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The Gazette of the Democratic Socialist Republic of Sri Lanka

EXTRAORDINARY

අංක 2322/24 – 2023 මාර්තු මස 08 වැනි බදාදා – 2023.03.08  
No. 2322/24 – WEDNESDAY, MARCH 08, 2023

(Published by Authority)

PART I: SECTION (I) – GENERAL

Government Notifications

My No.: CI/1778.

THE INDUSTRIAL DISPUTES ACT, CHAPTER 131

THE Collective Agreement entered into between Trelleborg Wheel Systems Lanka (Pvt) Ltd, No.45, BEPZ, Walgama, Malwana of the one part and the Free Trade Zones and General Servicars Employees Union, No. 141, Annada Rajakaruna Mawatha, Colombo 10 of the other part on 8th September 2022 is hereby published in terms of Section 06 of the Industrial Dispute Act, Chapter 131, of the Legislative Enactments of Ceylon (Revised Edition 1956).

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

Department of Labour,  
Labour Secretariat,  
Colombo 05.  
22nd February, 2023.

EOG 01 – 0213



Collective Agreement No. 16 of 2022

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**COLLECTIVE AGREEMENT**

**THIS COLLECTIVE AGREEMENT** made on Eighth Day of September Two Thousand Twenty Two pursuant to the Industrial Disputes Act between **TRELLEBORG WHEEL SYSTEMS LANKA (PVT) LIMITED**, and having its registered office at No: 45 BEPZ, Walgama, Malwana (hereinafter referred to as "the Company/Employer") of the **ONE PART** and **FREE TRADE ZONES AND GENERAL SERVICES EMPLOYEES UNION**, a trade union duly registered under the provisions of the Trade Unions Ordinance and having its registered office at No.141, Ananda Rajakaruna Mawatha, Colombo 10 (hereinafter referred to as "the Union") of the **OTHER PART** witnesseth and it is hereby agreed between the parties as follows:

## SECTION 1 - BASIC PROVISIONS

### 1.1 Purpose and Contents of the Collective Agreement

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

### 1.2 Purpose of Agreement

- 1.2.1 In order to strengthen positive relations of the Employees of Trelleborg Wheel Systems Lanka (Pvt.) Ltd., and to strengthen partner relations between the Employer and the Union, both parties shall obligate themselves to settle problems that may arise by discussions, aiming at achieving an agreement between the parties.

### 1.3 Date of Operation and Duration

- 1.3.1 This Agreement shall be effective retrospectively from the First January Two Thousand Twenty Two (01.01.2022) and shall thereafter continue in force until Thirty first day of December Two Thousand and Twenty Four (31.12.2024), unless it is determined by either party giving one month's notice in writing to the other. Either party shall be at liberty to repudiate this Agreement by giving one month's notice in writing to the other in terms of the Industrial Disputes Act.
- 1.3.2 The Agreement shall cover and bind all Manual Employees of the Trelleborg Wheel Systems Lanka (Pvt) Ltd. who are members of the union.
- 1.3.3 For the purpose of collective bargaining, the union shall be treated as the "bargaining agent".

### 1.4 Parties Bound

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

## SECTION 2 - BASIC RIGHTS AND OBLIGATIONS OF CONTRACTING PARTIES

### 2.1 Non -discrimination

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

### 2.2 Solution for Disputes

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

### 2.3 Responsibility of Employer

- 2.3.1 Respect the right of each Employee to become a member of the Union.
- 2.3.2 Prevent discrimination of Employees due to Union work.
- 2.3.3 Create material and organizational conditions for activities of the Union, to the extent specified in this Agreement.

**2.4 Responsibility of the Union**

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

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

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

**Section 3 - Employment Area****3.1 Probation**

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

**3.2. Transfers**

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

### 3.3 Retirement

- 3.3.1 All employees shall retire from service as per the guidelines given by the "Minimum Retirement Age of Workers Act, No. 28 of 2021 and employees who attain the age as mentioned below in the schedule as at 17th November 2021, has to retire accordingly. Also this act will be superseded with any alterations made to the provisions in the act in future.

Age of worker as at the date of coming in to Operation of the Minimum Retirement Age of Workers Act	Minimum Retirement Age
54 or above and below 55 years	57 years
53 or above and below 54 years	58 years
52 or above and below 53 years	59 years
Below 52 years	60 years

### 3.4 Hours of Work

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

<u>Shift</u>	<u>Working Hours</u>	<u>Meal Break Spread Over</u>
General	8.00 a.m. to 4.30 p.m.	12.00 p.m. to 1.30p.m.

Saturday 8.00 a.m. to 1.00 p.m. After 100 p.m.

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

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

- 3.4.2 Employees are entitled to ½ hour meal interval to be taken during the specified break time. Employees are required to be at their respective places of work at the stipulated time of commencement and shall not stop work or leave the workplace until the stipulated closing time without prior permission from the Head of the Division.
- 3.4.3 Working hours are fixed purely at the discretion of the Company and may be revised according to the needs of the business. However, the Company will discuss the matter with the union and after reaching consensus, the decision will be implemented by the Management.
- 3.4.4 An employee may be called upon to work beyond normal working hours as and when the necessity arises. Refusal to do so without valid reason will be constituted as misconduct.
- Requesting employees to work on the earned off day should be decided on agreement of both parties.
- 3.4.5 Employees may be called upon to work on poya days and statutory holidays as and when the necessity arises. Employer shall inform the Union of such requirements, 14 days prior to the poya day or statutory holiday. The union shall inform the employer of any disagreement within 7 days from the date communicated by the employer.

3.4.6 Employees are permitted to request for a maximum of three (3) changes per month in the shift with prior written approval of the head of the division for educational purposes, holiday and Trade Union activities (which will be restricted only to members of the Executive Committee). The covering arrangement should be done with an employee who has similar competence.

3.4.7 An employee who continuously work for 24 hours will get the following day as a day off

### 3.5 Annual Leave

3.5.1 In accordance to the legal requirement, employees shall be entitled to 14 days annual leave. Employees have to earn their annual leave by working the required number of days during the calendar year January to December.

3.5.2 Employees should avail their annual leave during the calendar year in which it is due and cannot accumulate for use in subsequent years. A combination of annual leave and casual/medical leave shall not be permitted except in exceptional circumstances.

3.5.3 Employees shall agree to utilize 7 days of their annual leave during the plant shut down period. Employer shall pay production incentive calculated on the average of the previous two months during the total shut down period. (This excludes the maintenance division).

3.5.4 If an employee falls sick while on annual leave, the period of illness will be set off against the medical leave entitlement upon producing a Medical Certificate. The employee shall be permitted to take the unavailed annual leave on a subsequent date.

3.5.5 Employees shall obtain prior approval for annual leave from the Head of the Division at least 4 days in advance. However, granting of leave will be subject to the exigencies of service and on a first come first serve basis.

3.5.6 Employees are permitted to avail annual leave earned for the year during the period of notice/prior to resignation. Annual leave on resignation should be applied for in advance and should be duly approved by the Head of the Division.

### 3.6 Casual Leave

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

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

Employees who joined after 1 April 2005 = 07 days

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

3.6.2 A maximum of 2 consecutive days of leave can be taken as casual leave. Employees shall not be entitled to take casual leave proceeding or followed by annual leave. Leave application should be forwarded 24 hrs in advance and should be approved by the Head of the Division and forwarded to the HR division.

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

### 3.7 Unutilised Annual and Casual Leave

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

### 3.8 Medical Leave

- 3.8.1 In addition to the legal requirement, Employer grants medical leave as a privileged facility. Employees shall be entitled for 7 days paid medical leave on confirmation in employment.
- 3.8.2 On the first day of absence an employee should, inform the Head of the Division by telephone, telegram of the reason for his/her absence. Where the absence exceeds 2 days, a medical certificate should be forwarded along with the leave application form to the Human Resources Division upon reporting to work. The leave period recommended by a medical certificate shall cover all working days weekly holidays, statutory holidays, Poya days, etc., falling within that period. Only the working days shall be deducted from the medical leave entitlement.
- 3.8.3 Employer shall accept medical certificates from the following practitioners.
- a) Western qualified medical practitioner registered with the Medical Council
  - b) Registered Ayurvedic physicians
  - c) Registered homeopathic practitioners
- 3.8.4 A medical certificate from a private Medical Practitioner/Ayurvedic Physician/Homeopathic Practitioner shall be valid only for a maximum continuous period of 14 days. If an extension of leave is required a medical certificate should be obtained from a government hospital/recognised private hospital or Government Medical Officer/recognised Medical Officer employed in a private hospital.
- 3.8.5 If an employee requires leave for communicable diseases such as Chicken pox, measles, mumps and sore eyes, such an employee is required to provide a DMO certificate or Medical Certificate from Company Doctor, or PHI and leave in addition to the 07 days medical leave entitlement will be granted as follows:
- |                         |         |
|-------------------------|---------|
| Chicken Pox and Measles | 14 days |
| Mumps                   | 07 days |
| Sore Eyes               | 03 days |
- 3.8.6 Failure to adhere to the above conditions shall be considered as an act of misconduct and above leave will not be granted whilst disciplinary action shall be taken accordingly.

### 3.9 Unutilised Medical Leave

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

### 3.10 Statutory Holidays and Customary Holidays

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

#### Statutory Holidays

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

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

### 3.11 Maternity Leave

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

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

### 3.12 Duty Leave

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

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

### 3.13 Accident Leave

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

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

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

### 3.14 Lieu Leave

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



### **3.15 Weekly Holiday**

- 3.15.1 General Shift employees are entitled to 1 ½ days as weekly holiday after working 5 ½ days. Rostered employees are entitled to 2 days of weekly holidays after working 06 days (08 hours each).
- 3.15.2 General Shift employees who work on the weekly half holiday (1/2 day) will be remunerated 1 ½ times their normal hourly rate of pay, and 2 times the hourly rate of pay for work done on the weekly holiday (01 day).
- a) Rostered workers (08 hours shift) who work on first off day the number of hour worked will be calculated by the normal OT hourly rate.
- b) For those who worked on the second off day the number of hours worked will be doubled and paid at normal overtime hourly rate.

### **3.16 Half Day**

- 3.16.1 Half day refers to the whole morning session or the whole afternoon session separated by the lunch interval for employees working on general shift. Employees working on rostered shift are not permitted to avail ½ days leave. However in an emergency, leave shall be granted at the discretion of the Head of the Division.
- 3.16.2 Half day leave can be applied on a Saturday for the employees who are working under the General Shift and applying for a half day leave on a Saturday.

### **3.17 Special leave for natural disasters**

- 3.17.1 The employer at its total discretion may consider granting special leave for Employees affected by natural disasters.
- 3.17.2 Employees affected by natural disasters should notify the Employer regarding the disaster within 24 hours, and the Employer after careful evaluation of the situation may consider granting special level.
- 3.17.3 In the event of such a situation, the employee will be liable to produce all necessary documents requested by the Employer, before any consideration is extended for such special leave.
- 3.17.4 There is nothing herein contained to state that the Employer is bound to consider or compelled to grant special leave for Employers affected by natural disasters, and any special leave granted will be at the absolute discretion of the Employer.

## **SECTION 4 - PAYROLL**

### **4.1. Remuneration**

- 4.1.1 The Employer shall determine the salary of a new employee based on the experience and level of skills required for the position. However, the minimum salary point of a monthly paid unskilled new employee will be:-  
Basic Salary of Rs.25,000/- per month.
- 4.1.2 Salaries of employees shall be paid on or before the 25th of each month. If the 25th falls on a non working day, salaries shall be paid on the last working day before the 25th of the month.
- 4.1.3 Salaries shall be remitted to the employee's bank account. Employees are required to open a savings account at a Bank nominated by the Company and forward the particulars of the bank account to

the Human Resources Division upon commencement of employment. The Employer shall certify the account application form.

#### 4.2 Salary For Periods Less Than One Month

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

- |                 |   |
|-----------------|---|
| a) One hour     | - Salary for a month divided by two hundred (200)                                       |
| b) One day      | - Salary for a month divided by thirty (30)   |
| c) One half day | - A day's salary ascertained as in (b) above divided by two (2)<br>(Morning or Evening) |
| d) One week (7) | - A day's salary ascertained as in (b) above multiplied by seven (7)                    |

#### 4.3 Salary/Wage Compensation during down time

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

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

#### 4.4 Overtime

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

4.4.2 Employees working overtime on a normal working day shall be paid at the rate of one and a half times ( $1\frac{1}{2}$ ) of the hourly rate of pay as authorized overtime. The hourly rate of pay shall be determined by dividing the monthly wage by two hundred (200).

4.4.3 Employees working overtime on a Poya Day in addition to the legal requirement, shall be paid on the basis of multiplying the hours worked by two, and calculating at  $1\frac{1}{2}$  time the hourly rate. The hourly rate is determined by dividing the monthly wage by two hundred (200).

4.4.4 Employees working overtime on a Statutory Holiday shall be paid on the basis of multiplying the hours worked by two, and calculating at  $1\frac{1}{2}$  time the hourly rate. The hourly rate of pay shall be determined by dividing the monthly wage by two hundred (200).

Employees working on off days will be paid according to clause 3.15.2 of this agreement.

