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The Gazette of the Democratic Socialist Republic of Sri Lanka
EXTRAORDINARY

අංක 2320/51 – 2023 පෙබරවාරි 22 වැනි බදාදා – 2023.02.22
2320/51 – WEDNESDAY, FEBRUARY 22, 2023

(Published by Authority)

PART I: SECTION (I) – GENERAL
Government Notifications

My No.: CI/1810.

THE INDUSTRIAL DISPUTES ACT, CHAPTER 131

THE Collective Agreement entered into between Coats Thread Exports (Pvt) Ltd, Level 8, HNB Towers, No. 479, T. B. Jayah Mawatha, Colombo 10 of the one part and the Inter Company Employees Union, No. 10, Nagara Sabha Lane, Dehiwala of the other part on 3rd August 2022 is hereby published in terms of Section 06 of the Industrial Disputes Act, Chapter 131, of the Legislative Enactments of Ceylon (Revised Edition 1956).

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

Department of Labour,
Labour Secretariat,
Colombo 05.
10th February, 2023.



Collective Agreement No. 15 of 2022

COLLECTIVE AGREEMENT

BETWEEN

COATS THREAD EXPORTS (PRIVATE) LTD

AND

INTER COMPANY EMPLOYEES UNION

This Agreement has been signed at the

Employers Federation of Ceylon on

3rd August 2022.

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COLLECTIVE AGREEMENT

This is the collective agreement that was entered between the two parties of Coats Thread Export (Private) Limited (hereinafter to be known as **'the Employer'**) a Company that is duly registered under the Companies Ordinance Act, and having its registered office at the Level 08, HNB Towers, No. 479, T.B. Jayah Mawatha, Colombo 10 and the Inter Company Employees Union (hereinafter to be known as **"the Union"**), a trade union duly registered under the of Trade Unions Ordinance and having its registered office at No.: 10, Nagara Sabha Lane, Dehiwala on the Third day of August Two Thousand and Twenty two, and is witnessed by the two parties:

This Collective Agreement valid for 01st July 2022- 31st December 2025 is defined and treated as the "Coats Thread Exports Employees Collective Agreement of 2022".

1. PARTIES COVERED AND BOUND

This Agreement shall cover and bind the Employer, the Union and the 'Employees' as defined in clause 2 hereof, to whom the Agreement shall apply.

2. THE EMPLOYEES COVERED AND BOUND

All the employees who are employed at the employer's factory at Moragahahena, and who are eligible to receive monthly salaries under the job categories as described hereunder in clause number four (04) and second Schedule, and are also employed in permanent employment by the employer and also holding the membership of the Union, are covered and bound by this agreement.

3. THE DURATION OF THE AGREEMENT

This collective agreement comes into effect on the **01st July 2022**, and the Agreement can be terminated by any of the two parties by giving one calendar month's written notice.

However, no other party can give notice to terminate this agreement in the aforesaid manner before the date of 31st December 2025, and no party can terminate this agreement until 31st December 2025 by giving notice.

4. ANNUAL SALARY INCREMENT AND GRADE - WISE INCREMENT

The salary increments for the employees covered and bound by this agreement shall be amended based on the achievement of production targets as mentioned in the "First Schedule", subject to the terms and conditions mentioned therein from the date of 01st July 2022 and during the time this agreement remains valid.

Accordingly, annual salary increments, and grade-wise increments will be paid as follows:

Details of Annual Salary Increments and Grade wise Salary Increments	Year		
	July 2022 - December 2023	2024	2025
Annual Salary Increment	8,500/=	7,000/=	7,000/=
Grade - wise Salary Increment - Skilled Grade 1	200/=	200/=	200/=
Grade - wise Salary Increment - Skilled Grade 2	225/=	225/=	225/=
Total annual salary Increment - Skilled Grade 1	8,700/=	7,200/=	7,200/=
Total annual salary Increment - Skilled Grade 2	8,725/=	7,225/=	7,225/=

- i. Total annual salary increments provided each year amounts to a sum of annual salary increments and annual grade-wise salary increment as shown above.
- ii. The minimum of the grade-wise salary increment payable to an employee is shown in the "second Schedule" attached.
- iii. The starting salary scale for a newly joined employee will be as in the "second Schedule" attached.
- iv. However, it has to be noted that the employee shall be eligible to such salary increments, only if the employer has not suspended, stopped, or adjourned them on the basis of a disciplinary action.

5. ANNUAL EX-GRATIA PAYMENTS

The employer has to pay an ex-gratia payment to each permanent employee who is covered and bound by this agreement that is equal to his/her one month's basic salary in the month of April every year. In this particular matter, the salary shall be the monthly basic salary earned by the employee at the time of making such payment

6. BONUS BASED ON THE SALES ACHIEVEMENT

- i. In addition to the money paid as per the aforesaid Section 5, a bonus worked out in compliance with the formula as shown in the third Schedule" has to be paid to an employee by the employer in the month of March or April. This payment is connected to the sales target vs. total sales volume made locally. Further, the export of finished products shall be considered for the computation of the sales bonus, only if the required targets could not be achieved when the employees have contributed in full for the local production.
- ii. It is agreed that the Union and the Employees shall not jointly and/or severally raise a dispute about the targets that have been decided and reported by the employer on an annual basis.

7. LEAVE

- i. The number of days of leave that an employee covered and bound by this agreement and in permanent service from the second year of service shall be as follows:

The number of days of leave that is available to employees who have joined the service on or before 31 st December 2011	Annual Leave - 14 days
	Casual Leave - 07 days
	Sick Leave - 14 days
The number of days of leave that is available to employees who have joined the service after 1 st January 2012	Annual Leave - 14 days
	Casual Leave - 07 days
	Sick Leave - 3 days*

* Despite this, if an employee who had joined the service after 01st January 2012 had fallen ill and had to be hospitalized, arrangements will be made to approve 11 days of sick leave for such employees. For this purpose, the employee concerned has to produce the Diagnosis Card and a Medical Report issued by a hospital acceptable to the employer along with a written request to the HR Department.

- ii. The employee has to make use of all annual leave on days mutually agreeable to the employer and by obtaining prior written approval.

Employees have to know that they have to make use of all leave with the prior approval of the employer except for those for which the employee is beyond his/her control.

When the employee is unable to attend work for two consecutive days due to an illness, the employee has to produce a medical certificate acceptable to the employer.

Casual leave shall not be made use by the employee before the beginning of annual leave or at the end of such leave without approval obtained from the employer.

- iii. in computation of the eligible number of days of leave and for obtaining leave, “Year of Employment” and “leave year shall be considered the period of 12 months from the 01st day of the month the employee joined the service. As an example, for an employee who joined the service on the 10th of the month of April “Leave Year” shall be the period from the 01st of April 2020 to the 31st day of March 2021.

8. PURCHASE OF UNUTILIZED LEAVE

In case of employees who have not utilized of their share of sick and/or casual leave during a leave year, such an employee shall receive payments from the employer according to the manner as shown in the table below:

If the unutilised/saved days of leave are up to 10	A salary for 1¼ days for each day
If the unutilised/saved days of leave are more than 10	A salary for 1½ days for each day

In case of an employee who has not made use of his/her total sick and/or casual leave, and has received payments for sick and/or casual leave for 2 years before the relevant year, he/she can get leave in case of contracting a communicable disease as mentioned here. As an example, if an employee had saved 10 days of sick leave for the years 2019 and 2020, he/she can obtain 10 days of leave in the year 2021 for contracting a communicable disease.

If the employee concerned suffers a communicable disease when he/she has no casual and sick leave left and has not saved leave during the past 2 years, arrangements will be made to provide leave for the days in absence on the basis of approved no pay leave.

The communicable diseases identified under this condition shall be the ones chickenpox measles, mumps and dengue. A medical certificate acceptable to the employer has to be presented when applying for leave under this condition.

9. SHIFT ALLOWANCE

The procedure for payment of shift allowances to the employees will be as follows. The number of shifts the employees have reported will be computed for making the payments. The shift allowance shall be paid at the time of paying the salary for the relevant month.

9.1 Allowance for second shift

A shift allowance of Rs. 60/- shall be paid for each second shift that has been reported.

9.2 Allowance for third night) shift

A shift allowance for working on the third shift will be paid as follows:

The employees will be eligible for the night shift allowance as follows. If the allocated night shift in a given calendar month is;

- Less than 10 days and all such night shifts are worked Rs 500/- per day and if 01 day is absent Rs 250/- per day.
- 10 or more than 10 days Rs. 500 per night shift worked even if 01 day's approved leave is taken. If the employee is absent for more than 01 day Rs. 250/- per night shifts worked.

9.3 In addition to above, the female employees will be paid the statutory payment due on them for each night shift.

10. INCENTIVE PAYMENT FOR ACHIEVING PRODUCTION TARGETS

All employees who have been covered and bound by this agreement shall be eligible to a monthly production incentive computed in accordance with the rules and regulations as mentioned in the “fourth schedule”, effective from the date of signing this Agreement.

11. GRADING OF EMPLOYEES

When it is felt that the employees have to be re-graded, it shall be done in compliance with a methodology chosen by the employer. If there will be a dispute in this connection, it is possible for the Union to present it to the employer, and the dispute concerned has to be sorted out in conformity with the Clause 16th here.

12. PAYMENT OF BATTAs

When an employee who is based at the factory is assigned for service outside the organization premises, such employee shall be paid Batta in the manner as given below:

First Shift	When reporting for duty at the service station again after 02.00 p.m., a sum of Rs. 250/- shall be paid
Second Shift	When reporting for duty at the service station again after 08.00 p.m., a sum of Rs. 250/- shall be paid
Common Shift	When reporting for duty at the service station again after 03.00 p.m., a sum of Rs. 250/- shall be paid

13. UNIFORMS

All employees shall be provided three sets of uniforms a year and they must wear them while they are on duty. Every employee shall be issued with four bars of soap a month for washing the uniforms.

14. FOOD

- i. The way meals are provided to employees engaged in overtime work will be as follows :

The employees, who are in overtime duty having worked beyond four hours of the usual duty, shall be eligible for a Meal Token and its value shall be determined by the employer on the prices of the service provider. Depending on the agreement made with the service provider, the value of the food shall vary from time to time. These Meal Tokens cannot be cashed at any instant.

- ii. Provision of snacks for employees engaged in shifts :

While the employer shall provide breakfast for the employees in the first shift, a snack shall be provided by the employer at its discretion for the second and night shifts. All employees shall use their breaks as specified by the employer.

15. PRODUCTION NORMS/TARGETS

- i. The employer, trade union and employee parties shall agree with the following matters by way of work-study instructions conducted by the University of Moratuwa.
- ii. Further following the same method adopted by the Moratuwa University during the discussions had with the management it was agreed that with effect from 04th August 2022, 90% of the SSP Equivalent lots including Kier wash ie. 1267 is set as the agreed production norm for 91 machines. Please use attached first schedule “Production Norms - Dye House” for dyeing methods and SSP Equivalent Factors.

