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අති විශේෂ EXTRAORDINARY

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No. 1865/31 – THURSDAY, JUNE 05, 2014

(Published by Authority)

PART I: SECTION (I) – GENERAL Government Notifications

My No. : CI/ 1335.

THE INDUSTRIAL DISPUTES ACT, CHAPTER 131

THE Collective Agreement entered into between Ceylon Biscuits Limited, P. O. Box 3, Makumbura, Pannipitiya of the one part and the Inter Company Employees Union, 12/2, Weera Mawatha, Subuthipura, Battaramulla of the other part on 22nd day of January 2014 is hereby published in terms of Section 06 of the Industrial Disputes Act, Chapter 131 of the Legislative Enactments of Ceylon (Revised Edition 1956).

V.B.P.K. WEERASINGHE,
Commissioner of Labour.

Department of Labour,
Labour Secretariat,
Colombo 05.
13th May, 2014.

Collective Agreement No. 07 of 2014

Collective Agreement

THIS COLLECTIVE AGREEMENT made on this 22nd day of January Two Thousand Fourteen, to take effect from 1st January 2014, between Ceylon Biscuits Limited, a Company duly registered under the Companies' Ordinance, and having its registered office at P.O. Box 3, Makumbura, Pannipitiya, (hereinafter referred to as "the Employer") of the One part and the Inter Company Employees Union, a Trade Union duly registered under the Trade Unions' Ordinance and having its registered office at 12/2, Weera Mawatha, Subuthipura, Battaramulla, (hereinafter referred to as "the Unions") of the Other Part.

It is hereby agreed between the aforesaid parties as follows:—

1. **Title** —. This Agreement shall be known and referred to as the Ceylon Biscuits Limited Factory Employees' - Collective Agreement.

2. **Parties Covered and Bound**—. This Agreement shall cover and bind the Employer and the Union and employees presently employed by the Employer in its factory on permanent monthly contracts in the grades of Employment for which salary scales have been set out in the First Schedule hereof and are members of the Union.



3. **Duration of The Agreement**-. This Collective Agreement shall be effective from the First day of January, Two Thousand Fourteen, and may be terminated by either party with one month's written notice to the other, provided however that neither party shall give such notice prior to the Thirtieth day of November, Two Thousand Sixteen. Any notice of termination of this Agreement given by either party, prior to the Thirtieth day of November, Two Thousand Sixteen, shall not be regarded as valid notice and shall be of no avail.

4. **Salaries**-. With effect from First January, Two Thousand Fourteen, the Employer will pay salaries to employees covered and bound by this Agreement, in accordance with the salary scales set out in the First Schedule hereof.

5. **Conversion to new salary scales.**-(i). **Salary revision with effect from 1st January 2014,**

To ascertain the monthly salary payable to an employee, with effect from First January, Two Thousand Fourteen, a sum of Rupees Two Thousand Two Hundred (Rs. 2,200/-) will be added to the salary that was paid to such employee in the month of December Two Thousand Thirteen, and such employee shall thereafter be placed on the corresponding point in monetary terms of the salary scales set out in the First Schedule hereof.

(ii) **Salary Revision with effect from 1st January, 2015**

With effect from 01st January, 2015, the salary of each employee covered and bound by this Agreement shall be revised by the addition of Rs. Two Thousand Three Hundred (Rs. 2,300/=) to the salary received by such employee in the month of December, 2014. Each employee shall thereafter be placed on the corresponding point in monetary terms of the salary scales set out in the First Schedule hereof.

(iii) **Salary Revision with effect from 1st January, 2016**

With effect from 01st January, 2016, the salary of each employee covered and bound by this Agreement shall be revised by the addition of Rs. Two Thousand Five Hundred (Rs. 2,500/=) to the salary received by such employee in the month of December, 2015. Each employee shall thereafter be placed on the corresponding point in monetary terms of the salary scales set out in the First Schedule hereof.

6. **Bonus**.-

- (i) By way of bonus, the Employer shall pay all employees, who have completed one or more years' of service, a sum equal to one month's salary per employee, in December each year.
- (ii) In the month of April each year, the Employer will pay to each employee, who has served during the entire previous calendar year, a bonus related to attendance, in the manner calculated hereunder:
 - (a) One month's salary to those employees who doesn't have a half day or single day of unauthorized Absence during the previous calendar year.
 - (b) 50% of one month's salary to those employees who have been absent in excess of half day up to five days, during the previous calendar year.
 - (c) 45% of one month's salary to those employees who have been absent in excess of five days, upto ten days, during the previous calendar year.
 - (d) 40% of one month's salary to those employees who have been absent in excess of ten days, upto fifteen days, during the previous calendar year.
 - (e) Employees who have been absent in excess of fifteen days during the previous calendar year shall not be entitled to any payment of bonus under (ii) above.

"Absence" for the purpose of calculating this bonus payment shall be all days an employee, is absent from work without authority.

"Salary" for the purpose of calculating this bonus will be the salary which is applicable to each employee at the time the bonus is paid.

- (iii) Provided the business operations of the employer have been profitable in the 12 months preceding, to warrant the declaration of a bonus, the employer will, in the month of March each year, declare a bonus. In the event of no bonus being declared by the employer in the month of March, as provided herein, the Union reserves to itself the right to raise an Industrial Dispute and have such dispute resolved under the provisions of Clause II of this Agreement. The Union and the Employees undertake that they shall not resort to any form of trade union action in respect of a dispute arising with regard to this bonus payment.

7. **Attendance Incentive - April.** - In addition to the April bonus, an attendance incentive of 50% of the basic salary will be given to employees who do not have a single day of unauthorized Absence during the previous calendar year.

“Absence” for the purpose of calculating this Attendance Incentive Payment shall be all days an employee is absent from work without authority.

“Salary” for the purpose of calculating this Attendance Incentive will be the salary which is applicable to each employee at the time the Incentive is paid.

8. **Leave.** -

CASUAL LEAVE - Employees shall be entitled to 7 days casual leave during any calendar year. In the first year of employment, the casual leave entitlement shall be on the basis of one day for every two months worked. Casual leave shall not be taken in excess of two consecutive days at a time and shall not precede or succeed any period of annual or sick leave. All casual leave should be applied for in advance, provided however that in the event of any unforeseen circumstances, which prevents an employee from making an application in advance, he/she shall inform the Employer of the reasons for the absence within a period of 24 hours.

SICK LEAVE - Employees shall be entitled to 7 days sick leave during any calendar year. In the first year of employment, the sick leave entitlement shall be on the basis of one day for every two months worked. Wherever possible, an employee shall make an application for sick leave in advance and where such application cannot be made in advance, he shall inform the Employer of the reasons for his absence within 24 hours. Any period of sick leave in excess of two days shall have to be supported by a Medical Certificate acceptable to the Employer.

ANNUAL LEAVE - The Employees will be entitled to Annual leave in terms of the decisions of the Wages Board for the Biscuit and Confectionary Manufacturing Trade.

9. **Disputes Settlement Procedure.** - It is agreed by and between parties, that any industrial dispute that may occur between the Employer and the Union and/ or the employees, during the period of this Agreement, shall be dealt with in the manner set out hereunder:-

- (i) The Branch Union or the Employees concerned shall, at the outset, raise any dispute with the Employer and both parties shall endeavour to reach a satisfactory settlement of the dispute through negotiations.
- (ii) In the event of there being no settlement, after consultation between parties as aforesaid, the Branch Union shall raise the matter with the Union and the Union shall raise it with the Employer's Federation of Ceylon, of which the Employer is a member, and the Union and the Federation shall strive to reach a satisfactory settlement in consultation with all parties concerned.
- (iii) In the event of there being no satisfactory settlement, consequent to the attempt made by the Union and the Employer's Federation of Ceylon, either party may seek the intervention of the Commissioner General of Labour to settle the dispute, in accordance with the provisions of the Industrial Disputes Act.
- (iv) If after conciliation has failed in the Department of Labour, the Union wishes to take Trade Union Action, written notice should be given of not less than 14 days to the Employer and to the Employers' Federation of Ceylon regarding such Trade Union action.

10. **Trade Union Action.** - It is agreed that the Union or the employees shall not resort to any form of Trade Union action in respect of any industrial dispute pertaining to this Agreement during the period of this Agreement, and shall endeavour to settle any industrial dispute that may arise during the period of this Agreement, in accordance with the Disputes Procedure laid down herein.

11. **Variation of Terms and Conditions.** - It is agreed by and between parties that neither party will, during the period of this Agreement, attempt in any manner to change, vary, alter, add to or amend in any form, any of the terms and conditions set out in this Agreement and/or any other terms and conditions which are currently applicable to the employees covered and bound by this Agreement, other than by way of mutual consent.

12. *Reciprocal Obligations of the Employees.*— In pursuance of the concessions granted by the Employer to the Union and the employees, the Union and the employees shall reciprocate in such manner as will benefit both employees and the Company. For this purpose, the employees shall-

- a. **Customer Service** - Contribute at all times to excellence in customer service.
- b. **Productivity** - Co-operate in the implementation of training and all performance improvement measures adopted from time to time aimed at enhancing the productivity of the Human, Technological and Financial Resources procured and applied by the Company.
- c. **Quality** - Actively and consistently contribute to achieve and maintain those standards of quality prescribed by National and International Institutions, and which may be prescribed from time to time as applicable to product and processes engaged in by the Company and as may be laid down by the Management.
- d. **Security** - Contribute actively to maintain the security of all personnel and property belonging to the Company.
- e. **Safety** - Consistently maintain prescribed safety standards in regard to persons, equipment, process, material, work group, work environment and follow all instructions, which may be given from time to time, aimed at securing the safety of the above.
- f. To ensure that all Company issued clothing and devices/ tools will be kept in good condition and to immediately report all equipment defects to supervisors.
- g. **Personal Hygiene** - Meet and consistently maintain all standards and practices, setout for the personal hygiene of employees as required by the Management.
- h. **House - Keeping** - Meet and extend full co-operation in maintaining standards set out for good house - keeping.
- i. Accept recognized work study findings and to optimize skills and manning levels accordingly.
- j. **Service Image** - Consistently maintain integrity in service and not expect or accept gratification in any form or manner from customers, distributors, suppliers or their Agents or representatives, for any services rendered in the performance of employee's duties.
- k. **Job Rotation** - Job enlargement and rotation to be implemented.
- l. **Company image** - Actively and wherever possible, promote the good image of the Company, and refrain from acting in any manner within or outside the work environment that would adversely affect the image, goodwill or reputation of the Company and its employees.
- m. **Minimizing of waste** - Actively and consistently contribute to all prescribed activities by the management and the company to eliminate waste of
 - a. Wrapping
 - b. Biscuit grinding
 - c. Sweeping
 - d. Other waste

In witness hereof parties
Thousand Fourteen.

For & on behalf of
Ceylon Biscuits Ltd.

