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The Gazette of the Democratic Socialist Republic of Sri Lanka

EXTRAORDINARY

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No. 1655/14 - WEDNESDAY, MAY 26, 2010

(Published by Authority)

PART I : SECTION (I) — GENERAL

Government Notifications

My No. : IR/19/04/2006.

In the Matter of an Industrial Dispute Between :

THE INDUSTRIAL DISPUTES ACT, CHAPTER 131

THE Award transmitted to me by the Arbitrator to whom the Industrial Dispute which has arisen between Mr. R. A. R. M. Ranawaka (Superintendent), Galpihilla State Plantation, Panwila and Mr. D. K. Benedict, (Superintendent), Ranagala State Plantation Ranagala (withdrew from the case 04.08.08) of the one part and Sri Lanka State Plantation Corporation, No. 55/75, Vauxhall Lane, Colombo 02 of the other part was referred by order dated 25.05.2007 under Section 4(1) of the Industrial Disputes Act, Chapter 131 (as amended) and published in the *Gazette* of Democratic Socialist Republic of Sri Lanka Extraordinary, No. 1,503/4 dated 25.06.2007 for settlement by Arbitration is hereby published in terms of Section 18(1) of the said Act.

Case No:
A 3215

1. R. A. R. M. Ranawaka,
(Superintendent),
Galpihilla State Plantation,
Panwila.

and

2. D. K. Benedict,
Superintendent,
Rangala State Plantation,
Rangala.
(withdrew from the case 04.08.08)

.....*of the one part.*

and

Sri Lanka State Plantation Corporation,
No. 55/75, Vauxhall Lane,
Colombo 02.

.....*of the other part.*

W. J. L. U. WIJAYAWEERA,
Commissioner General
of Labour.

Department of Labour,
Labour Secretariat,
Colombo 05,
17th May, 2010.

The Hon. Minister by virtue of the powers vested in him by Section 4(1) of the Industrial Disputes Act, Chapter 131 of the Legislative Enactment of Ceylon 1936 (Revised Edition) as amended by Act, Nos. 14 of 1957, 4 of 1962 and 39 of 1968, (read with Industrial Disputes (Special Provisions) Act, No. 37 of 1968), appointed me as the Arbitrator by his order dated 25.05.2007 and referred the following dispute to me for Arbitration.

THE AWARD

The matters in dispute has arisen between (1) R. A. R. M. Ranawaka, Superintendent, Galphilla State Plantation, Panwila; and (2) D. K. Benedict, Superintendent, Rangala State Plantation, Rangala of the one part (Applicants) and Sri Lanka State Plantation Corporation, No. 55/75, Vauxhall Lane, Colombo 02 of the other part (Respondent).

The matters in dispute are :-

1. In view of the recruitment procedure of Superintendent of Sri Lanka State Plantation Corporation whether any discrepancy in salary was caused to Messrs. R. A. R. M. Ranawaka and D. K. Benedict who were Superintendents of the said Corporation ; and
2. If any such salary discrepancy was caused, what should be the salary scale payable to R. A. R. M. Ranawaka and D. K. Benedict as from 01st March, 2004 and whether they are entitled to receive arrears of salary accordingly.

Appearances :

At the inquiry before the Arbitrator which began on 22.08.2007 the applicants Messrs. Ranawaka and Benedict Superintendents, SLSPC were represented by Mr. Saliya Edirisinghe, Attorney-at-Law who withdrew from the case on 12.09.2007. Thereafter Mr. K. G. Nawarathna represented the applicants. The Respondent SLSPC was represented by Mr. Susantha Gunasekera, Attorney-at-Law. Applicant Ranawaka gave evidence on his behalf. The evidence on behalf of the respondent SLSPC was given by M/s. Chandra Liyange, Regional Directress, Kandy and Ms. Vinitha Beneragama, Assistant Managress, SLSPC.

The 2nd applicant D. K. Benedict having come to a settlement with the respondent SLSPC withdrew from the case (No. A - 3215) on 04.08.2008 and produced the terms of settlement marked R. 14 whereby he was to be paid 7

increments which had been held up, for the period 01.07.2001 to 01.07.2008, without arrears and was placed on the new salary point Rs. 44,805 p.m. on the revised salary scale - 25,640-3x665-07x735-15x925—Rs. 46,665 - *w.e.f.* 01.07.2008. Since Superintendent Benedict has already withdrawn from this inquiry, we shall refrain from dealing with the merits of his application and in the course of making our order we shall make reference to his case if the necessity arises.

The compliant of the two applicants :

The aforesaid two applicants, in their statement to this Tribunal complained that filling vacant posts of Superintendents, referring to the appointment of Superintendents Tennege and Wadugodapitiya from outside the SLSPC and placing them on the highest salary point in Grade II of the Superintendent's scale has caused discontentment, frustration and low moral among the long-standing Superintendents of the SLSPC, who have been serving the respondent SLSPC with dedication. They also alleged that this procedure of recruitment is irregular, unreasonable, unfair, unjust and inequitable to the Superintendents already in employment with the SLSPC.

Superintendent Ranawaka's claim :

The basis of Superintendent Ranawaka's claim is that his present salary is Rs. 15,225 in Grade III and the newly appointed Superintendents have been placed on Rs.21,610 the maximum of Grade II which he considers as an anomaly and in order to rectify this perceived anomaly, Ranawaka claims (by A8) that he should be placed on par with the salaries of the new recruits (Tennege, Wadugodapitiya) as he had joined the SLSPC earlier.

Reference has been made to the recruitment procedure of Superintendents. No evidence was placed before us and we are unaware of any existing scheme of recruitment and the procedure that had been followed in the SLSP/JEDB in the past and hence unable to comment on it. We have however, been able to give all details of the recruitment procedure followed in 2002 in the recruitment of the two new superintendents Messrs Tennege and Wadugodapitiya.