- iii. The target of the Finishing Division is in terms of the Work Study Report issued on 04.07.2016.
- iv. Further, the minimum levels of production based on the machinery newly added to the Dyeing and Finishing Divisions and computed as per the production reports issued by the University of Moratuwa are shown in the “First Schedule”.
- v. In case of divisions not covered by the two work study reports, the targets shall remain at the current levels and the management reserves the right to change them when required.
- vi. The employees, the Trade Union and the Employer have to abide by the aforesaid targets, and those employees who fail to do so shall be considered to have committed misconduct.
- vii. As per the third section of the Memorandum of Understanding that had been signed on 26.08.2016, the minimum target shall be 95% of the production norms set up by the work study.
- viii. It was agreed by this Agreement that the employees shall jointly and or severally comply and accomplish and maintain the production levels assigned to them.
- ix. The Company reserves the right to amend the production and/or incentive targets if and when additional and new machinery, equipment or technology is introduced.
- x. It has been agreed that if some dispute arises as a result of the introduction of minimum production and/or incentive targets, it should be referred to Sri Lanka Institute of Textile and Apparel or any other accepted institute. The decision made by such an Institute shall be the final decision, which both parties shall be bound to accept. Accordingly, the parties concerned shall abide by the conclusions made and comply with them, and the refusal by the employees to work accordingly shall be considered a misconduct.
- xi. Employees agreed to work as per the Operator Feeder Model (OFM) in the Dye House Section. Accordingly, employees are agreeable to work in the small machine and big machine areas both. Nevertheless, when the required number of employees have not reported to work in order to ensure continuous production process the following method will be followed in allocating work for employees. Firstly, the multiskilled employees under process department, secondly employees who have joined after 01st January 2020, thirdly employees who are trained and on Fixed Term Contracts at present and finally employees currently in employment after a proper training, if required, will be assigned.
- xii. All employees agree to give their fullest cooperation and contribution as a team to increase the dyeing program efficiency more than 85% in order to reach the global targets. Accordingly, Sectional Managers, Executives, Supervisors and all employees will collectively agree to achieve the dyeing program efficiency.

16. PROCEDURE FOR RESOLVING DISPUTES.

While this agreement remains valid, when an industrial dispute crops up between the Union and the Employer or Employees and the Employer, all parties concerned agree to work in compliance with the following procedures:

- i. When such a dispute arises among the branch Union or employees, at the very inception of the dispute, both parties agree that they should make an attempt to forward the dispute to the employer in order to reach a satisfactory reconciliation by discussion.
- ii. If no satisfactory reconciliation could be reached by dialogue between the parties, the dispute should be referred to the Employers Federation of Ceylon in which the employer holds membership; all parties should attempt to reach a satisfactory solution by dialogue between the Union and the Employers Federation of Ceylon.
- iii. When a satisfactory solution could not be reached between the Union and the Employers Federation of Sri

Lanka, the Union can seek the intervention of the Commissioner of Labour to settle the dispute in terms of the provisions of the Industrial Disputes Act.

GENERAL MATTERS

17. The intervals of employees shall remain as they are without any change.
18. The employees or the Union agree that they shall not take any Trade Union action severally or jointly in relation to any matter whether covered or not by this Agreement when the Agreement remains valid. All attempts have to be made to settle any dispute that may arise in compliance with the procedure for settling disputes as mentioned here.
19. The parties concerned further agreed that during the time this Agreement is valid and in force, no party shall except with mutual agreement try to amend, delete or change any condition or conditions.
20. When this Agreement is in force, if the government recommends any salary increase, the employer shall reserve the right to credit the salary increase offered under this collective agreement in lieu of such recommendation. However, if the government makes such recommendations for increasing the salaries, such recommendations shall not be relevant to the employer or the employees.
21. The employer, employees and the Trade Union agree that they shall at all times co-operate with each other and work with dedication for the continuous development of the employer company.
22. In case there will be an inconsistency in terms of Sinhala and English terms in this Agreement; ' the English language term shall prevail.


In order that this Agreement is certified, the parties have signed on this day of 03.08.2022.



For Coats Thread Exports (Pvt) Ltd
Nuwan Jayaweera
General Manager – Human Resources

Witnesses :

1. Signature: 
Name : Adhil Khasim
Position : Assistant Director of Industrial Relations - EFC

2. Signature: 
Name : Ajith Edirisinghe
Position : Operations Director

PRODUCTION NORMS

- A. As per the 12(1) MOU signed between parties on 21.09.2015, an Industrial Engineering work study was conducted by the University of Moratuwa, hereinafter called as UOM, for the period 1.8.2015 till 31.01.2016 for 80 dye machines and the Established Norm were derived by considering the machine group wise average cycle time and also the actual Lot per machine per day. As per the study report, the total actual lots which can be achieved per day is 950 lots including Kier wash.
- B. Based on Union request for easy calculation, SSP equivalent factor was used to convert the actual lots mentioned in the IE report from UOM. The SSP equivalent lots including Kier wash was then derived by multiplying actual lots including Kier wash with SSP equivalent factor during the study period for individual machine group which is 1349 SSP Equivalent lots including Kier wash.
- C. As agreed by Union, 90% of the SSP Equivalent lots including Kier wash ie. 1214 is set as the Agreed Norm for 80 machines.
- D. Further, as agreed during the discussions with the management, the target with effect from 04th August 2022 will be considered as 1267 SSP Equivalent Lots equal to 90% of the target of 91 machines with KierWash, which was based as per the calculation followed by the Moratuwa University mentioned above. Please use the “Schedule 1B” for dyeing program and SSP Equivalent Factors.
- E. Accordingly, both parties agree that the minimum production norm for 91 dyeing machines fixed in the Dye House is SSP Equivalent factor Lot 1267.
- F. The parties agree that the Employer is not obliged or required to remedy any salary anomalies that may arise in future as a result of the salary revisions specified in this agreement.
- G. The following conditions will be considered when determining the norm set out for all departments mentioned hereunder this agreement.
- Utility Failure hours will be considered for norm reduction.
 - Any Machine breakdown greater than 1 hour will be considered for norm reduction.
 - Any Machine stoppage for planned maintenance or Relocation will be considered for Target Reduction.
 - IT Failure (Sedo Master) hours will be considered for norm reduction.
 - The targeted lots will change proportionally subjected to machine commissioning or de commissioning.
 - If a particular Dyeing method undergoes any process change then accordingly Management will provide the revised SSP equivalent factor reflecting the change.
 - Additions of any new machinery will proportionately increase the norm and company will have the right to conduct an IE study as prescribed in the clause 15 of this agreement.
 - No orders situation will be considered for norm reduction.
 - No Payments for No pay leave
 - Exclude Permanent machine break downs due to spare part issues

Production Norms - Dye House

Employees Covered: Dye Machine Operators, RF Operators, Dettin and Card winders, Drug Store Keepers and Helpers, Material Handlers, Bulk Machine Unloaders, Sub Stores Operators, Soft winding Operators, Dyehouse Maintenance & Utility Operators.

Production day wise target based on SSP Equivalent Unloaded lots Including Machine Cleaning.

Production Cell	Dye Machines	No. of Machines (Production)	Output per day SSP Eq lots (90% Effi)
Group 01	DYE0012A, DYE0012B, DYE0012C, DYE0012E, DYE0012F, DYE0012G, DYE0012H	7	89
Group 02	DYE0012D, DYE0012I, DYE0024A, DYE0024C, DYE0024D, DYE0030A, DYE0030B	7	94
Group 03	DYE0024B, DYE0048A, DYE0098A, DYE0098B, DYE0098E, DYE0024F	6	82
Group 04	DYE0098C, DYE0098D, DYE0462A, DYE0462B, DYE0222A, DYE0012J, DYE0024E	7	83
Group 05	DYE0036A, DYE0036C, DYE0036D, DYE0036E, DYE0036F, DYE0036G, DYE0102A	7	93
Group 06	DYE0036B, DYE0048B, DYE0108A, DYE0156A, DYE0192B, DYE0192C	6	75
Group 07	DYESIMA1, DYESIMA2, DYESIMA3, DYESIMA4, DYESIMA5, DYESIMA6, DYESIMB1, DYESIMB2, DYESIMB3, DYESIMB4, DYESIMB5, DYESIMB6	12	207
Group 08	DYE0004I, DYE0004J, DYE0004K, DYE0004M, DYE0004N, DYE0004P, DYE0004Q, DYE0004R, DYE0004S	9	129
Group 09	DYE0004A, DYE0004B, DYE0004C, DYE0004D, DYE0004E, DYE0004F, DYE0004G, DYE0004H, DYE0004L	9	120
Group 10	DYE0002A, DYE0002B, DYE0006A, DYE0006B, DYE0006C, DYE0006D, DYE0006E, DYE0006F	8	113
Group 11	DYE0002C, DYE0002D, DYE0002E, DYE0002F, DYE0002G, DYE0002H, DYE0006G, DYE0006H, DYE0006I	9	127
Others	DYE0002I, DYE0002J, DYE000F1, DYE000F2	4	55
Total		91	1267

1A Schedule

Machine wise LpMpD

Serial No.	Machine Name	SSP Eq LpMpD lots Including Kier Wash at 90% Efficiency
1	DYE0002A	14.35
2	DYE0002B	14.35
3	DYE0002C	14.54
4	DYE0002D	14.00
5	DYE0002E	14.54
6	DYE0002F	14.35
7	DYE0002G	14.54
8	DYE0002H	14.35
9	DYE0002I	12.46
10	DYE0002J	12.46
11	DYE0004A	13.65
12	DYE0004B	13.65
13	DYE0004C	13.49
14	DYE0004D	13.65
15	DYE0004E	13.03
16	DYE0004F	12.74
17	DYE0004G	13.18
18	DYE0004H	12.60
19	DYE0004I	14.28
20	DYE0004J	14.28
21	DYE0004K	14.28
22	DYE0004L	14.28
23	DYE0004M	14.28
24	DYE0004N	14.28
25	DYE0004P	14.28
26	DYE0004Q	14.28
27	DYE0004R	14.28
28	DYE0004S	14.28
29	DYE0006A	14.07
30	DYE0006B	14.07
31	DYE0006C	14.07
32	DYE0006D	14.07
33	DYE0006E	14.07
34	DYE0006F	14.07
35	DYE0006G	13.57
36	DYE0006H	13.57

Serial No.	Machine Name	SSP Eq LpMpD lots Including Kier Wash at 90% Efficiency
37	DYE0006I	13.57
38	DYE0012A	13.39
39	DYE0012B	13.08
40	DYE0012C	13.55
41	DYE0012D	13.08
42	DYE0012E	12.93
43	DYE0012F	11.36
44	DYE0012G	13.08
45	DYE0012H	11.48
46	DYE0012I	13.39
47	DYE0012J	13.39
48	DYE0024A	12.98
49	DYE0024B	14.03
50	DYE0024C	13.71
51	DYE0024D	14.72
52	DYE0024E	14.03
53	DYE0024F	14.03
54	DYE0030A	12.77
55	DYE0036A	13.52
56	DYE0036B	13.37
57	DYE0036C	13.37
58	DYE0036D	13.84
59	DYE0036E	13.84
60	DYE0036F	13.84
61	DYE0036G	13.68
62	DYE0036H	14.69
63	DYE0048A	13.65
64	DYE0048B	12.61
65	DYE0098A	12.83
66	DYE0098B	13.26
67	DYE0098C	13.11
68	DYE0098D	12.97
69	DYE0098E	13.11
70	DYE0102A	11.22
71	DYE0108A	13.83
72	DYE0156A	11.29

12A

I කොටස: (I) ඡේදය - ශ්‍රී ලංකා ප්‍රජාතාන්ත්‍රික සමාජවාදී ජනරජයේ අති විශේෂ ගැසට් පත්‍රය - 2023.02.22

PART I: SEC. (I) - GAZETTE EXTRAORDINARY OF THE DEMOCRATIC SOCIALIST REPUBLIC OF SRI LANKA - 22.02.2023

Serial No.	Machine Name	SSP Eq LpMpD lots Including Kier Wash at 90% Efficiency
73	DYE0192B	12.27
74	DYE0192C	11.55
75	DYE0222A	9.89
76	DYE0462A	11.82
77	DYE0462B	7.30
78	DYESIMA1	17.26
79	DYESIMA2	17.26
80	DYESIMA3	17.25
81	DYESIMA4	17.26
82	DYESIMA5	17.26
83	DYESIMA6	17.26
84	DYESIMB1	17.26
85	DYESIMB2	17.26
86	DYESIMB3	17.26
87	DYESIMB4	17.26
88	DYESIMB5	17.26
89	DYESIMB6	17.26
90	DYESIMF1	15.15
91	DYESIMF2	15.15
Total		1267

1B Schedule**Dyeing Methods and SSP Equivalent Factor**

The below table exhibits the Theoretical time of 106 dyeing profile for each of the dye machine which is the base factor in order to calculate SSP equivalent for any dyeing cycle.

