



Pneumatic

## Pneumatic Tyre Department

Process	No. of Heads	Agreed Production Target
Seed Machine	3	320 (Pcs Per Hr) 300 (Pcs Per Hr) From 300 to 150 Diameter 4 and from 524 to 640 Diameter
Blas-Cutter	2	210 cuts per Hr
Presses	1	300 Cuts per Hr
	1	Handling time 2.0 minutes
	1	Handling time 2 minutes
	1	Handling time 2 Minutes
	2	Loading time 3.5 minutes
Rocking and Painting	1	25 Per Hr Per Operator
	1	20 Per Hr Per Operator
	1	15 Per Hr Per Operator
	1	08 Per Hr Per Operator
Final QC	1	35 pcs per Hr
Repair	1	140 Pcs per 12 Hr Shift
Extruder Line	3	510 Pcs Per Hr (Good P) 300 Pcs Per Hr (Good P) 70 Pcs Per Hr (Good P) 50 Pcs Per Hr (Good P)
Tyre Building Manual 4.00-8	2	12 Per Hr
Tyre Building Manual 6.00-12	2	04 Per Hr
Tyre Building Manual 7.00-12	2	
Tyre Building Manual 8.50-20 & 9.00-8	2	
Tyre Building 90x500-20 Auto	2	23 Per Hr
Tyre Building 90x90-12 Auto	2	After solve the machine capacity will be 20x10
Tyre Building 4.50-10 Auto	2	18 Per Hr
Tyre Building 155-12 Auto	2	10 Per Hr
Tyre Building 5.00-12 Auto	2	08 Per Hr
Tyre Building Motor Cycle Tube Type	2	30 Per Hr
Tyre Building Motor Cycle Tube Less	2	25 Per Hr
Cushion Calendar	3	100 Kg Per Hr
Inner Liner Calendar	3	120 Kg Per Hr

  
For and on behalf of:  
**ASSOCIATED MOTORWAYS (PVT) LTD**  
Name: Brandon Philip Morris  
Designation: Managing Director

  
For and on behalf of:  
**ASSOCIATED MOTORWAYS (PVT) LTD**  
Name: K. Laksantha Anuradha Wijewardena  
Designation: Director Manufacturing

Witness to the above signatures:

  
Name: M.H. Mohamed Ibrahim  
Designation: Director Human Resources  
**ASSOCIATED MOTORWAYS (PVT) LTD**

Tyre

TRD -

**Retreading Department****TRD - (Pre cure) production target (per 1**

<b>Operation</b>	<b>Nos of Heads</b>
Buffing	1
Hand Buffing	1
Initial Repair	1
Cementing and Tyre Building	3
Thread Filling	1
Painting	1
Curing - IROP	1
- MAGNOBOSCO	1
- FERLEX	1
- LG	1
Final Inspection Machine	1
Final Inspection Manual	1



For and on behalf of:

**ASSOCIATED MOTORWAYS (PVT) LTD**

Name: Brandon Philip Morris

Designation: Managing Director



For and on behalf of:

**ASSOCIATED MOTORWAYS (PVT) LTD**

Name: K. Lasantha Anuradha Wijewe

Designation: Director Manufacturing

Witness to the above signatures:




Name: M.H.Mohamed Ibrahim

Designation: Director Human Resource

**ASSOCIATED MOTORWAYS (PVT) LTD**

## Tyre Retreading Department

TP2 - (Hot cure) production target (per hour)	
Operation	No of Heads
Initial Inspection	1
Buffing	1
	1
	1
	1
	1
Repair	1
	1
Cementing & Building	3
	3
	2
	2
	2
Molding	2
	2
Final Inspection manual	1
Curing-Open Mold	4
	2
	1
Die hard Grooving	1
Painting	1
Milling & Extrusion	6

  
For and on behalf of:  
**ASSOCIATED MOTORWAYS (PVT) LTD**  
Name: Brandon Philip Morris  
Designation: Managing Director

  
For and on behalf of:  
**ASSOCIATED MOTORWAYS (PVT) LTD**  
Name: K. Lasantha Anuradha Wijewickrama  
Designation: Director Manufacturing

Witness to the above signatures:  
  
Name: M.H. Mohamed Ibrahim  
Designation: Director Human Resources  
**ASSOCIATED MOTORWAYS (PVT) LTD**

**Tyre Retreading Department****TRD - (Vacu lug) products**

NO	TYRE
1	900X20, 1000X20, 1100X20, 12X28, 13.6X28, 14X28, 15.5X28, 16.70X20, 18.4X24, 18.5X25, 20.5X25, 23.5X25, 29.5X25
2	8*18 15.5*18 ALL 18 RIM S
3	16X25, 17.5X25 18x38 16.9x3
4	18.5X25, 20.5X25
5	18X33, 23.5X25
6	29.5X25

.....  
For and on behalf of:

**ASSOCIATED MOTORWAYS (PVT)**

Name: Brandon Philip Morris

Designation: Managing Director

.....  
For and on behalf of:

**ASSOCIATED MOTORWAYS (PVT)**

Name: K. Lasantha Anuradha W

Designation: Director Manufactu

Witness to the above signatures

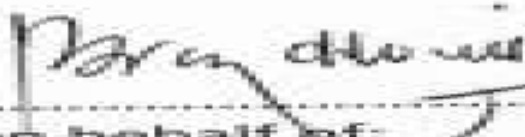
.....  
Name: M.H.Mohamed Ibrahim


Designation: Director Human Re

**ASSOCIATED MOTORWAYS (PVT)**

## Tread Liner Department

Operation	Men
Lug Extrusion	5
Curing	8
Sanding	2

  
For and on behalf of:  
**ASSOCIATED MOTORWAYS (PVT) LTD**  
Name: Brandon Philip Morris  
Designation: Managing Director

  
For and on behalf of:  
**ASSOCIATED MOTORWAYS (PVT) LTD**  
Name: K. Lasantha Anuradha Wijewardene  
Designation: Director Manufacturing

Witness to the above signatures:

  
Name: M.H. Mohamed Ibrahim  
Designation: Director Human Resources  
**ASSOCIATED MOTORWAYS (PVT) LTD**

### THE INDUSTRIAL DISPUTES ACT, CHAPTER 131

THE Collective Agreement entered into between Nestle Lanka PLC. (Kurunegala Factory) No. 440, T. B. Jayah Mawatha, Colombo 10 of the one part and the Ceylon Mercantile, Industrial and General Workers' Union, No. 03, Bala Tampoe Lane, Colombo 03 of the other part on 26th November 2019, is hereby published in terms of Section 06 of the Industrial Disputes Act, Chapter 131, of the Legislative Enactments of Ceylon (Revised Edition 1956).

A. WIMALAWEERA,  
Commissioner General of Labour.

Department of Labour,  
Labour Secretariat,  
Colombo 05,  
10th July, 2020.

### Collective Agreement No. 20 of 2019

NESTLE LANKA PLC.

KURUNEGALA FACTORY

COLLECTIVE AGREEMENT

FOR THE PERIOD 1ST DECEMBER 2019 TO 30TH NOVEMBER 2022

### COLLECTIVE AGREEMENT

BETWEEN

NESTLE LANKA PLC. KURUNEGALA FACTORY

AND

THE CEYLON MERCANTILE, INDUSTRIAL AND GENERAL WORKER'S UNION (CMU)

### Contents

### Page

### PART 1 - GENERAL

5

1. Title	5
This Agreement shall be known and referred to as "Nestle Lanka PLC. Kurunegala Factory Collective Agreement for the period 1st December 2019 to 30th November 2022".	5
2. Date of Operation and Duration	5
3. Earlier Collective Agreements	5
4. Persons Covered and Bound	5
5. General Terms and Condition	5
6. Variation of Terms and Conditions of Employment or Benefits	6
7. Check Off	6
8. Union Meetings / Duty Leave	6

9. Trade Union Action	7
<b>PART II – PROBATION</b>	<b>8</b>
10. Probation on Recruitment	8
<b>PART III – WORKING HOURS</b>	<b>9</b>
11. Working Hours	9
<b>PART IV – WAGE ADMINISTRATION AND ALLOWANCES</b>	<b>10</b>
12. Initial Salary Points	10
13. Salaries	10
14. Non - Recurring Cost of Living Gratuity	11
15. Performance based Payments	12
16. Overtime	12
17. Weekly Holidays	12
18. Statutory Holidays	13
19. Festival Advance	13
20. Uniforms	13
21. Bonus	14
22. Shift Allowance	14
24. Annual Leave	16
25. Casual Leave	16
<b>PART VI – SICK LEAVE AND MEDICAL BENEFITS</b>	<b>18</b>
26. Sick Leave	18
<b>PART VII – RETIREMENT AND TERMINAL BENEFITS</b>	<b>20</b>
28. Age of Retirement	20
29. Provident Fund	20
30. Employees' Trust Fund	20
<b>PART VIII – ATTENDANCE &amp; CARRYING OUT EMPLOYER'S INSTRUCTIONS</b>	<b>21</b>
31. Attendance	21
32. Carrying Out Employer's Instructions	21
<b>PART IX – SUSPENSION, DISCIPLINARY PROCEDURE AND GRIEVANCE &amp; DISPUTE PROCEDURE</b>	<b>22</b>
33. Suspension	22
34. Disciplinary Procedure/ Domestic Inquiries	22
35. Grievance & Disputes Procedure	24
<b>APPENDIX I</b>	<b>26</b>
<b>APPENDIX II</b>	<b>27</b>

**COLLECTIVE AGREEMENT**

**BETWEEN**

**NESTLE LANKA PLC. KURUNEGALA FACTORY**

**AND**

**THE CEYLON MERCANTILE, INDUSTRIAL AND GENERAL WORKER'S UNION (CMU)**

THIS COLLECTIVE AGREEMENT made and entered into on the 26th November 2019, Two Thousand and Nineteen between Nestle Lanka PLC. Factory, located at Pannala, in the District of Kurunegala, having its registered office at No. 440, T.B. Jayah Mawatha, Colombo 10 (hereinafter referred to as the 'Employer') of the one part and the The Ceylon Mercantile, Industrial and General Workers' Union (CMU), being a Trade Union duly registered under the Trade Unions' Ordinance and having its registered office at No. 03, Bala Tampoe Lane, Colombo 3 (hereinafter referred to as the 'Union') of the Other Part :

*Witnesseth.* - whereas the Union has shown to the satisfaction of the employer that it represents a majority of the employees.