Name: Imal Fonseka

Designation Chief Executive

Signature: 

Witness:

Name: 

Signature: 

FIRST

| 2014 | | | | |
|-------------|---------|----------|-----------|----------|
| Rs . 2200/- | | | | |
| | Grade I | Grade II | Grade III | Grade IV |
| | 400/- | 550/- | 700/- | 850/- |
| Initial | 11300 | 13150 | 13600 | 15050 |
| 1 | 11350 | 13200 | 13650 | 15100 |
| 2 | 11400 | 13250 | 13700 | 15150 |
| 3 | 11450 | 13300 | 13750 | 15200 |
| 4 | 11500 | 13350 | 13800 | 15250 |
| 5 | 11550 | 13400 | 13850 | 15300 |
| 6 | 11600 | 13450 | 13900 | 15350 |
| 7 | 11650 | 13500 | 13950 | 15400 |
| 8 | 11700 | 13550 | 14000 | 15450 |
| 9 | 11750 | 13600 | 14050 | 15500 |
| 10 | 11800 | 13650 | 14100 | 15550 |
| 11 | 11850 | 13700 | 14150 | 15600 |
| 12 | 11900 | 13750 | 14200 | 15650 |
| 13 | 11950 | 13800 | 14250 | 15700 |
| 14 | 12000 | 13850 | 14300 | 15750 |
| 15 | 12050 | 13900 | 14350 | 15800 |
| 16 | 12100 | 13950 | 14400 | 15850 |
| 17 | 12150 | 14000 | 14450 | 15900 |
| 18 | 12200 | 14050 | 14500 | 15950 |
| 19 | 12250 | 14100 | 14550 | 16000 |
| 20 | 12300 | 14150 | 14600 | 16050 |
| 21 | 12350 | 14200 | 14650 | 16100 |
| 22 | 12400 | 14250 | 14700 | 16150 |
| 23 | 12450 | 14300 | 14750 | 16200 |
| 24 | 12500 | 14350 | 14800 | 16250 |
| 25 | 12550 | 14400 | 14850 | 16300 |
| 26 | 12600 | 14450 | 14900 | 16350 |
| 27 | 12650 | 14500 | 14950 | 16400 |
| 28 | 12700 | 14550 | 15000 | 16450 |
| 29 | 12750 | 14600 | 15050 | 16500 |
| 30 | 12800 | 14650 | 15100 | 16550 |
| 31 | 12850 | 14700 | 15150 | 16600 |
| 32 | 12900 | 14750 | 15200 | 16650 |
| 33 | 12950 | 14800 | 15250 | 16700 |
| 34 | 13000 | 14850 | 15300 | 16750 |
| 35 | 13050 | 14900 | 15350 | 16800 |
| 36 | 13100 | 14950 | 15400 | 16850 |
| 37 | 13150 | 15000 | 15450 | 16900 |
| 38 | 13200 | 15050 | 15500 | 16950 |
| 39 | 13250 | 15100 | 15550 | 17000 |
| 40 | 13300 | 15150 | 15600 | 17050 |
| 41 | 13350 | 15200 | 15650 | 17100 |
| 42 | 13400 | 15250 | 15700 | 17150 |

| 2014 | | | | |
|--------------|---------|----------|-----------|----------|
| Rs. - 2200/- | | | | |
| | Grade I | Grade II | Grade III | Grade IV |
| | 400/- | 550/- | 700/- | 850/- |
| 43 | 13450 | 15300 | 15750 | 17200 |
| 44 | 13500 | 15350 | 15800 | 17250 |
| 45 | 13550 | 15400 | 15850 | 17300 |
| 46 | 13600 | 15450 | 15900 | 17350 |
| 47 | 13650 | 15500 | 15950 | 17400 |
| 48 | 13700 | 15550 | 16000 | 17450 |
| 49 | 13750 | 15600 | 16050 | 17500 |
| 50 | 13800 | 15650 | 16100 | 17550 |
| 51 | 13850 | 15700 | 16150 | 17600 |
| 52 | 13900 | 15750 | 16200 | 17650 |
| 53 | 13950 | 15800 | 16250 | 17700 |
| 54 | 14000 | 15850 | 16300 | 17750 |
| 55 | 14050 | 15900 | 16350 | 17800 |
| 56 | 14100 | 15950 | 16400 | 17850 |
| 57 | 14150 | 16000 | 16450 | 17900 |
| 58 | 14200 | 16050 | 16500 | 17950 |
| 59 | 14250 | 16100 | 16550 | 18000 |
| 60 | 14300 | 16150 | 16600 | 18050 |
| 61 | 14350 | 16200 | 16650 | 18100 |
| 62 | 14400 | 16250 | 16700 | 18150 |
| 63 | 14450 | 16300 | 16750 | 18200 |
| 64 | 14500 | 16350 | 16800 | 18250 |
| 65 | 14550 | 16400 | 16850 | 18300 |
| 66 | 14600 | 16450 | 16900 | 18350 |
| 67 | 14650 | 16500 | 16950 | 18400 |
| 68 | 14700 | 16550 | 17000 | 18450 |
| 69 | 14750 | 16600 | 17050 | 18500 |
| 70 | 14800 | 16650 | 17100 | 18550 |
| 71 | 14850 | 16700 | 17150 | 18600 |
| 72 | 14900 | 16750 | 17200 | 18650 |
| 73 | 14950 | 16800 | 17250 | 18700 |
| 74 | 15000 | 16850 | 17300 | 18750 |
| 75 | 15050 | 16900 | 17350 | 18800 |
| 76 | 15100 | 16950 | 17400 | 18850 |
| 77 | 15150 | 17000 | 17450 | 18900 |
| 78 | 15200 | 17050 | 17500 | 18950 |
| 79 | 15250 | 17100 | 17550 | 19000 |
| 80 | 15300 | 17150 | 17600 | 19050 |
| 81 | 15350 | 17200 | 17650 | 19100 |
| 82 | 15400 | 17250 | 17700 | 19150 |
| 83 | 15450 | 17300 | 17750 | 19200 |
| 84 | 15500 | 17350 | 17800 | 19250 |
| 85 | 15550 | 17400 | 17850 | 19300 |
| 86 | 15600 | 17450 | 17900 | 19350 |
| 87 | 15650 | 17500 | 17950 | 19400 |

THE INDUSTRIAL DISPUTES ACT, CHAPTER 131

THE Collective Agreement entered into between Ceytra (Private) Limited, 36, D. R. Wijewardena Mawatha, Colombo 10 of the one part and the Inter Company Employees' Union, 12/2, Weera Mawatha, Sri Subuthipura, Battaramulla of the other part on 11th day of February 2014 is hereby published in terms of section 06 of the Industrial Disputes Act, Chapter 131 of the, Legislative Enactments of Ceylon (Revised Edition 1956).

V. B. P. K. WEERASINGHE,
Commissioner of Labour.

Department of Labour,
Labour Secretariat,
Colombo 05.
16th May, 2014.

Collective Agreement No. 08 of 2014**CEYTRA LIMITED COLLECTIVE AGREEMENT 2014**

THIS COLLECTIVE AGREEMENT made under the Industrial Disputes Act this Eleventh day of February Two Thousand and Fourteen to take effect from the First Day of January Two Thousand and Fourteen.

Between

Ceytra Private Limited, a Company having it's Registered Office at 36, D.R. Wijewardena Mawatha, Colombo 10 (Hereinafter referred to as "The Employer") of the one part and Inter Company Employees Union, a Trade Union duly registered under the Trade Unions' Ordinance, and having it's registered Office at 12/2, Weera Mawatha, Sri Subuthipura, Battaramulla, (Hereinafter referred to as "the Union") of the Other Part.

WITNESSETH, and it is hereby agreed between the parties referred to above, as follows :

Title : This Agreement shall be known and referred to as the "The Ceytra Manual Workers' Collective Agreement of 2014".

PART 1

1. **Persons Covered and Bound.** - This Agreement shall cover and bind by the Employer, the Union and all Manual Workers who are members of the Union and are employed on permanent contracts of employment.

2. **Date of Operation and Duration.** - This Agreement will be effective from the First day of January, Two Thousand and Fourteen, and shall thereafter continue in force until it is determined by either party giving one month's notice in writing to the other subject to the provision that one party here to shall not give such notice to the other party to commence before the first day of December Two Thousand and Sixteen and such notice shall not expire before the Thirty First Day of December Two Thousand and Sixteen.

3. **Earlier Agreement.** - This Agreement shall supercede and replace the provisions of the Ceytra Manual Worker's Collective Agreement 2011.

4. **General Terms and Conditions of Employment.** - During the continuance in force of this Agreement the terms and conditions of the Agreement shall deem to be included in each Contract of Service between the Employer and Employee covered and bound by this Agreement, whether such Contract of Service be written or oral which was subsisting on the date hereof or which shall come into being any time after the date hereof during the continuance in force of this Agreement.

5. **Management – Union Co-Operation.**–

- i. The Union and Employees agree that the following matters are the rights and of the Management.

Selection, placement, deployment, transfer and promotion, determination of shifts and working hours; Planning and controlling of all operations; Introducing new products or machinery; Up-grading of existing facilities; Change of production methods and systems; Expansion or relocation of production facilities; Establishment of quality standards and production norms; Maintenance and improvement of productivity/ efficiency and the consequences thereof and maintenance of discipline in the work place.

- ii. The Union and Employees will co-operate with the Employer in the aforesaid matter.

- iii. Without prejudice to the Employer's rights in this regard, the Employer will discuss the aforesaid matters with the Union if latter so desires.

6. **Mobility of Labour and productivity.**–

- i. Employees will work to machine capacity in order to achieve optimum productivity.

- ii. If at the Factory, Store, Mill or Job, work is temporarily not available for an employee (Male or Female) in his/ her occupation, he/she will deem to be ready and willing to perform work within his/her capacity or skill in any other occupation where work is available.

- iii. Employees will carry out any ancillary work such as cleaning of machines, cleaning of work areas, cleaning of equipment/ tools used in day to day work.

7. **Working Hours.**–

- i. Normal working hours will not exceed:

- a) Forty five hours per week,
b) Nine hours on five days of a week inclusive of **one hour interval**.
c) Six hours on the sixth day inclusive of **one hour interval**.

- ii. An employee will not cease work until the designated official closing time except during designated intervals.

8. **Probation.**– Every employee recruited by the Employer will serve a period of probation of one (01) year. The period of probation may be extended. During the period of probation or extended probation, the Employer will be entitled to terminate the services of the Employee without notice.

9. **Overtime.**–

- i. If required by the Employer, an Employee will work reasonable period of overtime authorized by the Employer. Refusal to work reasonable overtime in the absence of a satisfactory explanation acceptable to the Employer will render the Employee liable to disciplinary action.

- ii. Work in excess of normal working hours will be remunerated at one and a half times the normal hourly rate.

10. **Attendance.**– i. Unless otherwise specifically instructed by the Employer an Employee will present himself/herself for work on everyday (other than a holiday or on a day he/she is on approved leave) at the usual starting time of the factory, store mill and will remain available for work throughout the normal working hours.

- ii. Irregular attendance or unpunctuality will constitute misconduct in respect of which an employee will be liable for disciplinary action.