Machine Name	Program No.	Theoretical Time
DYE0002A	106	79
DYE0002B	106	79
DYE0002C	106	78
DYE0002D	106	81
DYE0002E	106	78
DYE0002F	106	79
DYE0002G	106	78
DYE0002H	106	79
DYE0002I	106	91
DYE0002J	106	91
DYE0004A	106	84

Machine Name	Program No.	Theoretical Time
DYE0004B	106	84
DYE0004C	106	85
DYE0004D	106	84
DYE0004E	106	87
DYE0004F	106	89
DYE0004G	106	86
DYE0004H	106	90
DYE0004I	106	87
DYE0004J	106	87
DYE0004K	106	87
DYE0004L	106	87

Machine Name	Program No.	Theoretical Time
DYE0004M	106	87
DYE0004N	106	87
DYE0004P	106	87
DYE0004Q	106	87
DYE0004R	106	87
DYE0004S	106	87
DYE0006A	106	82
DYE0006B	106	82
DYE0006C	106	82
DYE0006D	106	82
DYE0006E	106	82
DYE0006F	106	82
DYE0006G	106	85
DYE0006H	106	85
DYE0006I	106	85
DYE0012A	106	84
DYE0012B	106	86
DYE0012C	106	83
DYE0012D	106	86
DYE0012E	106	87
DYE0012F	106	99
DYE0012G	106	86
DYE0012H	106	98
DYE0012I	106	84
DYE0012J	106	84
DYE0024A	106	93
DYE0024B	106	86
DYE0024C	106	88
DYE0024D	106	82
DYE0024E	106	86
DYE0024F	106	86
DYE0036A	106	88
DYE0036B	106	89
DYE0036C	106	89
DYE0036D	106	86
DYE0036E	106	86
DYE0036F	106	86
DYE0036G	106	87
DYE0036H	106	81
DYE0048A	106	85
DYE0048B	106	92

Machine Name	Program No.	Theoretical Time
DYE0098A	106	91
DYE0098B	106	88
DYE0098C	106	89
DYE0098D	106	90
DYE0098E	106	89
DYE0102A	106	104
DYE0156A	106	98
DYE0192B	106	97
DYE0192C	106	103
DYE0222A	106	103
DYE0462A	106	115
DYE0462B	106	104
DYESIMA1	106	72
DYESIMA2	106	72
DYESIMA3	106	72
DYESIMA4	106	72
DYESIMA5	106	72
DYESIMA6	106	72
DYESIMB1	106	72
DYESIMB2	106	72
DYESIMB3	106	72
DYESIMB4	106	72
DYESIMB5	106	72
DYESIMB6	106	72
DYESIMF1	106	82
DYESIMF2	106	82
DYE0108A	106	86
DYE0030A	106	88

Production Norms - Finishing

Area	Employees	Evaluation Criteria	Target
Industrial	Operators & Packers	Operator efficiency minimum (Individual)	For Manual 93% / For Automatic 95% (M/C's)
		Packer efficiency minimum (Individual)	95% or Internal target - Allocation as per requirement of the shift (16 orders per packer from TN29A, TN29D, TN29D - 2DY cone machine.
Less than 06 pkgs	Operators & Packers	Minimum target - Wind & Pack number of orders/ shifts	<ul style="list-style-type: none"> TN 21: 55 orders (From 10 Spl:) <=4 Dye Mcs all counts & <=6 Dye Mcs Coaser counts TN 21: 25 orders (From 10 Spl:) 4<= Dye Mcs <=6 all counts and 2<= Dye Mcs <=4, 1000 m orders SSM 850: 25 orders (From 12 spl) 6<= Dye Mcs <=12 all counts, PPC & Low Lub <=12 Dye Mcs
Ancillary Employees	Carton Packer/ Sticker Printer/ Material Handler/ Tenter	Operator efficiency minimum (Individual)	Allocated workload

GRADE- WISE INCREMENT

Grade	Designation*	Annual Grade Salary Increment
Skilled Grade 01	Material Handler Cum Equipment Operator	Rs. 200/=
Skilled Grade 02	Multi Skill Worker	Rs. 225/=

* Only a example designation

STARTING SALARY

The starting salary scale for a newly joined employee will be as follows:

Grade	Year 2023	Year 2024	Year 2025
Skilled Grade 01	Rs. 29, 000	Rs. 32, 000	Rs. 35, 000

BONUS BASED ON THE SALES ACHIEVEMENT

Step	Proportion of actual sales CLU volume achieved against p15	Proportion of Monthly Salary payable as sales Bouns
1	75%	75%
2	76%	75%
3	77%	75%
4	78%	75%
5	79%	75%
6	80%	85%
7	81%	88%
8	82%	90%
9	83%	92%
10	84%	96%
11	85%	100%
12	86%	102%
13	87%	105%
14	88%	124%
15	89%	131%
16	90%	134%
17	91%	138%
18	92%	143%
19	93%	148%
20	94%	152%
21	95%	156%
22	96%	176%
23	97%	185%
24	98%	190%
25	99%	196%
26	100%	215%
27	101%	222%
28	102%	230%
29	103%	237%
30	104%	245%
31	105%	252%
32	106%	258%
33	107%	265%
34	108%	273%
35	109%	280%
36	110%	300%
37	111%	307%
38	112%	314%
39	113%	321%
40	114%	328%
41	115%	335%
42	116%	342%
43	117%	349%
44	118%	359%
45	119%	369%
46	120%	379%

- (a) This payment will be equal to the total sales value achieved against planned sales value of the Company.
- (b) The salary for the calculation of the bonus shall be the salary drawn by the respective employee in the last month of Financial Year in respect of which bonus is payable.
- (c) An employee who is absent in excess of his leave entitlement for a period of six (06) or more days will not be eligible to receive this bonus and it shall not be paid to such employee
- (d) Subject to the number of days absent in excess of an employee's leave entitlement in any one year the employer shall be entitled to make deductions from the bonus payable to an employee in the under - noted manner.

No of Days	Eligible Bonus %
1 day in excess of leave entitlement	5% of declared bouns
2 days in excess of leave entitlement	12 ½% of declared bouns
3 days in excess of leave entitlement	22 ½% of declared bouns
4 days in excess of leave entitlement	35% of declared bouns
5 days in excess of leave entitlement	50% of declared bouns

Any period of no pay leave of an employee with the approval of the management will not be regarded as absence for the above computation.

CALCULATION METHOD OF INCENTIVE SCHEMES FOR ACHIEVING PRODUCTION TARGETS

This schedule includes the method of calculation of incentives schemes and those employees who are covered under these incentive schemes.

No	Department	Eligible Employees	
1	Dye House	i	Incentive Scheme for Dye House Machine Operators
		ii	Incentive Scheme for Dye House Supporting Services
2	Finishing	i	Incentive Scheme for 2D Service Machine Operators & Packers
		ii	Incentive Scheme for Winders and Packers
		iii	Incentive Scheme for Supporting Service [Carton Packers / M. Handlers / Sticker Printer/Tenter]
3	Engineering	i	Incentive Scheme for Engineering (Working in Dye House)
4	Stores	i	Incentive Scheme for Transit Stores
		ii	Incentive Scheme for Raw Material Stores

1. Dye House Incentive Scheme

Common Conditions Governing the Incentive Scheme

- (1) No work no payment
- (2) No orders, no payment
- (3) Machine stoppages for whatsoever reason will not qualify for incentive.
- (4) The targeted lots will change proportionally subjected to machine commissioning, de commissioning or planned maintenance
- (5) If a particular Dyeing method undergoes any process change, the modified SSP Factor (SSP equivalent factor) is

informed by the management to the branch of trade union association and according to the program 106 method of the relevant machine, the calculation is done based on the agreement of both parties.

For this Dye House department the incentives will be calculated by two different calculation methods as Dye House Machine Operators Calculation method and Dye House Supporting Services

(i) Dye House Machine Operators

A. Dyeing Output Target

Productivity Scheme - The target starting point is 90% of the SSP Equivalent Lots including Kier wash for individual production cell as stated below followed by incremental 1% percentage increase finally up to 110%.

B. In the Schedule below, for the machine cells 2, 3, 4, 5 & 6, the incentive payment method is prepared without the decimals of the relevant targets.