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

**PART I - GENERAL**

1. **Title.** - This Agreement shall be known and referred to as "Nestle Lanka PLC. Kurunegala factory collective agreement for the period 1st December 2019 to 30th November 2022".

2. **Date of Operation and Duration.** - This Agreement shall come into force with effect from 1st December 2019 and shall be in force up to the 30th day of November in the year 2022, but shall continue to remain in force thereafter, until such time as valid notice of termination of the agreement is given by either party. No notice will be valid unless given in writing by either party and is of at least six (6) calendar months duration. The earliest date at which such notice could validly terminate the contract is 31 st May 2022.

3. **Earlier Collective Agreements.** - The provisions of this Agreement shall supersede and replace the provisions of any earlier Collective Agreement including the provisions of the "The Nestle Lanka PLC, Kurunegala Factory Collective Agreement of 2016" which shall stand terminated with effect from the date on which this Agreement takes effect.

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

5. **General Terms And Conditions.** - The terms and conditions of this Agreement shall as from the date hereafter and during the continuance in force of this Agreement be deemed to be included in all contracts of employment between the Employer and the Employees covered and bound by this Agreement.

6. **Variation of Terms and conditions of Employment or Benefits.** -

6.1 The Employer, the Union and its members, and employees covered and bound by this Agreement, agree that, during the continuance of this Agreement, that neither party will seek to vary or add to any of the terms and conditions of employment, and benefits presently covered and bound by this Agreement and existing benefits and privileges not specified in the agreement.

6.2 Any variations or additions required to any of the terms and conditions and benefits covered and bound by this Agreement should only be done by mutual agreement.

7. **Check-off.** -

7.1 The Employer agrees to deduct Union subscriptions from the salaries of Union members and remit such subscriptions monthly to the Union provided prior consent in writing is received by the Employer from each member.

7.2 The above membership deductions under sub-clause 7.1 would be subject to the Union having a minimum membership of 40% of the employees in categories covered by this Collective Agreement.



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

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

**8.2 Duty Leave.-**

Without prejudice to the rights of the Employer, to refuse to grant permission if in his discretion the exigencies of the circumstances warrant refusal, the Employer will generally grant permission for not more than two (2) office bears of the Union to attend to the following matters in connection with the membership in the Company without loss of wages for such absence.

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

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

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

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

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

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

**PART II - PROBATION**

**10. Probation on Recruitment.-**

10.1 All employees on first employment to the company shall be on probation for a period of six (06) months that may be extended by three (03) months if the employer is not satisfied with the progress of such employee.

10.2 On successful completion of the probationary period, the employee shall be advised in writing by the Employer of his confirmation.

10.3 During the Period of probation or extended probation, either party shall have the right to terminate the service without notice.

**PART III - WORKING HOURS**

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

11.1 *General Office Staff.-* The normal hours of work will be from 8.a.m. to 5.00 p.m. from Monday to Friday each week.

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

**PART IV - WAGE ADMINISTRATION AND ALLOWANCES**

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

13. **Salaries.**— As from the First day of December, Two Thousand Thirteen the monthly salaries of the employees shall be revised as set out hereunder;

13.1 With effect from 1st December 2019, the Monthly Basic Salary at 30th November 2019 drawn by each employee will be increased as follows :

<i>Salary Group</i>	<i>Percentage Increase</i>
Below Rs. 60,000.00	11%
Rs. 60,000.00 and above	9%

The Basic Salary as at 30 th November 2019 is taken for the above purposes. All employees earning a Monthly Basic Salary below Rs. 60,000.00 as at 30th November 2019 will not exceed Rs. 65,400.00 with this increase.

13.2 With effect from 1st December 2020, the Monthly Basic Salary of an employee as at 30th November 2020 will be increased as follows:

<i>Salary Group</i>	<i>Percentage Increase</i>
Below Rs. 60,000.00	10%
Rs. 60,000.00 and above	8.5%

The Basic Salary as at 30 th November 2020 is taken for the above purposes. All employees earning a Monthly Basic Salary below Rs. 60,000.00 as at 30th November 2019 will not exceed Rs. 65,100.00 with this increase.

13.3 With effect from 01st December 2021, the Monthly Basic Salary of an employee as at 30th November 2021 will be increased as follows:

<i>Salary Group</i>	<i>Percentage Increase</i>
Below Rs. 60,000.00	9%
Rs. 60,000.00 and above	7%

The Basic Salary as at 30th November 2021 is taken for the above purposes. All employees earning a Monthly Basic Salary below Rs. 60,000.00 as at 30th November 2019 will not exceed Rs. 64,200.00 with the increase.

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

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

14.1 The payment of non recurring cost of living gratuity will be made every year based on the Colombo Consumers price Index (CCPI). An Employee shall be entitled to receive and the Employer is liable to pay a non recurring cost of living gratuity to employees in service in December 2020, in respect of the preceding twelve (12) months (hereinafter referred to as the “Qualifying Period”) commencing from 01st December 2019, ascertained in accordance with the under noted formula.

FORMULA

If the average of the Colombo Consumers' Price Index for the qualifying period exceeds Colombo consumers' Price Index of November 2009 a sum computed at the rate of Rupees Eighty Three and cents Seventy five (Rs. 83.75) for each complete point (i. e. 1.0) by which such average exceeds Colombo Consumer's Price Index of November 2009 in respect of each month of service during the qualifying period.