4.4.5 Employees who are rostered to work on Sunday, (which is prescribed as the weekly holiday in the wages board applicable to the tyre manufacturing industry) will be paid  $1\frac{1}{2}$  times the hourly rate by dividing by 200 as practised presently.

#### 4.5 Non Recurring Cost Of Living Gratuity (NRCOLG)

4.5.1 Employees shall be paid NRCOLG as per annexure number (2) of this agreement and the ceiling will be Rs.16,000/=

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

#### 4.6 Production Incentive

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

#### 4.7 Bonus

- 4.7.1 Employees shall be granted a bonus at the end of each year based on the following criteria:
- (a) An Employee should be in permanent employment of the company
- (b) An Employee should be in service for a minimum of 6 months.
- 4.7.2 An Employee should not have unauthorised absence during the year, any unauthorised absence will be deducted from the bonus as follows:

$$\frac{\text{Basic Salary} \times 3}{20} \times \text{no. of days No Pay}$$

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

#### 4.8 Salary Revision

- 4.8.1 A revision of the salaries shall be done each year at the discretion of the Company. The quantum of increase of salary per employee shall be Rs. 5,000/= for the year of 2022 with effect from 01<sup>st</sup> January 2022 to 31<sup>st</sup> December 2022.

**4.9 Employee Provident Fund**

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

**4.10 Employees Trust Fund**

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

**4.11 Job Evaluation**

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

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

**4.12 Attendance Allowance**

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

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

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

**4.13 Weekend / Holiday Allowance**

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

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

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

**4.14 Night Shift Allowance**

4.14.1 Employees who work on the night shift, [from 10 p.m. to 6 a.m.] will be paid a Night Shift Allowance. Where an employee continues the afternoon shift [from 2 p.m. to 10 p.m.] until 6 a.m, such an employee will be paid the Night Shift Allowance.

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

**4.15 Poya day/Statutory Holiday Allowance**

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

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

**4.16 Washing Allowance**

4.16.1 Employees covered by this agreement who receive uniforms, will be paid a washing allowance.

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

**4.17 Drivers Subsistence**

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

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

**4.18 Recognition of period of service with the Company**

4.18.1 The Employer shall reward Employees who have been employed with the Company in the following manner. The payment shall be made in the month the Employee completes his or her period of service.

<u>Period of Service</u>	<u>Amount</u>
30 years	Rs.27,500/-
25 years	Rs.22,500/-
20 years	Rs.12,500/-
15 years	Rs.10,000/-
10 years	Rs. 7,500/-

**4.19 Special Transport Allowance**

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

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

**4.20 Salary Advance**

4.20.1 A fixed rate of Rs. 6,000/-shall be paid as a Salary Advance on the 10<sup>th</sup> of each month by way of a bank transfer.

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

**4.21 Festival Advance**

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

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

#### **4.22 The methodology of absorbing employees to the Permanent cadre**

- 4.22.2 The basic salary of the New employees will be according to the Minimum wages stipulated by the Wages board. The Non Recurring Cost of Living Gratuity (NRCOLG) will be paid as a separate payment to the New employees at LKR 12,441.
- 4.22.3 The NRCOLG payment of (LKR 12,441) will be added to the Basic salary of the New employees on the day, the last employee who was made Permanent before 2015 get NRCOLG added to their Basic salary (upon reaching LKR 16,000).
- 4.22.4 At this stage the Basic salary of the New employee will not be increased to LKR 16,000. But The NRCOLG LKR 12,441 will be added to their prevailing Basic salary.
- 4.22.5 Further to this exercise, any future employment into the permanent cadre will not be entitled to NRCOLG. But the Basic salary will be LKR 20,000 per month.

### **SECTION 5-SAFETY AT WORK AND PREVENTION OF OCCUPATIONAL ACCIDENTS**

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

## SECTION 6

### FACILITIES AND CONCESSION GRANTED BY THE EMPLOYER

#### 6.1 Canteen Operations

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

#### 6.2 Annual Trip

- 6.2.1 The company shall grant an Annual Trip, with a night stay only for the employees. The company shall bear all expenses of the trip.

#### 6.3 Sports

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

#### 6.4 Medical Facility/Surgical & Hospital Expenses Insurance

- 6.4.1 OPD facility is provided to employees and his/her immediate family members. Employees are permitted to claim 10% from the annual basic salary up to a maximum limit of Rs.18,000/- per annum with effective from 01<sup>st</sup> January 2022. A maximum limit of Rs. 20,000/- will be given for dental surgeries and dental complications with effective from 01<sup>st</sup> January 2022 and this will cover employee and his/her immediate family members.  
  
A biennial payment to a maximum of Rs. 20,000 will be granted for Spectacles and this will valid only for employees. There will be accredited spectacles manufacturers which approves from the company and spectacles obtained from those manufacturers will be paid by the company.
- 6.4.2 Employees will be covered by a Surgical & Hospital Expenses Insurance cover to the value of Rs.50,000/- per annum. Married employees will be eligible to submit claims for their spouse and children below the age of 21 year, and unmarried employees will have the facility for themselves only.

#### 6.5 Personal Accident Insurance

##### 6.5.1 Personal Accident

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

**6.6 Monetary Advances****6.6.1 Performance Based Monetary Advance**

Employees shall be granted Performance Based Monetary Advances based on the financial position of the Company. The loan amount and the terms & conditions are listed in Annexure No. 3 of the Agreement.

**6.6.2 Salary Advance-II**

Employees shall be granted Short Term Loans based on the financial position of the Company. The loan amount and the terms & conditions are listed in Annexure No. 3 of the Agreement

**6.7 Benefits**

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

**SECTION 7 - EDUCATION AND TRAINING**

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

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

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

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

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

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

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



## Section 8 - Discipline

### 8.1 Work Discipline

#### 8.1.1 Basic rules of Trelleborg Wheel Systems Lanka (Pvt) Ltd.

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

### 8.2 Disciplinary Action

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

## SECTION 9 - RELATIONS BETWEEN THE EMPLOYER AND THE TRADE UNION

### 9.1 Basic Provisions

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

in which such a stoppage may be decided upon. In such case, the Union will also instruct its members to exempt an agreed number of members from the work stoppage, in order to provide the Employer with a skeleton staff, in order to maintain essential services.

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

## 9.2 Dispute Procedure

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

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

## 9.3 Union Meetings

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

## 9.4 Membership of union / Check off

- 9.4.1 "Union" shall mean Employees bound by this Agreement and in whose establishment the membership of the Union is not less than forty percent (40%) of persons employed in the relevant category.
- 9.4.2 If it becomes necessary to decide whether the membership of the Union is not less than forty percent (40%) of persons employed by the Employer in the category covered by this Agreement, the same shall be determined by a referendum which shall be held by the Department of Labour and the result of such referendum shall be binding on the parties hereto.

- 9.4.3 The Employer shall on the written request of an Employee deduct from the pay the current monthly Union dues payable monthly by the Employee to the Union and remit the amount deducted to the Union in accordance with the procedure.
- 9.4.4 Every Employee who agrees to the deduction of Union dues from his pay shall sign a statement to that effect as per Annexure No.7 Format 1.
- 9.4.5 Every Employee shall be entitled to withdraw his agreement to check-off at any time by signing a statement to that effect as per Annexure No.7 format 2.
- 9.4.6 No variation in the monthly deductions by way of check-off shall be made by the Employer except by mutual agreement with the Union and member concerned. In the event of any variation being agreed, each member will need to signify his agreement to the revised amount being deducted by way of check-off by signing a fresh authorisation to that effect.
- 9.4.7 Deductions under an authorisation shall commence from the pay, immediately after the date of receipt of such authorisation and shall continue thereafter until the authorisation is annulled by a revocation.
- 9.4.8 The Employer shall be entitled not to make deductions by way of check-off in any month if the deduction by way of check-off will together with all other deductions from an Employee's pay in that month exceed the deductions permitted by law.
- 9.4.9 (a) The Employer shall once a month within fifteen (15) days after the regular pay day remit to the Treasurer of the Union the total sums deducted by way of check-off by a cheque drawn payable to "Free Trade Zones and General Services Employees' Union" and crossed Account Payee.
- (b) The cheque shall be sent, at the Union's risk, by post in a pre-paid envelope addressed to the "The Treasurer, Free Trade Zones and General Services Employees' Union, No. 141, Ananda Rajakaruna Mawatha, Colombo 10".
- (c) The Treasurer of the Union shall acknowledge receipt of the cheque.
- (d) The Employer shall not be liable to pay to the Union or to the Treasurer on its behalf as aforesaid any sum other than the actual deductions made.
- 9.4.10 The Employer may suspend the operation of this clause by specifying the reason for such action by written notice to the Union:-
- (a) If the Union resorts to a strike or any other form of trade union action in breach of the terms of provisions of this Agreement, the Employer may suspend the operation of this clause for such time as maybe decided by the Employer but not exceeding the duration of such strike or other form of trade union action. Before such a decision is made the Employer and the Union shall endeavour to effect an amicable settlement.
- (b) If the Union fails to maintain itself as a properly registered Trade Union under the Trade Unions Ordinance, the Employer may decide to suspend the operation of this clause for such time as may be required.

## ANNEXURE NO. 1

## PRODUCTION INCENTIVE

## 1.1 TSL - Production Incentive

1.1.1 Both Parties will continue further discussions on the proposed incentive schemes.

TSL - 02 incentive scheme

Performane (Pcs) - PRODUCTION ACTUAL % Against TARGET				
			Rs/Month	Rs/ 8th
60	➡	64	50	2
64	➡	68	150	7
68	➡	72	250	11
72	➡	76	350	16
76	➡	77	450	20
80	➡	81	500	23
82	➡	83	550	25
84	➡	85	600	27
86	➡	87	650	30
88	➡	89	725	33
90	➡	91	800	36
92	➡	93	900	41
94	➡	95	1150	52
96	➡	98	1300	59
98	➡	99	1800	82
99	➡	100	2300	105
100+	➡	101	3000	136
101+	➡	103	3850	175
103+	➡	105	5000	227

PESPECT TO MIX (BASED ON DIMENSION PLAN) NET PRODUCTION				
			Rs/Month	Rs/ 8th
60	➡	64	150	7
64	➡	68	285	13
68	➡	72	420	19
72	➡	76	555	25
76	➡	77	690	31
80	➡	81	825	38
82	➡	83	960	44
84	➡	85	1095	50
86	➡	87	1230	56
88	➡	89	1365	62
90	➡	91	1500	68
91+	➡	93	1900	86
93+	➡	95	2300	105
95+	➡	98	2650	120
97+	➡	99	3200	145
99+	➡	100	3600	164

CURING SCRAP % (MONTHLY AVERAGE)				
			Rs/ Month	Rs/ 8th
1.6	➡	1.57	100	5
1.56	➡	1.53	200	9
1.52	➡	1.48	300	14
1.47	➡	1.44	400	18
1.43	➡	1.4	500	23
1.39	➡	1.36	600	27
1.35	➡	1.32	700	32
1.31	➡	1.27	800	36
1.26	➡	1.23	900	41
1.22	➡	1.17	1,000	45
1.16	➡	1.11	1,300	59
1.10	➡	1.01	1,700	77
1.00	➡	0.95	2,300	105
0.94	➡	0.82	2,600	118
0.81	➡	0.00	3,000	136
0.81	➡	0.75	3,500	} Apply for Total Scrap %
0.74	➡	0.70	4,000	
0.69	➡	0.60	4,500	
0.59	➡	0.40	5,200	
0.39	➡	0.35	6,000	
0.34	➡	0.30	6,400	

Minimum	0	Rs/ Month
Average	6300	Rs/ Month
Maximum	11600	Rs/ Month

Maximum earnings = Rs. 15,000/=

## ANNEXURE NO. 2

## ALLOWANCES

The quantum of allowances from yeat 2011 is as follows:

- 2.1 Attendance Allownce
- Rs. 750 / - per month
  - Rs. 1,000/- per month (who have obrain no leave for the relavent month,and apply the conditions in 4.12) (w.e.f January 2020)

2.2	Weekend / Holiday Allowance	-	Rs. 55/ for Saturday and Rs. 75/- for Sunday.
2.3	Night Allowance	-	Rs. 500/- per Shift (w.e.f. 01 st January 2022)
2.4	Poyaday / Statutory / Holiday Allowance	-	Rs. 2000/- per day (w.e.f. 01 st May 2022)
2.5	Washing Allowance	-	Rs. 400/- per month
2.6	Drivers Subsistence	-	Rs. 500/- for over night stay and Rs. 350/- for return Journey
2.7	Festival Advance	-	Rs. 30,000/-
2.8	Special Transport Allowance (Tyre & tube)	-	Rs. 350/-
2.10	Non Recuring Cost of Living	-	Frozen at Rs. 12,441/- [As per May 2011 CCPI(N)] Index Gratuity (NROLG)
2.11	Transport allowance on down time	-	Rs. 400/- per day [w.e.f. January 2020]
2.12	Shutdown allowance for maintenance	-	Rs. 1000/- day will be paid during shutdown period This allowance will include the payment of transportation.

### ANNEXURE No. 03

#### BENEFITS

##### 3.1 Uniform/Soap

Employees will be provided with the following each year.