Incentive Method - Table 01

Production cell	Dye Machines		No of Machines (production)	Work Study Target (90%)	Stage %
Group 01	01	DYE0012A	7	89	The increase from 90% to a maximum of 110% will be appropriately calculated and paid.
	02	DYE0012B			
	03	DYE0012C			
	04	DYE0012E			
	05	DYE0012F			
	06	DYE0012G			
	07	DYE0012H			
Group 02	08	DYE0012D	7	79	The increase from 90% to a maximum of 110% will be appropriately calculated and paid. Since the 30A machine is currently not functioning, 6 machines will be considered for the incentive calculation and once another machine will be allocated for 30A machine, all 07 machines will be considered for the calculation.
	09	DYE0012I			
	10	DYE0024A			
	11	DYE0024C			
	12	DYE0024D			
	13	DYE0030A			
	14	DYE0036B			
Group 03	15	DYE0024B	6	77	The increase from 90% to a maximum of 110% will be appropriately calculated and paid.
	16	DYE0048A			
	17	DYE0098A			
	18	DYE0098B			
	19	DYE0098E			
	20	DYE0024F			

Production cell	Dye Machines		No of Machines (production)	Work Study Target (90%)	Stage %
Group 04	21	DYE0098C	7	50	<p>For this cell there will be 02 incentive methods.</p> <ul style="list-style-type: none"> For the machines DYE0098C, DYE0098D, DYE0012J.DYE0024E incentive target will be 50. For all dye lot unloaded from DYE0222A, DYE0462A, DYE462B machines a payment will be made.
	22	DYE0098D			
	23	DYE0012J			
	24	DYE0024E			
	25	DYE0222A			
	26	DYE0462A			
	27	DYE0462B			
Group 05	28	DYE0036A	7	88	<p>The increase from 90% to a maximum of 110% will be appropriately calculated and paid.</p>
	29	DYE0036C			
	30	DYE0036D			
	31	DYE0036E			
	32	DYE0036F			
	33	DYE0036G			
	34	DYE0102A			
Group 06	35	DYE0036B	6	70	<p>The increase from 90% to a maximum of 110% will be appropriately calculated and paid.</p>
	36	DYE0048B			
	37	DYE0108A			
	38	DYE0156A			
	39	DYE0192B			
	40	DYE0192C			
Group 07	41	DYESIMA1	12	207	<p>The increase from 90% to a maximum of 110% will be appropriately calculated and paid.</p>
	42	DYESIMA2			
	43	DYESIMA3			
	44	DYESIMA4			
	45	DYESIMA5			
	46	DYESIMA6			
	47	DYESIMB1			
	48	DYESIMB2			
	49	DYESIMB3			
	50	DYESIMB4			
	51	DYESIMB5			
	52	DYESIMB6			

Production cell	Dye Machines		No of Machines (production)	Work Study Target (90%)	Stage %
Group 08	53	DYE0004I	9	120	Technically group 8 & 9 will be operated in a similar manner, considering the incentive payment method of Group 9, the target of Group 8 will be considered as the target.
	54	DYE0004J			
	55	DYE0004K			
	56	DYE0004M			
	57	DYE0004N			
	58	DYE0004P			
	59	DYE0004Q			
	60	DYE0004R			
	61	DYE0004S			
Group 09	62	DYE0004A	9	120	The increase from 90% to a maximum of 110% will be appropriately calculated and paid.
	63	DYE0004B			
	64	DYE0004C			
	65	DYE0004D			
	66	DYE0004E			
	67	DYE0004F			
	68	DYE0004G			
	69	DYE0004H			
	70	DYE0004L			
Group 10	71	DYE0002A	8	113	The increase from 90% to a maximum of 110% will be appropriately calculated and paid.
	72	DYE0002B			
	73	DYE0006A			
	74	DYE0006B			
	75	DYE0006C			
	76	DYE0006D			
	77	DYE0006E			
	78	DYE0006F			
Group 11	79	DYE0002C	9	127	The increase from 90% to a maximum of 110% will be appropriately calculated and paid.
	80	DYE0002D			
	81	DYE0002E			
	82	DYE0002F			
	83	DYE0002G			
	84	DYE0002H			
	85	DYE0006G			
	86	DYE0006H			
	87	DYE0006I			
Total work study Incentive Target (90%)				1,140	

Incentive Method - Table 02 (only for Machine operators & Helpers in DYE0222A, DYE0462A & DYE0462B machines)

Machine Number	Incentive Method
DYE0222A	For these machine for any dye order unloaded an additional incentive of Rs. 50 will be paid. This payment will be calculated shift-wise and will be equally divided among all employees who have worked in this cell.
DYE0462A	
DYE0462B	

Incentive Method - Table 03

(Step)	(Achievement%)	(payment LKR per Day)
1	90%	205
2	91%	215
3	92%	225
4	93%	235
5	94%	245
6	95%	255
7	96%	265
8	97%	275
9	98%	285
10	99%	295
11	100%	310
12	101%	325
13	102%	340
14	103%	355
15	104%	370
16	105%	385
17	106%	400
18	107%	415
19	108%	430
20	109%	445
21	110%	460

Conditions:

From Group 01 to Group 06 :

1. Incentives will be calculated based on the cell achievements (Group wise) , however if the cell achievements are not met then the incentive will be calculated on the achievements of each of the individual machines. Accordingly, the total achievement of incentive of above machine group 1 to 6 will be equally distributed for all employees who work under the OFM model.
2. This will be calculated daily and paid monthly.

3. If the currently operated 91 machines with kier wash and SSP equivalent lots 1267 target has been achieved within the full work week, a 25% of the incentives earned will be paid as an additional payment.

From Group 7 to Group 11:

1. Incentives will be calculated for the relevant groups as per daily production targets agreed. If in case total daily output is not achieved in the relevant machine group, the shift-wise achievement will be considered.
2. This will be calculated daily and paid monthly.
3. If the currently operated 91 machines with kier wash and SSP equivalent lots 1267 target has been achieved within the full work week, a 25% of the incentives earned for that particular week will be paid as an additional payment.

C. Colour Quality

The Target starting point is 80% @ 0.8 de followed by incremental 1% percentage increase finally upto 90%.

Step	Target CQ Achievement%	(payment LKR per Month)
1	80%	645
2	81%	825
3	82%	1125
4	83%	1325
5	84%	1525
6	85%	1800
7	86%	2050
8	87%	2400
9	88%	2700
10	89%	3050
11	90%	3250

Conditions : Calculated daily and paid monthly.

D. OTIF [On Time In Full]

The Target starting point is 92% OTIF followed by incremental 1% percentage of basic salary, increase finally up to 100%.

Step	Target OTIF	Percentage Payment Per Month Basic Salary %
1	92%	1.00%
2	93%	2.00%
3	94%	3.00%
4	95%	4.00%
5	96%	5.00%
6	97%	6.00%
7	98%	7.00%
8	99%	8.50%
9	100%	10.00%

Conditions : Calculated monthly and paid monthly.

The payment of incentive for OTIF will be based on the number of days the employee reports to duty

(ii) Dye House Supporting Services

The following categories of employees will be covered under this. Accordingly, the below mentioned employees will be eligible to earn incentives while achieving the targets in the 3 groups mentioned below. All payments will be made monthly.

Employees Covered: Drug store men, Drug store helpers, Material handlers, Bulk machine unloader, Sub stores workers , Soft winding Operators , Dettin & RF Operators, Card Winders, Transfer service man, ETP Operators.

- A. As mentioned in below table , proportion of incentives will be payable based on the incentive earning of OFM, Cell Wise Machine operator's average incentive earning & earning calculation based on Employee's working area.

Details of Scheme :

Operation Model	Employees Covered	Incentive Payment
Operator Feeder module <=6 machines	Material handlers, Drug store, Soft Winding	Average production incentive earnings From OFM machine operators
Operator Feeder module >6 machines	Material handlers , Bulk Machine unloader, Drug store	Average production incentive earnings From OFM machine operators
Operator Feeder module all machines	Sub Store workers , Detting & RF Operators , Card Winding , ETP Operators , Transfer Service Man	Average production incentive earnings From all OFM machine operators

- B. Additional earning available for Colour Quality and Manufacturing Lead Time;
C. Colour Quality

Step	Target CQ Achievement %	(Payment LKR per Month)
1	80%	645
2	81%	825
3	82%	1125
4	83%	1325
5	84%	1525
6	85%	1800
7	86%	2050
8	87%	2400
9	88%	2700
10	89%	3050
11	90%	3250

Calculation Method: Calculate Daily based Group Definition on CQ (less than 0.8 dE tolerance)

D. OTIF [On Time in Full]

The Target starting Point is 92% OTIF followed by incremental 1% percentage of basic salary. increase finally up to 100%

Step	Target OTIF	Percentage payment per month - Basic Salary %
1	92%	1.00%
2	93%	2.00%
3	94%	3.00%
4	95%	4.00%
5	96%	5.00%
6	97%	6.00%
7	98%	7.00%
8	99%	8.50%
9	100%	10.00%

Conditions : Calculated monthly and paid monthly.

The payment of incentive for OTIF will be based on the number of days the employee reports to duty.

2. Incentive Scheme - Finishing Department

i Incentive scheme for 2D Service machine Operators & Packers

- a) 5% or 7.5 % of basic salary will be payable if minimum production target is achieved Any employee perform additional production target will be entitled for incentive as per the scheme below.
- b) All payments will be made on a monthly basis
- c) Incentive against waste and manufacturing lead time are applicable as per the below chart.

production Target					
Machine No.: TN 21 -5	Incentive as a proportion of Salary	Machine No.: SSM - 850	Incentive as a proportion of Salary	Machine No.: TN 21 -4	Incentive as a proportion of Salary
No. of Orders : 25 Orders		No. of Orders : 25 Orders		No. of Orders : 55 Orders	
25	5.0%	25	7.5%	55	7.5%
26	5.5%	26	8.0%	56	8.0%
27	6.0%	27	8.5%	57	8.5%
28	6.5%	28	9.0%	58	9.0%
29	7.0%	29	9.5%	59	9.5%
30	7.5%	30	10.0%	60	10.0%

production Target					
Machine No.: TN 21 -5	Incentive as a proportion of Salary	Machine No.: SSM - 850	Incentive as a proportion of Salary	Machine No.: TN 21 -4	Incentive as a proportion of Salary
No. of Orders : 25 Orders		No. of Orders : 25 Orders		No. of Orders : 55 Orders	
31	8.0%	31	11.0%	61	11.0%
32	8.5%	32	12.0%	62	12.0%
33	9.0%	33	13.0%	63	13.0%
34	9.5%	34	14.0%	64	14.0%
35	10.0%	35	15.0%	65	15.0%
36	10.5%				
37	11.0%				
38	11.5%				
39	12.0%				
40	12.5%				

Calculated as per shifts and paid monthly

Manufacturing Lead Time

The Target starting point is 90% OTIF followed by incremental 1% percentage of basic salary. increase finally up to 100%

Manufacturing Lead Time [48 hrs achievement] service Machine Order's Lead Time	
Target	Incentive as a proportion of salary
90%	1.0%
91%	2.0%
92%	3.0%
93%	4.0%
94%	5.0%
95%	6.0%
96%	6.5%
97%	7.0%
98%	7.5%
99%	8.0%
100%	8.5%

Calculated weekly and paid monthly

Waste [Overall Industrial Waste / Monthly Dispatched]	
Target	Incentive as a proportion of Salary
< = 0.9 %	3.0 %

- d) Incentives for production will be calculated on a daily basis while incentives for other targets will be calculated on a weekly basis
- e) Service incentive earning of a worker for a particular month will be proportionate to the number of days worked.
- f) if employee achieved the average minimum target for a week , employee will be entitled a 25% of bonus from relevant week production incentive achievement.
- g) The Employer will have the right to revise the production and / or incentive targets in the context of the introduction of additional or new machinery, changes in technology and / or work procedures.
- h) Based on the order situation some machines will be considered as service machines with due approval from HOM. Above method will be applied when calculating the incentive.
- i) Customer Complaints

Customer Complaints - Deduction form individual employee earnings	
Number of Complaints	Reduction
1	25%
2	50%
3 or more	75%

ii. Incentive Scheme for Winding & Packers

- a) 15 % of basic salary will be payable if 95% production target is achieved. (Minimum production target - Manual - 93% Effi: Automatic - 95% Effi: Packing - 95% Effi.)
- b) Every output increase of 01 % over the target will entitle employees as below table increase in incentive earnings up to maximum 22 %
- c) Incentive against waste and manufacturing lead time are applicable as per the below chart.