11. *Leave and statutory & Weekly Holidays*i. **Annual leave.** -

Annual leave will be computed in accordance with the decisions of the Wages Board for the Rubber & Plastic Goods manufacturing Trade. Annual Leave may be taken on days mutually convenient with prior approval.

ii. **Casual Leave .** -

In respect of each year of employment, during which any employee has been continuously in employment he/she will be entitled to take a private business or other reasonable cause including ill health, if his/her entitlement to sick leave has been fully utilized, 07 days a Casual Leave with pay. Provided, however, that not more than two(02) days' Casual Leave will be taken at any one time, except on grounds of ill health. Casual Leave will not be granted immediately proceeding or immediately following any period of Annual Leave. In respect of the first year of employment an employee will be entitled to Casual Leave for that year computed on the basis of one day for each completed period of 2 months' service. An year of employment will mean the period January to December. Casual Leave will normally be granted on prior application without the employee being required to state reason for the application. Where the Employer finds it difficult to grant leave, the difficulty will be notified to the Employee as soon as possible after the application is made. If due to unforeseen circumstances, the employee is unable to make prior application, and is also unable to report to work, the Employee must endeavour as far as practicable to inform the Employer on the very same day of his inability to attend work. If no information is received and the reasons for failure to notify are also unsatisfactory, the Employer is entitled to refuse an application made subsequent to the absence.

iii. **Sick Leave.** - An Employee who has or completed 5 (five) years of service will be entitled to 14 (fourteen) days Sick Leave per Calendar Year and other employees will be entitled to Seven (7) days Sick Leave per Calendar Year provided;

- (a) Absence on grounds of his ill-health is supported by a medical certificate from a registered medical practitioner acceptable to the Management.
- (b) The Employee informs the Employer his inability to attend work on the very same day of absence by telegram, telephone or any other means,
- (c) An Employee who has been on probation will as from the date of confirmation and in respect of the remainder of the year be entitled to Sick Leave pro-rata to the number of months in employment in that year.

iv. **Statutory Holidays**

- (a) Weekly Holidays and Statutory Holidays will be granted in accordance with the provisions in the Wages Board for Rubber & Plastic Goods manufacturing Trade.
- (b) An employee may be called upon to work on any weekly or statutory holiday and such work will be remunerated in accordance with the provisions in the Wages Board for Rubber and Plastic Goods Manufacturing Trade.

12. **Monthly Consolidated Wages From 01/01/2014 To 31/12/2016** - The Employer agrees to revise the wages of permanent employees covered and bound by this agreement in the following manner.

- (i) All permanent employees will be entitled to a wage increase of 10% for the first year commencing from 01.01.2014 to 31.12.2014.
- (ii) All permanent employees will be entitled to a wage increase of 10% for the 2nd year commencing from 01.01.2015 to 31.12.2015.
- (iii) All permanent employees will be entitled to a wage increase of 10% for the 3rd year commencing from 01.01.2016 to 31.12.2016.
- (iv) During the pendency of this Agreement, the minimum wages under the Wages Board for the Rubber and Plastic Goods Manufacturing Trade are revised or a wage increase is prescribed by law then such increase will be limited to the shortfall

in the quantum of the wages received by an employee at the date and the quantum of increase, so prescribed.

- (v) There will be a change in the grades of employees and the four grades will remain unaltered i.e. Grade I - Unskilled, Grade II - Semi skilled, Grade III - Skilled and Special Grade. Criteria for selection/ promotion from one grade to another will be solely determined by the Management. However, an aggrieved employee may seek redress under the grievance settlement procedure in Part II Clause 4 of this Agreement.
- (vi) If during the continuance in force of this agreement the minimum wages under the Wages Board for the Rubber & Plastic Goods Manufacturing Trade are revised or a wage increase is prescribed by law then such increase will be limited to the shortfall in the quantum of the wages received by an employee at that date and the quantum of increase, so prescribed.

13. **Shift Differential.**— Each employee required to do a work shift on any working day which commence at 1400 hours or later shall be paid a shift differential as follows.

All permanent employees will be entitled to shift differential of Rs. 65/- commencing from 01.01.2014 to 31.12.2014, Rs. 85/- from 01.01.2015 to 31.12.2015 and Rs. 110/- from 01.01.2016 to 31.12.2016.

14. **Attendance Bonus.**— The Employer will pay in each succeeding month an Attendance Bonus computed as follows for the period from 01.01.2014 to 31.12.2016.

| (a) <i>No. of days present at work</i> | <i>Rate per day</i> |
|---|---------------------|
| 01 - 19 | Nil |
| 20 - 22 | Rs. 65/- |
| 23 - 24 | Rs. 78/- |
| 25 or present on all working days of the month | Rs. 85/- |
| (b) This payment will not attract consequential benefits | |
| (c) Only full working days are counted | |
| (d) Number of work days on Public Holidays, Weekly Holidays or Poya Days are not counted as days worked. | |
| (e) Absence on sick leave approved on account of a factory accident or duty leave will be counted as “present”. | |

15. **Production Bonus.**— The Employer will pay in each succeeding month a “Daily Production Incentive” computed as follows:-

(i) **Daily rated Monthly Production Bonus**

- (a) For Rubber Band Production and Rubber Band Sorting and Packing Section.

a-i Normal Production Bonus Daily

For all employees, the **Daily** Production Bonus would be as follows:

8 hours shift $X * 0.025/2 * Q$

12 hours shift $X * 0.025 * Q$

X is the monthly consolidated basic salary.

Q is the percentage of salable quantity.

a-ii Additional Production Bonus - monthly

Additional production bonus will be paid based on extruded monthly production of salable quantities.

In excess of 25 MT salable quantity will pay at Rs. 85/- per month for each additional 1.0 MT per employee during enforcement of this agreement.

(b) Moulded Rubber Production, Sorting and Packing Section.

b-i Normal Production Bonus - Daily

For all employees, Daily Production Bonus as follows:

8 hours shift $X * 0.025/2 * Q$

12 hours shift $X * 0.025 * Q$

X is the monthly - consolidated basic salary.

Q is the percentage of salable quantity.

b-ii Additional Production Bonus - monthly

Proposed to pay based on the following production of salable quantities.

In excess of 25 MT salable quantity will pay at Rs. 85/- per month for each additional 1.0 MT per employee during enforcement of this agreement.

(c) Chemical and Raw Material Weighing Section

Similar to (a) Rubber Band Production, sorting and Packing Section with the Same 'Q' factor.

(d) Compounding

Similar to (a) Rubber Band Production, sorting and Packing Sections with the Same 'Q' factor.

(ii) **Daily Production Norms**

i.a.a. For Rubber Band Production, Rubber Band Sorting and Packing, Chemical Weighing and Compounding Section will be as attached schedules (Ref. Schedules i, ii, iii and iv).

i.a.b. For Moulded Rubber Production and Calendaring Section.

Daily Production Norms will be displayed in the Notice Board for the information of the employees.

(iii) **Employees in Sections Not directly Involved in Production**

Normal Production Bonus - 8 Hours $0.0125 * X * Q$

10 Hours $0.0177 * X * Q$

16. **Medical Expenses Reimbursement Scheme** - The Medical Expenses Reimbursement Scheme in respect of employees covered and bound by this Agreement will be as follows.

The limit of reimbursement per calendar year per employee will not exceed Rs. 4,000/= effective during the enforcement of this Agreement.

17. **Salary Advances .-**17.1. **Festival Advance.**

(i) The Company will grant an interest free Festival Advance to employees covered by this Agreement equivalent to maximum of a month's salary (rounded to the nearest Rs. 100/=) subject to the following terms and conditions.

(ii) The Festival Advance will be recovered in 10 monthly installments through the Payroll.

(iii) The Festival Advance may be withheld for disciplinary reasons or for breach of contractual obligations.

(iv) Employees shall have the option to obtain the Festival Advance in either March or December of each year.

17.2 General Purpose Advance

- (i) The Company will grant an interest free General Purpose Advance of Rs. 7,000/=, Rs. 8,000/= and Rs. 10,000/= for the year 2014, 2015 and 2016 respectively to employees with over 5 years of service subject to the following terms and conditions.
- (ii) The General Purpose Advance will be recovered in 10 monthly installments through the payroll.
- (iii) The General Purpose Advance may be withheld for disciplinary reasons or for breach of contractual obligations.
- (iv) The procedure for application and grant the General Purpose Advance will be drawn up by the Management and made known to the Union.

18. Excursion Allowance and Advance.-

- (i) An Excursion allowance of Rs. 3,750/= will be paid to each employee who has more than 1 years Service will be paid in January of each year 2014, 2015 and 2016 respectively.
- (ii) In addition, each employee, who has more than 1 years' service will be paid in January of each year as excursion Advance of:
Rs. 3,000/= for the 1st year of this Agreement
Rs. 3,500/= for the 2nd year of this Agreement
Rs. 4,000/= for the 3rd year of this Agreement
- (iii) The excursion advance will be recovered in 10 monthly instalments from the payroll.
- (iv) The excursion advance may be withheld for breach of constructual obligations.
- (v) The procedure for application and grant of the Excursion Allowance and Advance will be drawn up by the management and made known to the Union.

19. Suspension.-

- (i) An Employee may be suspended from work without pay pending disciplinary action being taken against him on misconduct which is serious enough to warrant termination of Services.
- (ii) An Employee may be suspended from work without pay as a punishment for misconduct, After due inquiry, for a reasonable period of time.

20. **Warnings** - If in the opinion of the Employer an offence warrants a warning, the same will be conveyed to the Employee by a letter.

21. **Retirement** .- Upon reaching the age of 55 years, an employee will ipso facto retire and cease to be employed thereafter. There will be no obligation on the Employer to give notice of retirement.

22. Settlement of Disputes and Trade Union Action -

- (i) During the operation of this agreement, any dispute arising from matters relating to this Agreement or any dispute arising from matters not covered by this Agreement will be resolved through discussion and without resorting to any strike, go - slow, boycott, demonstration or restriction of overtime or any other form of Trade Union Action.
- (ii) In the first instance, the Branch Union will discuss the matters in dispute with the Management.

- (iii) If no settlement is possible, the matters in dispute will be discussed between the Parent Union and the Management under the aegis of the Employers' Federation of Ceylon.
- (iv) If all such discussions fail, the matters in dispute may be referred to the Commissioner of Labour for conciliation.
- (v) If the matters in dispute are not resolved through conciliation, then the dispute may be referred to Voluntary Arbitration.
- (vi) Nominating an Arbitrator and Terms of Reference will be agreed upon mutually by the Union and the Employer. If mutual agreement is not possible, the Commissioner of Labour will name the Arbitrator and the Terms of Reference.
- (vii) Provided however, that disciplinary action taken against an employee will not be a dispute within the meaning of this subclause for the purpose of voluntary arbitration.
- (viii) On any dispute which involves the interpretation of this Agreement, the decision of the Commissioner of Labour will be final and binding on both parties.

23. **Forfeiture of Wages.**— Unless for good cause shown to the employer's satisfaction, an Employee fails to hold himself/herself available for work throughout the normal working hours on each working day he/she and the Employer will be entitled to deduct from his/her wages for the period from the time at which such failure occurs until the time at which he is again available for work.

24. **Profit sharing bonus scheme.**—

- i. The company will allocate 10% of the Pre-Tax Profit for the financial year for distribution among all permanent employees in the Company as a "Profit Sharing Bonus."
- ii. Audited accounts will be accepted by both parties in determining the quantum of pre-tax profit each year. The financial year of the company is 1st April to 31st March.
- iii. The Profit Sharing Bonus will be paid to employees in two (2) installments,
 - a) AN amount equivalent to one month's salary will be paid in November each year as an advance.
 - b) The final net balance payment (after deducting the advance paid in (a) above) as computed in accordance with (iv) below will be made in July, by which time the audited accounts will be available.
 - c) If there is no final payment due, the advance paid in (a) above will be written off and not recovered from the employees.
- iv) The final net balance payable expressed in number of months salary will be determined as follows:—
 - a) $10\% \text{ of Pre - Tax Profit minus } 1 \text{ (one) = Number of months}$
 (Profit ratio)
 * Av. Monthly wage bill for the
 financial year.
 - b)* $\text{Consolidated Salary X Profit Ratio} = \text{Individual Profit Share}$
 Of employees
 (* Salary on which Provident Fund is calculated)
- i) 5% of the individual profit share will be reduced for each day of absence without, pay, there will be no grace period on absence. The Management reserves to itself the right to make this reduction either from the advance payment made in December or from the final payment made in April.
- ii) Recipients of the Profit Sharing Scheme will be as follows:
 - a) Permanent employees i.e. Manual Workers (excepting Casual / Temporary employees) , who have been in employment during the full financial year in respect of which the share is paid and who are in employment at the time the share is paid.
 - b) Permanent employees who have been in employment for only part of the financial year in respect of which the share is paid and who are in employment at the time the share is paid. Such employees will receive a share proportionate to the number of complete months in service during the financial year.