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

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

06 pairs of socks

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

02 bars of washing soap

02 cakes of soap

##### 3.2 Transport

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

**3.3 Library Service**

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

**3.4 Holiday Bungalow**

- 3.4.1 The resumption of the Holiday Bungalow facility which expired on 31st July 2009 will be made available only when the Company sales volumes returns to the equivalent level of July 2008, which should also be proportionate to the development of the production capacity.
- 3.4.2 The Company will reserve the target to provide this facility in the form of a holiday package or holiday bungalow depending on the financial vicibility.
- 3.4.3 The Company will introduce new guidelines for the use of this facility at the time of resumption.
- 3.4.4 Both parties agree to further discuss and make suitable arrangements for Holiday Bungalow depending on the affordability of the organization.

**3.5 Toy Voucher**

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

Age	Amount
1 - 4 years	Rs. 400/- per child
5 - 8 years	Rs. 500/- per child
9 - 12 years	Rs. 600/- per child

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

**3.6 New Year Gift Voucher**

- 3.6.1 A gift voucher of Rs. 2000/- and a currency note of Rs. 100/- will be given to each employee on 1 st January.

**3.7 Sinhala / Tamil New Year Gift**

- 3.7.1 A gift voucher or a gift parcel to the value of Rs. 2,200/- will be given to the employees for the Sinhala/ Tamil New Year.
- 3.7.2 The Company at its descreation, reserves the tight to link any increase in the said value to performance targets to be achieved during the year.

**3.8 Wedding Gift**

- 3.8.1 The Company will grant Rs. 10,000/- in cash. as a Wedding Gift to an employee getting married .
- 3.8.2 A sum of Rs. 40,000/- or Company provided car for the wedding or home coming of an employee.
- 3.8.3 The employee will be required to produce the original marriage certificate to the wedding gift.

### 3.9 Diary and Calendar

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

### 3.10 School Books Vouchers

3.10.1 Employee's children will be granted schoolbook vouchers as follows: (w.e.f December 2019);

Category of Grade	Amount
Kindergarten	Rs. 1,200/-
Grade 1	Rs. 1,200/-
Grade 2	Rs. 1,400/-
Grade 3	Rs. 1,400/-
Grade 4	Rs. 1,600/-
Grade 5	Rs. 1,600/-
Grade 6	Rs. 2,000/-
Grade 7	Rs. 2,000/-
Grade 8	Rs. 2,100/-
Grade 9	Rs. 2,200/-
Grade 10	Rs. 2,200/-
Grade 11 & 12	Rs. 2,300/-
Grade 13	Rs. 2,400/-
Undergraduates	Rs. 2,500/-

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

### 3.11 Funeral Expenses

Death of an Employee

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

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

Death of an employee's family member

3.11.3 The Company will grant a payment Rs.18,000/- in the event of a death of an employee's family member as described below. This amount will be paid with effect from 1st January 2010. Payments should be made available when the death occurs and the death certificate should be produced within one month's time. If the death certificate is not produced, the donation amount will be deducted from employee's salary or any other dues.

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

Unmarried employees: Mother and Father.

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

**3.12 Transport to attend a funeral of employee's family member**

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

**3.13 Loan**

- 3.13.1 Performance Based Monetary Advance:- Employees shall be granted a performance based monetary advance of Rs.175,000/- as a long term loan based on the following terms and conditions:-

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

- 3.13.2 SALARY ADVANCE II:- A maximum sum of Rs.50,000.00 (w.e.f January 2018) shall be granted as Salary Advance II to Employees on the following terms and conditions:

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

**ANNEXURE NO. 4****CODE OF DISCIPLINE****4.1 Conduct & Behaviour**

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



relevance of regulations according to the needs of the Company. Such changes will be discussed with the union before implementation

#### **4.2 Discrimination & Harassment**

4.2.1 The Company prohibits unlawful discrimination or harassment of any kind on the part of all employees, including discrimination or harassment on the basis of race, colour, veteran status, religion, gender, sex, age, mental or physical disability, nationality, marital status, verbal, physical and visual harassment or any other characteristics protected by law.

4.2.2 Where a complaint of retaliation is substantiated, appropriate disciplinary action shall be taken not excluding termination of services.

#### **4.3 Company Assets & Confidentiality**

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

#### **4.4 Personal Use of Company Property**

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

#### **4.5 Conflict of Interest**

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

#### **4.6 Respecting Each Other**

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

#### **4.7 Fair Competition**

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

#### **4.8 Commitment to Customers & Suppliers**

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

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

#### **4.9 The Environment**

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

#### **4.10 Gifts and Entertainment**

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

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

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

#### **4.11 Company Property**

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

#### **4.12 Frauds and Thefts**

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

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

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

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

#### **4.13 Workplace Violence**

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

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

#### **4.14 Alcohol & Drugs**

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

#### **4.15 Behaviour**

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

#### **4.16 Grooming and Appearance**

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

#### **4.17 Occupational Health and Safety**

- 4.17.1 All employees shall:
- a) Not interfere with, or misuse any item provided in the interests of safety.
  - b) Follow safe work practices and encourage others to do the same.
  - c) Know and comply with specific safety regulations affecting employee position.
  - d) Not put oneself in danger.
  - e) Wear appropriate clothing and personal protective equipment.
  - f) Use all safety devices.
  - g) Report any hazards such as unsafe equipment, working conditions or work practices to a responsible officer of the Company.
  - h) Report all accidents, injury immediately to a responsible officer of the Company.
  - i) Know the location of phones, first aid kits and fire extinguishers and know how to use them.
  - j) Know the identity of the first aid attendant.

#### **4.18 Unauthorised Use of company Vehicles**

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

#### **4.19 Private Business/Other Employment**

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

#### **4.20 Publications/Interviews/Press Releases**

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

### **ANNEXURE NO: 5 - DISCIPLINARY PROCEDURE**

#### **5.1 Preliminary Investigations**

- 5.1.1 Company shall conduct preliminary investigations and obtain written statements from the complainant/s

or witness/es in regard to the alleged act of misconduct committed or reported to have committed by an Employee.

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

## 5.2 Show Cause Letter

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

## 5.3 Letter of Explanation

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

situation where the Employee admits to the charge/s.

- 5.3.8 If the Company does not receive any written explanation to the show cause letter, the inquiry shall be held ex-parte and action shall be taken accordingly.

#### **5.4 Suspension of work**

- 5.4.1 The Company shall suspend an Employee with pay, half month pay or without pay:-

Pending an inquiry to be held by the Company on a charge/s of misconduct where such, charge/s relate/s to;

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

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

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

#### **5.5 Domestic Inquiry**

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

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

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

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

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

- a) The case shall be opened, by summoning witnesses in sequence for the Company and their evidence shall be recorded. Proceedings shall be recorded clearly and legibly and the date and place of the inquiry shall be recorded.

- b) When a statement is being made by the accused Employee, the witnesses shall not be permitted to be present and when a statement of witnesses is recorded, the accused Employee shall be permitted to be present.
  - c) The evidence shall be recorded in the form of direct speech and in a language familiar to the accused Employee and witnesses.
  - d) When the evidence of a witness has been completed he/she shall sign the record, (each page if his/her evidence goes beyond one page) as a correct record of his/her evidence. If the witness refuses to sign the record, an entry to that effect shall be made by the Inquiring Officer in the record.
  - e) The accused Employee shall be given an opportunity to cross-examine the witnesses. The prosecution shall be permitted to re-examine the evidence given. The Inquiring Officer may ask questions in clarification of any evidence given.
  - f) On the conclusion of the evidence for the Employer, the accused Employee shall be requested to make a statement and give evidence if he/she so wishes. If the accused Employee makes a statement, or gives evidence, his/her evidence shall be recorded subject to cross-examination. If the accused Employee refuses to make a statement or give evidence he/she shall not be compelled to do so, but a record shall be made to this effect. The accused Employee is required to sign his/her recorded evidence and, if he/she refuses to do so, a record shall be made to this effect. The same procedure stipulated above should be followed in respect of witnesses who refuse to make statements, give evidence or sign his/her recorded evidence.
  - g) The accused Employee shall be afforded an opportunity to call other witnesses, if any, to support his/her case. If an accused Employee refuses to give evidence or to call witnesses, the Inquiring Officer shall record the fact that the accused Employee was afforded the opportunity of giving evidence and calling witnesses. If a witness refuses to sign recorded evidence, the Inquiring Officer shall sign the record confirming it to be a correct record of the witness's evidence.
  - h) At the end of the inquiry, the accused Employee shall sign the statement to say that he/she was satisfied that the inquiry was conducted in a fair and reasonable manner.
- 5.5.6 Where documents are produced at the inquiry on behalf of the prosecution the accused shall be given an opportunity to study (but not to remove) such documents. If the accused employee wishes to produce any document/s she/he should certify the same prior to producing them.
- 5.5.7 The Inquiring Officer shall initial documents marked at an inquiry. The Inquiring Officer shall take possession of all documents and items produced before him/her during the inquiry and, after the conclusion of the inquiry shall hand over the same to the Employer for safe custody.
- 5.5.8 Before the conclusion of the prosecution case, if it appears that additional charges need to be framed, or the existing statement of charges need to be amended, or other parties may be charge-sheeted, the Prosecuting Officer shall make an application to this effect to the Inquiring Officer who in turn shall inform the Company to issue a fresh show cause letter. If there is no Prosecuting Officer, the Company shall make such request
- 5.5.9 In the event of the existing charges being amended or additional charges framed, the Prosecuting

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

- 5.5.10 The inquiry may be re-opened where the inquiry is concluded and no order has been made as yet and the Inquiring Officer feels that it is necessary to hear further evidence in order to make up his/her mind, or if the Company makes a request for further evidence which was not available when the inquiry was proceeding, and such evidence has been subsequently received.
- 5.5.11 The Inquiring Officer shall submit a report to the Employer after the conclusion of the inquiry. The report shall contain his/her decision on each of the charges together with the reasons for such decision. The Inquiring Officer's findings and report should state specifically whether or not he/she concludes that the accused Employee is guilty of the charge/s.
- 5.5.12 Company shall decide on the punishment to be imposed in respect of Employee found guilty of misconduct. The Employer shall communicate the punishment to the employee.

#### ANNEXURE NO. 6

#### TYPES OF MISCONDUCT

- (a) Misappropriation or failure to account for the funds of the Company
- (b) Theft, fraud or dishonesty in relation to property belonging to the Company
- (c) Habitual breach of regulations or orders of the Company
- (d) Negligence resulting in loss or damage to the Company
- (e) Dangerous or unauthorized driving or use of vehicles belonging to the Company
- (f) Driving a vehicle belonging to the Company while under the influence of liquor or drugs
- (g) Acting in collusion with customers and/or agents of the Company, to the detriment of the Company and/or so as to cause loss to the Company
- (h) Insubordination
- (i) Conviction in Court of a criminal offence or finding by other statutory authority involving moral turpitude
- (j) Sabotage of or wilful damage to property of the Company
- (k) Taking or giving of bribes to Company personnel
- (l) Riotous or disorderly behaviour and gambling within the premises of the Company
- (m) Misuse of property belonging to the Company
- (n) Failure to carry out lawful orders

- 
- (o) Issue of unlawful instructions to subordinates
  - (p) Acting wilfully in a manner calculated to cause loss, prejudice or harm to the Company, or which affects adversely its goodwill or prestige and/or negligence
  - (q) Misuse of authority, power or position for personal gain
  - (r) Submission of false or forged certificates and/or travelling claims
  - (s) False or incorrect declaration in forms pertaining to applications for employment
  - (t) Insobriety or drunken behaviour
  - (u) Wilfully giving false evidence or altering Company documents without authority
  - (v) Habitual late attendance
  - (w) Absence without authority (unauthorised absence)
  - (x) Failure to observe the "Code of Conduct" and Company regulations
  - (y) Sexual harassment of fellow employees or unbecoming conduct/behaviour
  - (z) Causing disaffection or mischief among fellow workers
  - (aa) Acts or omissions which undermine the management or members of the management staff or directors
  - (bb) Refusal to accept communications from the Company
  - (cc) Carrying on a business, occupation or calling which is in competition with the Company
  - (dd) Refusal to perform overtime without a reasonable reason
  - (ee) Unpunctuality
  - (ff) Failure to wear uniforms and safety equipments whilst on duty
  - (gg) Discourtesy to customers and agents of the Company
  - (hh) Failure to observe safety precautions
  - (ii) Failure to report an accident involving vehicles owned by the Company
  - (jj) Failure to maintain essential records
  - (kk) Smelling of liquor whilst on duty
  - (ll) Negligence during the course of work resulting in injuries to co-worker/s
  - (mm) Smoking and chewing betels in areas outside the allocated locations.
  - (nn) Causing injury to self through carelessness or negligence of duty.
  - (oo) Failure to wear uniform provided by the company when travelling to and from work.
  - (pp) Bringing disrepute to the Company by disgraceful behaviour whilst wearing the Company uniform at external locations.



**ANNEXURE NO: 7**

**7.1 Format 1**

**Authorization for check off**

As I am an employee covered and bound by the Collective Agreement between Trelleborg Wheel Systems Lanka (Pvt) Ltd., and the Free Trade Zone Employees Union and I desire to avail myself of the facility for check off contained in the said agreement of which I am eligible as a member of the Free Trade Zone Workers' General Services Employees' union, please deduct from my salary each month a sum of rupees .....(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 my salary next due immediately following the date hereof.