Production Target	
Operator Efficiency Minimum : For Manual 93% For Automatic 95%	
Packer Efficiency Minimum : 95% effi: or Allocation as per requirement of the shift (16 orders per packer from TN29A, TN29D, TN29D - 2DY cone machines)	
Target	Incentive as a proportion of Salary
93%	13.0%
94%	14.0%
95%	15.0%
96%	16.0%
97%	17.5%
98%	19.0%
99%	20.5%
100%	22.0%

OTIF [On Time In Full]

The Target starting point is 92% OTIF followed by incremental 1% percentage of basic salary increase finally up to 100%

Step	Target OTIF	Percentage Payment per Month- Basic Salary%
1	92%	1.00%
2	93%	2.00%
3	94%	3.00%
4	95%	4.00%
5	96%	5.00%
6	97%	6.00%
7	98%	7.00%
8	99%	8.50%
9	100%	10.00%

Conditions : Calculated monthly and paid monthly

The payment of incentive for OTIF will be based on the number of days the employee reports to duty.

Waste [Overall Industrial Waste / Monthly Dispatched]	
Target	Incentive as a proportion of Salary
< = 0.9 %	3.0 %

- (d) Incentives for production will be calculated on a daily basis while incentives for other targets will be calculated on a monthly basis
- (e) Service incentive earning of a worker for a particular month will be proportionate to the number of days worked.
- (f) Incentive calculation will be done based on agreed Production targets.
- (g) if employee achieved the average minimum target (Auto - 95% & Manual -93 efficiency) for a week and have achieved the minimum target of 90% of the packing target, employee will be entitled to a 25% of additional bonus incentive from relevant week.
- (h) The Employer will have the right to revise the production and / or incentive targets in the context of the introduction of additional or new machinery.
- (i) Customer Complaints -

Customer Complaints - Deduction form individual employee earnings	
Number of Complaints	Reduction
1	25%
2	50%
3 or more	75%

iii. Incentive Scheme for Supporting Service

(Carton Packers / M: Handlers / Sticker Printer / Tenter / Maintenance - Finishing)

- (a) As mentioned in below table, proportion of incentives will be payable based on the incentive earning of 0° Vi-cone, 2° Vi-cone, 6° cone and 2° Cone average Machine.
- (b) All payments will be made on a monthly basis
- (c) Additional earnings available for Savings on Waste and Manufacturing Lead Time (MLT) achievement.

Machine Type	Incentive Payment
0° Vi-cone	45% of average production incentive earnings% of 0° Vi-cone machine operators
2° Vi-cone	05% of average production incentive earnings % of 2° Vi-cone machine operators
6° Cone	05% of average production incentive earnings % of 6° cone machine operators
2° Cone	50% of average production incentive earnings % of 2° Cone machine operators

OTIF [On Time In Full]

The Target starting point is 92% OTIF followed by incremental 1% percentage of basic salary. increase finally up to 100%.

Step	Target OTIF	Percentage Payment per Month-Basic Salary%
1	92%	1.00%
2	93%	2.00%
3	94%	3.00%
4	95%	4.00%
5	96%	5.00%
6	97%	6.00%
7	98%	7.00%
8	99%	8.50%
9	100%	10.00%

Conditions: Calculated monthly and paid monthly.

The payment of incentive for OTIF will be based on the number of days the employee reports to duty.

Waste [Overall Industrial Waste / Monthly Dispatched]	
Target	Incentive as a proportion of Salary
< = 0.9 %	3.0 %

- (d) Incentives for production will be calculated on a daily basis while insentives for other targets will be calculated on a monthly basis
- (e) Calculation of incentives will be based on targets achieved.

3. Dye House Engineering Employees Incentive Scheme

Employees Covered: Engineering Employees (Excluding boiler operators & ETP operators)

- a As per the attached table incentive is payable as production incentives if down time is equal or less than the targets given below

Machine type	Down time target (BD only)	Payment (%) per month
40 KW RF (2machines) + 25 KW RF	Less than or equal 2%	1%
	Less than or equal 1.5%	1.25%
	Less than or equal 1%	1.50%
Dettin + Pressure dryer (04 machines)	Less than or equal 1%	1%
	Less than or equal 0.5%	1.25%
	Less than or equal 0.25%	1.50%

Conditions: Incentive calculated weekly basis and paid monthly basis

Planned maintenance (PM) time will not be considered for BD calculation

- b. Maintenance employees are entitled to the following additional incentive earnings if they don't exceed the DH down time.

Machine type	Down time target (BD only)	Payment (%) per month
Dye house (Dyeing machines)	Less than or equal 2.2%	8%
	Less than or equal 1.5%	10%
	Less than or equal 1%	12%

Conditions: Incentive calculated weekly basis and paid monthly basis

Planned maintenance (PM) time will not be considered for BD calculation

C. Colour Quality

The target starting point is 80% @ 0.8 de followed by incremental 1% percentage increase finally up to 90%

Step	(Achievement%)	(Payment LKR per Month)
1	80%	645
2	81%	825
3	82%	1125
4	83%	1325
5	84%	1525
6	85%	1800
7	86%	2050
8	87%	2400
9	88%	2700
10	89%	3050
11	90%	3250

Calculation Method: Calculate Daily based Group Definition on CQ (less than 0.8 dE tolerance)

d. OTIF On Time in Full

The Target starting Point is 92% OTIF followed by incremental 1% percentage of basic salary. increase finally up to 100%

Step	Target OTIF	Percentage payment per month - Basic Salary %
1	92%	1.00%
2	93%	2.00%
3	94%	3.00%
4	95%	4.00%
5	96%	5.00%
6	97%	6.00%
7	98%	7.00%
8	99%	8.50%
9	100%	10.00%

Conditions : Calculated monthly and paid monthly.

The payment of incentive for OTIF will be based on the number of days the employee reports to duty.

4. Stores Incentive Scheme

For employees covered in this section, the incentives will be calculated under 2 methods.

- i. Transit Stores Employees
- ii. Raw Material Employees:

i. Transit Stores Employees

This scheme will be eligible for employees covered under the Transit Stores.

Achievement of targets and the payment of incentives will be as follows:

A minimum of 5% of the basic salary will be payable if “sales” volume achievement is 100% and every sales increase of 1% over the 100% will entitle employees for a 1% increase in incentive.

Step	Sales achievement	% Incentive of basic salary
1	100%	5%
2	101%	6%
3	102%	7%
4	103%	8%
5	104%	9%
6	105%	10%
7	106%	11%
8	107%	12%
9	108%	13%
10	109%	14%
11	110%	15%

- No eligibility for incentives when 100% of the targets have been achieved.
- Incentives will be calculated monthly

OTIF -On Time In Full

The Target starting point is 92% OTIF followed by incremental 1% percentage of basic salary, increase finally up to 100%.

Step	Target OTIF	Percentage Payment per Month
1	92%	1.00%
2	93%	2.00%
3	94%	3.00%
4	95%	4.00%
5	96%	5.00%
6	97%	6.00%
7	98%	7.00%
8	99%	8.50%
9	100%	10.00%

Conditions : Calculated monthly and paid monthly.

The payment of incentive for OTIF will be based on the number of days the employee reports to duty.

6% of the basic salary will be payable if there is no internal customer complaints

Step	Internal complaints (Individual)	% Incentive of basic salary
1	3	3%
2	2	4%
3	1	5%
4	0	6%

- Performance will be evaluated monthly and individually.
- Transport delays will be considered as external complaints.

Conditions of calculating the incentives

- Incentives will be calculated monthly.
- Total incentive earning of a worker for a particular month will be proportionate to the number of days worked.

ii. Raw Material Employees

This incentive scheme will be eligible for the employees in the Raw Material Stores.

Achievement of Targets and incentives paid will be as follows: A.

A - OTIF -On Time In Full

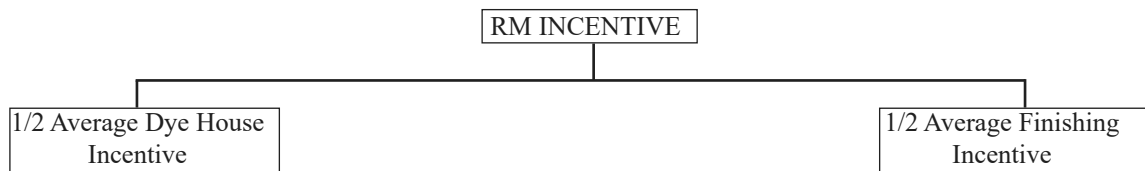
The Target starting point is 92% OTIF followed by incremental 1% percentage of basic salary, increase finally up to 100%.

Step	Target OTIF	Percentage Payment per month
1	92%	1.00%
2	93%	2.00%
3	94%	3.00%
4	95%	4.00%
5	96%	5.00%
6	97%	6.00%
7	98%	7.00%
8	99%	8.50%
9	100%	10.00%

Conditions : Calculated monthly and paid monthly.

The payment of incentive for OTIF will be based on the number of days the employee reports to duty.

B. Incentive earnings from Production achievements



C. Key points on incentive calculations :

- Incentive will be calculated on monthly basis & MLT achievement weekly basis.
- Total incentive earning of a worker for a particular month will be proportionate to the number of days worked

EOG02 - 0253

My No.: CI/1840

THE INDUSTRIAL DISPUTES ACT, CHAPTER 131

THE Collective Agreement entered into between Pradeshiya Sanwardhana Bank, No. 933, Kandy Road, Wedamulla, Kelaniya of the one part and Ceylon Bank Employees Union, No. 20, Temple Road, Colombo 10 of the other part on 19th May, 2022 is hereby published in terms of Section 06 of the Industrial Disputes Act, Chapter 131, of the Legislative Enactments of Ceylon (Revised Edition 1956).

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

Department of Labour,
Labour Secretariat,
Colombo 05.
10th February, 2022.

Collective Agreement No. 18 of 2022

Collective agreement

between

**Pradeshiya Sanwardhana Bank also known as Regional Development Bank,
No. 933, Kandy Road, Wedamulla, Kelaniya**

of the one part

and

The Ceylon Bank Employees' Union, No. 20, Temple Road, Maradana, Colombo 10

of the other part

This Collective Agreement is made on this Twenty Ninth day of August 2022 by and between the Pradeshiya Sanwardhana Bank of the one part (hereinafter referred to as "the Bank" and the ceylon Bank Employees' Union of the other part (heinafter referred to as " the Union").

Title: This agreement shall be known and referred to as "the addendum to the **Pradeshiya Sanwardhana Bank collective Agreement with the Ceylon Bank Employees' Union**" for the period from 1st January, 2021 to 31st December, 2023 (01.01.2021-31.12.2023) hereinafter referred to as the "Collective Agreement")

A. General

1. Employers to be covered and bound

This Collective Agreement shall be an addendum to the Collective Agreement signed between Pradeshiya Sanwardhana Bank and the Ceylon Bank Employees' union dated 27th December 2021 and shall cover and bind the Pradeshiya Sanwardhana Bank, which is a party to this Agreement.

2. Employers to be covered and bound.

This Collective Agreement shall be an addendum to the Collective Agreement signed between Pradeshiya Sanwardhana Bank and the Ceylon Bank Employees' union dated 27th December 2021 and shall cover and bind the employees of the bank and who are employed in any of the categories for whom a salary scale has been prescribed in this Agreement in the Schedule I hereto.