- 14.2 The non recurring cost of living gratuity shall be payable by the Employer to an employee by virtue of his service under the employer during a part of the qualifying year by reason of the fact that he is not in the Employer's service when the non recurring cost of living gratuity becomes due in December of any year or he joined the Employer's service during the course of the qualifying year. When the non recurring cost of living gratuity is paid at the end of the qualifying year, deductions are made there from on account of any period of absence without pay.

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

16. **Overtime.-**

- 16.1 Overtime work shall mean work performed in excess of normal working hours.

- 16.2 If required by the Employer, due to exigency of the services, overtime work will be performed by the Employee as and when and for such period as the Employer may reasonably require. An employee shall have a good reason for such refusal to do any overtime work required by the Employer.

- 16.3 Work performed in excess of the normal hours shall be remunerated as per the over time schedule shown in Appendix II of this agreement.

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

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

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

18. **Statutory holidays.-**

- 18.1 Employee will be granted Statutory Holidays and Poya Holidays as determined by legislation subject to exigency of work.

- 18.2 If any of the Statutory Holidays fall on a weekly half day, an additional half - day shall be granted on the working day immediately preceding it and if it falls on a weekly holiday, a substitute holiday shall be granted on the working day immediately succeeding such weekly full holiday.

19. **Festival Advance.-** The employer agrees to pay an advance not exceeding the amount stated below, for the respective years, for one festival per year of the employee's choice, if the concerned employee does not have any unauthorised absence days accumulated to his/ her account for the previous Calendar year. In the event an employee has been on unauthorised absence during the Previous Calendar year this advance will be curtailed to maximum amount of Rs. 15,000/= per employee per festival per year.

2020 - Rs. 40,000

2021 - Rs. 40,000

2022 - Rs. 40,000

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

20. **Uniforms.**— The Employer provides free uniforms to those employees required to wear such uniforms according to the requirements of the Job. It is obligatory on the part of the employees to wear such uniforms.

21. **Bonus.**— The Employer agrees to pay a bonus to employees each year for the period of this Agreement on the following basis :

21.1 Two (2) month's salary each year.

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

21.2 In addition to the bonus at 21.1, a half-month's salary. as bonus will be paid subject to a scheme for non-utilisation of 7 days of the Casual and/ or Sick leave. On this basis, for each day unutilised of these 7 days, he will be paid half-month's salary divided by 7. Any No pay leave (authorised or unauthorised) will also be set off against the seven days for the purpose of this scheme.

21.3 The payment of bonus under 21.1 and 21.2 may be stopped totally or partly for disciplinary reasons and unauthorised no pay absence.

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

Shift	From	To	Amount
Morning	06.00 Hrs	14.00 Hrs	Rs. 125.00
Afternoon	14.00 Hrs	22.00 Hrs	Rs. 150.00
Night	22.00 Hrs	06.00 Hrs	Rs. 325.00

22.1 Additionally with effect from January 2020 an Attendance Incentive of Rs. 3,000.00 per month will be paid to employees who will attend all their rostered night shifts in the given month. This payment will not be curtailed for employees basis the following conditions;

22.1.1 Should the company changes the night shift roster basis company requirement and shall not be curtailed for those employees who are on long Annual Leave with prior approval and any exception will be granted with 07 days prior approval.

22.1.2 The payment shall not be curtailed for a maximum of one rostered night shift is missed during a given month provided such leave is taken with prior approval under annual leave and/ or if any employee applies casual leave after informing to the sectional head prior to start the rostered shift.

22.1.3 The payment shall not be curtailed if any employee wants to do one night shift change for personal request within the allocated 02 shift changes per month.

22.2 Apart from that company will pay half rate of the shift allowance for employees who has to work 12 hours due to company requirement or to cover absenteeism with effect from 01st January 2020 considering 4 hours continuation of work.

23. **Free Tea / Coffee.**— The company will provide a cup of tea /coffee to all employees during the two-tea /coffee intervals.

## PART V - LEAVE

24. **Annual Leave .—**

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

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

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

Employees joining between -

1st January and 31 st March	- 14 days
1st April and 30 th June	- 10 days
1st July and 30 th September	- 7 days
1st October and 31 st December	- 4 days

## 25. *Casual Leave.*—

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

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

25.2 Employees shall be entitled to take casual leave on account of private business or other reasonable cause including ill health, if that employee's twenty-one (21) days sick leave allowed under clause 26 has been fully utilised. In such instances the Employer shall allow such casual leave with remuneration for a period, or an aggregate of periods, not exceeding seven (7) days.

25.3 Provided however, that not more than two (2) day's casual leave shall be taken at any one time except upon grounds of ill health.

25.4 Provided further that an employee shall not be entitled to take casual leave immediately preceding or immediately following any period of annual leave.

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

## PART VI - SICK LEAVE & MEDICAL BENEFITS

### 26. *Sick Leave.*—

26.1 An employee shall be granted up to a maximum of Twenty one (21) working days leave on full pay in any one calendar year in the case of sickness.

26.2 The Employer may request an employee to support his/ her sickness with a medical certificate from a Sri Lanka Medical Council Registered Medical Practitioner.