Signature of the Employees

Full name of Employee

Date

Received on

(To be filled by the Employer)

**7.2 Format 2**

Name of Employer

Revocation

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

Date:

Signature of Employee

Full Name of Employee

Received on

**FINAL PROVISIONS**

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

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

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

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

Trelleborg Wheel Systems Lanka (Pvt) Ltd. will ensure printing this Agreement within fifteen days after registration with the Department of Labour.

This Agreement is in operation from 1<sup>st</sup> January 2022 to 31<sup>st</sup> December 2024 and has an effect after the date of signature. Both parties witness this agreement by the signature of their representatives.

Sanjay Melvani  
Managing Director  
Trelleborg Wheel Systems Lanka (Pri

Witnesses for the Company:

1 Name. P. D. A. Sanath  
Designation Country HR M  
Signature

2 Name. A. H. P. PRI  
Designation Sr. Ma  
Signature

EOG 03 -0079

My No: CI /113

### THE INDUSTRIAL DISPUTES ACT. CHAPTER 131

The Collective Agreement entered into between **Ceylon Cold Stores PLC, No.117, Sir Chittampalam A Gardiner Mawatha, Colombo 02** of the one part and the **Inter Company Employees Union, No. 10, Nagara Sabha Lane, Dehiwala** of the other part on **15th March 2022** is hereby published in terms of Section 06 of the Industrial Disputes Act, Chapter 131, of the Legislative Enactments of Ceylon (Revised Edition 1956)

B.K PRABATH CHANDRAKEERTHI,  
Commissioner General of Labour.

Department of Labour,  
Labour Secretariat,  
Colombo 05,  
22th February, 2023.

### Collective Agreement No. 23 of 2022

pursuant to the Industrial Disputes Act between **Ceylon Cold Stores PLC**, a Public Limited Liability Company duly registered in Sri Lanka, PQ4, and having its registered office at No. 117, Sir Chittampalam A. Gardiner Mawatha, Colombo 02 (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 in Sri Lanka having its registered office at No. 10, Council Lane, Dehiwala .  
(Hereinafter sometimes referred to a "**the Union**") of the Other Part.

Witnesseth and it is hereby agreed between the parties as follows.

## **Part 1**

### **1. PARTIES TO BE COVERED AND BOUND**

This Agreement shall cover and bind The Employer, The Union and members of the Union employed on monthly contracts by the Employer in a Clerical, Supervisory or Allied category and for whom salary scales have been prescribed in the 1st Schedule hereto. Provided however the provisions of this agreement will not apply to any new employee recruited to a new factory set up by the Employer elsewhere in the future.

In addition, the provisions of the Memoranda of Understanding entered into between the Union and the Company on 17 May 2006 and 13 October 2009 relating to the Soft Drinks Factory, Ranala and the Memorandum of Understanding entered into on 25<sup>th</sup> May 2011 relating to the Ice Cream Production Department, Ice Cream Engineering Department, Old Cold Room adjacent to the Ice Cream Production Department, Ice Cream Raw/ Packing Material Stores, Essence Factory and Quality Assurance & Research and Development Department will continue to be applicable to the Clerical, Supervisory or Allied category employees of the said departments including Medical Centre and the Canteen who are covered and bound in the said MOU. In circumstances, the provisions of the said MOU will be regarded as part and parcel of this agreement in respect of such employees in the Medical Centre and the Canteen.

### **2. EARLIER COLLECTIVE AGREEMENT**

The provisions of this Agreement shall supersede and replace all terms, which have applied in the past in terms of any Collective Agreement.

### **3. DATE OF OPERATION AND DURATION**

This agreement which shall be effective as from the First day of August Two Thousand and Twenty-one and shall continue in force unless determined otherwise by either party with three month's notice to the other subject to the following provisions:

- a) That one party hereto shall not give such notice to the other party before the 1st May 2024 and such notice shall not expire before the 31 July 2024.
- b) That in the event of a reduction in par value of the Sri Lanka rupee under any provision of law, a party shall be at liberty to abrogate this Agreement by giving one month's notice in writing to the other in terms of the Industrial Disputes Act.
- c) The Employer agrees to make a lump sum payment as notional arrears in view of the delay in signing the Collective Agreement.

### **4. GENERAL TERMS AND CONDITIONS OF EMPLOYMENT**

During the continuance in force of this Agreement the terms and conditions of this Agreement shall be deemed to be included in each contract of service between the Employer bound by this Agreement and an 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 at any time after the date hereof during the continuance in force of this Agreement.

**5. PROBATION**

Every Employee recruited by the Employer shall serve a period of probation of not more than six (06) months, provided, however, that if during the six (06) months probationary period the Employer is not satisfied with the progress of such Employee, the probationary period may be extended for a further period of three (03) months and in that event the Employer shall indicate to the Employee in writing the reasons why the probationary period has been extended. During the period of probation or extended probation the Employer shall have the right to terminate the services of the Employee without notice. If the Employee's services are not terminated for unsatisfactory service during the period of probation or extended probation and the Employee has not been confirmed by the Employer, the Employee shall be deemed to be confirmed in the Employer's service with effect from the day after the day on which the period of probation or extended probation ended, as the case may be.

**6. ATTENDANCE**

- i) Unless otherwise specifically instructed by the Employer, an Employee shall present himself for work on every day (other than a holiday) at the usual starting time of the office, store, factory, mill or job and shall there remain available for work throughout the normal working hours.
- ii) If work is temporarily not available for an Employee in his own occupation, he shall be deemed to be ready and willing to perform work within his capacity and skill in any other occupation at any other work site of the Employer where work is available subject to existing practice.
- iii) Irregular attendance or unpunctuality of an Employee shall constitute neglect of duty for which he shall be liable to appropriate disciplinary action.

**7. HOURS OF WORK**

The normal working hours shall be those hours, which are customarily worked at an Office, Store, Factory, Mill or Job of the Employer bound by this agreement and shall include shift work arrangements as may be operated subject to work exigencies. The work arrangements are also subject to the written understanding (reference CI/113/2004) reached between the Employer and the Union on 19.02.2004 before the commissioner of labour (industrial Relations) and the memoranda of understanding reached between the Employer and the Union on 17 May 2006, 13 October 2009 and 25th May 2011 at the Employers' Federation of Ceylon. Accordingly, the working hours of Foremen and Production Assistants in the Soft Drinks Factory, Ice Cream Engineering Department, Old Cold Room adjacent to the Ice Cream Production Department and Essence Factory on a two shift basis shall be from 6.00 a.m. to 2.00 p.m. and 2.00 p.m. to 10.00 p.m.

**8. DEDUCTION OF WAGES**

Unless for good cause shown to the satisfaction of the Employer an Employee fails to hold himself available for work throughout the normal working hours of each working day he shall forfeit and the Employer shall be entitled to deduct his wages for the period from the time at which such failure occurs until he is again available for work.

**9. OVERTIME**

- (i) Any work which is performed in excess of normal working hours shall be remunerated at one and one half (1.5) times the normal hourly rate.
- (ii) Where it appears that in any establishment of an Employer an Employee on being asked to work overtime, other than on a weekly holiday, is likely to work overtime for a period of more than two (02) hours after the normal working hours, the Employee shall be entitled to an interval of not less than thirty (30) minutes at the end of such normal working hours before commencing overtime work.

**10. WEEKLY HOLIDAYS**

Subject to Clause 13 of Part I hereof the following provisions shall govern weekly holidays:-

- (i) The weekly holidays prescribed by the Act shall be the weekly half holiday and the weekly full holiday as defined in Part III hereof.
- (ii) Work performed on not more than two such weekly holidays in anyone calendar month may, at the instance of the Employer and with the consent of the Employee, be paid for in the manner set out hereunder and the Employee on being paid and in the manner set out hereunder, shall not be entitled to a half holiday or a full holiday as the case may be in lieu:
  - (a) For any work performed after the normal closing time up to 5.00 p.m. on the weekly half holiday, the Employee shall be paid overtime remuneration at double the normal hourly rate for each hour or proportionately for any fraction of an hour.
  - (b) For any work performed after 5.00 p.m. on the weekly half-holiday, the Employee shall be paid overtime remuneration treble the normal hourly rate for each hour or proportionately for any fraction of an hour.
  - (c) In addition to the remuneration payable under paragraph (a) above or paragraphs (a) and (b) above, the Employee shall be paid the equivalent of the Employee's salary for one half day.
  - (d) For any work performed under and up to four (04) hours before 1.00 p.m. on the weekly full holiday, the overtime remuneration payable to the Employee shall be one thirtieth (1/30th) of the Employee's monthly salary.
  - (e) For any work performed in excess of four (04) hours and up to eight (08) hours before 5.00 p.m. on the weekly full holiday, the overtime remuneration payable to the Employee shall be one thirtieth (1/30<sup>th</sup>) of the employee's monthly salary in respect of the excess hours.
  - (f) For any work performed in excess of eight (08) hours or continuing after 5.00 p.m. on the weekly full holiday, the Employee shall be paid overtime remuneration for any fraction of an hour of such excess.
  - (g) In addition to the remuneration payable under paragraph (d), or paragraphs (d) and (e) or paragraphs (d), (e) and (f) above, the Employee shall be paid the equivalent of the Employee's salary for one day.
- (iii) Where an Employee has performed work on not more than two weekly holidays in any on calendar month and has been paid for such work in the manner set out in the preceding sub-clause, then in respect of work performed on any further weekly holidays in the same calendar month, the Employee shall be remunerated in the manner set out hereunder and shall be entitled to and allowed a half holiday and/or a full holiday in lieu of the weekly half holiday and/or the weekly full holiday as the case may be:
  - (a) For any work performed after the normal closing time up to 5.00 p.m. on the weekly half holiday, the Employee shall be paid overtime remuneration at double the normal hourly rate for each hour or proportionately for any fraction of an hour.
  - (b) For any work performed after 5.00 p.m. on the weekly half holiday, the Employee shall be paid overtime remuneration at treble the normal hourly rate for each hour of proportionately for any fraction of an hour.

- (c) For any work performed under and up to four (04) hours after 1.00 p.m. on the weekly full holiday, the Employee shall be paid overtime remuneration at one thirtieth (1/30th) of the Employee's salary.
- (d) For any work performed in excess of four (04) hours and up to eight (08) hours before 5.00 p.m. on the weekly full holiday, the Employee shall be paid overtime remuneration at one thirtieth (1 /30th) of the Employee's monthly salary in respect of the excess hours.
- (e) For any work performed in excess of eight (08) hours or continuing after 5.00 p.m. on the weekly full holiday, the Employee shall be paid overtime remuneration at treble the normal hourly rate for each hour or proportionately for any fraction of an hour of such excess.

## 11. ANNUAL HOLIDAYS

Annual holidays shall be as prescribed by the Act and an Employee may opt to set off absence due to ill-health in excess of the entitlement provided under Clause 15 of Part I hereof against his annual leave entitlement.

## 12. STATUTORY AND CUSTOMARY HOLIDAYS

The following provisions shall govern statutory and customary holidays:

- (i) Public holidays declared under the Shop & Office Employees' (Regulation of Employment & Remuneration) Act shall be regarded as Statutory Holidays. The following holidays shall be allowed each year as paid holidays accordingly.

Thai Pongal Festival Day  
Independence Day  
Sinhala and Tamil New Year (Two Days)  
May Day  
The day following Wesak  
Prophet Mohamed's Birthday  
Christmas Day

- (ii) The following customary holidays shall be allowed each year as paid holidays:

New Year's Day (1st January)  
Good Friday  
Christmas Eve (1/2 day)  
Boxing Day

- (iii)
  - (a) If any of the above days is a statutory holiday and if it falls on a weekly half holiday, an additional half day shall be granted on the working day immediately preceding it; and if it falls on a weekly full holiday, a substitute holiday shall be granted on a working day either in six (06) days preceding or in the six (06) days succeeding such weekly full holiday. No substitute holiday shall be allowable for any day specified above, which is not a statutory holiday, if such day falls on a weekly half holiday or a weekly full holiday.
  - (b) If any of the above days is a statutory holiday and some other day not specified above is declared a statutory holiday in substitution for such day, then such day shall be treated as a normal working day.

- (iv) (a) Where the Employer requires an Employee to work during the half holiday set out in sub clause (ii) hereof (i.e. after the normal working hours for that day), the Employer shall pay the Employee either -

- (1) on the basis set out in paragraphs (a), (b) and (c) of Clause 10(ii) of Part I hereof and the Employee shall not be entitled to a half holiday in lieu

**OR**

- (2) on the basis set out in paragraphs (a) and (b) of Clause 10 (iii) of Part I hereof and the Employee shall be entitled to and allowed a half holiday in lieu.

- (b) Where the Employer requires an Employee to work on any of the holidays set out in sub-clause (I) hereof and provided that if such holiday is a statutory holiday the Commissioner General of Labour has given his permission for the Employee to work on such holiday, the Employer shall pay the Employee either -

- (i) on the basis set out in paragraphs (d), (e), (f) and (g) of clause 10(ii) of Part I hereof and the Employee shall not be entitled to a holiday in lieu

**OR**

- (ii) on the basis set out in paragraphs (c), (d) and (e) of Clause 10(iii) of Part I hereof and the Employee shall be entitled to and allowed a holiday in lieu.