3. Date of Operation and Duration

This collective Agreement is deemed to be in force from 1st January, 2021 and shall thereafter continue to be in force unless it is determined by either party giving six months notice in writing to the other party provided however, that no party shall give such notice to the other party after the 1st day of July 2023.

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

- 4.1 This addendum to the Collective Agreement 2021 - 2023 shall be in force from 1st January 2021 to 31st December 2023.
- 4.2 The Union and the Bank shall not during the continuance in force of this Collective Agreement seek to vary, alter or add to all or any of the terms and conditions of employment or benefits presently applicable or enjoyed as provided for in this Collective Agreement other than by mutual agreement.

B. Salary.

5. Salary Components

As from 1st January, 2021 each employee covered and bound by this Collective Agreement shall be paid upon and subject to the other terms and conditions herein contained.

- (i) Fixed Component linked to "Basic Salary" and related allowance.
- (ii) Variable Component linked to performance.

5.1. Fixed Components..

Basis of determination of fixed component is outlined in the Collective Agreement signed between the bank and the Union dated 27th December 2021.

5.2. Variable Component.

5.2.1 Basis of determination of Variable Component

The Variable component is directly linked to the performance.

Computation of variable component (hereinafter mentioned as incentive payment) for Head office, Province, District level and Branch level staff shall be computed considering following criteria, respective weightages and standards;

	Criteria	Weightage	Standards
1	Operating Profit (Rs.)	20	Annual Target according to Action Plan
2	Increase in Total Loans & Advances (Rs.)	10	Annual Target according to Action Plan
3	Total Development Loans to Total Loans % (Loans against Deposits, Consumption loans including Thilina, Detusavi and Housing and Pawning advances shall be excluded.)	10	50%
4	NPL Ratio %	10	see a) and b)
5	Increase in Total Deposits (RS)	10	Annual Target according to Action Plan
6	Normal Savings to Total Savings Ratio%	10	40%
7	CDR with Refinance %	10	80%
8	Cost to Income Ratio%	10	70%
9	Employee Productivity	10	1

- Each criterion achievement shall be considered based on the respective year audited accounts.
- Incentive payment is eligible, when the cumulative Performance Marks of above all criteria becomes 60% or above.
- Incentive payment shall be pro-rated accordingly to the earned performance marks (cumulative) by respective Branch, District, province and the Bank.

eg:

1. When cumulative earned performance marks - 59% = not entitled for incentive
 2. When cumulative earned performance marks - 60% = 60% from the total incentive
 3. When cumulative earned performance marks - 100% = eligible for total incentive
- The Performance marks (weighted Score) of each criterion shall not be exceeded than the respective Weightage allocated.

- The provision for incentive payment should be included in the respective year operating profit;

a) When the actual NPL Ratio becomes two times of the target NPL Ratio, the Performance marks will be "O".

b) When NPL target is given as 5% or below, same shall be considered as the NPL Target. When NPL targets is more than 5%, the NPL shall be considered as target out of followings;

- Reduce given NPL target to 5% or

(eg: if the given target is 6%, the NPL target to be considered as 5%)

- Reduce by 2% from the target NPL

(eg: if the given target is 8%, the NPL target is calculated by reducing 2% (8% - 2% = 6%)

5.2.2. The Performance marks for bank employees shall be computed as follows;

- For Branch Employees

Incentive payment for a Branch employee	=	Total earned performance Marks by Branch (%)	x	Performance Incentive
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- For District Office Employees

Incentive payment for a District Office employee	=	Total earned performance Marks by District (%)	x	Performance Incentive
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- For Province Office Employees

Incentive payment for a Province Office employee	=	Total earned performance Marks by Province (%)	x	Performance Incentive
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- For Head Office Employees

Incentive payment for a Head Office employee	=	Total earned performance Marks by the bank (%)	x	Performance Incentive
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- Then, the Human Resource Development and Administration circular No. 2019/124 dated 02nd December, 2019 shall be considered for employee attendance to pay incentive payment.

** Performance incentive is equal to three months basic salary.

C. Allowances

6. Difficult Station Allowance

6.1 A payment of Rs. 2,475/- per month will be paid to an employee who works in a difficult station provided however the employee resides beyond 15 Kilo meters from the work station.

6.2 In the event of an employee being transferred to another branch at his/her own will, for special reasons, such as sickness, taking care of children or their education, such employee is not entitled for this allowance.

6.3 Difficult Stations

Deniyaya, Gonagalapura, Katuwana, Lunugamwehera, Mawarala, Neluwa, Pitigala, Sooriyawewa, Talgaswala, Urubokka, Udugama

Agarapathana, Kotagala, Laggala, Morayaya, Nildandahinna, Pundaluoya, Udadumbara, Udawela, Wilgamuwa, Nuwaraeliya

Aralaganwila, Bakamuna, Galamuna, Galenbindunuwewa, Galnewa, Pulastigama, Siripura, Sewanapitiya, Mannar, Kanagarayankulam, Bogaswewa

Anamaduwa, Galgamuwa, Maho, Mampuri, Mundel, Nawagaththegama, Nikaweratiya, Palakuda, Polpitiyagama, Puttalam, Ambanpola, Kalpitiya, Parakumpura

Erathne, Kalawana, Kitulgala, Kolonna, Pothupitiya, Sri Palabaddala

Meegahatenna

Girandurukotte, Kandaketiya, Lunugala, Mahiyanganaya, Ridimaliyadda, Tanamalwila, Sewanagala,

Muthur, Kokadicholei, Dehiattakandiya, Mahaoya, Pothuvil

Shall include newly opened Northern and Eastern Branches.

7. Distance Station Allowance

7.1 The distance station allowance shall be paid as follows.

i.	From 50 Km to 80 Km from the residence address of the employee	Rs. 4,180/-
ii.	From 81 Km to 100 Km from the residence address of the employee	Rs. 5940/-
iii.	From 101 Km to 150 Km from the residence address of the employee	Rs. 6,765/-
iv.	From 151 Km and above from the residence address of the employee	Rs. 7,920/-
v.	Branches in the North and East (Excluding Ampara District)	
1.	From 75Km to 150 Km from the residence address of the employee	15,620/-
ii.	From 151km and above from the residence address of the employee	17,600/-

Above V) (i) and V) (ii) are applicable to those who are not Permanent residents in North and East Provinces.

When determining the eligibility of the payment of the Distance Station Allowance, the Bank should consider the SHORTEST DISTANCE to the work station of the employee from any one of the under mentioned places of residence.

- The residential address of the employee as registered in the voting list.
- The residence constructed on obtaining housing loan from a bank by the employee or the spouse.
- The Personal residence of the employee or the spouse.
- The official quarters of the spouse where the employee is residing.
- The residence of the employee or the spouse declared in the Assets and Liabilities Statement

7.2 This payment shall be made to those who are transferred for exigencies of service or on disciplinary grounds.

7.3 Employees who work in uncongenial or highly uncongenial stations too are entitled to this allowance provided they comply with requirements stipulated in clause 7.1.

7.4 In the event of an employee being transferred to another branch at his/her own will, for special reasons, such as sickness, taking care of children or their education, such employee is not entitled for this allowance.

7.5 In the event of an employee claiming this payment by providing false information he/she shall be disciplinary deal with.

7.6 Distance will be rounded off to the nearest kilometer.e.g.when the distance is 49 km or more, it will be reckoned as 50 km and when it is 79 km or more it will be reckoned as 80 km..... etc

8. Out of Pocket Allowance

- 8.1 The officers who are called upon to work on holidays and beyond the normal working hours on week days will be paid an hourly allowance as follows.

Grade	Allowance per hour
Special 3 to Special 4	Not entitled
Officer 1	Rs. 590/-
Officer 2	Rs. 550/-
Officer 3 - I	Rs. 520/-
Officer 3- II	Rs. 485/-
Officer 3 -III	Rs. 450/-
Officer 4	Rs. 415/-

- 8.2 Out of Pocket Allowance shall be paid for work performed for more than one hour and every completed 1/4 hour beyond normal working hours on week days.
- 8.3 For those working on holidays an additional 1/2 of the above rates will be paid over and above the amount computed for the number of completed hours worked.
- 8.4 For work performed beyond normal working hours on week days, this allowance will be paid for every completed hour not exceeding two hours a day, If the officer is required to work over and above the stipulated two hours prior approval should be obtained, and the allowance will be paid accordingly.
- 8.5 For work performed on holidays, this allowance will be paid only for a minimum of 4 hours, subject to a maximum of 8 hours a day.
- 8.6 They are entitled to obtain either lieu leave or day's pay for the work performed during holidays.

9. Overtime Payment

- 9.1 The overtime shall be computed on the following formula for the categories of employees from 9-1 to 5-111

$$\frac{\text{Gross Salary}}{30} \times \frac{1}{8} \times \frac{3}{2} \times \frac{\text{Gross Salary}}{160}$$

- 9.2 Overtime payments shall be paid for work performed for more than 1/2 hour and every completed 1/4 hour beyond that.
- 9.3 They are entitled to obtain either lieu leave or day's pay for the work performed during holidays.

10. Meal & Accommodation Allowance

- 10.1 The following amounts will be paid to those employees who are required to travel on official duty.

Grade	Meal	Accommodation
Special 3	Rs. 1,980/-	Rs. 4,125/-
Special 4	Rs. 1,650/-	Rs. 3,715/-
Officer 1 & 2	Rs. 1,265/-	Rs. 3,300/-
Officer 3-1 & 3-II	Rs. 1,100/-	Rs. 2,890/-
Officer 3-III to Grade 4	Rs.935/-	Rs. 2,475/-
Grade 5-III to 6-1	Rs. 825/-	Rs. 2,310/-
Grade 7-III to 9-1	Rs. 825/-	Rs. 1,650/-

10.2 Meal allowance will be paid on the following basis.

3 to 6 hours	1/4 of the rate
6 to 12 hours	1/2 of the rate
12 hours & above	Full rate

10.3 Meal Allowance will be paid subject to following terms.

- (I) Work performed outside the branch should be beyond 10 km in distance.
- (II) Employees on temporary transfers and relief duty shall be entitled to this allowance.
- (III) In the event of not affording 01 month's notice for transfers, this payment will be paid subject to a maximum of 14 days.
- (IV) The maximum number of days for relief duty shall be 14 days.

10.4 Accommodation Allowance will be paid subject to the following terms.

- (I) Accommodation allowance will be paid to those who travel beyond 40 kilometers and for nights stay outside, which travel and stay exceed 12 hours.
- (II) For those who are expected to stay outside the normal workstation over and above 24 hours, the subsistence allowance will be paid for the stay in excess of 24 hours outside the workstation.

10.5 Meal and Accommodation Allowance shall be paid subject to following common conditions.

- (I) Employees' shall not be entitled to any other allowances that they are normally entitled to claim from the Bank for the period the Meal and Accommodation allowance is claimed, other than overtime or out of pocket allowance.
- (II) In addition the actual expenses incurred on account of public transport. Both allowances will be paid on completion of 24 hours or more and overnight stay.

11. Field Officers' Combined Allowance

11.1 The following daily allowances will be paid to Field Officers who are expected to carry out their duties in the field. This allowance will be paid to all officers irrespective of whether they are field officers or not for work performed outside the Bank, such as loan inspections, credit follow up, loan recoveries field promotion etc.