Recruitments of the Superintendents in 2002 :

In the year 2002 the Board has followed accepted procedure in the recruitment of the two new Superintendents by giving the widest publicity in 2 English Sunday Newspapers the "Observer" and "Sunday Leader" and a Sunday Sinhala paper "The Lakkima" (R(5), R(6) and R(7)) to fill the vacancy of the post of Superintendent. The requirements were :

- (a) *Educational* : GCE (O/L) with Arithmetic and Maths.
(b) *Experience* : 15 years planting experience with 5 years as Superintendent.
(c) *Age* : 40 years.
(d) *Salary* : To be placed at a suitable point in Grade II according to experience.

The Respondent Board, having considered R(9) the Bio data of M.I.P. Tennege of St. James Estate, Haliella and R(10) Bio data of Y. A. T. B. Wadugodapitiya of Hugoland Estate, Welimada whose qualifications, experience and professional career records were impressive, were selected for the posts of Superintendents. In addition to all the other requirement both of them also had passed the G. C. E. (Advanced Level) although the educational qualification request was only G.C.E. (O/L). Although the required age limit was 40 years, Tennege's age of 37 years has not been counted as an impediment. They were selected and placed on the maximum salary point of Grade II. This salary placement was in accordance with the requirements stipulated in the news paper advertisements R5, R6 and R7 where the selected candidate was "to be placed at a suitable point in Grade II, according to experience".

On complaints made to the respondent Board by the 2 applicants about the selection of a Superintendent from outside, the Chairman SLSPC/JEDB by his letter R12 of 14.02.2004 has ordered the 4 following Superintendents :-

1. RARM Ranawake, Superintendent, Galpihilla (Applicant),
2. K. G. Gunaratna, Superintendent, Hagalla,
3. T. F. S. Fernando, Superintendent, Kellebokka,
4. D. K. Benedict, Superintendent, Ranagala (Applicant).

be placed on a salary Rs. 21,610 p.m. being the maximum of Grade II *w.e.f.* from 01.03.2004 and the only reason given for such an order is, in the Chairman's own words :-

"Consequent to the visit made by the undersigned (Chairman SLSPC/JEDB) during the 1st week of February 2004 I hereby request you to grant the following increments". (R12).

This order places the above 4 Superintendents on the same salary point to which Superintendents Tennege and Wadugodapitiya were appointed in the year 2002 to the SLSPC and does not disclose the reason why this order was made. This order R12 is an ill considered and hastily made order equating all 4 Superintendents thus creating more anomalies in their salaries and seniority *visa vis*, between

Superintendents Benedict and Ranawaka. This order, which affects 4 Superintendents of varying seniority, has been made without considering each case on its own merit. Superintendent Benedict by his seniority had a salary difference of Rs. 955 p.m. over the salary drawn by Superintendent Ranawake. The order in R12 placed both of them on the maximum of Grade II thus, removing the salary difference and placed both Benedict and Ranawaka on the same seniority thereby unjustly and arbitrarily removing the seniority of Benedict. This is a glaring anomaly resulting from the order R12. The order 2 Superintendents Messrs. Gunaratna and Fernando whose names are included in the Chairman's order R12, were not parties to this inquiry and we are unable to comment how this order had affected them.

When the order in R12 pushed up Ranawaka to the maximum of Grade II, his substantive salary in 2004 was Rs. 15,685 which was one step below the maximum of Grade III (R11J). Before reaching the maximum of Grade II, Ranawaka had a long way to go ; he had to earn one more increment in Grade III and earn 10 increments in Grade II which under normal circumstances would have taken another 10 years to reach the maximum of Grade II which probably would be in the year 2015. In the year 2005 by a Salary Revision (R11L) the employees of SLSPC/JEDB were benefited and Ranawaka in 2006 (R11M) was drawing a monthly salary of Rs. 32,715 and continued to draw the enhanced salary and increments annually, uninterrupted. Taking cover under the ill considered order made in R12, Ranawaka has claimed arrears of salary (A19) from the year 2004 to the year 2007 in a staggering sum of Rs. 464,415.50 which is a spurious claimed that does not deserve consideration as he has throughout this period been drawing his substantive salary.

As indiscriminate awards of increments have been made, it is necessary to append below relevant extracts from the **Establishment Code — CR VII p. 69 (R15)**.

"An officer is not entitled to draw an increment as of right. He is required to earn it by the efficient and diligent discharge of his duties and by serving the increment period in full. A certificate to that effect should be signed by the appropriate authority before an increment is paid".

During the period Parliament was dissolved and in the absence of the Board, the General Manager SLSPC/JEDB who was also the Chief Executive Officer (CEO) acting under the powers vested in him withdrew the indiscriminate increments granted to the 4 Superintendents by the then Chairman, by his directions made in R12, by informing

applicant Ranawaka by (A10) on 10.05.2004 about the withdrawal of the increments which had placed him on maximum of Grade II. Consequently he was reverted back to the salary point of Rs. 15,225/- in Grade III. This was done in conformity with the directions issued by Circular A11 of 02.02.2004 issued by the Presidential Secretariat. for all intents and purpose the salary point Ranawaka had been placed by R12 conforms to the definition of the word “promotion” and could be construed as a subtle attempt to circumvent the real intent and purpose of circular (A11) of 02.02.2004. In withdrawing Ranawaka’s increments, the CEO had also taken the serious financial crisis the SLSPC/JEDB was facing, into consideration, in making his order.