### **13. SUPERVISORY STAFF**

The provisions of Clauses 10 and 12 of Part I hereof regarding weekly holidays and statutory and customary holidays shall not apply to Storekeepers, Assistant Storekeepers, Overseer, Foremen and other like or similar categories whose work involves the supervision of staff employed in manual work (hereinafter referred to as "Supervisory Staff") but in respect of such supervisory staff the following provisions shall apply:-

- (i) Weekly half-holiday:

For any work performed in excess of the normal working hours on the weekly half holiday, the Employee shall be remunerated at one and one half (1-1/2) times the normal hourly rate and such Employee shall not be entitled to any holiday in lieu for any overtime work so performed on a weekly half holiday.

- (ii) Weekly full holiday:

For any work performed on the weekly full holiday the Employee shall be remunerated as follows:

- (a) (i) for any work performed under and up to four (04) hours before 1.00 p.m. on the weekly full holiday, the Employee shall be paid overtime remuneration at one thirtieth (1/30th) of the Employee's monthly salary.  
(ii) for any work performed in excess of four (04) hours and up to eight (08) hours before 5.00 p.m. on the weekly full holiday the Employee shall be paid overtime remuneration at one thirtieth (1/30th) of the Employee's monthly salary in respect of the excess hours.  
(iii) In respect of any work performed in excess of eight (08) hours or continuing after 5.00 p.m. on the weekly full holiday, the Employee shall be paid overtime remuneration at treble the normal hourly rate for each hour or proportionately for any fraction of an hour of such excess.  
(iv) In addition to the remuneration payable under paragraph (i) above or paragraphs (i) and (ii) or

paragraphs (i), (ii) and (iii) above, the Employee shall be paid the equivalent of the Employee's salary for one (01) day.

Where any work is performed on the weekly full holiday and the employee is remunerated in the manner set out above, the employee shall not be entitled to any holiday in lieu.

### OR

- (b) (i) For any work performed under and up to four (04) hours before 1.00 p.m. on the weekly full holiday, the Employee shall be paid overtime remuneration at one thirtieth (1/30th) of the Employee's monthly salary in respect of the excess hours.
- (ii) For any work performed in excess of four (04) hours and up to eight (08) hours before 5.00 p.m. on the weekly full holiday, the Employee shall be paid overtime remuneration at one thirtieth (1/30th) of the Employee's monthly salary in respect of the excess hours.
- (iii) In respect of any work performed in excess of eight (08) hours or continuing after 5.00 p.m. on the weekly full holiday, the Employee shall be paid overtime remuneration at treble the normal hourly rate for each hour or proportionately for any fraction of an hour in respect of such excess.

Where any work is performed on the weekly full holiday and the Employee is remunerated in the manner set out above, the Employee shall in addition be entitled to and allowed a holiday in lieu.

### (iii) Statutory and Customary Holidays:

Supervisory staff shall be entitled to such Statutory and Customary Holidays as they have hitherto enjoyed prior to the coming in to force of this Agreement notwithstanding anything to the contrary contained in this Agreement and for any work performed on such Statutory or Customary Holiday the Supervisory Staff shall continue to be remunerated in the manner in which they were remunerated prior to the coming into force of this Agreement notwithstanding anything to the contrary contained in this Agreement. Provided, however, that the Supervisory Staff shall have the same holidays as may from time to time be enjoyed by the staff employed in manual work supervised by such supervisory staff and that the total of such holidays shall not be less than the total of the Statutory and Customary Holidays enjoyed by the Supervisory Staff as at the date hereof.

- (iv) Nothing in this Agreement shall be construed in any way as bringing the Supervisory staff within the provisions of the Act.

## 14. CASUAL LEAVE

- (i) In respect of each year of employment during which any Employee has been continuously in employment that Employee shall be entitled to take on account of private business or other reasonable cause including ill health if that Employee's entitlement to sick leave has been fully utilized, leave (hereinafter referred to as "casual leave") with remuneration for the period or an aggregate of periods not exceeding seven (07) days and the Employer shall allow such casual leave and shall be liable to pay such remuneration provided however that not more than two (02) days casual leave shall be taken at any time save and except upon the ground of ill health. Provided further that any Employee shall not be entitled to take casual leave immediately preceding or immediately following any period of annual holidays. Provided further that in respect of any Employee's first year of employment including any period of probation he shall be entitled to casual leave for that year computed on the basis of one day for each complete period of two (02) months service.



- (ii) Casual leave will normally be granted on application without the Employee being required to state the reason for the application. Where the Employer finds it difficult to grant an application for casual leave his 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/her casual leave

## 15. SICK LEAVE

In any year an Employee shall be entitled to sick leave not exceeding twenty-one (21) days. Provided that:

- (a) His illness is supported by a certificate from a registered medical practitioner (unless waived by the Employer), where such period of absence exceeds two (02) days, and
- (b) The Employee shall not be on probation within the meaning of clause 5 hereof. Provided, however, that an Employee who has been on probation shall as from the date of confirmation in respect of the remainder of the first year of employment be entitled to sick leave not exceeding (10) days if he is confirmed after six (06) months probation and sick leave not exceeding five (05) days if he is confirmed after nine (09) months probation.

## 16. PROMOTIONS

- (i) The following shall be the principles which will guide Employers on the question of promotion:
- (a) Mere length of service shall not be the sole criterion for promotion and the Employer shall be entitled to take into account other factors such as efficiency, educational qualifications and character. Where suitability is comparable, seniority shall be given preference.
- (b) An employee in Grade I in the Clerical Supervisory Staff will normally be promoted to Grade II after completing an year's service in Stage 7 unless his inefficiency has been established after due inquiry as provided in clause 27 of Part I hereof.
- (c) Promotion of Clerical and Supervisory Staff from Grade II to the Higher Grade will depend on vacancies and employees who have shown the necessary capacity will be eligible for promotion to the Higher Grade.
- (d) Promotion of Clerical and Supervisory Staff to the Special Grade will be from the Higher Grade and will depend on merit.
- (ii) The number of Employees in the Higher or Special Grade of the Clerical and Supervisory Staff of any establishment will be determined having regard, inter alia, to:
- (a) the strength of the work force;
- (b) the work involved in a post, and
- (c) the merit of the Employees available for promotion.
- iii) Where an Employee is promoted at the normal incremental date from one grade to another, such Employee shall be placed at a salary stage in the Higher Grade which will give such Employee a salary not less than that which he would have received had he remained in the grade from which he is promoted and had been advanced one state in that grade, but where an Employee is promoted on a date other than the normal incremental date, such Employee shall be placed at a salary stage in the Higher Grade which will give him a salary not less than that which he would have received if he had remained in the grade from which he is promoted. Provided, however, that if an Employee is standing at the end of a grade when he is promoted to the next grade, such Employee may be placed at any stage in the Higher Grade to which he is promoted which will give him a higher salary than the maximum salary in the grade from which he is promoted.

**17. TRANSFERS**

- (i) Where it is a term of employment either express or implied that an Employee is liable to be transferred from one locality of an establishment to another, such Employee will not be entitled to any additional remuneration if, in consequence of a transfer from one locality to another, there is an increase in the number of hours of work.
- (ii) Where it is not a term of employment either express or implied that and Employee is liable to be transferred from one locality of an establishment to another, such Employee will be entitled to receive and the Employer shall be liable to pay additional remuneration in order to compensate for any increase in the number of hours of work arising from a transfer from one locality of an establishment to another. The amount of such additional remuneration, which will depend on the extent to which the hours of work have been increased, shall be mutually agreed upon between the Employer and the Employee or the Union on his behalf. Provided, however, that if the Employee is re-transferred to the locality in which he was previously employed and/ or the hours of work previously worked by him are restored to such employee, the additional remuneration granted to him shall be withdrawn with effect from the date of such re-transfer or restoration.
- (iii) Where it is not a term of employment either express or implied that an Employee is liable to be transferred from one locality of an establishment to another and the transfer of such an Employee will cause him substantial domestic disorganization such as may arise in consequence of a transfer from one station to another such transfer shall be effected by mutual consent between the Employer and such Employee even if:-
  - a) Such transfer will not involve a change in the number of hours of work, or
  - b) He is offered additional remuneration in terms of sub-clause (ii) above.
- (iv) Nothing in the preceding sub-clause of this clause shall prejudice the right of an Employee to make representations to the Employer against any order of transfer. If an Employer requires an Employee to comply with an order to transfer notwithstanding such representations, the Employee shall comply with the order of transfer but without prejudice to the right of the Employee or the Branch Union or the Union on his behalf to dispute such transfer with the Employer thereafter as provided in this Agreement.
- (v) If the Executive Committee of the Union considers that any order of transfer of an Employee by an Employer is calculated to threaten or undermine the existence of the legitimate activities of the Union or its members or is grossly unfair or seriously detrimental to the interests of the Union, the Union shall notify the Employer thereof in writing any may, if in the opinion of the Executive Committee of the Union the circumstances so warrant, instruct the Employee to refrain from complying with the order to transfer pending settlement of the dispute as provided in this Agreement. If the Union instructs the Employee to refrain from complying with the order of transfer as aforesaid, the Union shall notify the Employer thereof in writing and in that event the Employer shall be entitled to suspend the Employee immediately without pay. Provided, however, that if the Employer subsequently agrees or if an Arbitrator holds that the order of transfer was not justified the Employee shall be entitled to his salary for the period of suspension. If on the other hand, an Arbitrator holds that the order of transfer was justified, the Employee shall comply with the order of transfer and he shall not be entitled to his salary for the period of suspension. The refusal of an Employee to comply with an order of transfer on instructions from the Union after the Union notifying the Employee as aforesaid shall not be deemed to be an act of insubordination by the Employee and the Employee shall not be liable to disciplinary action by the Employer for such refusal.

**18. CARRYING OUT EMPLOYER'S INSTRUCTIONS AS TO DUTIES**

- i) If an Employee considers that any duty which he is required to perform by an Employer does not fall within the scope of his employment under the Employer, the Employee shall be entitled to bring such matter to the notice of the Employer. If, notwithstanding such notification the Employer requires the Employee to carry out such instructions, then the Employee shall be entitled to request the Employer to give him such instructions in writing.
- ii) If the Employer gives the Employee such instructions in writing, the Employee shall carry out the same but without prejudice to the right of the Employee or the Branch Union or the Union on his behalf to dispute such matter with the Employer thereafter as provided in this Agreement.
- iii) If the Employer refuses to give such instructions in writing, the Employee shall be entitled to refuse to carry out such instructions and in that event the Employer shall have no right to action against the Employee.
- iv) If the Employer gives such instructions in writing but the Employee fails to carry out the same, the Employer shall be entitled to suspend the Employee immediately without pay and to take disciplinary action against him without prejudice to the right of the Employee or the Branch Union or the Union on his behalf to dispute such suspension or such disciplinary action as may be taken against the Employee as provided in this Agreement.

**19. Conversion to the salary scale set out in Schedule I**

- i) With effect from 15th Day of March Two Thousand Twentytwo, Employees covered and bound by this Agreement shall be paid salaries in accordance with the salary scales set out in Schedule 1 hereof and accordingly the annual increments payable to Employees shall be in terms of these scales. The salaries have been consolidated taking into account all statutory and other allowances due as at date hereof. This will only apply in the first year.
- ii) To ascertain the stage on which an Employee will be placed in the first year i.e. with effect from 15th Day of March Two Thousand Twenty two, on the salary scale set out at Schedule 1 hereof, the following method of conversion shall apply.
  - (a) A sum equal to 8 % of the salary payable to an employee as at 28th February 2022 shall be added to the salaries of all Employees who are covered and bound by this Agreement and the adjusted salary will take effect from 15th March 2022.
  - (b) Arising from the aforesaid adjustment the employees shall thereafter be placed on the corresponding point in the grade applicable to him in the salary scales set out in Schedule I hereof or in the event of there being no corresponding point on the next higher point in monetary terms in the said grade and the scale.
  - (c) With effect from 1st April 2022 the Employer will increase the monthly salaries of all employees covered by this Agreement by a sum equal to 6 % of the monthly salary payable to each employee as at 31st March 2022 and thereafter place each employee on the corresponding point, or if there is no such corresponding point on the next higher point on the salary scales given in Schedule I hereof or the grade applicable to such employee.
  - (d) With effect from 1st April 2023 the Employer will increase the monthly salaries of all employees covered by this Agreement by a sum equal to 6 % of the monthly salary payable to each employee as at 31<sup>st</sup> March 2023 and thereafter place each employee on the corresponding point, or if there is no such corresponding point on the next higher point on the salary scales given in the Schedule I hereof or the grade applicable to such employee.

- (iii) Upon completion of each 5 year period of employment up to the 25th year an Employee shall be entitled to receive a salary increase by way of a fixed number of increments on the scale applicable to him totalling to a sum of Rs.100/-. In the event of a fixed number of increments not totalling to Rs.100/- the amount shall be the figure immediately higher to Rs.100/- on a fixed number of increments. For example, if the salary scale provides for increments of Rs.30/- such Employee shall receive an increase of Rs.30/- x 4 = Rs.120/-, if the salary scale provides for increments of Rs.25/- such Employee shall receive an increase of Rs.25/- x 4 = Rs.100/-. The Employee shall thereafter be placed on the corresponding point in the salary scale and grade applicable to him.
- (iv) Upon the completion of 30 years in employment an Employee shall be entitled to receive a salary increase by way of a fixed number of increments totalling to the value of Rs.250/-. In the event of a fixed number of increments not totalling to Rs.250/- the amount shall be the figure immediately higher to Rs.250/- on a fixed number of increments.