4 to 6 hours	Rs. 320/-
6 to 8 hours	Rs. 470/-
8 hours and above	Rs. 540/-

11.2 Field Officers' Combined Allowance shall be paid subject to following common conditions.

- (I) Employees shall not be entitled to any other allowances that are normally entitled to claim from the bank for the period the field officers' combined allowance is claimed other than overtime or out of pocket allowance.
- (II) In addition the actual expense incurred on account of public transport.

11.3 Inspection charges recovered from customers and paid by the bank will be treated as being in lieu of the field officers' combined allowance in respect of the period for which such payment have been made.

12. Computer Operators' Allowance

- 12.1 The employee whose primary function does not involve operation of computers shall be paid Rs. 30/- per day.
- 12.2 The cashier too are entitled to this allowance.
- 12.3 In the event one computer being used by more than one employee the allowance shall only be paid on a per computer basis.

13. Fuel Allowance

- 13.1 The expenses incurred on account of travelling shall be paid as follows subject to the conditions set out under sub clauses 13.2.
- | | |
|----------------------|---------------------|
| Bicycle | Rs. 3.00/- per km. |
| Motor cycle | Rs. 16.50/-per km. |
| Three wheeler | Rs. 19.75/- per km. |
| Petrol Motor Vehicle | Rs. 40.25/-per km. |
| Diesel Motor vehicle | Rs. 37.00/-per km. |
- 13.2 The above rates are applicable with effect from 11th June 2021 to 31st March 2022.
- 13.3 Reimbursement shall be made only if the official travel by the personal vehicle is approved by the authorities concerned.
- 13.4 Reimbursement on account of Diesel and Petrol Motor vehicles shall be made only to officers in grade 3-III and above who have obtained prior approval.
- 13.5 It is agreed between parties to revise the fuel allowances corresponding to the percentage increase or decrease in the fuel prices based on the Colombo prices as at the date of 01st July, 2022.
- 13.6 A maintenance fee of 10% on the revised rate of fuel will be paid in addition to the fuel allowance.

14. Cashiers' Risk Allowance and Key Allowance

- 14.1 Where a Cashier is called upon to bear the cash risk, he/she shall be paid a daily allowance of Rs. 105/- per day and for those handling keys irrespective of the grade which he/she belongs to an amount of Rs. 85/- per day will be paid.
- 14.2 Those who are handling keys will be entitled to only a day's key allowance irrespective of the number of keys handled by them.

15. Cash Transport Allowance

- 15.1 An amount of Rs. 140/- per cash transport will be paid for those who are engaged in transporting cash to and from outside the bank premises subject to a maximum of Rs. 560/- per day.
- 15.2 However, this allowance will be paid subject to the condition that cash of at least Rs. 50,000/- from field collections is transported at a time.

16. Black Light Allowance

- 16.1 Allowance of Rs. 25/- per day will be paid for those exercising authority on black light signature verification irrespective of the grade to which they belong.

- 16.2 However, if the cashier is expected to verify signature he/she shall be paid this allowance in addition to other allowances.

17. Pawning Auction Allowance

- 17.1 The employees who are called upon for pawning auctions will be paid either overtime or out of pocket allowance and subsistence allowance as appropriate.
- 17.2 In the event of out of pocket allowance payment, the allowance will be paid without any restriction of the maximum ceiling of 8 hours
- 17.3 An employee who functions in the capacity of crier in the course of the auction shall be entitled to either overtime or out of pocket allowance as appropriate or an allowance of Rs.7,000/-in holidays (if it is on week days Rs.3,500/-) whichever is higher.

18. Court Duty Allowance

- 18.1 An amount of Rs. 660/- per day will be paid to employees on days he/she attends court on official duty.
- 18.2 In addition they shall be entitled to other allowances too.

19. Training Attendance Allowance

- 19.1 The following allowances will be paid per day to those who attend training courses or similar workshops of the Bank in addition to travelling and subsistence. If meals are provided, subsistence will be deducted proportionately.

Special 3	Rs. 1,500/-
Special 4	Rs. 1,200/-
Officer 1 to 3-I	Rs. 960/-
Officer 3-II to 3-III	Rs. 725/-
Officer 4 to Grade 5-I	Rs. 600/-

- 19.2 Grade 6-III to Grade 9-1 will be paid the allowance payable to in the grade of Officer 4 to grade 5-I if they attend as participants of a training workshop. If they attend any official duties to such training programs overtime and other allowances applicable to them will be paid.

20. Meal Allowance

- 20.1 An employee who is expected to be away from office on official duty during the Period 11.00hr and 14:00hr will be paid an allowance of Rs.220/- To become entitled to this allowance the employee, should at least be away on official duty for a period of 2 hours during the said period.
- 20.2 An employee who is expected to continue work at least 1/2 hour beyond 20.00hr will be entitled to an allowance of Rs. 250/-

21. Special Monthly Allowance

- 21.1 Branch Managers Special

Allowance Branch Managers will be paid following monthly allowances irrespective of their performance based on the branch category on operational capacity.

A+ Category	- Rs. 7,500/-
A Category	- Rs. 6,000/-
B Category	- Rs. 5,000/-
C Category	- Rs. 4,000/-
D Category	- Rs. 3,000/-

- 21.2 Special monthly allowance for District Managers and Assistant District Managers will be paid as Rs. 10,000/- and Rs. 7,500/- respectively.

22. Special Allowance to Special Grades

- 22.1 Special Monthly Allowance will be paid for following categories of staff in lieu of payments for work performed during holidays.
- 22.1.1 Payment of special monthly allowance of Rs. 45,000/- to Regional General Managers (Special Grade 3)
- 22.1.2. Payment of special monthly allowance of Rs. 45,000/- to Senior Assistant General Managers (Special Grade 3)
- 22.1.3 Payment of special monthly allowance of Rs. 40,000/- to Assistant General Managers-Province Office (Special Grade 4)
- 22.1.4. Payment of special monthly allowance of Rs. 40,000/- to Assistant General Managers-Head Office (Special Grade 4)
- 22.1.5. They are entitled to obtain lieu leave for work performed during holidays.
- 22.2 Payment of Monthly Transport Allowance of Rs. 15,750.00 shall be paid to Senior Assistant General Managers those who have not been given assigned vehicles.

23. Allowance for Conducting Prosecution & Typing Disciplinary Proceedings.

- 23.1 Payment of allowance for conducting prosecution in disciplinary inquiries and typing proceedings on the following basis

	Hourly payment for the duration of the inquiry	Preparation of Submission
01. Prosecution officer		
(I) Against Grade 4, officer & above	Rs. 410/-	Rs. 2,750/-
(II) Against Grade 6-1 to 5-111 employee	Rs. 410/-	Rs. 2,050/-
(III) Against employee Grade 7-111 & below	Rs. 410/-	Rs. 1,375/-
02. Typist	Rs.380/-	

- 23.2 These payments are not applicable for inquiries conducted during holidays.

D. WELFARE SCHEMES

24. Insurance

- 24.1 The insurance scheme is in force at present will be continued annually without interruption.
- 24.2 Action will be taken to obtain insurance covers for each grade of employees as follows.

(a) Special 3 to Officer 1	Rs. 3,900,000/-
(b) Officer 2 to Officer 3-1	Rs. 3,125,000/-
(c) Officer 3-II to Officer 4	Rs. 2,350,000/-
(d) Grade 5-III to Grade 9-1	Rs 1,950,000/-

- 24.3 Management Trainees and Trainee Banking Assistants/ Trainee Development Assistants, those who are recruited to the permanent cadre will be benefited under the category of (c) & (d) respectively.
- 24.4 This insurance policy covers all forms of loss of life and total disability and payment of a certain percentage for pan disability as agreed to with the insurance company.
- 24.5 An employee can at his discretion opt for an insurance cover applicable to a higher grade by paying higher premium, on their own accord.
- 24.6 The insurance cover appended in above 24.2 shall be enforced effective from 1st January, 2021.

25. Tea Allowance

- 25.1. An amount of Rs 550/- per employee will be paid monthly as tea allowance.
- 25.2 Arrangements will be made for the preparation of tea in the work place, making use of this allowance.

26. Cold Allowance

- 26.1 The following allowance will be paid for those working in branches situated over and above 4,000 ft from the mean sea level.
- | | |
|------------------------------------|--------------|
| Grade IV Officer and above | Rs. 1, 650/- |
| Support staff, clerical and others | Rs. 1, 240/- |

27. Telephone Allowance

Telephone Allowance shall be paid for the following category of officers.

Regional General Managers	Rs.3,750/-
Senior Assistant General Managers	Rs.3,750/-
Assistant General Managers	Rs.2,500/-
Chief Manager/District Managers	Rs.2,250/-
Assistant District Managers	Rs.1,565/-
All Branch Managers	Rs.1,565/-
Field Officers	Rs.1,565/-

28. Staff Loan Schemes

- 28.1 Consumption loan
- 28.1.1 A staff consumption loan amounting to Rs. 750,000/- (maximum) at 5% interest per annum (recoverable in 05 years) will be given subject to the other conditions of the circular.
- 28.2 Motorcycle Loan
- 28.2.1 A Staff motorcycle loan amounting to Rs. 500,000/- (maximum) at 5% interest per annum (recoverable in 05 years) will be given subject to the other conditions of the circular.

28.3 Housing Loan

- 28.3.1 A staff housing loan amounting to R 7,500,000/- (maximum) at 5% interest per annum recoverable in 20 years) will be given subject to the other conditions of the circular.
- 28.3.2 Granting of a housing loan not exceeding Rs 3,750,000/ at 5% interest per annum (recoverable in 10 years) will be given to those who are unable to provide security in immovable properties which loan will be given on personal guarantee by two employees of the bank or any other acceptable security subject to the other conditions of the circular.

28.4 Bicycle Loan

- 28.4.1 A staff bicycle loan amounting to Rs. 10,000/- (maximum) at 7% interest per annum (recoverable in 03 years) will be given subject to the other conditions of the circular.

28.5 Distress Loan

- 28.5.1 A distress loan of 3 months gross salary of which 1 month gross salary without interest and/or two months gross salary at 7% interest per annum (both loans recoverable in 36 monthly installments) will be given subject to the other conditions of the circular.

28.6 Vehicle Loan

- 28.6.1 A vehicles loan maximum ceiling of 24 months of gross salary at 5% interest per annum (recoverable in 07 years) will be given to the officers in grade 3-111 & above will be given subject to the other conditions of the circular.
- 28.6.2 Loans for the purchase of Three Wheelers should also be granted under this scheme.
- 28.6.3 Any employee who has obtained vehicle loan will be eligible to apply for another loan only on completion of 3 years from date of obtaining the previous loan.

28.7 Computer Loan

Granting of a loan to purchase a computer (Personal Computer/Lap Top/ iPad) amounting to Rs. 200,000/- (maximum at interest of 7% per annum (recoverable in 36 monthly installments) will be given subject to the other conditions of the circular.

29 Festival Advance

- 29.1 An interest free festival advance of Rs. 40,000 will be paid to an employee once a year recoverable in 10 monthly installments.

30. Loan Assurance

- 30.1 Loan assurance fund established by the bank will continue and all the staff taking loans have to be contributed 1% from the loans to the fund.
- 30.2 The bank also should contribute the same amount annually contributed by the staff.