On the protests made by Superintendent Ranawaka on the withdrawal of his increments by A10, to the Asst. Commissioner of Labour, Kandy who after an inquiry made a directive to the SLSP by A15 on 02.09.2005 that the salary anomalies of the Superintendents should be removed but fails to state specifically what the anomalies are. He points out the salaries drawn by Superintendents Benedict and Ranawaka and compares the salaries drawn by the two Superintendents recruited from outside the SLSPC in the year 2002, on a higher salary scale but is unaware of the conditions under which the latter two were recruited to the SLSPC (vide R5, R6, R7). This recruitment had been done under proper and regular recruitment procedure being followed, with utmost transparency observed Mrs. Liyanage, Regional Directress the witness for the respondent before the inquiry A15 has only admitted that there were different salary scale for these Superintendents and does not agree with the accuracy of the proceedings in A15, in her evidence before us. In failing to take into consideration the background leading to the appointment of two Superintendents from outside namely Teeenege and Wadugodapitiya, this inquiry A15 is misleading, inconclusive and of no value.

As Superintendents Benedict and Ranawaka initiated this inquiry (IR/19/04/2006) by their complaints, it is appropriate to mention here that :-

- (a) Superintendent Benedict has had a very commendable record as a planter as seen from the documents place before this inquiry. He also had all the qualifications necessary to apply when application were called from outside by R5, R6, R7. As to why he failed to apply in response to the widely advertised vacancies is inexplicable.
- (b) Superintendent Ranawaka too has placed evidence before this inquiry which shows that he has a commendable record of service though he lacked seniority as he had only 6 years and 10 months service at the time applications were called in the year 2002 vide (R5, R6, R7) which required 15 years experience and 5 years as Superintendent.

Taking into consideration all the evidence, documents and the circumstances, the answer to the matter in dispute are :

- (1) The recruitment of two Superintendents from outside for employment in the SLSPC in 2002 did not cause any discrepancy in salary to Messrs R. A. R. M. Ranawaka and DT Benedict, who were Superintendents of the said corporation and,
- (2) As no salary discrepancy was caused, the salary they were drawing has been paid them with regularity. The claim made by Superintendent Ranakwa for arrears of salary in Rs. 464,415.50 has no basis and is hereby rejected.

I consider this award just and equitable.

W. G. Deen,
Arbitrator.

10th February, 2010.

06-212

My No. : IR/10/25/2008.

THE INDUSTRIAL DISPUTES ACT, CHAPTER 131

THE Award transmitted to me by the Arbitrator to whom the Industrial Dispute which has arisen between Mr. Rohan J. Bogoda, No. 27C, Flower Road, Colombo 07 of the one part and C.T. Fund Management (Pvt.) Limited, 5th Floor, Majestic City, No. 10, Station Road, Colombo 04 of the one part and by order dated 13.01.2010 under Section 4(1) of the Industrial Disputes Act Chapter 131 (as amended) and published in the *Gazette of Democratic*

Socialist Republic of Sri Lanka Extraordinary, No. 1,637/18 dated 21.01.2010 for settlement by Arbitration is hereby published in terms of Section 18(1) of the said Act.

W. J. L. U. WIJAYAWEERA,
Commissioner General
of Labour.

Department of Labour,
Labour Secretariat,
Colombo 05.
23rd March, 2010.

In the Matter of the Industrial Dispute Between :

Appearances :

Mr. Rohan J. Bogoda,
No. 27C, Flower Road,
Colombo 07.

Mr. Rohan J Bogoda party of the 1st Part absent and unrepresented right throughout.

and

.....*Applicant Party of the First part.*

C. T. Fund Management (Pvt.) Limited represented by Mr. Pathmanathan Asoken and Mr. Chameel Perera Attorney-at-Law appears for the 2nd party.

Case No:
A 3317

and

C.T. Fund Management (Pvt.) Limited,
5th Floor, Majestic City,
No. 10, Station Road,
Colombo 04.

Both parties were required to file statement on or before 15.02.2010 and in response the party of the second part filed of record its statement stating as the party of the 1st part had filed an application to the Labour Tribunal on 31st August 2009 in Case No. 2/1786/2009 and on the strength of the unreported case Upali Newspapers Ltd., Vs. Eksath Kamkaru Samithiya, Commissioner of labour and others - CA 615/96 the reference made by Minister in terms of Section 4(1) of the industrial Dispute Act is had in law and hence the reference should be dismissed *in limine*.

.....*Respondent Party*
of the second part.

AWARD

The Hon. Minister of Labour Relations and Manpower by virtue of the powers vested in him by Section 4(1) of the Industrial Disputes Act, Chapter 131 of the Legislative Enactment of Ceylon (1956 Revised Edition) as amended by Act, Nos. 14 of 1957, 4 of 1962 and 39 of 1968, (read with Industrial Disputes (Special Provisions Act, No. 37 of 1968), appointed me as the Arbitrator by his order dated 13.01.2010 and referred the dispute between the aforesaid parties me for settlement by Arbitration.

In fact the party of the 1st part although absent and unrepresented right throughout the proceedings, tendered a letter dated 12.03.2010 to the effect, as the Labour Tribunal case on a similar matter is pending he wished to terminate the instant proceeding and to make no award.

In the circumstance it is nothing but fair to close this case and make no award.

The matters in dispute between the aforesaid parties are :-

T. Edmund Santharajan,
Arbitrator.

“Whether the termination of the services with effect from 28.05.2008 by CT Fund Management (Pvt.) Limited of Mr. Rohan J. Bogoda who was in the service of the said Company is justified and if not justified to what relief he is entitled.”

16th March, 2010.

06-213

My No. : IR/20/30/2006.

Extraordinary, No. 1,507/14 dated 25.07.2007 for settlement by Arbitration is hereby published in terms of Section 18(1) of the said Act.