20. The Employer agrees to make the following payments in lieu of consolidating wages based on cost of living and Non-recurring cost of living gratuity (NRCLG) in addition to the revision of salaries as set out above.

- (i) To add a sum of One Thousand (Rs. 1,000/-) into salaries of employees covered and bound by this agreement and who are in employment as at the date of signing of this agreement, prior to the revision of salaries as set out in clauses 19.ii.(a) to 19.ii.(d) above. Accordingly, the payment will be made as follows;
  - (a) April 2022 - Rs. 1,000/-
  - (b) April 2023 -Rs. 1,000/-
  - (c) April 2024 - Rs. 1,000/-
- (ii) To make a Lump sum payment of Rupees Twenty-Five Thousand (Rs.25,000/-) to Employees who are covered and bound by this Agreement as at the date of signing this agreement based on the following.
  - (a) May 2022 - Rs.25,000/-
  - (b) May 2023 - Rs.25,000/-
  - (c) May 2024 - Rs.25,000/-

These payments shall not attract consequential benefits such as Provident Fund, Trust Fund, Gratuity, Overtime or any other similar payments.

## 21. BONUS

- (i) Subject to what is stated at sub clauses (ii) ad (iii) hereunder the Employer will during the continuance in force of this Agreement pay, subject to prevailing practice, Employees covered and bound by this Agreement who have completed twelve (12) months continuous service in the Company on the date of such Bonus payment and are in employment on such date a bonus calculated in terms of the under-noted formula:

### Formula:

A sum equivalent to 3 months (three months) of the annual salary paid to an Employee during the relevant financial year, i.e., 1<sup>st</sup> April to 31<sup>st</sup> March, for which such bonus is declared.

- (i) The full amount due on this formula to each Employee will be paid in two equal installments in the months of December and April. For example, in respect of the financial year 1<sup>st</sup> April 2021 to 31<sup>st</sup> March 2022, the payment of bonus will be made in the months of December 2021 and April 2022.

- (ii) This payment will be extended on a pro-rate basis to any Employee who has retired on reacping the age of retirement or dies during the period for which the bonus is declared. In the case of the latter the payment will be made to the legal heirs.
- (iii) In the case of an Employee confirmed in employment after the successful completion of a period of probation the Employer will extend to him a pro rated bonus payment notwithstanding such Employee having served less than 12 months.
- (iv) In respect of the financial years 01 April 2021 to 31 March 2022, 01 April 2022 to 31 March 2023 and 01 April 2023 to 31 March 2024 , the Employer will, taking into account the performance of the Company in such financial years, consider the grant of an ex-gratia payment equal to half months salary per employee, after the end of such financial years. In the event the Company decides to make such a payment, it is agreed that it would be paid on 30th May.

## 22. PROFIT SHARE SCHEME (PSS)

- (i) It is agreed that the Employer shall implement the following Profit Share Scheme (PSS) with effect from the date of signing this agreement for the financial years 2021/22, 2022/23 and 2023/24 subject to the conditions stipulated below. Payments under this scheme shall not attract consequential benefits such as Provident Fund, Trust Fund, Gratuity, Overtime or any other similar payments.
- (ii) The profit share due to employees covered and bound shall be ascertained based on the Profit After Tax (PAT) as per Audited Accounts of the year preceding the payment after adjusting for the following items in the respective years it may arise.
  - (a) Sale of Land and buildings
  - (b) Sale of investments
  - (c) Impact due to revaluations
  - (d) VRS payments
  - (e) Compensation received from suppliers of machinery and equipment for late delivery and or for non-performance or delay.
  - (f) One off impairment of equipment, including bottles due to discontinuation.
  - (g) Any other payment received by the Company outside its normal trading activities.
- (iii) The following table shall be applied to determine the quantum due to an employee.

<u>PAT Adjusted as set out in 22.2 above</u>	<u>Peofit Share</u>
From Rs. 301 Million to Rs.400 Million	Rs. 5,000/-
From Rs. 401 Million to Rs.500 Million	Rs. 15,000/-
From Rs. 501 Million to Rs.700 Million	Rs. 25,000/-
From Rs. 701 Million to Rs.900 Million	Rs. 30,000/-
From Rs. 901 Million to Rs.1,000 Million	Rs. 35,000/-
From Rs. 1,001 Million to Rs. 1,200 Million	Rs. 40,000/-
From Rs. 1,201 Million to Rs. 1,400 Million	Rs. 45,000/-
From Rs. 1,401 Million to Rs. 1,600 Million	Rs. 50,000/-
From Rs. 1,601 Million to Rs. 1,800 Million	Rs. 55,000/-
From Rs. 1,801 Million to Rs. 2,000 Million	Rs. 60,000/-
From Rs. 2,001 Million to Rs.2400 Million	Rs. 65,000/-
Over Rs.2401 Million	Rs.70,000/-

Employees will not be eligible for PSS on a pro-rated basis.

For e.g. If the Company were to achieve an adjusted PAT of Rs.320 million, an employee will be paid Rs.5,000/-.

- (iv) It is the intention of parties continue the Profit Share Scheme and requisite revisions to the PSS shall be made with the concurrence of the Union
- (v) Payment under the PSS, if eligible to pay, and the sum set out in 20.(ii) will be made on or before 31 st May every year.

### 23. WAGES FOR PERIODS LESS THAN ONE MONTH

For the purpose of this Agreement the wages of any Employee for periods less than one month shall be computed in the manner following:

- (a) for one hour - the monthly wage divided by two hundred and forty (240)
- (b) for one day - the monthly wage divided by thirty (30)
- (C) for one half day (either morning or afternoon) - a day's wage ascertained as above divided by two (02)
- (d) for one week - a day's wage ascertained as above multiplied by seven (07)

### 24. PROVIDENT FUND

The Employer shall contribute to the Provident Fund 12% (twelve percent) of the Employee's monthly salary and the Employee shall contribute a like sum to the Fund. The rates of contribution are liable to change subject to the requirements of the Employees' Provident Fund Act No. 15 of 1958

### 25. ANNUAL INCREMENTS

The annual increments provided in each of the scales of consolidated wages in the schedule hereto shall be automatic unless as a matter of punishment for general inefficiency including irregular attendance or punctuality or disciplinary action on account of serious misconduct an increment is suspended, stopped, deferred, in which case where an increment is —

- (i) Deferred, the loss of increment shall be continuous through the year;
- (ii) Stopped, the loss of increment shall only be for the period of stoppage during the year;
- (iii) Suspended, the increment' is suspended pending a decision to defer or stop an increment, such decision being dependent upon a consideration of the factors giving rise to the suspension where on such decision an increment is neither stopped nor deferred, then the suspension shall be treated as waived and the full increment from the date of suspension thereof shall accrue to the Employee concerned. Deferral, stoppage or suspension of an increment shall only be effected in cases where the Employee has been notified in writing of a complaint against such Employee and has been found guilty after due Inquiry of inefficiency, fraud or misconduct, which in the circumstances does not merit termination of employment.

### 26. WARNINGS

If in the opinion of the Employer an offence warrants a warning the same shall be conveyed to the Employee by a letter, a duplicate of which shall be signed by the Employee. If the Employee refuses to sign the duplicate the warning may be given to the Employee orally by the Employer in the presence of two witnesses and the fact that such written warning was refused to be taken by the Employees hall be recorded.

### 27. SUSPENSION

- (i) An Employee may, subject as hereinafter provided, be suspended without pay by an Employer -

- (a) pending an inquiry to be held by such Employer on a charge or charges of misconduct where such charge or charges relates to:
  - (i) fraud, theft, misappropriation or a like offence by the Employee in the course of his employment;
  - (ii) abuse, threat or gross insubordination by the Employee of or to a member of the executive or managerial staff of the Employer;
  - (iii) a breach of peace, or damage to property, or disturbance of the business of the Employer.

Provided however that an Employer shall suspend an Employee under paragraph (iii) above only for so long as the Employee's continuance in employment will or is likely to be undesirable or to be prejudicial to the proper investigation of the charges or the Employer carrying on his business;

- (a) As a punishment for misconduct for a period not exceeding seven (07) working days, after due inquiry.
  - (b) If an Employee refrains from complying with any order of transfer in terms of clause (17) of Part I hereof or fails to carry out the Employer's written instructions in terms of clause 18 of Part I hereof.
- (ii) At the time of suspension under sub clause (i)(a) or within twenty-four (24) hours thereof the Employer shall provide the Employee with a written order of suspension specifying the reasons for such suspension and thereafter hold an inquiry into the charge or charges in terms of Clause 28 hereof.

## 28. DISCIPLINARY ACTION

Where the Employer proposes to proceed against an Employee then -

- (i) Irrespective of whether an Employee has been suspended under Clause 27 hereof or not, the Employee shall be furnished with a show cause notice which shall set out the particulars of the charge or charges of misconduct alleged against such Employee and such show cause notice shall give the Employee not less than five (05) clear working days in which to give the answer or explanation to the charge or charges preferred.
- (ii) Within five (05) clear working days after the date of the show cause notice, the Employee shall furnish in writing to the Employer the answer or explanation to the charge or charges preferred against such Employee. Provided, however, that if in the circumstances it is reasonable, the Employee may ask the Employer for an extension of time within which to furnish the written answer or explanation to the show cause notice and where such request is made by an Employee to the Employer, the Employer shall grant such request for such further period of time is deemed necessary in the circumstances of the case.
- (iii) If the Employer is satisfied with the written answer or explanation of the Employee, the Employee shall, if he is under suspension, forthwith be reinstated and shall be paid all emoluments and entitlements due for the period of such suspension.
- (iv) if the Employer is not satisfied with the written answer or explanation of the Employee to the show cause notice and such answer or explanation is rejected by the Employer, the Employer shall commence an inquiry within fourteen (14) working days from the date of receipt by him of the written answer or explanation to the show cause notice.

- (v) After holding such inquiry, the Employer shall notify the Employee of the findings of each of the charges in the show cause notice and the punishment, if any, imposed by the Employer. Provided that if the Employer fails to make an order except for reasons beyond the control of the Employer on the charges in the show cause notice within thirty (30) working days from the conclusion of the Inquiry into such charges, the Employee shall not be liable to be punished thereafter in respect of such charges and inference adverse to the Employee in respect of such charges shall be drawn from such charges.
- (vi) If the Employee is under suspension and the Employer after such inquiry makes order that -
- (a) the Employee shall not be dismissed then the Employee shall resume employment forthwith and shall subject to the provisions of sub Clause 27 hereof be paid all emoluments, and entitlements due for the period of suspension irrespective of such other punishment less than dismissal that may be imposed by the Employer on the findings as to the charges in the show cause notice;
  - (b) the Employee shall be dismissed, then the Employee's dismissal shall take effect from the date of the Employee's suspension and accordingly the Employee shall not be paid for the period of such suspension;
  - (c) in view of the serious or involved nature of the charges in the show cause notice against the Employee the Employer is unable to make a final order as it is necessary and desirable that the matter be referred to the Police or other authorities for further investigations or inquiries and that the matter be therefore referred to the Police or other authorities or if in view of the serious or involved nature of the charges preferred against the Employee the matter has been previously referred to the Police or any other authorities for investigation or inquiries that the outcome of such investigations or inquiries be awaited, then in either of such circumstances the Employee may remain suspended without pay.
- (vii) If in any case where an Employee is suspended as provided for herein the Employer fails to make an order under paragraphs (a) to (c) of the preceding sub clause for any reason other than that of the Employee's own seeking within thirty (30) days from the date of the Employee's suspension, the Employee shall be entitled to half his normal remuneration for the period of thirty (30) working days from the date of such suspension and to his full remuneration for the period of suspension in excess of thirty (30) working days up to the date on which the Employer makes an order under paragraphs (a) to (c) of the preceding sub clause irrespective of the outcome of the Inquiry.
- (viii) in any case where an Employee is suspended as provided herein the Employer shall make an order under paragraphs (a) to (c) of sub clause (vi) within ninety (90) days of the date of suspension of the Employee unless he is prevented from so doing by reason of the Employee's own seeking of for reasons beyond the control of the Employer or it is agreed between the Employer and the Union that in the circumstances of the case the period of ninety (90) days be extended for such further time as may be agreed.
- (ix) an Employer shall not be required to hold an Inquiry as referred to in sub clauses (4) and (5) hereof where the Employer proposes to warn the Employee or where the Employee admits to the charge or charges. Provided however, that if the Union disputes the warning or punishment imposed on the Employee by the Employer and requests the holding of an inquiry the Employer shall comply with such request and the provisions relating to the holding of an inquiry shall then apply subject to the exception that the fact that the inquiry had not commenced within fourteen (14) working days after receipt of the Employee's explanation shall not be material or relevant.



## 29. RETIREMENT

An Employee has the option of retiring at the age of fifty five (55) years or at any time thereafter and shall retire on attaining the age of sixty (60) years. Provided however, that if the Employer requires to retain the services of an Employee who has attained the age of sixty (60) years, the Employee shall be offered fresh employment on a temporary basis so long as the Employer requires the services of such Employee.

