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

අංක 2438/31 – 2025 මැයි මස 28 වැනි බදාදා – 2025.05.28

No. 2438/31 – WEDNESDAY, MAY 28, 2025

(Published by Authority)

**PART I: SECTION (I) – GENERAL**

**Government Notifications**

My No.: CI/1818.

**THE INDUSTRIAL DISPUTES ACT - CHAPTER 131**

THE Collective Agreement entered into between **State Mortgage & Investment Bank - No. 269, Galle Road, Colombo 03** of the one part and the **Ceylon Bank Employees' Union - No. 20, Temple Road, Colombo 10** of the other part on **17th July 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.  
05th May 2025

**Collective Agreement No. 37 of 2024**



COLLECTIVE AGREEMENT

Between

STATE MORTGAGE & INVESTMENT BANK  
No.269, Galle Road, Colombo 03

*of the One Part*

And

CEYLON BANK EMPLOYEES' UNION  
No.20, Temple Road, Colombo 10

*of the Other Part*

for the Period of 01.01.2024 - 31.12.2026

This Collective Agreement is made and entered into on this 17th day of July, Two Thousand and Twenty Four (2024) by and between the State Mortgage & Investment Bank having its head office at 269, Galle Road, Colombo 3 in the Republic of Sri Lanka and duly incorporated by the State Mortgage and Investment Bank law No.13 of 1975 of the one part (hereinafter referred to as “the Bank”) and the Ceylon Bank Employees' Union having its head office at No. 20, Temple Road, Colombo 10 of the other part (hereinafter referred to as “the Union”)

**TITLE: This Agreement will be known and referred to as** STATE MORTGAGE & INVESTMENT BANK COLLECTIVE AGREEMENT with the CEYLON BANK EMPLOYEES' UNION for the period of first january two thousand and twenty - four to thirty first december two thousand and twenty - six (01.01.2024 to 31.12.2026).

1. ***Employer to be Covered And Bound.*** – This agreement shall cover and bind the State Mortgage & Investment Bank which is a party to this Agreement.

2. ***Employees to be Covered And Bound.*** – This Agreement shall be cover and bind members of the Ceylon Bank Employees' Union in employment with the Bank who are employed in any of the categories for which a salary scale has been prescribed in this Agreement in Annex-I hereto.

3. ***Date Of Operation And Duration.*** – This Agreement shall come into force on the First day of January, Two Thousand and Twenty-Four (01.01.2024) and thereafter continue to be in force until Thirty First day of December, Two Thousand and Twenty-Six (31.12.2026), unless it is determined by either party giving six months notice in writing to the other provided, however that no party shall give such notice to the other party after the First day of July Two Thousand and Twenty-Six (01.07.2026).

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

- (a). This Agreement shall be in full and final settlement of all matters covered herein as well as of all the matters raised by the Union in relation to the period 2024-2026 and in respect of which negotiations took place between the parties before the conclusion of this agreement and the Union agrees that it will not during the continuance in force of this Agreement raise any of the matters which were discussed and negotiated between the parties preceding this Agreement other than the matters relating to non-salary benefits which

shall be discussed by the Management of the Bank with the Union and reach finality on or before 31st July 2025. After an agreement has been arrived at as regards non-salary benefits the terms and conditions of same shall be annexed to this agreement, which shall form an integral part thereof.

- (b). The Union and its members shall not during the continuance in force of this Agreement seek to vary alter or add to all or any of the terms and conditions of employment or benefits applicable or enjoyed as provided for in this Agreement other than by mutual agreement with the Bank.

5. **Salary Components.** – As from the First day of January, Two Thousand and Twenty-Four (01.01.2024) each employee covered and bound by this Agreement shall be paid upon and subject to the other terms and conditions herein contained a monthly salary comprising the following components.

- (i). Fixed Components linked to “Basic Salary” and related Allowances.  
(ii). Variable Component linked to performance. (Please refer to selection 5.2)

### 5.1 Fixed Component

The Fixed Component comprises the following items: -

- (i). Revised basic salary as set out in Annex (I) hereto (Increments will be granted continuously notwithstanding the maximum point given in the salary scales).