26.3 The Employer will be entitled to refuse to grant pay for any days of absence on grounds of sickness not supported by a certificate from any Medical Practitioner registered in the Medical Council of Sri Lanka or Ayurvedic Medical Council of Sri Lanka.

26.4 An employee shall inform the Company immediately of such sickness or at least within two (2) days and produce a Medical Certificate within three (3) days.

26.5 An employee who takes less than Twenty one (21) days sick leave in any one calendar year, as allowed above (clause 26.1) may avail himself of on the balance sick leave by accumulation to a maximum of Ninety (90) days with pay in any one-year. The accumulated sick leave shall only be on account of Prolonged illness, Hospitalisation, Infectious Diseases or similar circumstances, and such sick leave should be supported by a medical certificate from a Sri Lanka Medical Council Registered

Medical Practitioner/ Consultant Physician or Surgeon and should be approved by the Company Medical Officer unless this requirement is waived by the employer. The accumulated sick leave shall be granted at the discretion of the Employer.

- 26.6 During the period of probation employees are not entitled to any sick leave. However, after confirmation in respect of the first year of employment employee will be allowed sick leave during that year up to the 31st of December, computed on the basis of one and a half (1 1/2) days for each month of, employment.

**27. Medical Benefits/ Hospitalisation.-**

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

2020 - Rs. 42,500.00

2021 - Rs. 42,500.00

2022 - Rs. 45,000.00

The Employer agrees for the employee to accumulate to a maximum of Rs. 67,500.00 unutilised reimbursements of medical expenses.

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

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

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

**PART VII - RETIREMENT AND TERMINAL BENEFITS**

28. **Age of Retirement.-** On reaching the age of Fifty five (55) years an employee shall *ipso facto* retire and cease to be employed by the Employer. There shall be no obligation on the Employer to give the employee any notice of such retirement. In the event of an employee being offered employment after retirement, such employee shall not be covered by this Agreement.

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

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

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

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

**32. Carrying out Employer's Instructions.-**

- 32.1 If an employee considers any duty, which he/she is required to perform by the Employer, does not fall within the scope of his/ her employment under the Employer, he/she shall be entitled to bring this matter to the notice of the employer. If notwithstanding such notification the Employer requires the employee to carry out such instructions, then the employee shall be entitled to request the Employer to give him / her such instructions in writing.

- 32.2. If the Employer gives the employee such instructions in writing, the employee shall carry out the same but without prejudice to the rights of the Union on his / her behalf to dispute such matters with the Employer thereafter as provided in this Agreement.

- 32.3. If the Employer refuses to give such instructions in writing, the employee shall be entitled not to carry out such instructions and in such event the Employer shall have no right of action against the employee.
- 32.4 If the Employer gives such instructions in writing but the employee fails to carry out the same, the Employer shall be entitled to suspend the employee immediately without pay and to take disciplinary action against him / her without prejudice to the rights of the employee or the Union on his /her behalf to dispute such suspension or such disciplinary action as may be taken against the employee as provided in this agreement.
- 32.5 Irregular attendance or un-punctuality of the employee shall constitute neglect of duty for which the employee is liable for appropriate disciplinary action.

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

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

#### **DISCIPLINARY ACTION**

##### **33. *Suspension.*-**

- 33.1 An employee may be suspended without pay by the Employer ;
- 33.1.1 Pending an inquiry to be held by the Employer on a charge or charges of misconduct which are appeared to be against the company,
- 33.1.2 In order to avoid a breach of the peace or damage to property or disturbance of the business of the employer,
- 33.1.3 In case of fraud, theft, misappropriation or like offence by the employee in the course of his employment,
- 33.1.4 In case of abuse, threat or gross insubordination by the employee to a member of the Management Staff of the Employer,
- 33.1.5 For failing to carry out Employer's instructions in terms of clauses 31 and 32.
33. 2 At the time of suspension or within twenty-four (24) hours the Employer shall provide the employee with a written order of suspension specifying the reasons for such suspension.

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

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

- 34.1 Irrespective of whether an employee has been suspended under clause 33 hereof or not, an employee shall be furnished with a show cause notice, which shall set out the particulars of the charges of misconduct alleged against such employee. Such show cause notice shall give the employee not less than Three (3) clear working days within which to give the answer.
- 34.2 Within Three (3) working days after the day of the show cause notice the employee shall furnish in writing to the employer, the answer or explanation to the charges against such employee. The employee may request for an extension of time for reply. The Employer may grant such request for such further period of time if deemed necessary in the circumstances of the case.
- 34.3 If the Employer is satisfied with the written answer or explanation of the employee, the employee shall, if he is suspended, be reinstated, forthwith and be paid all entitlements due to him for the period of such suspension.
- 34.4 If the employer is not satisfied with the written answer or explanation of the employee to the show cause notice and such answer or explanation is rejected by the Employer, the Employer shall commence an inquiry within Seven (7) working days from the date of receipt by him of the written answer or explanation to the show cause notice.
- 34.5 After holding such inquiry, the employee shall normally be informed of the findings of each of the charges in the show cause notice and the punishment, if any, within thirty (30) working days from the date of the conclusion of the inquiry. If the Employer fails to inform the employee, except for reasons beyond the control of the Employer, the employee shall not be liable to be punished in respect of the charges and no inference adverse to the employee in respect of such charges shall be drawn.