THE INDUSTRIAL DISPUTES ACT, CHAPTER 131

THE Award transmitted to me by the Arbitrator to whom the Industrial Dispute which has arisen between Mr. W. P. J. E. C. Perera, No. 96/15, Harindra Mawatha, Chilaw of the one part and Wayamba Development Bank, Head Office, 155, Negombo Road, Kurunegala of the other part was referred by order dated 17.07.2007 under Section 4(1) of the Industrial Disputes Act Chapter 131 (as amended) and published in the *Gazette of Democratic Socialist Republic of Sri Lanka*

W. J. L. U. WIJAYAWEERA,
Commissioner General
of Labour.

Department of Labour,
Labour Secretariat,
Colombo 05.
17th May, 2010.

In the Matter of the Industrial Dispute Between :

AWARD

W. P. J. E. C. Perera,
No. 96/15, Harindra Mawatha,
Chilaw.

.....*Applicant Party of the First part.*

Case No: and
A - 3222

Wayamba Development Bank,
Head Office,
155, Negombo Road,
Kurunegala

.....*Respondent Party of the second part.*

On this 20th day of March, 2010.

The Honourable Minister of Labour Relations and Foreign Employment by virtue of the powers vested in him by Section 4(1) of the Industrial Disputes Act, Chapter 131 of the Legislative Enactment of Ceylon (1956 Revised Edition) as amended by Act, Nos. 14 of 1957, 4 of 1962 and 39 of 1968, (read with Industrial Disputes (Special Provisions Act, No. 37 of 1968), appointed me as the Arbitrator and referred the following dispute for settlement by Arbitration.

“Whether the imposition of the following penalties at the time of reinstatement in service with effect from 15.12.2002 of Mr. W. P. J. E. C. Perera who was interdicted from 28.08.2001 by the Wayamba Development Bank While in service as the Second Officer of the Puttalam Branch of the said Bank is Justified and reasonable, and if it is not justified and reasonable, to what relief he should be entitled from the Bank for :

- 1.(a) non-payment of salary for the period of interdiction ;
- (b) severely warning ;
- (c) change of place of work.
- 2.(a) Whether the non payment of annual salary increment which fell due for 06.07.2000 ;
- (b) Non payment of annual salary increment which fell due for 06.07.2001 ; and
- (c) Non granting of promotions in serve by the Wayamba Development Bank to Mr. W. P. J. E. C. Perera after reinstatement in service are justified and if not justified, to what relief he is entitled.”

The Applicant Party of the 1st Part stated that Manager of the Chilaw branch of the Respondent Bank of the Second Part had complained that the Applicant had on 21.08.2001 had insulted him in bad language in the presence of the other staff of the Bank. When the Bank receive this complaint a preliminary inquiry was held into the complaint by the Chief Accountant of the Bank, and based on his report a charge sheet was issued to the applicant and he was interdicted from service on 28.08.2001.

The Applicant also stated that a formal inquiry was held by the Respondent Bank and he was found guilty of charge 4 and part 1 of Charge 1. The Applicant states that the Inquiry Officer had not specified as to which part of charge 1 he had been made guilty of, and also in charge 4 he had been found guilty of damaging the good name of the Bank by his behaviour specified in charges I to III of the said charge sheet. The Applicant pleads that these findings are not clear and therefore he should not have been interdicted on this report.

The Applicant also states that on or about 16.12.2002 he was awarded the following punishments :

- (i) That the Applicant would not be paid his salary during the period of interdiction ;
- (ii) That he is severely reprimanded ; and
- (iii) That he would be transferred out of the Chilaw branch.

The Applicant states that he made several appeals to the Board of Directors of the Bank but no changes to the punishments were made except that the word “reprimand” was changed to “warning” and to pay half month’s salary per month during the period of interdiction.

Applicant states that he made a complaint to the Human Right Commission but to no avail. Applicant also states that the Bank took almost one year and four months to complete the inquiry and thereby his chances of a promotion and salary increment were illegally denied to him by the Bank.

In the circumstances the Applicant prays that he be paid the salary for the period of interdiction, his transfer out of Chilaw should be stopped and that the annual salary increments due to him of the period 2000 and 2001 should be paid to him and that he should be awarded the due promotions which he would have earned if he had not been unjustly and unfairly interdicted from service while in the Bank.

The Respondent Party of the Second Part (hereinafter known as the Respondent Bank) admits that while the Applicant was working in the Chilaw branch of the Respondent Bank there had been a complaint from the Manager of the Bank that the Applicant had insulted him using unparliamentary language in the presence of the staff. The Respondent Bank states that as a consequence they held a preliminary inquiry and a charge sheet was issued and a formal inquiry was held into the charges by an independent Inquiry Officer. The Bank stated that as a result of the recommendations of the Inquiry where the Applicant was found guilty of charge 4 and part of charge 1 of the said charge he was awarded the following punishments *ie* that he would not be paid a salary for the period of interdiction, that he is severely reprimanded and that the Applicant would be transferred out of the Chilaw branch of the Bank.

The Bank also admits that the Applicant made several appeals to the Board of the Bank but the Bank only reduced the reprimand to a warning and agreed to pay half month's salary for each month during the period of interdiction.

In the premises the Bank prays that the Bank followed the proper disciplinary procedure in holding then Inquiry and awarding the punishments and therefore it is not agreeable to any change of the punishment awarded to the Applicant and that it cannot retain the Applicant in the Chilaw branch of the Bank for disciplinary reasons.

The Bank therefore prays that the complaint of the Applicant be dismissed.

Proceedings

The Inquiry into the said arbitration commenced on 21.09.2007 and was concluded on 11.09.2009, and written submissions were tendered by both Parties.