## 30. TRADE UNION ACTION

The Union hereby undertakes in respect of all the terms and conditions of employment covered by this Agreement not to seek to vary or alter any such terms or conditions other than by negotiation during the currency of this Agreement and hereby expressly undertakes, subject to Clause 31(iv)(d) of Part I hereof, not to engage in a strike or other form of trade union action in respect of a dispute but will have such dispute settled in accordance with the procedure set out in Clause 31 of Part I hereof.

## 31. DISPUTE PROCEDURE

It is hereby agreed that the procedure to be followed for the settlement of a dispute shall be as set out in sub clause (i) or (ii) hereof.

- (i)
  - (a) Where a dispute is between an Employee and an Employer, the Employee shall, in the first instance, raise the matter through such Employee's Branch Union with the Employer and both parties shall endeavour to effect an amiable settlement. Provided however, that if the exigencies of the circumstances warrant, the Union acting immediately in accordance with the succeeding paragraph (b) it shall not be necessary for the Employee's Branch union to raise the matter as herein provided before the Union acts under the succeeding paragraph (b).
  - (b) In the event of a dispute not being settled under paragraph (a) above, or in the case of a dispute between a Branch union and an Employer, the Union may, if it so desires, raise the matter with the Federation and thereupon all steps shall be taken that may be reasonable by the Union and the Federation for an amicable settlement of the matter in dispute utilizing if desired, the good offices of the Conciliation Division of the Department of Labour.
  - (c) In the event of a dispute not being resolved or settled under the preceding paragraphs (a) or (b) or in the case of a dispute between the Union and the Federation, the parties shall agree to a statement of the matters in dispute and such matters shall be referred to an arbitrator or arbitrators under section 3(i)(d) of the Industrial Disputes Act for settlement by arbitration. Provided however, that should the parties fail to agree to a settlement of the issue in dispute, each party shall furnish the Commissioner of Labour with a statement setting out the issues in dispute and thereafter the Commissioner of Labour shall set out the issues in dispute to be referred to the arbitrator or arbitrators.
- (ii)
  - (a) The Union may notify the Federation in writing with a statement of the matter in dispute that such dispute should be dealt with under the sub clause. As soon as possible after such notification by the Union to the Federation, a Special Disputes committee of the Federation shall endeavour to settle the dispute. If no settlement is effected within seven (07) days from the date of the Union notifying the Federation, the dispute shall, as soon as possible, be referred to the Commissioner General of Labour for settlement by arbitration as provided in sub clause (i)(c) above, or if the Union or the Employer so requests, the dispute shall be referred immediately to a Special Arbitrator for settlement by arbitration.
  - (b) If a dispute arising from the dismissal or discharge of an Employee by an Employer is referred to a Special Arbitrator as aforesaid and he is unable to make an Award within twenty one (21)

days of the date of receipt of reference, the Special Arbitrator shall be competent but not bound, either of his own motion or at the instance of the Union, to make an interim Award after duly considering all the relevant facts and circumstances for his failure to make an Award within twenty one (21) days of the date of reference, directing the Employer to pay the Employee a sum not exceeding the equivalent of one half of the Employee's normal remuneration for the first thirty (30) days from the date of cessation of employment and for such period thereafter but, not later than the date of the Award on the Preference a sum not exceeding the equivalent of the Employee's full remuneration. The parties shall be bound by and comply with the terms of any such interim Award.

- (iii) Subject to sub clause (iv) hereof, the procedure for the settlement of a dispute shall be as set out in sub clause (i) hereof.
- (iv) The procedure for a settlement of a dispute in respect of the matters enumerated in the succeeding paragraphs (a), (b) or (c) shall subject to the succeeding paragraph (d) be as set out in sub clause (ii) hereof.
  - (a) A dispute in connection with the interpretation or implementation of this Agreement arising from an act of the Employer, which in the opinion of the Executive Committee of the Union is calculated to threaten or undermine the existence or the legitimate activities of the Union.
  - (b) A dispute not connected with the interpretation or implementation of this Agreement, arising from an act of an Employer which in the opinion of the Executive Committee of the Union is calculated to threaten or undermine the existence of the legitimate activities of the Union or its members or is grossly unfair or seriously detrimental to the interests of the Union or its members. Provided however, that the disputes shall be referred to an arbitrator or arbitrators under the Industrial Disputes Act or to a Special Arbitrator as the case may be, if no settlement is effected within seven (07) days from the date of the Union notifying the Federation in terms of sub-clause (ii)(a) hereof, only if the Union so desires.
  - (c) A dispute arising from the dismissal or discharge of an Employee by an Employer on disciplinary grounds, which dismissal or discharge is in the opinion of the Executive Committee of the Union vindictive or in bad faith and is calculated to threaten or undermine the existence or the legitimate activities of the union. Provided however, that the dispute shall be referred to an arbitrator or arbitrators under the Industrial Disputes Act or to a special Arbitrator as the case may be, if no settlement is effected within seven (07) days form the date of the Union notifying the Federation in terms of sub clause (ii)(a) hereof, only if the Union so desires,
  - (d) If the Union does not, however, desire to refer a dispute for settlement by arbitration under the provisions of the preceding paragraphs (b) or (c), the Union reserves to itself the right to engage in or authorize a strike or other form of trade union action and the Federation and the Employer reserves to itself and himself the right to take such steps as it or he may deem fit in the circumstances.
- (v) (a) In respect of a dispute arising between the parties hereto where arbitration is provided for under this Agreement, it is agreed that the parties to the dispute shall determine at the date thereof whether the dispute shall be settled by arbitration by one arbitrator or three arbitrators. Provided however that disputes arising over dismissals shall normally be referred to one arbitrator and disputes arising over the proper interpretation or implementation of this Agreement if involving matters or principle or matters of general importance shall normally, if possible, be referred to a Panel of not less than three arbitrators.
  - (b) For the purposes of this Agreement an arbitrator or Special Arbitrator shall be jointly selected by

the parties. If the parties fail to agree on an arbitrator or special Arbitrator he shall be selected by the Commissioner General of Labour.

- (c) Where a dispute over a dismissal has been referred for settlement by arbitration under the provisions of this Agreement and the Award contains a finding that the dismissal of the Employee by the Employer was not justified, then it is hereby agreed between the parties that normally in such a case the arbitrator or Special Arbitrator shall order that the Employee shall be reinstated in his employment with the Employer and it is hereby further agreed that in any such arbitration the arbitrator or the Special Arbitrator shall take note of this paragraph in making any such Award.
- (d) A special Arbitrator shall be competent but not bound to make order in his Award as to the manner in which the costs of the arbitration excluding the legal expenses or either party shall be borne by the parties.
- (e) An Award of an arbitrator or Special Arbitrator made herein provided shall be final and binding on the parties hereto.
- (f) (i) Where the Union seeks to settle a dispute by Arbitration as provided for in this clause, such request for arbitration shall be communicated to the Federation within six (06) months calculated from the date on which negotiations fail.  
(ii) Either party shall be entitled at any stage to inform the other that negotiations have failed.  
(iii) An Employer and the Federation shall not be under any obligation to refer to arbitration any dispute where the request for arbitration is not made within the period of six (06) months specified in his sub clause.
- (g) (i) Where the Union seeks to settle a dispute relating to the termination of the services of an Employee by arbitration as provided for in this clause, such termination should have been disputed by the Employee with the Employer or by the Branch Union with the Employer or by the Union with the Employer or the Federation within three (03) months of the date of termination.  
(ii) An Employer and the Federation shall not be under any obligation to refer to arbitration a dispute relating to the termination of the services of an Employee where it has not been disputed as aforementioned within the period of three (03) form the date of termination of services.  
(iii) The date of termination for the purposes of this sub clause shall be the date on which the written communication is sent to the Employee terminating his services and not the date on which the termination of services takes effect under Clause 28(6)(b) hereof.

### 32. VARIATIONS OF TERMS AND CONDITIONS OF EMPLOYEMENT BENEFITS

- i) The Union and its members and the Employees covered and bound by this Agreement jointly and severally agree with the Employer that during the continuance in force of this Agreement they will not seek to vary, alter or add to all or any of the terms and conditions of employment presently applicable to any of the Employees covered and bound by this Agreement as amended or altered in terms of this Agreement, or all of any of the benefits presently enjoyed by any of the Employees covered and bound by this Agreement other than by mutual agreement.
- ii) The Employer agrees with the Union and its members and the Employees covered and bound by this Agreement that he shall not seek to vary, alter or withdraw all or any of the benefits presently enjoyed by the Employees covered and bound by this Agreement other than by mutual Agreement.

- (iii) Any dispute or difference arising from negotiation under the provisions of sub clause (i) or (ii) may be resolved by voluntary arbitration but only if all the parties concerned agree to submit such dispute or difference for settlement by voluntary arbitration.

## PART II

### **CONTAINING THE FACILITIES AND CONCESSIONS GRANTED BY THE EMPLOYER TO THE UNION**

#### **1. DOMESTIC INQUIRIES**

If an Employee who is furnished with a show cause notice in terms of Clause 27 is a member of the Union, the following provisions shall apply to the inquiry held by the Employer pursuant to such show cause notice -

- a) The Employer will; subject as hereinafter provided, allow a member of the Union in the employment of the Employer (hereinafter referred to as "Observer") to be present as an Observer without loss of wages for absence from work.
- b) If the Employee who is served with a show cause notice desires an Observer to be present at the Inquiry to be held pursuant to such show cause notice, he shall forty eight (48) hours at least before the time appointed for the commencement of the inquiry submit to the Employer the name of such Observer.
- c) An Observer may answer any question which the person who conducts the inquiry may ask him, but an Observer shall not be entitled to represent the Employee who is served with a show cause notice or otherwise partake in the inquiry.
- d) The person who conducts an inquiry shall be entitled to require an Observer who obstructs such inquiry in any manner whatsoever to withdraw there from and an Observer shall forthwith comply with such requirement.
- e) The absence of an Observer from the whole or part of an inquiry for any reason whatsoever shall not vitiate such inquiry, nor the proceedings thereat, nor the finding pursuant thereto.

#### **2. UNION MEETINGS**

The following provisions shall apply to meetings of the Branch Union -

- a) In respect of each meeting the Branch Union desires to hold at the Employer's premises an application for permission shall be previously made to the Employer.
- b) If the Employer decides to grant permission, the Employer shall be entitled to impose inter alia, one or more of the under-noted conditions:
  - i) That no person other than an employee who is a member of the Union in the service of the Employer shall be present at a meeting of such Branch Union;
  - ii) On occasions such as the Annual General Meeting of the Union, authorized official of such Union may with the prior approval of the Employer, attend;
  - iii) Fix a time limit within which a meeting of the Branch Union shall be conducted or adjourned.
- c) It shall be the duty of the Branch union and its Officials to ensure that the terms on which permission to hold a meeting of the Branch Union is granted are duly complied with.

- d) It shall be the duty of the Branch Union and its Officials to ensure that no damage is caused in the course of or in connection with the meeting of the Branch Union to the Employer's property or any other persons at the Employer's premises and the Union shall indemnify the Employer and keep the Employer indemnified against any such damage.
- e) The following provisions shall apply to meetings of the General Council of the Union:-
  - (i) Without prejudice to the right of an Employer to refuse to grant permission if in his discretion the exigencies of the circumstances warrant refusal, an Employer will generally grant permission to a member of the General Council of the Union in order to attend a meeting of the General Council, to leave office not earlier than two (02) O'clock in the afternoon on not more than one occasion in a month without loss of salary for such absence if an application for permission to attend is made at least forty eight (48) hours before the time appointed for holding the meeting of the General Council.
  - (ii) For the purpose of paragraph (a) above the Union shall forthwith furnish each, Employer in whose service there are members of the General Council of the Union with a list of such members and keep such Employer informed of all changes therein which may be made from time to time.

### 3. DUTY LEAVE

- (i) The following provisions shall apply to duty leave without prejudice to the right of the Employer to refuse to grant permission if, in his discretion, the exigencies of the circumstances warrant refusal. The Employer will generally grant permission for not less than two Office Bearers of the Union -
    - (a) to be present at conferences held under the aegis of the Employers' Federation of Ceylon or the Department of Labour in connection with a dispute between the Employees and the Employer,
- OR**
- (b) to attend inquiries before Industrial Courts, Arbitrators or Labour Tribunals or Department of Labour without loss of wages for such absence.
  - (ii) (a) In respect of the Annual General Meeting of the Branch Union, the Employer shall subject to the discretion) referred to at sub clause (i) above, permit two hours paid leave for a member of the Union to attend such Annual General Meeting.
  - (iii) The Employer will in his discretion, grant leave without remuneration, to an Employee to attend a Trade Union Courts or Seminar or conference either in Sri Lanka or abroad unless the Employee concerned is entitled to annual or other holidays which he wishes to utilize for the purpose.

### 4. CHECK OFF

- i) For the purpose of this Clause the Employer shall be bound to grant check off to the Union only if the membership of the Union is not less than forty percent (40%) of the Employees covered and bound by this Agreement.
- ii) 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.
- iii) Every Employee who agrees to the deduction of Union dues from his wages shall sign a statement to that effect in the form set out in Form No.I hereinafter referred to as an "Authorization".