25. **Variation of Terms & Conditions of Employment or Benefits.**— In the event of any conflict or inconsistency between the matters provided for in this agreement and any pre-existing terms or practices, the terms of this Agreement shall prevail during the continuance in force of this Agreement, the Union and it's members and the Employer shall not seek to vary, alter or add to all or any of the terms and conditions of employment.

PART II

CONTAINING FACILITIES AND CONCESSIONS GRANTED BY THE EMPLOYER TO THE UNION

1. **Breaches of Collective Agreement.**— If in the opinion of the Employer and the Employers' Federation of Ceylon, the Union or its members have committed a breach of the Agreement, the Union will cease to be entitled to enjoy the facilities and concessions granted in the succeeding clauses of this Part and such facilities and concessions will stand withdrawn without prejudice to the Employer's right to restore them upon such terms and conditions as it may determine.

2. **Duty Leave.**— The following provisions shall apply to duty leave:

Without prejudice to the right of the Employer to refuse to grant permission, the Employer will generally grant permission for not more than three office bearers of the Union.

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

or

(b) TO attend inquiries before Industrial Court, Arbitrations or Labour Tribunal

(c) TO attend meetings of the Parent Union on not more than two occasions per year **without loss of wages for such absence.**

3. **Check Off.**—

(i) Subject to Clause (1) hereof, the Employer on a written request from an Employee covered and bound by this Agreement, will deduct from the wage due to such Employee, the current monthly Union dues to be payable monthly by the Employee to the Union.

(ii) The Employer will remit the amount so deducted to the Union within the month following such deduction.

(iii) Request for deduction of Union dues must be made in writing referred to as the Authorization Form, set out in the First Schedule hereto.

(iv) Every Employee shall be entitled to withdraw his agreement to check-off at any time by signing and submitting the Revocation Form, set out in the second schedule.

4. **Grievance Settlement Procedure.**—

(i) Where an Employee wishes to make representation in respect of a grievance or dispute or any other matter, such employee, in the first instance, shall discuss the matter with the Factory Management.

(ii) If the matter, in the opinion of the Employee, is not satisfactorily resolved, the Employee together with a Representative of the Branch Union will discuss the matter with the Chief Operating Officer of the Company.

(iii) If the matter, is still not resolved, the Parent Union will make representations to the Employers' Federation of Ceylon, and discuss the matter with a view to arriving at a reasonable settlement.

FIRST SCHEDULE**Authorization**

As I am an Employee covered and bound by the Ceytra Limited Manual Workers' Collective Agreement of 2014, I desire to avail myself of the facility for the check-off contained in the Collective Agreement to which I am eligible as a member of the INTER COMPANY EMPLOYEES UNION.

Please deduct from my wages each month a sum of Rupees (Rs.) in respect of my current monthly membership dues to the said Union and remit the same to the said Union on my behalf. The first payment should be made from wage next due immediately following the date hereof.

Date of Signing:

.....

Signature of Employee.

.....

Full Name of Employee.

SECOND SCHEDULE**Revocation**

With reference to the authorization submitted by me, please cease to deduct from my wages any further membership dues in favour of INTER COMPANY EMPLOYEES UNION with effect from the **wages due next to** me immediately following the date hereof.

Date of Signature:

.....

Signature of Employee.

.....

Full Name of Employee

Received on

To be filled by Employer.

NO OF TUBES

Single
Point

| Size Diameter | Ta No |
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| 120 And |

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Over 50 x3

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TUBE CUTTING (08 HOURS) - 2011

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| | TH / CW | TH / CW | TH / CW | TH / CW | TH / CW | TH / CW | TH / CW | TH / CW | TH / CW | TH / CW | TH / CW | TH / CW | TH / CW | TH / CW | TH / CW |
| 11 | 284 | 284 | 300 | 320 | 385 | 400 | 400 | 450 | 500 | 525 | 600 | 600 | 600 | 720 | 775 |
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| 3.501 - 7.500 | |
| 7.501-12.500 | |
| 12.500 ---ABOVE | |

* Above target(12 hrs) + 20

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- 2) Local multi colour
- 3) Pallert Strap
- 4) Hose over flow

In witness whereof parties have

.....
For and on behalf of
M/S. CEYTRA (PVT) LIMITED

Name: G. A. De

Designation Chief. C
officer / pr

Witness to the Signature

Signature: 

Name: A. I. Piyad
CFO - CWM

THE INDUSTRIAL DISPUTES ACT, CHAPTER 131

THE Collective Agreement entered into between Ceylon Tobacco Company Plc, No. 178, Srimath Ramanathan Mawatha, Colombo 15 of the one part and the Food Beverages and Tobacco Industries Employees' Union, No. 513 1/2, Elvitigala Mawatha, Colombo 5 of the other part on 17th day of January 2013 is hereby published in terms of Section 06 of the Industrial Disputes Act, Chapter 131, of the Legislative Enactments of Ceylon (Revised Edition 1956).

V. B. P. K. WEERASINGHE,
Commissioner of Labour.

Department of Labour,
Labour Secretariat,
Colombo 05,
12th May, 2014.

Collective Agreement No. 07 of 2013**COLLECTIVE AGREEMENT 2013**

TECHNICAL ASSISTANTS, TECHNICIANS, JUNIOR TECHNICIANS
AND
CLERICAL AND ALLIED CATEGORIES

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COLLECTIVE AGREEMENT 2013

Between

Ceylon Tobacco Company Plc

and

Food Beverages and Tobacco Industries Employees' Union

THIS COLLECTIVE AGREEMENT is made and entered into on the Seventeenth Day of January Two Thousand Thirteen between Ceylon Tobacco Company Plc having its Registered office at No. 178, Srimath Ramanathan Mawatha, Colombo 15 (hereinafter referred to as the "Employer" or "Company") of the One part and the Food Beverages and Tobacco Industries Employees' Union, being a Trade Union duly registered under the Trade Unions Ordinance and having its Registered office at No. 513 1/2, Elvitigala Mawatha, Colombo 5, (hereinafter referred to as the "Union") of the Other Part Witnesseth:

WHEREAS the Union has shown to the satisfaction of the Employer that it represents a majority of the Technical Assistants, Technicians and Jonior Technicians employed by the Employer at its workplace in Colombo.

AND WHEREAS it is the desire of both the Union and the Employer to enter into an Agreement which will ensure the peaceful adjustment and settlement of all disputes which may arise between the Employer and its Employees and /or the Union and the promotion of industrial peace, productivity and quality.

NOW THEREFORE for and in consideration of the above premise and the mutual terms and conditions hereinafter set out, the Union and the Employer agree as follows:

1. **Title.**– This Agreement shall be known and referred to as "The Technical Assistants, Technicians, Junior Technicians and Clerical and Allied Categories Collective Agreement - 2013"

2. **Date of Operation and Duration.**– This Ageement shall come into force as from the First day of January 2013 and shall thereafter continue in force, unless it is determined by either party giving six (6) months prior notice in writing to the other party. Provided, however, that neither party shall give such notice to the other party before Thirty First day of December 2015 and such notice shall not expire before the Thirtieth day of June 2016.

3. **Parties Covered and Bound.**— This agreement shall cover and bind the Employer, the Union, and only the Technical Assistants, Technicians and Junior Technicians, including Clerical and Allied Categories who are permanently employed on contracts of employment by the Employer at its work place in Colombo and who are members of the Union (such employees hereinafter referred to as “ Covered Employees”).

4. **Earlier Collective Agreements.**— The provisions of this Agreement shall supersede and replace the provisions of “The Technical Assistants, Technicians and Junior Technicians’ Collective Agreement 2010” which shall by the mutual agreement of the parties hereto stand terminated with effect from the date on which this Agreement takes effect.

5. **Declaration of Principle.**—

- (a) Both the Company and the Union accept the principle that the special consideration affecting the company is such that wage and salary rates are a proper subject for collective bargaining between the Company and the Union, and that the actions of other employer including Government Corporations and the Government of Sri Lanka in their capacity as employers of labour, regarding the amount and timing of wage increases are not automatically applicable in the context of the Company except where otherwise provided by legislation.
- (b) In cases in which Government does provide by legislation for benefits including increases in wages, gratuity, bonus etc., the following shall apply.
 - i. When such benefits are more favourable than the benefits stipulated, only the difference between such benefits provided by such legislation and the benefits stipulated herein, shall be added to the said benefits stipulated herein,
 - ii. When such benefits are equal or less favourable to the benefits stipulated herein, they shall not be added to or compounded with the said benefits stipulated herein,
- (c) The stipulations contained in sub-clause (b) above are without prejudice to the principle contained in sub-clause (a) above.

6. **Management’s Rights and Responsibilities.**— The Union and the Covered Employees agree that inter alia selection, placement, distribution, transfer and promotion of personnel, laying down of working hours and working programmes, planning and control of factory operations, introduction of new machinery or new product type or improved production methods, expansion of production facilities, establishment of quality and production standards, maintenance of efficiency, the consequence thereof, maintenance of discipline Employer’s workplace in Colombo including the factory and for that purpose taking necessary disciplinary action against workmen within the framework of the existing law, regulation and standing orders, are exclusively the rights and responsibilities of the Management of the Company.

7. **General Terms and Conditions of Employment.**— The terms and conditions of this Agreement shall as from the date hereof and during the continuance in force of this Agreement, be deemed to be included in all the contracts of employment between the Employer and the Covered Employees, whether such contract of employment be written or oral or whether employment was subsisting as at the date hereof or shall come into being at any time after the date hereof but during the continuance in force of this Agreement. Provided, that in the event of any conflict or inconsistency between the terms and conditions of this Agreement and any pre-existing terms and conditions or practices, the terms and conditions of this Agreement shall prevail.

8. **Variation of Terms and Conditions of Employment or Benefits.**—

- (a) The Union and its members and the covered Employees jointly and severally agree with the Employer that during the continuance in force of this Agreement, they will not seek to vary or add to all or any of the terms and conditions of employment presently applicable to any of the Covered Employees or all or any of the benefits presently enjoyed by any of the Covered Employees, other than by mutual agreement.
- (b) Subject to the provision of clause 36, the Employer agrees with the Union that it shall not seek to vary, alter or withdraw all or any of the benefits presently enjoyed by the Covered Employees other than by mutual agreement.
- (c) Any dispute or difference arising from negotiations under the provisions of sub-clauses (a) or (b) may be resolved by voluntary arbitration under section 3 (i) (d) of the Industrial Dispute Act (1950) but only if all the parties concerned agree to submit such dispute or difference for settlement by voluntary arbitration.