The Applicant Party stated in evidence that a baseless complaint was made against him by the Manager of the Chilaw branch of the Respondent Bank to the effect that he had used insulting words on the Manager in the presence of the staff of the Bank on 21.08.2001. The Applicant stated that his mother had been ill for a long time and had been hospitalized and at that time she had been brought to his home. He said that since both his wife and he were at work he had told his mother to telephone him regarding her condition. On that particular day he had received a few calls and one was from his mother, but the Manager had not called him to the telephone, which was on the table of the Manager.

The Applicant said that he had argued with the Manager about not giving him the call from his ailing mother, but

denied he used insulting or obscene words at the Manager. Thereafter the Bank had held a preliminary inquiry about the usage of obscene words on the Manager by the Applicant, and based on the preliminary inquiry, a charge sheet was issued to him and his services were interdicted with effect from 28.08.2001.

The Applicant stated further that a formal inquiry was held by an independent inquiry officer and as a consequence, he had been found guilty of part of charge 1 and charge 4 of the charges sheet. he said that he had not been found guilty of charges 2 and 3 of the said charge sheet. Accordingly, he had been awarded with the following punishments *i.e.* no salary payment for the period of interdiction ; that he was severely reprimanded ; and he was also to be transferred out of the Chilaw branch of the Bank.

The Applicant said that he had appealed that Board of Directors on 3 separate occasions asking for relief by the Board had merely changed the term "severe reprimand" to serve warning" and also to pay half month's salary per month for the period of interdiction from 28.08.2001 to 15.12.2002.

Applicant also said that he made representations to the Human Rights Commission but to no avail.

The Applicant also said that the Bank had taken more than one year and four months before the Bank took the decision to communicate the findings of the Inquiry to him and therefore there was no time for him to apply for his increments for 06.07.2000 and 06.07.2001 in terms of the provisions of the Administrative Circular No. 6 of 1998 dated 27.08.1998.

The Applicant stated that he had not been granted his due promotion and the method followed by the Bank in awarding marks to him as a candidate for promotion was unfair and unreasonable.

The Respondent Bank took up the position that the Applicant had insulted the Manager of the Chilaw Branch, Mr. W. F. M. Fernando and consequently a preliminary inquiry was held by the Chief Accountant of the Bank and later a charge sheet was issued on those findings and a formal Inquiry was held into those charges by an independent inquiry officer. The bank stated that the formal inquiry which took some time to be completed found the Applicant guilty of charge 4 and part of charge 1 of the charge sheet. Accordingly the Bank awarded punishments in that no salary was to be paid for the period of interdiction, that the Applicant be severely reprimanded and that he be transferred out of the Chilaw branch of the Bank.

The Bank admitted that though the Applicant had applied to the Board of the Bank to review the punishments on two occasions, the Board had only agreed to change the words “severe reprimand” to “severe warning” and to pay half month’s salary per month for the period of interdiction.

The Bank also said that the Applicant had failed to apply for his increments in accordance with Administrative Circular No. 6 of 1998 and thereby forfeited his chances of getting increments for the period 06.07.2000 and 06.07.2001.

AWARD

Both Parties admit that there had been an exchange of words between the Applicant and the Manager of the Chilaw branch of the Bank, and consequently, the Applicant had been interdicted for over a period of 12 months before the Bank awarded the punishment in terms of the findings of the formal inquiry.

The report of the inquiry itself appears vague in its terminology. The charge sheet speaks of 4 charges, and charges 2 and 3 appear to be the consequences arising from charge 1. The Report does not specify as to which part of charge 1 the Applicant is guilty of since charge 1 is not in two parts. Further the inquiry officer had said that the Applicant is not guilty of charges 2 and 3 and guilty of charge 4 only. It is my considered view that the inquiry officer engaged by the Bank for holding this inquiry is not a person who has understood the charges, and further, the charge sheet drawn up by the Bank is also not clear and specific.

However, considering the evidence led and on a balance of probabilities, I find that since the Applicant had been found guilty of charge 4 and part of charge 1 and reinstated in service, he is entitled to the payment of full salary for the period he had been under interdiction. The Bank has also to take the responsibility for having delayed the inquiry for over one and a half years during which the Applicant had to be without his salary.

I am also of the opinion that the “severe warning” should be deleted from the Personal file of the Applicant.

However I agree with the Bank that the Applicant should be transferred from the Chilaw branch for reasons of discipline.

with regard to the non payment of the two increments for 06.07.2000 and 06.07.2001 the Administrative Circular No. 6/1998 clearly spells out the procedure for the application for increments. The Applicant had not been under interdiction during the period 06.07.2000 and 06.07.2001 and there is no reason why he should have not applied for his increments, except carelessness. Hence he is not entitled to the increments for these two years.

With regard to the non granting of promotions, it is clear that the Applicant had been one of the applicants for promotions and on examining the mark sheets of the Interview Board, I do not find any prejudice as alleged by the Applicant against him. Therefore the Bank is reasonable and justified in not granting the promotion to the Applicant though he was reinstated in service.

In this premises I make the following Award in respect of the reference sent to me by the Hon. Minister in that :

1. That the full salary at the rate of salary paid at the time of interdiction of the Applicant be paid for the period of interdiction to the Applicant by the Wayamba Bank within one month of the publication of this Award in the Sri Lanka Government *Gazette* and the money to be deposited with the Commissioner of Labour Chilaw ;
2. That the words “severe warning” be deleted from the Personal File of the Applicant within one month of the publication of this Award in the Sri Lanka Government *Gazette* ;
3. That the Wayamba Bank is justified and reasonable in transferring the Applicant from the Chilaw branch for disciplinary reasons ;
4. That the Wayamba Bank is justified and reasonable in not granting annual increments to the Applicant for the two years 06.07.2000 and 06.07.2001 ;
5. That the Wayamba Bank is justified and reasonable in not granting promotions in service to the Applicant after reinstatement.