- (ii). Allowances

- (a) In addition to the basic salary, the following allowances will be paid effective from the First day of January Two Thousand and Twenty-Four (01.01.2024).

- i. Cost of Living Allowance as per item (b) below  
ii. Rent Allowance as per item (c) below  
iii. 10% of Basic Salary, Rent Allowance and Cost of Living Allowance.

- (b) The Cost-of-Living Allowance at the rate of Rs.2.75 will be frozen as at December 1999 at the index point of 2,404.9 commencing from January, 2000 every one (01) point change over and above the Colombo Consumer Price Index (CCPI) of December 1999, only will be computed at Rs.3/-. If the index points drop below the December 1999 level *i.e.* 2,404.9 the computation should be at the rate of Rs. 2.75 per point.

- (c) The Rent Allowance, which will be 20% of the Basic Salary.

### 5.2 Variable Component

- (a) A monthly allowance based on Key Performance Indicators (KPI) as more fully described in Annexure II hereto.

Annexure- II will be reviewed annually by the Department of Public Enterprises and such review be considered as part and parcel of this Agreement. The Bank will duly communicate the outcome of such review to the Union.

- (b) KPI level weightage based on performance has been more fully described in Annexure - III hereto.

Annexure- III may be reviewed annually by the Bank and it shall be considered as part and parcel of this Agreement. The Bank will duly communicate any change to Annexure- III to the Union.

6. **Tax on Emoluments.** – Advance Personnel Income Tax on emoluments of staff will be borne by the respective employees.

**7. Conversion of the Basic Salary. –**

- (a) The basic salaries of all employees will be converted to the revised scale by applying the step for step (point by point) method of conversion  
*e.g.*– An employee who had been on the 05th step of the scale as of 31.12.2023 will be placed on 05th step of the relevant revised scale with effect from 01.01.2024.
- (b) Non-Banking stream personnel shall also be placed at the appropriate revised salary scale on the same basis.

**8. Conversion Anomalies.** – The State Mortgage & Investment Bank and the Ceylon Bank Employees' Union jointly agree to execute the Collective Agreement for the year 01.01.2024 - 31.12.2026 subject to referring to a Salary and Cadre committee to examine the possible anomalies associated with the calculation of increments in the salary scales.

**9. Review of the Salary Structure.** – The State Mortgage & Investment Bank and the Ceylon Bank Employees' Union jointly agree to review the existing salary structure of the employees referred to in clause No. 05 of this agreement.

**10.** Where the existing terms and conditions of employment of an employee covered and bound by this agreement and any existing concessions extended to the members of the Union are more favourable than the terms and conditions provided for in this agreement, then nothing in this agreement shall in any way affect or prejudice such existing terms and conditions of employment of such concessions shall continue to exist notwithstanding anything to the contrary contained herein.

**11.** Where an employee was immediately prior to the date hereof entitled to or, becomes entitled on or after that date under or by virtue of any law, contract, agreement award or custom to any rights or privileges more favourable than those to which he/she would be entitled under this agreement, nothing in this agreement shall be deemed or construed to authorize or permit the Bank to withhold, restrict or terminate such right or privilege.

**12.** The terms and conditions, of this agreement may be reviewed and amended with the mutual agreement of the Bank and the Union subject to the approval of the Department of Public Enterprises. Any such amendment should be duly executed by the parties and shall be an addendum to this agreement.

**13. Other Conditions. –**

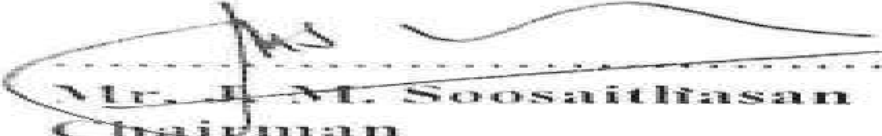
- (a). Pay half of the increase in salary and allowance for Q1 2024 upfront. The remaining 50% will be disbursed once the company achieves a profit after tax of Rs 400 million.
- (b). For circumstances that cannot be avoided (unavoidable circumstances), negotiate payment of the retained 50% with both parties.
- (c). Clauses A and B are applicable only within the scope of this collective agreement.