31. Medical Assistance Scheme

- 31.1 Once and for all reimbursement of Rs. 1,000,000/- in respect of critical illnesses (to be defined) to an employee, the legitimate spouse and children.
- 31.2 Reimbursement of Rs.150,000/- for purchase of medicine in respect of diagnosed long standing chronic illnesses (to be defined) subject to approval by Specialized Doctor.
- | | | |
|---------|-------------------------------------|--------------|
| 31.3 I) | Normal medical expenses | Rs.20,625/- |
| II) | Specialist medical expenses | Rs. 41,250/- |
| III) | Spectacles (once in 2 years) | Rs. 20,625/- |
| | Replacement of lenses (once a year) | Rs.6,875/- |
| IV) | Dental treatment | Rs.8,250/- |
| V) | Hospitalization | Rs.150,000/- |

Expenses coming under medical, surgical and maternity will be borne by the bank under this category (Provision to be made enabling utilization of accumulated unused hospitalization charges for two years).

- (a) Maternity at Private Hospitals/ Nursing Homes.
Normal/Forceps delivery Rs.50,000/-
Caesarean Rs. 75,000/-
- (b) Incentive payment for obtaining treatment from Government Hospitals.
General Rs.3,750/- per day
Surgery Rs.5,000/- per day
(Maximum payment limited to 15 days)
- (c) Maternity at Government Hospitals.
Normal delivery Rs. 12,500/-
Forceps delivery Rs 12,500/-
Caesarean Rs 25,000/-

VI) Management Trainees and Trainee Banking Assistants/ Trainee Development Assistants will be granted medical benefits under Hospitalization maximum of Rs. 60,000/-(provision to be made enabling utilization of accumulated unused hospitalization charges for two years) and Normal and Specialist medical expenses of Rs. 11,000/- Medical assistance under above schemes will be granted only to the member of the Management Trainees and Trainee Banking Assistants/ Trainee Development Assistants.

31.4 Medical scheme is a joint scheme. It is jointly agreed that member contribution of permanent employee to be revised as Rs.7,500/- per annum, which will be deducted on monthly basis (Rs.625/- per month). (Including Management Trainees and Trainee Banking Assistants/ Trainee Development Assistants).

E. Statutory Allowances & Incentives

32. Employees' Provident Fund & Employees' Trust Fund

32.1 The Employees' Provident Fund contribution shall be 10% from the employee and 15% from the bank.

32.2 The employees' Trust Fund contribution shall be 3% from the bank.

33. Annual Bonus

33.1 Action will be taken to pay thrice the basic salary or twice the gross salary of an employee whichever is higher as annual bonus.

35.2 Action will be taken to pay 1/4 of the annual bonus as advance at the 4th week of March and the balance 3/4 at the 1st week of December.

33.3 Additional Bonus

33.3.1 In the event of annual operating profit targets being exceeded, it is agreed to pay additional bonus (profit bonus) as decided by Board of Directors.

33.3.2 All parties agree that in the event of the Net Profit Ratio being achieved in excess, additional bonus will be paid to all employees as decided by the Board of a Directors based on net profit ratio increased in every year from 2021 as referred in paragraph 42 of this agreement.

34. EPF and ETF contributions on holiday pay and encashed accumulated leave.

- 34.1 EPF and ETF contributions will be made on holiday pay and encashed accumulated leave in terms of relevant legislation's and the EPF code.

35. Payment of day's pay for holiday work

- 35.1 Action will be taken to grant lieu leave for working on weekends or public holidays.

- 35.2 Government declared statutory holidays

Thaipongal Day
National Day
Day prior to Sinhala & Hindu New Year
Sinhala & Hindu New Year Day
May Day
Holy Prophet's Birth Day
Day Following Vesak Full Moon Day
Christmas Day

- 35.3 A days lieu leave should be granted for work performed on a public holiday before 31st December of that year and in the event the Bank is unable to grant such leave, two day's pay should be paid on account of such work performed, subject to the approval of Commissioner of Labour.
- 35.4 6 hours work should be done to become entitled for a day's pay and 4 hours work for 1/2 day's have been performed on a public holiday.
- 35.5 Overtime can be claimed for work performed beyond 6 hours on public holidays.
- 35.6 If the employee is expected to perform duties on a poya day prior approval of the Labour Commissioner shall be obtained. The employee shall be paid 1 ½ day's pay together with EPF and ETF.
- 35.7 Work performed on a public holiday which falls on a weekend will be paid on the basis that describe as a holiday.
- 35.8 A day's pay of an employee is computed as follows "Gross monthly salary/30".

36. Encashment of accumulated leave

- 36.1 7 days out of 14 days annual sick leave entitlement could be accumulated up to a maximum of 42 days.
- 36.1.1 1 1/2 day's pay for each day of unavailed sick leave will be paid subject to a maximum of 7 days, provided however 14 days could be encashed if the accumulated sick leave exceed 42 days,
- 36.2 An employee must necessarily take 7 days out of the 21 days privilege leave during the relevant year.
- 36.2.1 1 day's pay will be paid for each day up to 14 days accumulated leave out of the 21 days privilege leave.
- 36.3 1 1/2 day's pay for each day will paid for 7 days casual leave.

- 36.4 The maximum number of days encashable leave is 30 days.
- 36.5 The balance leave after encashment can be availed of up to end of March in the following year.
- 36.6 Employees who do not want to encash their accumulated leave can carry forward all such leave to be taken as leave prior to retirement.
- 36.7 Leave not utilized will be encashed on or before 31st January of the preceding year.
- 36.8 In case the employee does not use available leave preparatory to retirement at the time of retirement, such leave can be encashed based on the last salary drawn by the employee.

37. Retirement Policy

- 37.1 Whilst the compulsory age of retirement is 57 years of age, employee has the right to extend his services up to the age of 62 years, without applying for such extension.
- 37.2 If he wishes to terminate his services, in between this period, he may do so after giving due notice of 3 months to the General Manager/CEO.
- 37.3 However, the management of the Bank reserves the right to deny extension of services after 57 years of age by giving 6 months prior written notice on the following grounds,
- (a) If his performance is below the expected standard
 - (b) Inability to earn annual salary increments
 - (c) Taking unapproved no pay leave
 - (d) Being subject to punishments due to his commission of acts of indiscipline

However, he is entitled to submit an appeal against the decision of the management within a period of 6 months.

- 37.4 He may utilize his accrued leaves prior to his retirement between the age of 57 to 62 years and he may encash his unutilized leaves before his retirement.
- 37.5 He is required to settle all his pending loans before his date of retirement.
- 37.6 All files, documents, systems, passwords Bank Identity Cards, machinery and equipment, etc. which is in his custody or used or handled by him or which were under his control shall be handed over to his successor or the named officer officially in writing with copies to his immediate senior officer.
- 37.7 It should be noted that these retirement conditions could be amended by the management from time to time as per the circulars issued by the Ministry of Finance and Line Ministry.
- 37.8 Other conditions relevant to retirement shall govern by the Administration circular 2017/101 (appendix 01) dated 28th December 2021.
- 37.9 Payment of Gratuity as retirement benefits.

As per the Gratuity Law an employee is entitled, on completion of five (05) years service, to a payment of half (1/2) month's gross salary for each year of completed service. The gross salary will include:

- i. Basic Salary
- ii. Cost of living Allowance
- iii. 20% rent allowance
- iv. 10% allowance

The gratuity is payable within thirty (30) days of retirement or termination.

F. Staffing Structure

38 Grade to Grade Promotion

- 38.1 It is agreed to hold an efficiency Bar Examination / Job Test and/or interview in accordance with the methodology agreed with the Union to consider employees to promote to their next higher grade provided that they are in the combined cadre subject to other conditions of the Scheme of Internal Promotions.

39 Typist service absorbed to the Banking Assistant Grade

- 39.1 Typist Grade I, II and III will be constituted as a closed service parallel to Banking Assistant Grade I, II and III.
- 39.2 It is agreed to hold an Efficiency Bar examination and job test in accordance with a methodology agreed to with the Union to absorb employees now in the Typist service to Banking Assistant service and absorb employees who so qualify early.

40. Senior Driver

- 40.1 Action will be taken to designate employees in the Driver grade 111 who have earned 6 increments as "Senior Driver".
- 40.2 Additional 2 annual salary increment to be granted when placing them on the relevant salary point on such re-designation.

41. New Recruitments to Trainee Banking Assistant & Management Trainee

- 41.1 Payment of fixed monthly allowance of Rs. 27,000/- during the 1st year of training and an allowance of Rs. 30,000/- for the 2nd year to recruits as Trainee Banking Assistant/ Trainee Development Assistant.
- 41.2 Payment of fixed monthly allowance of Rs. 40,000/- during the 1st year of training and an allowance of Rs. 45,000/- for the 2nd year to recruits as Management Trainee.

G. Special Agreements

42. Special Conditions of the Agreement

- 42.1 Bank should make every effort to increase in December 31, 2021 the Net Profit Ratio (Profit before Taxation x 100/ Total income) achieved as at December 31, 2020 and which shall be achieved every year thereafter.
- 42.2 It is agreed to implement structural changes in order to maintain the Net Profit Ratio in terms of clause 42.1 above and steps taken for improving the Bank's image and its market share in consultation and agreement with the either parties to this Agreement.



M. Mahinda Saliya
Chairman



D.K. Sanjeeva Serasinghe
Chief Human Resources Officer



Channa Dissanayake
President



Shantha Vipulasena
Secretary - Development Bank E

Schedule I

<i>Revised Monthly Salary Scales as per the Collective Agreement 2021 - 2023</i>		
Values in Rupees		
<i>Salary Grade</i>	<i>Position</i>	<i>Revised Monthly Salary Scales</i>
officer 1	Chief Manager	158,315-4,390* 12-210,995
officer 2	Senior Manager	121,090-2,620*20-173,490
officer 3 - I	Manager/ Secretary I	97,410-2,120*20-139,810
officer 3 - II	Deputy Manager/ Secretary II	79,740-1,500*20-109,740
officer 3 - III	Assistant Manager/ Secretary III	62,060-980*20-81,660
Grade 4	Officer Training	54,635-750*3 -56,885
Grade 5 - III	Banking Assistant III/ Stenographer III	49,410-510*20-59,610
Grade 5 - II	Banking Assistant II/ Stenographer II	44,810-440*20-53,610
Grade 5-I	Banking Assistant I/ Stenographer I	41,670-320*20-48,070
Grade 6 - III	Typist III	46,025-450*20-55,025
Grade 6 - II	Typist II	43,515-350*20-50,515
Grade 6-I	Typist I	37,310-250*20-42,310
Grade 7 - III	Driver III/ Senior Driver	39,290-370*20-46,690
Grade 7 - II	Driver II	38,315-320*20-44,715
Grade 7 - I	Driver I	36,565-260*20-41,765
Grade 8 - III	Peon III	38,315-320*20-44,715
Grade 8 - II	Peon II	36,565-260*20-41,765
Grade 8 - I	Peon I	35,525-200*20-39,525
Grade 9 - III	Labour III	36,565-260*20-41,765
Grade 9 - II	Labour II	35,525-200*20-39,525
Grade 9 - I	Labour I	34,605-190*20-38,405

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