34.6 If the employee is under suspension and the Employer after inquiry decides that;

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

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

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

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

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

#### 34.8 *Domestic Inquiries.-*

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

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

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

34.8.4 If an '**observer**' obstructs such inquiry, the officer who conducts the inquiry shall be entitled to request the '**observer**' to withdraw from the inquiry immediately and the '**observer**' shall comply with such request.

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

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

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

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

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

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



- 35.3 An employee may present his grievance or complaint to the Factory Human Resources Manager. The employee may be accompanied by his Branch Union representative. If the employee is not satisfied, he, may then proceed to clause 35.4.
- 35.4 The Branch Union may present the grievance or complaint in writing to the Vice President - Technical the Vice President- Technical may consult the parties involved before submitting a reply in writing. If the Branch Union is not satisfied with the written explanation of the Vice President - Technical, the Branch Union may request for a discussion between the Vice President -Technical and the Branch Union.
- 35.5 If the Branch Union and the employees are not satisfied with the outcome of the discussion with the Vice President- Technical, the Branch Union may refer it to the Union. The Union may make a written submission to the Vice President - Technical with a copy to the Vice President Human Resources/ Head of Human Resources of the employer in Colombo. If the Union is not satisfied with the written explanation given by the Vice President- Technical or Vice President Human Resources/ Head of Human Resources in Colombo, the Union may request for a discussion with the Vice President - Technical and the Vice President Human Resources/ Head of Human Resources.
- 35.6 If the Union is not satisfied with the outcome of the discussion with the Vice President - Technical and the Vice President Human Resources/ Head of Human Resources, the Union, may refer the matter to the Employer's Federation of Ceylon, who will endeavour to bring about an amicable settlement in the matter and, if desired, utilising the offices of the Department of Labour.
- 35.7 In the event where the grievance or dispute is not resolved with the Employers' Federation of Ceylon, the matter by agreement shall be referred to an arbitrator or a panel of arbitrators jointly selected by the parties under section 3(1) (d) of the Industrial Disputes Act for settlement by arbitration. If the parties fail to agree on an arbitrator or a panel of arbitrators, such selection shall be made by the Commissioner of Labour. The decision and award of the arbitrator or the panel of arbitrators shall be final and binding on both parties.
- 35.8 In case the Employer or the Union is of the opinion that in view of importance of the dispute there is need for quick settlement of such grievance or dispute, either party may decide to refer the matter to the Employer's Federation of Ceylon, in which event the procedure to be followed shall be as laid down in 35.6 and 35.7.

#### APPENDIX I

##### NESTLE LANKA PLC. – KURUNEGALA FACTORY

##### INITIAL SALARY POINTS – ALL EMPLOYEES

GRADE	MINIMUM
Multi Skilled	Rs.35,000 p.m.
Highly Skilled	Rs. 32,500 p.m.
Skilled	Rs. 30,000 p.m.
Semi Skilled	Rs.27,500 p.m.

APPENDIX II

NESTLE LANKA PLC. - KURUNEGALA FACTORY

OVERTIME PAYMENT SCHEDULE

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

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

No overtime should be paid for Lunch/ Dinner breaks.

Normal Hourly Rate = salary / 240

IN WITNESS WHEREOF THE I  
FABRICE CAVALLIN, Manag  
President - Finance & Cont  
Technical of NESTLÉ LANKA  
Resources, NESTLÉ LANKA P  
26<sup>th</sup> day of NOVEMBER, TWI



FABRICE CAVALLIN



THOMAS MUELLER

Witness to the signatures of  
FABRICE CAVALLIN

GURCHARAN GROVER

THOMAS MUELLER

DONA ENOCA SAMANTHI SIRI

IN WITNESS WHEREOF THE p  
SYLVESTER JAYAKODY, Gene  
Union, K.K.C. Deshapriya, Pre  
NESTLÉ LANKA PLC. Kurumi  
Mercantile, Industrial & Gen  
union, have set their hands f  
THOUSAND AND NINETEEN.



SYLVESTER JAYAKODY



W.I.R. KUMARA

Witness to the signatures of  
SYLVESTER JAYAKODY

K.K.C. DESHAPPRIYA

W.I.R. KUMARA

### **THE INDUSTRIAL DISPUTES ACT, CHAPTER 131**

THE Collective Agreement entered into between Ceylon Oxygen Ltd., No. 50, Pannananda Mawatha, Colombo 15 of the one part and the Jathika Sewaka Sangamaya, No. 416, Kotte Road, Pitakotte of the other part on 11th September 2019 is hereby published in terms of Section 06 of the Industrial Disputes Act, Chapter 131, of the Legislative Enactments of Ceylon (Revised Edition 1956).

A. WIMALAWEERA,  
Commissioner-General of Labour.

Department of Labour,  
Labour Secretariat,  
Colombo 05.  
10th July, 2010.

### **Collective Agreement No. 21 of 2019**

#### **COLLECTIVE AGREEMENT**

#### **BETWEEN**

#### **CEYLON OXYGEN LIMITED**

#### **AND**

#### **JATHIKA SEWAKA SANGAMAYA**

#### **(OFFICE STAFF)**

**(01.01.2019 - 31.12.2021)**

This Collective Agreement entered into between Ceylon Oxygen Limited having its registered office at No. 50, Sri Pannananda Mawatha, Colombo 15, a company duly registered in Sri Lanka and The Jathika Sewaka Sangamaya a trade union duly registered in Sri Lanka and having its registered office at No. 416, Kotte Road, Pitakotte.