**14. Other Commitments.** – The Ceylon Bank Employee's Union further agrees to assist, cooperate and support the Management of the Bank in every manner to obtain the maximum contribution of its members to achieve the targets set out in the Business Plan of the Bank.


The common seal of the STATE MORTGAGE AND INVESTMENT BANK was affixed hereto at Colombo on this 17th day of July 2024 in the presence of

Mr. J. M. Soosaithasan	–	Chairman and
Prof. D. A. M. Perera	–	Director
Mr. I.T. Asuramanna	–	GM/CEO of SMIB

**STATE MORTGAGE &  
BANK**



.....  
**Mr. J. M. Soosaitthasan**  
Chairman



.....  
**Pro. D. A. M. Perera**  
Director



.....  
**Mr. I. T. Asuramanna**  
General Manager / CEO



.....  
**Mr. P. R. A. Lasantha. U**  
Assistant General Manager  
(HR & L)

**STATE MORTGAGE & INVESTMENT BANK-SMIB**

(Salary Grades &amp; Scales are applicable with effect from 1st January, 2024)

Salary Grade	Position -	Present Salary Scale - Monthly Rs.	New Salary Scale - Monthly Rs.
01.	Chief Manager	158, 315-4,390 x 12-210,995	211,260-5,490 x 12-277,140
	Internal Auditor		
02.	Senior Manager	121,090-2,620 x 20-173,490	164,730-3,280 x 20-230,330
	Head of Marketing		
03.	Manager	97,410-2.120 x 20-139,810	135,125-2,650 x 20-188,125
04**	Assistant Manager	79,740-1,500 x 20-109,740	113,040-1,880 x 20-150,640
	IT Risk Officer		
05 (a) **	Confidential Secretary (Pr Gr)	66,905-1,060 x 20-88,105	96,650-1,320x20-122,650
05 (b)**	Software Engineer	62,060-980 x 20-81,660	90,645-1,220x20-115,045
	Staff Officer Gr. V		
	IT Network & Communication Analyst/ Administrator		
	Information Security & Compliance Officer		
	Marketing Executive		
05 (c) **	Confidential Secretary Gr. II	57,700-820x20-74,100	84,275-950x20-103,275
	Application Support Engineer		
06	Junior Executive Officer	54,635-750x20-69,635	81,115-930x20-99,715
	Steno Typist Grl		
07 **	Banking Assistant Gr. I	49,410-510x20-59,610	73,840-630x20-86,440
	Court Clerk Gr. I		
08 (a) **	Steno Typist Gr. II	46,025-450x20-55,025	69,650-560x20-80,850
	Customer Care Assistant (Pro Gr)		

Salary Grade	Position -	Present Salary Scale - Monthly Rs.	New Salary Scale - Monthly Rs.
08 (b)	Banking Assistant (Gr ii)	44,810-440x20-53,610	68,145-540x20-78,945
	Court Clerk (Gr ii)		
08 (c)**	Customer Care Assistant (Gr. i)	43,515-350x20-50,515	66,300-430x20-74,900
	Steno Typist (Gr. iii)		
09 (a)	Banking Assistant (Gr iii)	41,670-320x20-48,070	64,025-400x20-72,025
09 (b)	Customer Care Assistant (Gr iii)	39,190-240x20-43,990	54,250-315 x 20-60,550
10 (a) **	Driver (Pro Gr)	39,290-370x20-46,690	54,825-430x20-63,425
10 (b)	Driver (Gr i)	38,315-320x20-44,715	53,685-370x20-61,085
10 (c) **	Motor Cycle Orderly	38,315-320x20-44,715	53,685-370x20-61,085
	Office Assistant (Gr. i)		
	Maintenance Assistant (Gr i)		
11	Driver (Gr. ii)	36,565-260x20-41,765	51,645-300x20-57,645
	Office Assistant (Gr ii)		
12	Office Assistant (Gr iii)	35,525-200x20-39,525	50,425-230x20-55,025
	Maintenance Assistant (Gr ii)		
13	Office Assistant (Gr IV)	34,605-190x20-38,405	49,135-220x20-53,535
	Maintenance Assistant (Gr iii)		

Note

\*\* Those reaching the maximum of the salary scales of the highest grade will be entitled for increments continuously into withstanding the maximum point given in the salary scales.