9. Increments.-

- (a) An annual increment of 1% of the basic salary paid to each Covered Employee in the month of December immediately preceding shall be granted in January 2013, January 2014 and January 2015 respectively, unless as a measure of disciplinary action or on account of unsatisfactory work, the annual increment is suspended, stopped or deferred. The annual increment for 2013, 2014 and 2015 will be paid Commencing from January 2013, January 2014 and January 2015 respectively (herein referred to as "the **Consolidated Salary**" for each respective year).
- (b) In addition to the above, an increment shall be made to the Covered Employees, in September each year, taking in to consideration the impact of cost of living. The basis for this shall be considered either 2% increment on the basic salary OR an increment based on the calculation of the Colombo Consumers Price index (CCPI-N) computed by the Department of Census and Statistics for the applicable period each year (September to March), whichever is higher.

10. Wages.-

- (a) As from the First Day of January 2013 the company will grant an increase in wages on the following basis:
- i An increase of seven per cent (7%) on the Consolidated Salary paid to each Covered Employee, subject to sub-clause (iii) below,
 - ii Subject to sub-clause (iii) below, each Covered employee shall receive a lump sum payment of 1% of his annual salary (i.e. consolidated Salary x 12 x 1%) as an ex-gratia payment, along with the salary for January 2013.
 - iii Covered Employees who were recruited to the Company between 01st July Nineteen Ninety Nine (1999) and 01st January Two Thousand Nine (2009) and who are performing duties in the capacity of technical assistants as at the date hereof will be entitled for an additional 1.5% increase to the increment mentioned in sub-clause (i) above and an additional increase of 1% to the increment mentioned in sub clause (iii-b) in January 2014 and sub clause (iii-c) in January 2015. This additional 1.5% increase in 2013 and 1% increase 2014 and 2015 is granted solely on the basis of their technical skill level and competency. Provided that Covered Employees who qualify for the increment in this clause shall not receive the special allowance mentioned in sub-clause (ii) above. The names of the Covered Employees who qualify for the increment in this clause as at the date hereof are set out First Schedule to this Agreement.
- (b). As from the first Day of January 2014 the Company will grant an increase in wages by an increase of five per cent (5%) on the Consolidated salary.
- (c). As from the First Day of January 2015 the Company will grant an increase in wages by an increase of five per cent (5%) calculated on the Consolidated Salary.
- (d). It is agreed that a new salary structure as set out in the Second Schedule to this Agreement shall be introduced as from First Day of January 2013 Provided, it is also agreed that the new salary structure shall only be applicable to new recruits, employees to be confirmed in service and those promoted on after the First Day of January 2013. The new salary structure will be revised once in three years prior to the Collective Agreement.

11. Non-Recurring cost of Living Gratuity

- (a). Every employee shall receive in each year in respect of the preceding 12 months (First day of March to Twenty Eighth day February, hereinafter referred to as "the qualifying period") a Non-Recurring Cost of Living Gratuity on the basis of Rupees Eighty Three and Cents Seventy Five (Rs. 83.75) for each completed point by which the average of the Colombo Consumers' New Price Index (CCPI (N)) figure (computed as at the basis employed at the time of payment by the Department of Census and Statistics) for the qualifying period exceeds the relevant Index figure in the manner calculated at present. If the index calculation or any guidelines in that regard change in the future to a more favourable calculation for the Covered Employees, such calculation will apply.
- (b). The Non-Recurring Cost of Living Gratuity will also be payable to a Covered Employee who is in employment only during a part of the qualifying period, either due to the fact that he joined the company's service during the qualifying period or is not in the Company's service at the end of the qualifying period, pro-rated in respect of the completed months he was in service.
- (c). The Non-Recurring Cost of Living Gratuity shall not be taken into account for purposes Of provident Fund Trust Fund, Overtime, Bonus or any other payment of whatever nature.
- (d). No Non-Recurring Cost of Living Gratuity shall be payable to any covered Employee for any period in respect of which he receives no wages for any reason whatsoever.

12. Night Shift Allowance.-

- (a). Whilst the manner and basis on which night shift allowances are paid would remain unaltered, this allowance will be applicable only to Covered Employees who shall report for work on the night shift as per the Company's prevailing shift arrangement. The quantum of such allowance in respect of the Night Shift shall be Rupees Seven Hundred and Thirty (Rs 730/-) per shift for junior Technician and Technicians, and Rupees Seven Hundred and Fifty Five (Rs. 755/-) per shift for Technical Assistants category I and II, as from the date of this Agreement.
- (b). Covered Employees on the First Shift will not be entitled to the Night Shift Allowance, However, a Covered Employee who is scheduled for First Shift work on a permanent basis will be entitled to a payment of Rupees One Hundred (Rs. 100/-) per day, for the number of days he so reports to work.

13. Provident Fund.-

- (a). As from the effective date of this Agreement the Company will contribute on behalf of each Covered Employee to the Provident Fund at the rate of Fifteen per cent (15%) of the consolidated salary in respect of each employee.
- (b). The wage for the purpose of calculating the contribution to the Provident Fund will be the consolidated salary as computed for 2013, 2014 and 2015 respectively in terms of Clauses 10 (a), 10(b) and 10(c) above and varied each September by the Cost of Living Increment set out in clause 9(b) above.

14. Retiring Gratuity.-

- (a). A permanent Covered Employee who retires from the services of the Company upon attaining the age of retirement having completed a minimum of Ten (10) years' service as a permanent employee on a contract of employment with the Company, will be paid a Gratuity of One (01) month's salary for each completed year of service. For those who have completed Five (5) to Nine (9) years of service, Gratuity will be paid according to the Gratuity Act, No. 12 of 1983.
- (b). The wage for the purposes of calculating the Gratuity will be the last drawn basic monthly salary of the Covered employee prior to retirement.

15. Leave.-

- i. **Leave Year (Technic Assistant, Technician & Junior Technician)** - Leave year shall be from the first day of July of one year to Thirtieth day of June of the following year.
- ii. **Leave Year (Clerical)** - Leave Year shall be from the first day of January to Thirty First day of December each year.
- iii. **Annual Leave**

Covered Employees will be entitled to earned Annual Leave of Fourteen (14) days per Leave Year and such leave will be allowed at times mutually convenient to the Company and the employees subject to the conditions that at least Seven (7) days have to be taken consecutively on the basis of a roster prepared at the beginning of each Leave Year. In the case of employees who complete Twenty Five (25) years of service (or attain 50 years of age with a minimum of 5 year's service) they will be entitled to Seven (7) days extra Annual Leave in the succeeding Leave year.

Annual leave has to be applied for and approved in advance. On recruitment to the Company Covered Employees will be entitled to annual leave in the following Leave year pro rated on the following basis.

| DATE OF RECRUITMENT | ENTITLEMENT |
|--|-------------|
| Between 1st July and 30th September | 14 Days |
| Between 1st October and 31st September | 10 Days |
| Between 1st January and 31st March | 07 Days |
| Between 1st April and 30th June | 04 Days |

iv. **Casual Leave**

Covered Employees will be entitled to Seven (7) days casual leave per year. Casual Leave will normally be granted on application without the Covered Employee being required to state the reason for the application. Where the Employer finds it difficult to grant an application for casual leave, its difficulty shall be notified to the Employee as soon as possible after the application is made and in such case, the Employee may be required to state the reason for the application in order that the Employer may decide whether it is reasonable in the circumstances to grant him casual leave.

v. **Sick Leave**

Covered Employees shall be entitled to Twenty One (21) days sick leave per year. In the case of infectious diseases the Company agrees to grant special leave up to Fourteen (14) days provided the employee concerned submits a Medical Certificate from the Medical Officer of health or the District Medical Officer of the area in which the employee resides.

16. **Holiday Advance, Holiday Package and Holiday Bungalow Facilities.-**

(a). **Holiday Advance**

Each employee who avails himself a minimum of Five (5) days annual leave on consecutive days as provided for in this Agreement will be granted an advance of Rupees Three Thousand (Rs. 3,000/-) which shall be deducted from the monthly wages or other dues.

(b). **Holiday Package**

As from the operative date of this Agreement, the Company will pay each employee an all inclusive Holiday Package of Rupees five Thousand Seven Hundred (Rs. 5700/-) per leave year (July to June), which hereafter is referred to as Holiday Package subject to the condition that it shall be paid only when an employee avails himself a minimum of five (5) days annual leave on consecutive days as rostered during the leave year in question.

(c). **Holiday Bungalow Facilities**

Covered Employees who have completed a minimum of Twenty Five (25) years of service and employees in the Technical Assistants category will be entitled to use the No. 28 Bungalow in Kandy and the Sigiriya bungalow under the Company Bungalow Policy. All other Covered Employees will be entitled to use the Sigiriya Bungalow under the Company Bungalow Policy.

17. **Recreational Allowance and Excursion Payment.-**

(a). **Recreational Allowance**

As from the operative date of this Agreement, the Company will pay each Covered Employee who has completed a minimum of Fifteen (15) years of service a Recreational Allowance of Rupees Two Thousand Five Hundred (Rs. 2,500/-) per Leave year and all other employees a Recreational Allowance of Rupees One Thousand Seven Hundred and Fifty (Rs. 1,750/-) per Leave Year, subject to the condition that it shall be paid only when an employee avails himself a minimum of five (5) days annual leave on consecutive days as rostered during the Leave year in question.

(b). **Excursion Payment**

As from the operative date of this Agreement, the Company will allocate an allowance of Rupees Two Thousand Two Hundred and Fifty (Rs.2,250/-) per Leave year, per employee during 2013, 2014 and 2015, as an Excursion payment in connection with the Annual Excursion. In addition to this, if and when the possibility exists, the Company shall endeavour to meet other reasonable expenses, including the cost of the bus fare, in connection with the Annual Excursion, Subject to the then current limitations.

18. **Holidays.-** The present system of holidays will continue subject to the Company's right at its discretion to declare any Saturday as a normal working day without the payment of any enhanced remuneration in respect of such day, in which event the Company will pay the employee up to eight hours wages and grant a day off in lieu. The Company will inform the Union prior to arriving at a decision in regard to the declaration of any Saturday as a normal working day.

19. **Overtime and work on Holidays.**— If required by the Company, an employee shall work reasonable overtime authorised by the Company in excess of his normal working hours and shall work on any holidays if called upon to do so by the Company. Refusal to work such overtime or on such holiday in the absence of a satisfactory explanation acceptable to the Company shall render an employee liable to disciplinary action. Overtime work or work on holidays shall be remunerated at rates presently in force.

20. **Bonus Plan.**—

(a) **Annual Bonus.**

- (i). Without prejudice to existing bonus schemes and without prejudice to the Company's claim that Bonus payments by the Company in the past and as provided in this Agreement are exgratia, the Company will subject as hereinafter provided, continue to pay each employee a bonus which will not be less than the sum of money paid to him as his bonus for the year immediately preceding the signing of this Agreement. If in any year the Company at its discretion reduces the bonus to an amount less than the sum of money paid to each employee as bonus for the year immediately preceding the signing of this Agreement, the Union may canvass such reduction of the bonus with the Company. If the Union is not satisfied with the decision of the Company in the matter, the Union may pursue the matter with the Employers' Federation of Ceylon of which the Company is a member. If the dispute as to the reduction of the bonus is not settled with the Employers' Federation the same shall be referred to a Committee of three persons (hereinafter referred to as a "Bonus Committee") which shall be constituted in accordance with the provisions of sub-clause (ii) below for settlement in the manner hereinafter set forth.
- (ii). At the writing request of the Company or the Union or both parties hereto with written notice thereof given to the other party and to the Commissioner of Labour, the Honourable Minister of Labour will constitute a Bonus Committee that shall be bound to settling the dispute as to the reduction of bonus.