Whereas the Jathika Sewaka Sangamaya (hereinafter referred to as 'the Union') raised with Ceylon Oxygen Limited (hereinafter referred to as 'the Company' certain demands relating to the revision of terms and conditions of employment of their members employed in the Company and the said parties have, after negotiations, arrived at the following terms of settlement.

1. This Agreement shall cover and bind the Company, the Union and the members of the Union, who are in employment in the Company as at 01st January 2019 on permanent monthly contracts of employment in the categories of employment ranges as stipulated in Schedule 1, which is annexed hereto.
2. The Salaries payable to the employees covered and bound by this Agreement with effect from 1st January 2019 shall be on the basis of the salary ranges stipulated in Schedule 2.
3. To ascertain the salary payable to an employee with effect from 1st January 2019 on the basis of the salary ranges provided in Schedule 2 hereto the following provisions shall apply:
  - (a) The basic monthly salary as at 31.12.2018 of all employees in the above -mentioned grades, covered and bound by this Agreement shall be increased by 12.5% and shall thereafter be placed on the corresponding salary ranges provided in schedule 2 hereto,
  - (b) With effect from 01st January 2020 the monthly salaries of all employees will be further revised by the addition of 13% to their salaries as at 31st December 2019, and shall thereafter be placed on the corresponding salary ranges provided in Schedule 2,

- (c) With effect from 01st January 2021 the monthly salaries of all employees will further be revised by the addition of 13% to their salaries as at 31st December 2020 and shall thereafter be placed on the corresponding salary ranges provided in Schedule 2,
4. Annual increment date of all the employees will be the 01st of April each year and shall be granted as per the current Practice.
5. The Union and the workmen covered by this agreement, jointly and severally agree that they shall not, during the operation of this agreement, resort to trade union action of any sort on any matter that is covered by this agreement.
6. In the event that a dispute may arise in respect of any matter not covered by this agreement the union and the workmen covered by this agreement agree that such dispute will be settled/resolved in the manner provided below;
- (a) Whenever there is a dispute that is not covered by this agreement, a written statement of the dispute should be forwarded by the Union's Branch Committee to the Company, and at least two weeks given for the Company to resolve the dispute.
- (b) If no satisfactory solution is found, the matter should be referred to the Parent Union and to. The Employers' Federation of Ceylon (EFC) for the - purpose of attempting to resolve the dispute.
- (c) If after the discussion, the matter cannot be resolved by the intervention of the EFC and the parent Union, the Conciliatory proceedings under the industrial Disputes Act shall be followed, and parties shall endeavor to settle such dispute in accordance with the provisions of the industrial dispute act.
7. The Provisions of this Agreement shall be effective from the 1st day of January 2019 and continue in force unless it is terminated by either party giving one month's notice in writing to the other, provided however that neither party shall give such notice to the other before the 30th November 2021 and the provisions of the Agreement shall not stand terminated until the 31st December 2021, in such event.

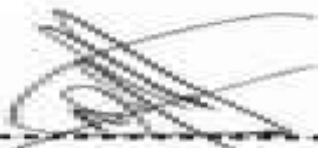
**In witness whereof the parties have signed this Deed of Assignment at Colombo, Sri Lanka, this 31st day of July, 2020.**



**Radesh Daluwatte  
Managing Director  
For and on behalf of  
Ceylon Oxygen Limited**

**Radesh N. Daluwatte  
Managing Director  
Ceylon Oxygen Ltd.**

**Witnesses:**



**Name: Nalin Kalage  
Head of Human Resources  
Ceylon Oxygen Limited**

**Nalin Kalage  
Head of Human Resources  
Ceylon Oxygen Limited  
No. 58, Sri Lanka  
Colombo**

## **Collective agreement - c**

### **SCHEDULE NO.1**

#### **CLERICAL STAFF GRADES**

**CLERICAL - GRADE 1**  
**CLERICAL - GRADE 11**  
**CLERICAL - HIGHER GRADE**  
**CLERICAL - SPECIAL GRADE**  
**STAFF OFFICER GRADE**

#### **DRIVER GRADES**

**DRIVER - GRADE E**  
**DRIVER - GRADE D**  
**DRIVER - GRADE C**  
**DRIVER - GRADE B**  
**DRIVER - GRADE A**



**Collective Agreement – offi**

**SCHEDULE NO.2**

**SALARY RANGES**

**OFFICE STAFF – CLERICAL**

**Clerical Grade 1**

**Clerical Grade 11**

**Clerical Higher**

**Clerical Special**

**Staff Officer**

**OFFICE STAFF – DRIVERS**

**Driver – E**

**Driver – D**

**Driver – C**

**Driver – B**

**Driver – A**



My No.: CI/464.

## THE INDUSTRIAL DISPUTES ACT, CHAPTER 131

THE Collective Agreement entered into between Ceylon Oxygen Ltd., No. 50, Sri Pannananda Mawatha, Colombo 15 of the one part and the Jathika Sewaka Sangamaya, No. 416, Kotte Road, Pitakotte of the other part on 11th September 2019 is hereby published in terms of Section 06 of the Industrial Disputes Act, Chapter 131, of the Legislative Enactments of Ceylon (Revised Edition 1956).