Dr. V. IRWIN JAYASURIYA,
Attorney-at-Law,
Arbitrator.

THE INDUSTRIAL DISPUTES ACT, CHAPTER 131

THE Collective Agreement entered into between Standard Chartered Bank, No. 37, York Street, Colombo 01 of the one part and the Ceylon Employees' Union, No. 20, Temple Road, Colombo 10, of the other part on 11th February, 2010 is hereby published in terms of Section 06 of the Industrial Disputes Act Chapter 131, Legislative Enactments of Ceylon (Revised Edition 1956).

W. J. L. U. WIJAYAWEERA,
Commissioner General
of Labour.

Department of Labour,
Labour Secretariat,
Colombo 05.
22nd April, 2010.

Collective Agreement No.: 16 of 2010

COLLECTIVE AGREEMENT - 2009

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This Collective Agreement made this 11th day of February, 2010 between Standard Chartered Bank, a Bank duly registered in Sri Lanka and having its registered office at No. 37, York Street, Colombo 1 (hereinafter referred to as “the Bank”).

OF THE ONE PART

and

The Ceylon Bank Employees’ Union, a Trade Union duly registered in Sri Lanka and having its registered Office at No. 20 Temple Road, Colombo 10, (hereinafter referred to as “the Union”)

OF THE OTHER PART

Whereas the union made demands for a re-negotiation of the Standard Chartered Bank Collective Agreement of 2006 which came into effect on 1st April, 2006 and subsequent to negotiations between the Bank and the Union, agreement has now been reached between the said two parties for the purpose of ensuring better employee terms and conditions, cooperation between the Bank, the Union and the employees and maintaining an Efficient and productive working environment, the matters agreed upon are set out hereunder ;

1. Parties to be Covered and Bound :

This Agreement shall cover and bind Standard Chartered Bank (the Bank), the Ceylon Bank Employees Union (the Union) and members of the Union employed on monthly contracts of employment by the Bank and who are employed in any of the categories as at the date of signing this Agreement and for whom salary ranges have been prescribed in this Agreement in the First Schedule hereto (hereinafter referred to as the employees). This Agreement shall not cover and bind any employee who is an Officer, Assistant Manager, Manager or any other Staff on special rates of pay.

2. Date of Operation and Duration :

This Agreement shall come into force on the 1st April, 2009 and shall continue until either party terminates it by written notice in terms of this Industrial Disputes Act, but no such notice shall be given before the 31st March, 2012. The union shall, however, have the right to commence negotiations for a revised Collective Agreement at any time on or after 1st July, 2011.

3. Earlier Agreements :

This Agreement shall supersede any other Collective Agreement entered into or binding on the parties hereto and such earlier Agreement including the Standard Chartered Bank Collective Agreement of 2006 shall stand repudiated in respect of the parties hereto.

4. Matters Covered and Bound :

This Agreement shall be in full and final settlement of all matters covered herein as well as of all the matters raised by the Union and in respect of which negotiations took place between the parties before the conclusion of this Agreement and the Union agrees that it will not during the continuance in force of this Agreement raise any of the matters which were discussed and negotiated between the parties preceding this Agreement except to the extent agreed.

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

5. Consolidated Salary :

Every employees covered by this Agreement in service as at the date of this Agreement shall, from the 1st April, 2009 be placed on the salary scale set out in the First Schedule hereto, which salary has been consolidated at the Colombo Consumers’ Price Index (CCPI) figure 2400.

6. Immediate Increase and Conversion to Salary Ranges

For the placement of an employee on the salary range applicable in the First Schedule, the following provisions shall apply.

- I. A sum equal to 20% (Twenty) of the gross salary (salary plus cost of living allowance) payable as at 31st March, 2009, shall be added to the salary of such employees with effect from 1st April, 2009.
- II. A sum equal to 5% (Five) of the gross salary (salary plus cost of living allowance) payable as at 31st March, 2009, shall be added to the salary of such employees with effect from 1st April, 2011.

7. Allowance

I. Cost of Living Allowance

- (a) The cost of living allowance paid to employees from 1st April, 2009 to 31st December, 2009 based on the CCPI as per Collective Agreement of 2006 shall remain unchanged.
- (b) The cost of living allowance shall be paid to employees from 1st of January, 2010 at the rate of Rs. 92.125 per point increase beyond the base figure of 71 in terms of the New Colombo Consumer Price Index [(CCPI (N))]

II. Disturbance Allowance

With effect from 01.01.2010 an employees called upon to report for work before 7.00 a.m. shall receive Rs. 400 per day, and if required to report before 6 a.m. shall receive Rs. 600 per day.

III. Teller Allowance

With effect from 01.01.2010, teller will be paid a monthly risk allowance of Rs. 2,750. This allowance shall be payable at the end of each quarter (*i.e.* March, June, September and December each year). This amount will be pro-rated for periods less than one month by dividing Rs, 2,750 by 30 and multiplying by the number of days the employee has worked in the capacity of a teller.

The payment of the teller allowance will be made subject to the following conditions ;

1. The payment of the teller allowance can be suspended to those employees who are found to be negligent in performing duties, after due inquiry.
2. Any cash shortage which cannot be recovered through insurance will be set off against the teller's allowance.
3. The teller allowance will not be included for the purpose of computing consequential benefits.

IV. Traveling Allowance

The Bank will continue the existing practice of granting a traveling allowance of Rs. 1,000 per month will be paid to all employees covered and bound by the Collective Agreement.

Transport will be provided to all employees working after 7.30 p.m.

V. Night Shift Allowance

With effect from 01.01.2010 a Night Shift Allowance of Rs. 500 per shift will be paid to staff members who are required/authorized by Management to work from 8 p.m. to 8 a.m.