Annex II

## STATE MORTGAGE & INVESTMENT BANK-SMIB

(Monthly allowance based on Key Performance Indicators (KPI) 1st January, 2024)

Salary Grade	Position -	Incremental % of Gross Salary (%)	KPI Based Allowance per Month (Rs)
01	Chief Manager	25%	46,000
	Internal Auditor		
02	Senior Manager	25%	30,000
	Head of Marketing		
03.	Manager	25%	15,000
04 **	Assistant Manager	25%	8,000
	IT Risk Officer		
05 (a) **	Confidential Secretary (Pr Gr)	24.75%	3,360
05 (b) **	Software Engineer	24.50%	3,360
	Staff Officer Gr. V		
	IT Network & Communication Analyst/ Administrator		
	Information Security & Compliance Officer		
	Marketing Executive		
05 (c) **	Confidential Secretary Gr. II	24.50%	3,360
	Application Support Engineer		
06	Junior Executive Officer	24.50%	3,360
	Steno Typist GrI		



Salary Grade	Position -	Incremental % of Gross Salary (%)	KPI Based Allowance per Month (Rs)
07 **	Banking Assistant Gr. I	23.75%	2,500
	Court Clerk Gr. I		
08 (a) **	Steno Typist Gr. II	23.75%	2,500
	Customer Care Assistant (Pro Gr)		
08 (b)	Banking Assistant (Gr ii)	23.75%	2,500
	Court Clerk (Gr ii)		
08 (c) **	Customer Care Assistant (Gr. i)	23.50%	1,750
	Steno Typist (Gr iii)		
09 (a)	Banking Assistant (Gr iii)	23.50%	1,750
09 (b)	Customer Care Assistant (Gr iii)	23.50%	1,750
10 (a) **	Driver (Pro Gr)	16.75%	1,500
10 (b)	Driver (Gr i)	16.75%	1,500
10 (c) **	Motor Cycle Orderly	16.75%	1,500
	Office Assistant (Gr. i)		
	Maintenance Assistant (Gr i)		
11	Driver (Gr. ii)	16.75%	1,500
	Office Assistant (Gr ii)		
12	Office Assistant (Gr iii)	16.75%	1,200
	Maintenance Assistant (Gr ii)		
13	Office Assistant (Gr IV)	16.75%	1,200
	Maintenance Assistant (Gr iii)		

**KPI Criteria-2024**

Annex III

**i. KPI based on the overall Bank Performance**

S/N	KPI Description	Target as per the Budget	Weightage
01	To achieve total net income	Do	25%
02	To achieve Profit before taxes (except corporate tax)	Do	25%
03	To maintain Cost to Income Ratio (56% as at 31.12.2023)	Do	25%
04	To maintain Gross NPL ratio (23% as at 31.12.2023)	Do	25%

**ii. KPI's for Business Units**

The second part of the KPIs, demonstrate the performance of the Business Units. Accordingly the performance of the Credit, Recovery, Treasury and Branch Operations divisions will be measured separately as business units.

**iii. KPI's for individuals**

The category of KPIs that have been drafted is KPI to measure the individual employee's performance. The following table illustrate the KPIs that have been institutionalize to measure the individual performance. From 1st of September, 2024 onwards KPI allowance is based on the Bank Performance as well as & the Individual performance which was decided by the Board Appointed Committee / Cooperate Management of the Bank.

**KPI distribution index for variable allowance payment**

KPI Achievement %	2024
70 or more	100%
60-69	85%
50-59	70%
40-49	50%
30-39	20%
Below 30	0