If decision of the Bonus Committee is unanimous, such decision shall be final and binding on the parties to the dispute and the Union and/or its members shall not pursue the matter further by any form of Trade Union action or otherwise during the continuance in force of this Agreement. If, however, the Bonus Committee is divided in its decision, then the decision of the Commissioner of Labour on the matter shall be final and binding on the parties to the dispute and the Commissioner's decision shall be communicated in writing by the Commissioner of the Labour to the Employers' Federation of Ceylon, and the Union and/or its members shall not pursue the matter further by any form of Trade Union action or otherwise during the continuance in force of this Agreement.

- (iii). The payment of a bonus exceeding the sum of money paid as bonus to employees in the year immediately preceding the signing of this Agreement, shall be at the sole discretion of the Company and shall not be called in question by the Union nor shall the Company's failure or refusal to pay such bonus be the subject of any dispute save and except as provided in sub clauses 20 (a)(i) and 20 (a) (ii).
- (iv). An employee who resigns or retires or who joins the services of the Company during the course of the bonus year will receive a pro-rated bonus in terms of the practice presently prevailing. An employee who is dismissed by the Company during the course of the bonus year will not receive any pro-rated bonus in respect of that year.

(b) **Performance Based Bonus**

Performance Based Bonus payment will be granted within the effective period of this Agreement, and shall apply as follows:

- (i). Performance Based Bonus payment is based on the existing Finished Product Inspection System (FPI) and Performance on Productivity.
- (ii). For the Computation of Productivity, Modular output as per the Table indicated below and Manufacturing Accuracy Dashboard will be considered.
- (iii). For the Computation of Quality, Manufacturing Quality Index (MQI) of All Brands and Centrally Managed Brands (CMB) will be included.
- (iv). The minimum level to qualify for the monthly payment shall be, T1 in 'Table 1', Ninety Five (95) percent of the Dashboard performance, minimum quality level of Eighty (80) and Eighty One (81) for All Brands and Centrally Managed Brands (CMBs) respectively in 'Table 2'.

- (v). In the event a new manufacturing system or a product quality evaluation method is introduced during the continuance of this Agreement, the Management of the Company with the agreement of the Union shall adjust the mode of payment given below.
- (vi). New products/brand extensions/discontinuation of existing brands manufactured at the factory during the continuance of this Agreement will be taken into consideration with the agreement of the Union.
- (vii). In the event the Centrally Managed Brands (CMBs) are not produced during a particular month, the performance of the previous month will be considered.

AVERAGE MODULAR O/P

Table 1

| M/C | T 1 | | T 2 | | T 3 | | T 4 | | T 5 | | T 6 | |
|-------------|------------|-----|-------------|-----|------------|-----|------------|-----|-------------|-----|-------------|-----|
| GDR1 | 3.5 - 3.6 | <60 | 3.61 3.7 | 510 | 3.71 3.8 | 565 | 3.81 4.0 | 625 | 1.01 4.1 | 770 | 4.11 4.25 | 920 |
| GDKI | 3.7 - 3.8 | <60 | 3.81 3.9 | 510 | 3.91< | 565 | 4.01 4.2 | 625 | 1.21 4.4 | 770 | 4.41 4.75 | 920 |
| GDK3 | 3.7 - 3.8 | <60 | 3.81 - 3.9 | 510 | 3.91< | 565 | 4.01 - 4.2 | 625 | 4.21- 4.4 | 770 | 4.41 - 4.75 | 920 |
| HLF | 0.9 - 0.96 | <60 | 0.961- 1.02 | 510 | 1.021-1.08 | 565 | 1.081-1.14 | 625 | 1.141-1.2 | 770 | 1.21 - 1.26 | 920 |
| GDX1 (59mm) | 1.35- 1.6 | <60 | 1.61-1.8 | 510 | 1.81-2.0 | 565 | 2.01-2.15 | 625 | 2.151 -2.25 | 770 | 2.251 -2.5 | 920 |
| AMF 67 | 0.7-0.75 | <60 | 0.751-0.79 | 510 | 0.791-0.85 | 565 | 0.851-0.9 | 625 | 0.91-1.0 | 770 | 1.01-1.25 | 920 |

AMF 59 targets will be changed when AMF 6000 machine is in operation.

Table 2

QUALITY AND PRODUCTION SCHEDULE ATTAINMENT

| CPMH | Mod O/P | | T1 | | T2 | | T3 | | T4 | |
|---------|-----------|------------|-----------|-----|-------------|-----|-------------|-----|--------------|------|
| | Dashboard | | 95% - 96% | 620 | 96.1% - 97% | 675 | 97.6% - 99% | 760 | 100% | 840 |
| Quality | MQI | All Brands | 80 -82 | 770 | 83 - 85 | 850 | 86 - 89 | 950 | 90 and above | 1050 |
| | | CMB | 81 -83 | 770 | 84 - 86 | 850 | 87 - 89 | 950 | 90 and above | 1050 |

(c) Attendance Bonus

- (i). The Company will pay an Attendance Bonus of Rupees Five Hundred and Fifty (Rs. 550/-) per week to every employee subject to the conditions set out herein.
- (ii). This bonus will be calculated on a weekly basis and paid once a week.
- (iii). An employee who is on Annual/Casual/Sick leave within his entitlement on two days will entail the complete loss of the Attendance Bonus for that week. In a given month within his leave entitlement, an employee who avails himself to a part of a day (half day) within a week on more than two occasions will entail complete loss of attendance bonus for that week.
- (iv). Unauthorized absence of any form or leave in excess of his entitlement for any period of time will result in the loss of the total Attendance Bonus for that week.
- (v). Accident, Lieu Leave and Company Holidays will, for this purpose be reckoned as days present.

(d). **Profit Bonus -**

A profit Related Bonus payment will be made to employees at the sole and unfettered discretion of the Employer based on the BAT/Regional/Area guidelines. The performance of the Company will be rated on the profits made and on such other key business parameters as determined by the Employer which may be reviewed and revised as per the BAT/Regional/Area Guidelines at the sole discretion of the Employer.

Basis of Payment will be as follows:

| Company Performance Measures | Weightage | Company Bonus Allocation Based on overall Company performance (% of Annual Basic Salary) | | | |
|------------------------------|-----------|---|--------|------------|-----------|
| | | Threshold | Target | Normal Max | Extra Max |
| Operating Profit | 40% | - | 4% | 8% | 12% |
| Volume | 20% | - | 2% | 4% | 6% |
| Cash Flow | 20% | - | 2% | 4% | 6% |
| GDB Volume | 20% | - | 2% | 4% | 6% |
| Total | 100% | - | 10% | 20% | 30% |

Threshold - the performance point has to be exceeded to attract any incentive award.

Target - company plan/budget objectives achieved.

Normal Maximum - Company plan objectives surpassed by wide, but achievable margin.

Extra Maximum - maximum stretch.

To reinforce balanced delivery, performance above the Normal Maximum can only be realised where all measures are delivered at the Target level as a minimum.

- (i) The profit for this payment will be calculated based on the accounts for the period 1 January 2013 to 31 December 2013, 1 January 2014 to 31 December 2014 and 1 January 2015 to 31 December 2015. The respective payments as applicable will be made in april 2014, April 2015 and April 2016 respectively
- (ii) Employees retiring or joining the Company during the bonus year will be paid their prorated share of the bonus on a basis identical as that of the Annual Bonus. No bonus will be paid to anyone who resigns from the company at any time during the bonus year.
- (iii) No bonus will be paid to an employee whose performance for the year is evaluated as unsatisfactory.

(e). **Government Action on Bonus -**

If at any time during the continuance in force of this Agreement the Government introduces by legislation or otherwise any scheme for bonus or payment under any attendance incentive or production scheme, the Covered Employees will not be entitled to the benefits of such scheme in addition to the bonus or bonuses provided for in this Agreement. In the event of such Government action, the workment shall be entitled to the more favourable scheme of bonus or incentive or production payments.

21. **Death of Employees whilst in Service.-**

- (a) Where an employee dies while in the employment of the Company, the company will make an ex-gratia payment of Rupees One Hundred and Twenty Five Thousand (Rs. 125000/=) to the deceased's next of kin.

The next of kin will also be paid a special gratuity of Sixty (60) month's salary or One (01) month's basic salary for each month of future service whichever is lesser.

- (b) The Company will reimburse the monetary value of 800 players Gold Leaf Cigarettes to the next of kin of the deceased
- (c) Where the funeral of a deceased employee takes place on a normal working day, the Company depending on the necessity may release, a reasonable number of employees with pay, nominated by the Union representing its membership at all the workplaces in Colombo to enable such employees to participate at such funeral.

(d) The selection of the employee representatives referred to in sub clause (c) hereof will be on the following basis:

- (i) If the Company cannot release a particular employee due to exigencies of service the Union shall be entitled to nominate another representative from any other Department/Section in his place.
- (ii) The duration of the period employees will be released with pay will be at the discretion of the Company whose decision will be on the merits of each case.
- (iii) Provided that in any event such period shall not exceed half a day and any period in excess of half a day will be deemed to be leave without pay.
- (iv) In addition to the leave prescribed herein for the purpose of attending the funeral of a deceased employee, the Company will grant employees not covered by (ii) herein the normal quota of leave applicable to each Department / Section against their leave entitlement on the day of the funeral of the deceased employee.

22. Death of a Member of Employee's Family .- In the event of death of a member of an employee's family the Company will reimburse the monetary value of 400 players Gold Leaf Cigarettes and also will permit such employee to purchase from the Company 500 cigarettes and the purchase price of these cigarettes will be recovered from such employee in Five (5) equal monthly instalments. In addition the company will make a monetary contribution of Rs. 24,000/- in such and instance "Family " for this purpose shall have the same meaning as in the Death Mutual Benefit Scheme.

23. Employee Terminal Illness .- In the event of a covered Employee who is deemed unfit for employment on account of a Terminal Illness by a Medical Board consisting of specialized Medical Practitioners appointed by the Company shall be offered a one off payment as per the Company's prevailing Voluntary Separation Scheme to the employee ("VSS") All VSS offered will require approval of the executive committee of the Company and will be based on the prevailing Company policies and processes.

24. Employee Medical Benefit.- Covered Employees who are under the permanent category and who are on probation will be provided an annual medical insurance cover which includes both indoor and outdoor medical facility. The coverage and type of illnesses, medical treatments, insurance claim reimbursements, processes of payments will be as per the insurance policy. This cover will be for the individual employee and immediate family members. Outdoor patient cover will be LKR. 35,000/- and indoor cover will LKR. 150,000/- at the renewal of existing Medical Insurance Policy. In addition to the above the employees shall be covered in respect of critical illnesses as per the insurance policy obtained the Insurance Company.

25. Marriage of an Employee.- On the occasion of one marriage of an employee such employee will receive from the Company a monetary gift of Rupees Twenty Thousand (Rs. 20,000/-) and will reimburse the monetary value of 200 Pall Mall cigarettes and 400 Players Gold Leaf cigarettes, but he shall not receive any transport facility in connection with such marriage. Provided that any employee who has availed to himself this benefit under any previous Collective Agreement, shall not be entitled to this benefit under this Agreement.

26. Schemes for children of Senior Employees.-

EMPLOYMENT OPPORTUNITY.- The Company will, as far as possible, endeavour to provide employment for the children of employees without prejudice to the Company's rights in the matter of recruitment.