- iv) Every employee shall be entitled to withdraw his agreement to check off at any time by signing a statement to that effect in the form set out in Form No.2 hereinafter referred to as a "Revocation" as set out in the Third Schedule hereto.
- v) As far as practicable deduction under an Authorization shall commence from the wages due immediately after the date of receipt of such authorization and shall continue thereafter until the authorization is cancelled by a revocation.
- vi) As far as practicable deductions under an authorization shall cease from the date of receipt of a revocation cancelling such authorization. Provided however:-
- (a) That an Employer shall not be liable in any manner whatsoever to the Union the Employee concerned for failure to comply with sub clause (5) or (6);
- (b) That, at his discretion, the Employer shall be entitled not to make deductions by way of check off in any month in which the deduction by way of check off will together with all other deductions from the Employee's wages in that month exceed the deductions permitted by law.
- (vii) The Employer shall not later than the tenth day of each month remit the Union dues deducted from the wages of the Employees in the month immediately preceding, to the Treasurer of the Union in accordance with the tenor of each authorization by a cheque payable to the Treasurer thereof and crossed "Account Payee".
- (viii) The cheque shall be sent at the risk of the Union and the Employees concerned by post in a prepaid envelope addressed to the Treasurer of the Union at its address for the time being.
- (ix) The Treasurer of the Union shall promptly acknowledge receipt of the cheque.
- (x) The Employer shall not be liable to pay to the Union or to the Treasurer on its behalf, as aforesaid, any sum other than the Union dues actually deducted.
- xi) If for the purpose of this clause it becomes necessary to decide the question of whether a Trade Union represents not less than 40% of the Employees concerned, the same shall be determined by a Referendum which shall be held by the Department of Labour and the result of such Referendum shall be binding on the parties hereto.

### SCHEDULE I

Salary Scales in respect of employees who are in permanent employment as at the date of signing the agreement

#### CLERICAL AND SUPERVISORY STAFF

Grade I	Rs. 15,602.50	43,732.00	-	Rs. 70.50
Grade II	Rs. 16,040.00	47,008.00	-	Rs. 79.00
Higher Grade	Rs. 16,333.50	51,447.50	-	Rs. 90.50
Special Grade	Rs. 16,683.50	59,307.50	-	Rs. 111.00

#### TECHNICAL STAFF

Grade I	Rs. 15,679.50	-	43,809.00	-	Rs. 70.50
Grade II	Rs. 16,051.00	-	47,019.00	-	Rs. 79.00
Higher Grade	Rs. 16,344.00	-	51,458.00	-	Rs. 90.50
Special Grade	Rs. 16,677.50	-	59,301.50	-	Rs. 111.00

#### MINOR STAFF

Rs. 15,455.00	43,338.00	-	Rs. 62.00
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**SCHEDULE II**

**BENEFITS/CONCESSIONS TO EMPLOYEES**

**1. Soft Drinks Issues.**

- (A) 24 bottles free of charge per month per employee
- (B) Funeral of an employee 10 dozens free of charge
- (C) Wedding of an employee - subject to one wedding during an employee's tenure of service - 6 dozens free of charge.
- (D) Funeral of a dependent - 200 bottles at ex-factory price.

**2. Ice Cream Issue**

4 litres of Ice Cream to be issued at the ex-factory price less Rs.15/- per month per employee

**3. Free Mid-Day Meal**

**4. Medical benefit under a surgical and hospitalization insurance cover, where an employee could claim up to Rupees Forty-one Thousand (Rs.41,000/=) (in any one claim with a maximum limit of Rupees Forty One Thousand (Rs.41,000/=) for a year.)**

**5. Funeral Aid Scheme**

- (A) A grant of Rs.25,000/- in the event of a death of an employee in service.
- (B) A grant of Rs.7,500/- in the event of a death of the spouse or any unmarried children under 18 years and if the employee is unmarried, to his/her parents.

**6. Welfare Shop with essential items**

**7. Service Awards**

- (A) On completion of 15 years of service Rs.5,000/-
- (B) On completion of 25 years of service - one gold sovereign and a Wall Clock.
- (C) On completion of 30 years of service - one gold sovereign

**8. Retirement grant to employees**

- A. For employees retiring after a period in excess of 15 years, a gift voucher to the value of Rs.3,500/- to purchase Company products.
- B. For employees retiring with less than 15 years service a gift voucher to the value of Rs. 1,250/- to purchase company products.

**9. Monthly salaries/wages to be paid on 25th of each month.**

**10. Opportunities being made available to suitably qualified employees in the Minor & Clerical grades to obtain appointments in Clerical and Executive Grades.**

**11. Festival Advance of Rs.5,000/= to be paid for Sinhala/ Tamil New Year or Christmas.**

**12. An advance of Rs. 1,000/- from the Lump Sum Payment payable only to eligible employees for Vesak festival, subject to the money lying to the credit of NRCLG.**

**13. Holiday Bungalow**

3 Roomed Holiday Bungalow to be provided as and when available. This facility will be reviewed subject to its occupancy levels.

14. Shift Allowances
- |       |                    |           |
|-------|--------------------|-----------|
| 7.0.  | a.m. to 3.00 p.m.  | Rs.6.00   |
| 3.0.  | p.m. to 10.00 p.m. | Rs.6.00   |
| 10.0. | a.m. to 7.00 a.m.  | Rs. 10.00 |

Boiler/Engineering	
4 p.m. to 12 mid night	Rs. 10.00
12 midnight to 8 a.m.	Rs. 10.00

15. Attendance/Punctuality Bonus

(A) A total bonus payable Rs.360/- per month subject to deductions for absence as given below.

#### DEDUCTIONS FOR LEAVE

<u>Authorised leave taken</u>	<u>Deductions (Rs.)</u>
½ day	Nil
1 day	Nil
1 and ½ day	Nil
2 days	Nil
2 and ½ days	75.00
3 days	150.00
3 and ½ days	200.00
4 days	not eligible

- Accident Leave, continuous 7 days Annual Leave, Special Leave and Duty Leave will not be counted as absence for deduction.
- Any walkouts of more than 4 hours continuously will be considered as 1 day's leave for this purpose
- Periods of strikes will be regarded as absence.
- Employees guilty of unauthorized absence and/or who avail themselves of unpaid sick leave for any period will forfeit their right to the attendance/punctuality bonus.
- Deductions for late attendance.

<u>Late in minutes</u>	<u>Deductions</u>
15	Nil
30	Rs. 15.00
45	Rs.30.00
60	Rs.50.00
75	Rs.75.00
90	Rs. 100.00
105	Rs.125.00
120	not eligible

A quarterly bonus of Rs.600/- will be paid for employees who collect the full payment of Rs.360/- in the 3 months representing such quarter. The year for this purpose shall be from January to December.

16. Spectacle Purchase Expenses Reimbursement

Reimburse expenses related to purchase of spectacles of Rs. 1,500, once in 3 years on the production of prescriptions and payment receipts based on reference and approval of the Company Doctor only in respect of permanent employee



17. Book Advance

A book advance of Rs. 1,000/- in December subject to prevailing conditions.

**FORM NO. 1**

**Name of Employer:**

**Authorisation**

I, being an employee covered and bound by the Collective Agreement signed between the Inter Company Employees Union of which I am a member and Ceylon Cold Stores Limited, kindly request the Company to deduct from my salary each month a sum of 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 please be made from my wages next due immediately following the date hereof.

Signature of Employee:

Date:

Full Name of Employee:

Received on:

(to be filled by Employer)

**FORM NO. 2**

**Name of Employer:**

**REVOCATION**

With reference to the Authorisation submitted by me, please cease to deduct from my wages any further membership dues in favour of the Inter Company Employees Union with effect from the wages next due to me immediately following the date hereof.

Signature of Employee:

Date:

Full Name of Employee:

Received on:

(To be filled by Employer)

### PART III

#### CONTAINING DEFINITIONS OF CERTAIN WORDS

In Parts I and II of the Agreement unless excluded by the subject or context the following word - shall have the meaning set opposite to them -

WORDS	MEANING
The Act	The Shop and Office Employees (Regulation of Employment and Remuneration) Act, No. 19 of 1954.
Check Off	The act of the Employer deducting, at the request of the Union subscriptions payable to the Union by an Employee from the latter's pay with his concurrence.
Dispute	Shall have the same meaning as in the Industrial Disputes Act
The Federation	The Employers' Federation of Ceylon
Employee (for convenience sometimes referred to as "he" or its grammatical variations)	An Employee covered and bound by this Agreement.
Employer (for convenience sometimes referred to as he" or its grammatical variations)	The Employer covered and bound by this Agreement.
Industrial Disputes Act	The Industrial Disputes Act, No.43 of 1950.
Normal Incremental Date	The date on which an Employee would normally receive all increment.
Union or Unions	The Union covered and bound by this Collective Agreement.
Branch Union	The Branch Union of the Inter Company Employees Union in the establishment of the Employer.
Wage	The monthly wage according to the scales of consolidated wages in the Schedule hereto.
Week	The period between midnight on any Saturday night and midnight on the succeeding Saturday night.
Year	A continuous period of twelve (12) months.
Weekly full holiday in respect of any week	Shall have the meaning as 'weekly holiday' under the Shop / Office Employees' Act.
Weekly half holiday in respect of any week	Shall have the same meaning as 'weekly half

**WORDS**

**MEANING**

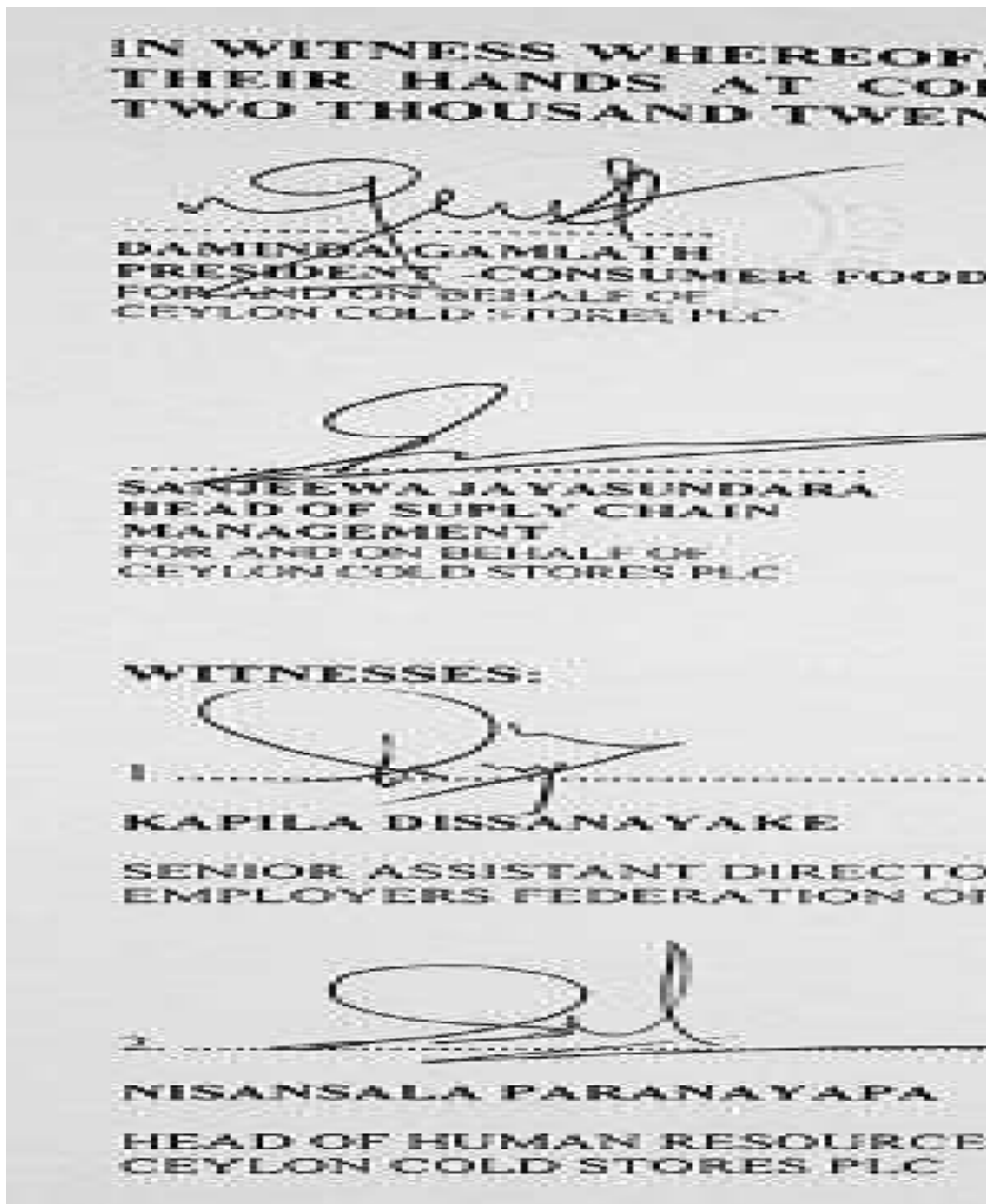
Two such weekly holidays

holiday' in the Shop & Office Employees' Act.

Two full holidays or four half holidays or any combination of full or half holidays which does not exceed two full holidays.

Words importing the masculine gender shall include the feminine.

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



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