8. Annual Salary Increments

With effect from 01.04.2009, the annual increments awarded to employees covered and bound by this Agreement will be based on the employee's performance during the previous calendar year.

I. Annual Increment Date.

The annual increment date for all employees will be 1st of March, each year thereafter.

II. Assessment of Performance

The Annual increments awarded to staff will be based on such staff member's performance, during the previous calendar year, ending 31st December of each preceding year, based on a Performance Assessment Review which will be carried out by the staff members' Line-Manager.

The performance of the staff member will be assessed in terms of a rating on a scale of 1 to 5 ; in terms of which 1 will be the highest performance level and 5 will be the lowest performance level on the scale.

III. Annual Performance Increment and Quantum

In terms of the above ratings, minimum annual increment of 5% of Gross salary as at December each year will be paid (except in the case of an employee's increment being different/stopped or suspended on account of disciplinary action) in the succeeding year during the duration of this Agreement.

Performance increments in excess of the above may be granted at the absolute discretion of the Bank, subject to a maximum limit of 10%, to recognize and promote higher levels of performance.

Provided however, an employee's Basic salary on receiving such an increment will not exceed the maximum salary point set out in the salary range in schedule 1 hereto. In the event of an employee reaching the maximum salary point on the range, the amount of the salary increment granted over and above the maximum salary point will be paid as an annual lump sum performance bonus. The calculation for this payment will be the amount in excess of the maximum salary point on the range, as per the increment granted, multiplied by twelve. This lump sum performance bonus shall not attract any consequential benefits such as overtime, terminal benefits etc.

It is also agreed by the Union to accept the 5% increase in salaries granted in April, 2009 as the performance based annual increment component of employees covered and bound for the year 2009.

9. Grading Structure

Those Covered and bound by this Agreement are employees at Grade 10.

10. Promotions

Without prejudice to the right of the Bank to recruit staff at their discretion into any job grade, the bank will consider suitable employees for promotions to higher job grades, based upon the Bank's needs and vacancies that may arise from time to time. The decision of the bank in respect of selection for promotion shall be final and conclusive. Consideration will be given to performance, qualifications, experience, and merit when selections are made. A minimum increase of 5% of basic salary will be granted when being promoted to a higher grade, in addition to the annual increment subject to the provisions and conditions in clause 8 (III).

In addition to staff being recommended by their Senior Manager, staff may be granted the opportunity of directly marking their own applications for consideration. Vacancies will be filled with existing staff wherever possible, however if applicants for such vacancies do not meet the required standards, the Bank will recruit externally.

11. Provident Fund

I. Rates of Contribution

The rates of contribution to the provident Fund by the Bank as at the date of this Agreement which are as follows shall continue in force subject to the rules of the Provident Fund :

Bank's Contribution	-	12% (Twelve percent) of Consolidated Basic Salary
Employee's Contribution	-	8% (Eight percent) of Consolidated Basic Salary.

II. Interest on Provident Fund Contribution Held by the Bank

The Bank with whom all Provident fund monies have been invested shall pay the rate of interest paid on 12 months Fixed Deposits for a sum of Rs. 100,000 published by the National Savings Bank prevailing as at 1st January each year, on the next Provident Fund monies invested by the Bank.

Provided however that the Committee of Management of the Provident Fund shall be entitled to call a meeting of the General Membership whenever it is deemed necessary in order to decide on suitable investments of the Fund and the returns from time to time.

III. Deficiency in Bank's Contributions to Provident Fund to an Employee Not Entitled to a Pension.

APPLICABLE TO THOSE EMPLOYEES NAMED IN SCHEDULE 3

Where an employee shall cease to be employed by the Bank in circumstances which do not entitle him to a pension or payment in lieu of pension, as the case may be, such employee shall be entitled to the difference between the Bank's contribution made to the Fund during his period of service and the Employer's minimum rate of contribution he would have been entitled to, in terms of the Employees Provident fund Act and its amendments from time to time as a contribution to the fund by the Employer on behalf of such employee. Such deficiency will be the difference between the following minimum rates of contribution under the Act and consolidated basic salary actually contributed by the Bank—

From 01.01.81 to 30.09.91, 12% of gross salary.

Prior to 31.12.80 the Employer's minimum rate of contribution was 9% of total earnings (gross salary) which was less than 10% of consolidated basic salary and therefore no deficiency arises.

The rate of contribution by the Bank, increased from 10% to 12% of gross salary with effect from 1st October, 1991 and therefore non deficiency arises thereafter.

Accordingly, deficiency in Provident Fund- Employer's Contribution will only arise in respect of the period 01.01.81 to 30.09.91 and will be computed by dividing the aggregate employer's contribution during this period by 10 and multiplying same by 2 to make good the 2% deficiency.

APPLICABLE TO THOSE EMPLOYEES NAMED IN SCHEDULE 2

Where an employee shall cease to be employed by the Bank in circumstances which do not entitle him to a pension or payment in lieu of pension as the case may be, such employee shall be entitled to the difference between the Bank's contributions made to the Fund during his period of service and the employer's minimum rate of contribution he would have been entitled to, in terms of the Employee's Provident Fund Act and its amendments from time to time as a Contribution to the Fund by the employer on behalf of such employee. Such deficiency will be the difference between the following minimum rates of contribution under the Act and 10% of basic salary actually contribution by the Banks up to 31st March, 1992.

From 1.1.71 to 31.12.20	9% of gross salary
From 1.1.81 onwards	12% of gross salary

Prior to 31.12.70 the employer's minimum rate of contribution was 6% of total earnings (gross salary) which was less than 10% of basic salary and therefore no deficiency arises.

12. Terminal Benefits

I. Pensions

The Bank operates two pension Schemes.