A. WIMALAWEERA,  
Commissioner General of Labour.

Department of Labour,  
Labour Secretariat,  
Colombo 05.  
10th July, 2020.

### Collective Agreement No. 22 of 2019

#### COLLECTIVE AGREEMENT

#### BETWEEN

#### CEYLON OXYGEN LIMITED

#### AND

#### JATHIKA SEWAKA SANGAMAYA

#### (FACTORY STAFF)

(01.01.2019 - 31.12.2021)

This Collective Agreement entered into between Ceylon Oxygen Limited having its registered office at No. 50, Sri Pannananda Mawatha, Colombo 15, a company duly registered in Sri Lanka and The Jathika Sewaka Sangamaya a trade union duly registered in Sri Lanka and having its registered office at No. 416, Kotte Road, Pitakotte.

Whereas the Jathika Sewaka Sangamaya (hereinafter referred to as 'the Union') raised with Ceylon Oxygen Limited (hereinafter referred to as 'the Company') certain demands relating to the revision of terms and conditions of employment of their members employed in the Company and the said parties have, after negotiations, arrived at the following terms of settlement.

1. Agreement shall cover and bind the Company, the Union and the members of the Union, who are in employment in the Company as at 01st January 2019 on permanent monthly contracts of employment in the categories of employment ranges as stipulated in Schedule 1, which is annexed hereto.
2. The Salaries payable to the employees covered and bound by this Agreement with effect from 1st January 2019 shall be on the basis of the salary ranges stipulated in Schedule 2.
3. To ascertain the salary payable to an employee with effect from 1st January 2019 on the basis of the salary ranges provided in Schedule 2 hereto the following provisions shall apply:
  - (a) The basic monthly salary as at 31.12.2018 of all employees in the above -mentioned grades, covered and bound by this Agreement shall be increased by 12.5% and shall thereafter be placed on the corresponding salary ranges provided in schedule 2 hereto,
  - (b) With effect from 01st January 2020 the monthly salaries of all employees will be further revised by the addition of 13% to their salaries as at 31st December 2019, and shall thereafter be placed on the corresponding salary ranges provided in Schedule 2,
  - (c) With effect from 01st January 2021 the monthly salaries of all employees will further be revised by the addition of 13% to their salaries as at 31st December 2020 and shall thereafter be placed on the corresponding salary ranges provided in Schedule 2,

4. Annual increment date of all the employees will be the 01st of April each year and shall be granted as per the current Practice.
5. The Union and the workmen covered by this agreement, jointly and severally agree that they shall not, during the operation of this agreement, resort to trade union action of any sort on any matter that is covered by this agreement.
6. In the event that a dispute may arise in respect of any matter not covered by this agreement the union and the workmen covered by this agreement agree that such dispute will be settled/resolved in the manner provided below;
  - (a) Whenever there is a dispute that is not covered by this agreement, a written statement of the dispute should be forwarded by the Union's Branch Committee to the Company, and at least two weeks given for the Company to resolve the dispute.
  - (b) If no satisfactory solution is found, the matter should be referred to the Parent Union and to. The Employers' Federation of Ceylon (EFC) for the - purpose of attempting to resolve the dispute.
  - (c) If after the discussion, the matter cannot be resolved by the intervention of the EFC and the parent Union, the Conciliatory proceedings under the industrial Disputes Act shall be followed, and parties shall endeavor to settle such dispute in accordance with the provisions of the industrial dispute act.
7. The Provisions of this Agreement shall be effective from the 1st day of January 2019 and continue in force unless it is terminated by either party giving one month's notice in writing to the other, provided however that neither party shall give such notice to the other before the 30th November 2021 and the provisions of the Agreement shall not stand terminated until the 31st December 2021, in such event.

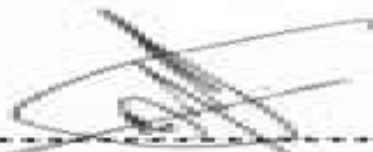
In witness whereof the parties to this Deed have hereunto set their hands and seals at Colombo, Sri Lanka, this 15th day of July, 2020.



.....  
**Radesh Daluwatte**  
**Managing Director**  
**For and on behalf of**  
**Ceylon Oxygen Limited**

Radesh N. Daluwatte  
Managing Director  
Ceylon Oxygen Ltd.

**Witnesses:**



.....  
**Name: Nalin Kalage**  
**Head of Human Resources**  
**Ceylon Oxygen Limited**

Nanna  
2020 15.

**Collective agreement**

**SCHEDULE NO.1**

**FACTORY STAFF GR.**

**UNSKILLED**

**SEMI SKILLED**

**SKILLED GRADE 11**

**SKILLED GRADE 11**

**SKILLED GRADE 1**

**SKILLED SPECIAL**

## **Collective Agreement – Fa**

### **SCHEDULE NO.2**

#### **SALARY RANGES**

**UNSKILLED** Rs. 17

**SEMI SKILLED** Rs. 18

**SKILLED 111** Rs. 1

**SKILLED 11** Rs. 1

**SKILLED 1** Rs. 1

**SKILLED SPECIAL** Rs. 2  
Annu