SCHOLARSHIP SCHEMES.- Where an employee has over five (5) completed years of service with the Company, the Company will provide a scholarship per child to undergo technical training apprenticeship course in a recognized Institute in Sri Lanka, which would lead to a Diploma/Certificate or Professional Courses in Affiliated Universities, in line with the terms of the Company Policy on Scholarship Scheme for Employees' children. The said policy is set out Third Schedule to this Agreement.

27. Seniority Award.-

- (a) An employee who has been employed by the Company continuously on a contract of employment for a period of Fifteen (15) years of service, will be granted a Seniority Award of Rupees Thirty Five Thousand (Rs. 35,000/-) and a medal with one Gold Sovereign. Such employees at time of completion of 15 years of service or at retirement will be entitled to claim a Rupees Seventy Five Thousand (Rs. 75,000/-) gift voucher from a recognized dealer to purchase a LCD television set.
- (b) An employee who has been employed by the Company continuously on a contract of employment for a period of Twenty (20) years of service will be entitled to a Rupees Seventy Five Thousand (Rs. 75,000/-) gift voucher from a recognised dealer to purchase a LCD television set and in addition, a Sewing Machine which they can claim at retirement.

- (c) An employee who has been employed by the Company continuously on a contract of employment for a period of Twenty Five (25) years of service will be granted an award of Rupees Twenty Five Thousand (Rs. 25,000/-). Such employees will be entitled to a Rupees Seventy Five Thousand (Rs. 75,000/-) gift voucher from a recognised dealer to purchase a LCD Television set and in addition, a Sewing Machine which they can claim at time of completion of Twenty (25) years of service or at retirement.
- (d) Provided that those employees who qualify for the Seniority Award under sub clauses (a), (b) or (c), shall be entitled to claim not more than, Rupees Seventy Five Thousand (Rs. 75,000/-) gift voucher from a recognised dealer to purchase a LCD television set and one Sewing Machine as the case may be during their employment.

28. **Payment for Unutilized leave.**— The Company will continue to pay in respect of each leave year for unutilised casual, sick or annual leave (in the latter case not exceeding 9 days) on the same basis as at present.

The Company will also grant the monetary value of 20 Players Gold Leaf cigarettes for each day of unutilised leave (minimum of 12 days required) and will grant the monetary value of 40 Players Gold Leaf cigarettes for each day of unutilised leave if the number of days are sixteen (16) or more, provided number of leave days does not exceed 30.

29. **Travelling Allowance.**— With effect from the date of operation of this Agreement, the monthly Travelling Allowance will be Rupees Four Thousand Seven Hundred (Rs. 4,700/-) for Junior Technicians and Technicians, and Rupees Five Thousand (Rs. 5,000/-) for Technical Assistants category I and II, subject to the following:

Employees who were eligible to receive the 'Change Allowance of LKR. 4000/-' as at 15th October 2011 shall not receive such allowance henceforth. Instead they will receive a Travelling Allowance as set out hereunder.

- i. Junior Technicians and Technicians — Rs. 8,700/-
- ii. Technical Assistants category I and II — Rs. 9,000/-

30. **Work during official Meal Interval.**— Whenever it becomes necessary to work during the official meal interval so as to maintain production due to machine breakdown earlier in the day, or for any other reason employees will work during the official (normal) lunch/ dinner interval provided that they are given an interval between 11.00 a.m. and 12.30 p.m. on the First Shift or an interval between 7.30 p.m. and 9.00 p.m. on the Second Shift or an interval between 11.00 a.m. and 1.00 p.m. on the Common Shift.

31. **Work Arrangements.**— (Refer clause 2.b of "Team Work Agreement 2011")

The Union and the Employer agree that Technical Assistants, Technicians, Junior Technicians and Trainee Junior Technicians will be responsible for:

- (a) Overall performance of the machines including volume, quality, runnability and maintenance
- (b) Will assist each other in training and transferring knowledge to enhance the skill levels of the above categories
- (c) will be responsible for overall housekeeping of their respective areas

A detailed description of the current work arrangement which is in operation is set out in the "Team Work Agreement 2011".

32. **Check-Off.**—

- (a) This clause shall apply to the Employer so long as the Union maintains a membership in the workplace of the Employer of not less than Forty percent (40%) of the employees originally covers and bound by this Agreement at the time of execution and so long as this Agreement subsists.
- (b) The Employer shall on the written request of an employee deduct from the wages due to such employee the current monthly Union dues as are specified by the employee to be payable monthly by the employee to the Union and remit the amount so deducted to the Union in accordance with the procedure and upon and subject to the conditions hereinafter set forth.
- (c) Every employee who agrees to the deduction of union dues from his wages shall sign an "authorization" and forward it to the Employer.
- (d) Every employee shall be entitled to withdraw his agreement to check off at any time by signing a statement to that effect and forwarding it to the employer.

- (e) As far as practicable deduction under an authorization shall cease from the date of receipt of revocation cancelling such authorization provided however
- That the employer shall not be liable in any manner whatsoever to the Union or the employee concerned for failure to comply with sub- clause (c) and /or (d);
 - That at its discretion the Employer shall be entitled not to make deductions by way of check off in any month in which the deductions by way of check- off will together with all other deductions from an employee's wage in that month, exceed the deductions permitted by law.

33. **Grievance and Disputes Procedure** - Subject to the provisions of clause 8 in the event of any dispute or grievance other than a dispute or grievance in relation to any kind of bonus by whatsoever name it may be called, arising between an employee or employees and the Company or between the Union and the Company, the following procedure shall be followed for the settlement of such dispute or in resolving such grievance.

- The employee or the Branch Union Departmental Representative will in the first instance discuss the dispute or grievance with the Departmental executive.
- If the grievance or dispute is not satisfactorily resolved the employee or the Departmental Union Representative may then discuss the matter with the Departmental Manager the Departmental Manager, will if necessary in consultation with the factory Management endeavour to arrive at a satisfactory solution in respect the grievance or dispute .
- In the event of the grievance or dispute not being resolved at the level of the Departmental Manager, the issue in dispute will then be discussed by the employee or Branch Union Secretary and the Departmental Union Representative with the Departmental Human Resource Manager or with his representative.
- If no satisfactory solution is arrived at pursuant to (c) above, then the issue in dispute will be discussed by the Branch Union and the Factory Management. At such discussion, the number of representatives on each side shall not exceed four (4). Such discussion will be arranged by the Departmental HR Managers office, as far as possible within five (5) working days of a request being made by the Branch Union Secretary.
- The Branch Union Secretary or the Departmental Union Representative who wishes to discuss any matter with the Production Department Manager will do so by prior appointment except where the matter is very urgent.
- If the dispute or grievance remains unresolved, the Branch Union may then raise the issue for discussion with the Company through the Parent Union, The Company will then within ten (10) days of a request being made by the Parent Union, arrange to discuss the issue in dispute with the Parent Union in association with the Employer's Federation of Ceylon.
- In the event of a dispute or grievance not being resolved or settled under the preceding Sub- clauses then provided that both parties agree they shall refer such dispute or grievance to voluntary arbitration in terms of section 3(i) (d) of the Industrial Disputes Act. (1950) for settlement. If both parties agree to voluntary arbitration they shall agree on a statement of the matter in dispute and if there is no agreement on such statement they shall request the Commissioner of Labour to determine the statement of the matter in dispute after affording the parties an opportunity to state their case in regard to the statement of the matter in dispute. If the parties are unable to jointly nominate and Arbitrator he shall be nominated by the commissioner of Labour.
- An award made by an Arbitrator in a voluntary arbitration referred in sub-clause (g) above shall be final and binding on the parties.

34. **Trade Union Action** - The Union and Covered Employees jointly and severally agree with the Company that during the continuance in force of this Agreement they shall not engage in any strike or other form of trade union action in respect of any dispute whether or not such dispute is related to this Agreement.

Provided however that where such dispute has been caused by an act of the Employer which in the opinion of the Executive committee of the Parent Union is *male fide* and /or vindictive or calculated to threaten or undermine the existence of the legitimate activities of the Union and /or its members or is grossly unfair or seriously detrimental to the interests of the Union and /or its members, then the Union shall be entitled to engage on a strike or other form of trade union action after at least Seven (7) working days ' notice in writing is given by the Union to the Employer, The Employers' Federation of Ceylon and Commissioner of labour before the date of commencement of such strike, Provided further that in the event of any such strike or trade union action by the union and / or its members it shall be without prejudice to the company's right to dispute the justification for such action.

The Company for its part undertakes during the currency of this Agreement not to enforce any lockout against its employees.

35. **Extension of Benefits to Other Technical Assistance, Technicians and Junior Technicians** - The Company reserves to itself the right to extend the benefits accruing under this Agreement to covered Employees to all Technical Assistants, Technicians and Junior Technicians or any other categories of employees in employment of the Company on Such terms and conditions as the Company may at its sole discretion determine.

36. **Breaches of the Agreement by the union and/or its Members.** - If in the opinion of the Employer's Federation of Ceylon, the Union or its members have committed a breach of this Agreement, then and in such event the Company reserves to itself the right to withdraw all or any of the facilities or benefits granted to the Covered Employees and/or Union without prejudice to the Company's right to restore such facilities or benefits upon such terms and conditions as the Company and the Employers Federation of Ceylon may decide. The union will be entitled to dispute the justification of such withdrawal.

37. **Interpretation of Agreement.** - Any dispute over the interpretation of this Agreement shall be settled by voluntary arbitration under section 3 (i) (d) of the Industrial Dispute Act. (1950)

38. **Definitions** - Unless the context otherwise requires the following words shall have the following meaning.

- (a) "Employee" or "Workmen" shall mean an employee in the permanent establishment and covered and bound by this Agreement.
- (b) "Dispute" shall have the same meaning as an "Industrial Dispute" in the Industrial Disputes Act (1950) as amended or in any Act enacted by the Parliament to replace the Industrial Disputes Act Subject to the proviso that a dispute involving a variation of this Collective Agreement shall be dealt with in the manner set out in clause 8(c) hereof.

Words importing the masculine gender shall include the feminine gender.

Words importing the singular number shall include the plural number and vice versa.

FIRST SCHEDULE

LIST OF COVERED EMPLOYEES WITH

| Employee Number | Name of Employee |
|-----------------|------------------|
| 937 | MDJ Karunati |
| 936 | GC Jagath |
| 1103 | RNW Kulathila |
| 954 | PAV Palihawala |
| 1006 | PR Manjula K |
| 1007 | CD Munasingh |
| 1016 | RSA Rajapaksa |
| 1970 | HMTN Herath |
| 1971 | MNP Kumara |
| 2042 | BWV Malwan |
| 2083 | PMI Pushpaku |
| 2119 | JSP Dilruwan |
| 2121 | MMP Chintan |
| 2302 | WHKU Kumara |

SECOND SCHEDULE

NEW SALARY STRUCTURE - EFFECTIVE

| Current Grade | SMD/PMD/ENG | |
|---------------|---------------------------|-----|
| 4b | Trainee Junior Technician | Tra |
| 3a | Junior Technician | Qua |
| 3b | Technician | Qu |
| TA2 | Technical Assistant 2 | 5 |
| TA1 | Technical Assistant 1 | |

THIRD SCHEDULE

Scholarship Scheme for Employees Children

Schemes : There are 2 schemes in operation

- Scheme for Senior Employees Children
- Scheme for Employees Children who have been selected to a recognised university in Sri Lanka or abroad.

Policy : Any permanent employee of the company, who conforms to the eligibility criteria of either of the schemes mentioned above, is entitled to apply for financial assistance for his child's higher education under the company scholarship scheme.

1. (a) The Senior Employees Scheme

Eligibility

- Children of employees with 5 years (Completed) service with the company and who have no other child/children employed by the company or its subsidiaries or associate companies.
- Assistance is available only once per child.

Type of Course

- A Training / Apprenticeship Course in a recognised Institute in Sri Lanka or abroad which would lead to a Diploma or a Certificate.
- Professional courses and Affiliated Universities.

Duration of Assistance

- Maximum of 3 years or until the completion of the course whichever is earlier. The scholarship will be renewed every year depending on the progress through the course.
- If the beneficiary is unsuccessful at the first attempt at an exam the scholarship will be suspended. If the beneficiary is unsuccessful on the second attempt the scholarship will be withdrawn.

Financial Assistance (Reimbursements)

- Maintenance Allowance Rs. 2,650/- p.m. or Rs. 2,750/- p.m. (Outstation)
- Outfit Allowance Rs. 2,000/- p.a.
- Course Fees up to Rs. 25,000/- p.a.

Documentation

- Proof of registration
- Receipts of payments made
- Proof of passing examinations

2. (a) **Selection to Universities in Sri Lanka and Abroad****Eligibility**

- Children of employees with 5 years (Completed) of service.
- Assistance is available only once per child.

Type of Course

- Local or foreign university course leading to a degree

Duration of Assistance

- Until the completion of the course. The scholarship will be renewed every year depending on the progress through the course.
- The scholarship will be suspended if the student fails any examination.
- The scholarship will cease with the termination of service of the employee, except in the case of retirement where it will be continued until completion of the course. In case of a retirement the due payment will be made as a lump sum payment and the particular employee has to bear the relevant taxes to such payment.

Financial Assistance (Reimbursements)

- Maintenance Allowance Rs. 2,650/- p.m. or Rs. 2,750/- p.m. (Out station)
- Outfit Allowance Rs. 2,000/- p.a.
- Course Fees up to Rs. 25,000/- p.a.

Documentation

- Proof of registration
- Receipts of payments made
- Proof of passing examinations

General Rules applicable to both schemes

- The number of scholarships to be awarded each year will depend on the financial needs of the employee, the academic performance of the student and the capacity of the company to pay.
- The student should not be a beneficiary of any other scholarship scheme.
- The company reserves the right to determine the acceptance / rejection of the scholarship.
- There is no obligation on the part of the company to provide employment for the beneficiary.

Application Procedure

- The employee requests for financial assistance under either of the two scholarship schemes from the HR department.
- The HR department provides a scholarship application form.
- The employee completes it and returns it to the HR department with the required supportive documents.
- The HR department checks the application and informs the payments section to issue the relevant payment.
- The application and correspondence is filed
At the end of the first year the HR department writes to the institution requesting for the student's results. If the student has passed the examination, the payments section is advised again as stated above.

FOURTH SCHEDULE

Benefit Summary

| Allowance | | Tr./Jn. Tech. |
|--|-----------------------------------|------------------|
| Subsistence 1 | 16 Hours | 285/- |
| Subsistence 2 | Week End | No |
| Subsistence 3 | Shift Change | 285/- |
| Dinner Allowance (morning shift) | Work till 6.30 pm | 125/- |
| Tray Allowance (For applicable JTs only) | 50/- per day 30/- per half day | No |
| Morning Shift Allowance (Permanent morning shift employees only) | 100 Per Day 50/- Per half day | 100/- |
| Attendance Allowance | Per Week | 550/- |
| Shift | Night Shift | 730/- |
| Disturbance | | No |
| PMD Special Allowance (to applicable employees only) | Only PMD | No |
| Morning Special Allowance | Reporting 6 am | 145/- |
| Common Special Allowance 260/- Per Day (for employees who work in the common shift) | | 260/- |
| Productivity Allowance (applicable for employees who joined before 01.10.2004) | | No |
| BE Productivity Allowance (applicable for employees who joined before 01.06.2007) | | No |
| Transport Allowance (for those employees who received the change allowance on 01.11.2011) | | 5700/- |
| Transport Allowance (for those employees who didn't received the change allowance on 01.11.2011 and recruits thereafter) | | 4700/- |
| Change Allowance (For those employees who transformed from 3 shift to 2 shift operation in 2010) | | No |
| Recreational Allowance (Holiday) | | |
| 15 years below Service | | 1750/- |
| Over 15 Years' Service | | 2500/- |
| Holiday Package | | 5700/- |
| Holiday Advance | | 3000/- |

Monthly Cigarette Allowance (For those employees who joined the company prior to 01 December 2006)

BL – Bristol

VR – Vice Roy

| | |
|---------------------|---------|
| Group 4a and 4b | 360B Ls |
| Group 4b and QE | 400B Ls |
| Group 4b and SO | 360B Ls |
| Group 3b and HSO | 400B Ls |
| Group 3a and 3b | 400B Ls |
| Group 3b Technician | 460B Ls |
| Group 2 | 460B Ls |
| Group 1 | 500B Ls |
| Clerical A-C | 400VR |
| Clerical D | 460VR |
| Clerical A-E | 500VR |

Lieu Leave Allocation – Permanent Employees

| Work Performed on | 8hrs | 12hrs | 16hrs |
|-------------------|---------|-----------------|-----------------|
| Working Day | No | No | 8hrs Day Off |
| Holiday | 8hrs LL | LL+4hrs Day off | LL+8hrs Day Off |

If a Poya Day, Statutory Holiday or Company Special Holidays falls on an off day of an employee, such employee will be entitled for 8 (Eight) of Lieu leave and 04 Hours of Day off.

Cigarette component applicable for Lieu Leave

| Amount of Lieu Leave | Cigarette Allocation | Value |
|----------------------|-----------------------|-------|
| 1 Lieu Leave | 1Cig. Pak (20JPGL) | 268/- |
| 1.5 Lieu Leave | 2Cig. Pak (20*2 JPGL) | 536/- |

Employees who are rostered in the first shift will receive a 1st shift Cigarette Allowance of 24 Pallmall Cigarettes a week ; which is equivalent to Rs. 322.00.

Employees who perform duties during weekends and/or paydays will be entitled to a monetary allowance as per the following grid.

| Day of Work | No. of Hrs. | Cigarettes/Value |
|-------------|-----------------|---|
| Saturday | 8hrs. | Pallmall 5 packs (20 Stick) (224*5= 1120/-) |
| | 12hrs. | Pallmall 7 packs (20 Stick) (224*7= 1568/-) |
| Sunday | 8hrs. or 12 hrs | Pallmall 7 packs (20 Stick) (224*7= 1568/-) |
| Poya Day | 8hrs. or 12 hrs | Pallmall 3 packs (20 Stick) (224*3= 672/-) |

Permanent employees will be entitled for a monetary grant as per following grid on their unutilised leave. However there is no grant made if the quantum unutilized leave is less than 12 (twelve) days.

| Range | Cigarettes / Value |
|----------------|--|
| Day's 12 - 14 | One Pack for each day's (20-GPGL) (Rs. 268/- for Pack) |
| Day's 15 Above | Two Pack for each day's (20 GPGL) (Rs. 268/- for Pack) |

Employeees who take part in the annual excursion will be entitled to two packs (20 stick x 2 packs) of JPGL during the excursion.

Overtime

Overtime rates for work performed on weekends / poya days / statutory holidays and company special holidays is determined as per the below grid.

Trainee Junior Technicians / Junior Technicians / Technicians / Technical Assistants

| Days of Work | No. of Hours | OT Rate |
|--|--------------|-------------------|
| Normal Day (work performed on off day) | Total Hours | Hourly Rate x 1.5 |
| Saturday, Sunday and Poyaday | 1st 8hrs | Hourly Rate x 1.5 |
| | Beyond 8 hrs | Hourly Rate x 2 |
| Statutory Holiday | 1st 8hrs | Hourly Rate x 1.5 |
| | Beyond 8 hrs | Hourly Rate x 3 |

Employees who report to work at 6.00 a.m. will qualify for an overtime payment for 30 minutes. However there is a grace time of 5 minutes (considered up 6.05 a.m.) and the said grace time should be approved by the department manager or his delegated authority.

Clerical Staff

| Day of Work | No. of Hours | OT Rate |
|---|--------------|-------------------|
| Normal Day (work performed on off day) | Total Hours | Hourly Rate x 1.5 |
| Saturday, Sunday, Poyaday and Statutory Holiday | 1st 8hrs | Hourly Rate x 2 |
| | Beyond 8 hrs | Hourly Rate x 3 |

If an employee who is working in the first shift (6.30 a.m. - 6.30 p.m.) performs duties till 10.30 p.m. will be entitled for an overtime payment of 4 hours (Hourly payment x 1.5 x 4 Hrs.), subsistence 01 payment and a Day off (8 Hrs.). However an exception is made for an employee who reports to work at 7.30 a.m. and continues to work till 10.30 p.m., where said employee is entitled for the original benefit applicable to an employee who is working in the first shift (6.30 a.m. - 6.30 p.m.).

Employees Trust fund : Company contributes 3% of employee's basic salary.

Additional Increments

- * If an employee is being transferred from one division to another the said employee is entitled for an increment of 1% of his basic salary prevailing at the point of the transfer.
- * An employee could be recommended for an additional 1% increase in January based on his exceptional performance. The line manager reserves the right of recommending such additional increases.
- * An employee is entitled to a 1% salary increase in the event of a promotion. However the line manager can recommend an increase of 2% increase based on his/her discretion.

Retirement Party

- * Retirement party will take place once a year as a common function for all departments Rs. 4,500.00 (Four Thousand Five Hundred) is allocated for each retired employee in the applicable time frame as a gift voucher.
- * A Provision of Rs. 1,500.00 (One Thousand Five Hundred) is being made for the employees who are to take part in the event and each employee will be entitled to receive a JPGL 12's pack at the said party.

Loans

* *Provident Fund Loan*

A permanent employee could apply for a provident fund loan for housing purposes once he completes 5 year's service in the company. However he could obtain up to 75% of his provident fund balance as of the date of application. An employee can apply a maximum of 7 loans during his employment and a loan will be recovered in 150 instalments. However the number of instalments could vary based on the date of retirement of the applicant.

The applicable interests for the said loans are as follows.

| Loan No. | interest |
|------------------|----------|
| 1st – 4th Loan | 8% |
| 5th and 6th Loan | 10% |
| 7th Loan | 12% |

Vehical Loan

Permanent employee who completes minimum of 04 years of service with the company will be entitled for a loan to purchase a motor vehicle. The value of the said loan will be Rs. 300,000/- and will be recovered in 84 monthly instalments over a period of 7 years at an interest rate of 12% p.a. the loans will be granted subjected to statutory deduction limits.

Paternity Leave

An employee will be entitled for 03 (Three) days of paternity leave in the event of a child birth.


FOR AND ON BEHALF OF CEYLON


 DEEPTHI SURANTAMARASINGHE
 Human Resources Director


 CHANDANA MAHESH SANDAGIS
 Manufacturing Manager


 THIRANGA KAUSHAL MENDIS
 Supply Chain HR Manager

FOR AND ON BEHALF OF THE F


 DON WIMALASIRI SUBASINGHE
 General Secretary

WITNESSES:


 RAVINDRA LAKSHEN PRASANNA
 Director General - Employers' F


 DAYAWANSA MALAVISOORIYA
 Assistant Secretary - FBTIEU


 KORUWARANKANAMALAGE
 President - FBTIEU (CTC Branch)


 KAMAL DHARMASENA
 Secretary - FBTIEU (CTC Branch)