One Scheme is as fully described in 1(a) below (hereinafter called the "SCB Pension Scheme") will govern the pension benefits of the employees whose names are set out in Schedule 2 hereto.

The other scheme fully described in 1(b) below, (hereinafter called the SCGB Pension Scheme"), will govern the pension benefits of the employees whose names are setout in Schedule 3 hereto.

All current employees at 31st January, 2010, who qualify for a pension, will be governed either by the SCB or SCGB pension scheme.

With the objective of having a unified pension scheme for all employees, the Bank intends to introduce a uniform Pension Scheme in the future. Subject to the operation of the two pension schemes described above, the Bank and the Union agrees to have discussions during the pendency of this Agreement and agree on the introduction of the uniform Pension Scheme to employees covered under this agreement.

Subject to agreement being reached, the existing employees who are governed by the SCB or SCGB pension scheme may opt to transfer to the new pension scheme on it's introduction. All new employees recruited subsequent to the introduction of the new Pension Scheme will be enrolled in that scheme, as expressly stated in their terms of employment.

(a) SCGB Pension Scheme (Applicable to employees listed in Schedule 3)

(i) *Pension - Retirement.*

An employee shall, upon reaching the age of retirement, *i.e.* 55 years and who is in the permanent employment of the Bank at such time and shall have completed not less than 10 years of actual continuous service (excluding absence/leave without pay), be entitled to a pension computed on the following basis, provided however, than an employee between the age of 50 and 55 years, who shall have completed not less than 10 years or service, in the manner referred to above, may opt to retire, subject however, to granting the Bank the stipulated period of notice of retirement.

$$\frac{\text{Number of Completed years service (max 35 years) plus 5}}{60} \times \text{Monthly salary payable for the month of retirement + COLA}$$

(ii) *Pension - Premature Retirement on Medical Grounds/Disability.*

An employee, who is found to be unable to continue to perform his or her duties as a result of infirmity/disability as certified by the Bank's doctor/Medical Specialist/Government Medical Board, and who is in the permanent employment of the Bank at such time, and shall have completed not less than 10 years of actual continuous service (excluding absence/leave without pay) shall be entitled to a Pension computed on the same basis referred to at Clause 12 I a(i) above, Provided, however, that where an employee is entitled to compensation by the Bank under any laws in force at the time or an Award of Court, such employee shall only be entitled to a Pension or such compensation as opted by him or her,

but not to both. Provided further, that in the case of any employee whose premature retirement occurred in consequence of an accident which entitled him to compensation, the pre-acceptance of Pensions as provided herein, will not restrict the right of such employee in subsequently claiming any balance compensation, under any written law.

(iii) *commutation of Pension - In Lieu of Pension Rights.*

An employee who is entitled to receive a pension in terms of Clause 12 I (a) (i) & 12 I (a)(ii) above may at his discretion opt for the payment of a commutation of pension in lieu of his pension rights.

The payment will be computed on the following basis ;

$$\begin{array}{ccc} \text{Number of Completed years service} & \text{X} & \text{2 x (Monthly salary payable for the} \\ \text{(max. 35 years) plus 5} & & \text{month of retirement + COLA)} \end{array}$$

The above payment shall constitute a settlement in full and final satisfaction of all claims against the Bank on account of the cessation of employment in respect of gratuity, pension, deficiency if any, in Bank's contribution to Provident Fund, to an employee not paid a pension, in terms of Clause 12 I (a) (i) & 12 I (a) (ii) above.

(b) SCB Pension Scheme (Applicable to employees listed in Schedule 2).

(i) *Pension-Retirement.*

With effect from the date of this Agreement, an employee entitled to a pension in expressed terms of his employment shall, upon reaching the retirement age of the Bank and who is in the permanent employment of the Bank at such time, and shall have completed not less than 10 years of actual continuous service (excluding absence/leave without pay), be entitled to a monthly pension computed on the following basis :

$$\begin{array}{ccc} \text{No. of Completed years service} & \text{x} & \text{Monthly salary payable for the} \\ \text{(max. 35 years) plus 5} & & \text{month of retirement + COLA} \end{array}$$

(ii) *Pension - Premature Retirement on Medical Grounds/Disability.*

An employee who is found to be unable to continue to perform his duties as a result of infirmity/disability, as certified by the Bank/s Doctor/Medical Specialist/Government Medical Board, and who is in the permanent employment of the Bank at such time, and shall have completed not less than 10 years of actual continuous service (excluding absence/leave without pay) shall be entitled to pensions computed on the same basis referred to at clause 12 I b(i) above, Provided, however, that where an employee is entitled to compensation by the Bank under any laws in force at the time or an Award of Court, such employee shall only be entitled to a pension or such compensation as opted by him, but not to both. Provided, further that in the case of an employee whose premature retirement occurred in consequence of an accident which entitled him to compensation, the pre-acceptance of pension as provided herein will not restrict the right of such employee in subsequently claiming any balance compensation under any written law.

(iii) *Lump Sum Gratuity in Lieu of Pension Rights.*

An employee who is entitled to receive a pension in terms of 12 I b) (i) or 12 I (b) (ii) above may at this discretion opt for the payment of a lump sum gratuity in lieu of his pension and any other payments arising there from. The payment will be computed on the following basis :

$$\begin{array}{ccc} \text{Number of Completed years service} & \text{X} & \text{1.5 x (Basic salary plus cost of Living Allowance} \\ \text{(max 35 years) plus 5} & & \text{calculated for the month of retirement)} \end{array}$$

The above payment shall constitute a settlement in full and final satisfaction of all claims against the Bank on account of the cessation of employment in respect of gratuity, pension, deficiency, if any, in the Bank's contribution to Provident Fund to an employee not paid a pension in terms of Clause 12 I (b) (i) or 12 I (b) (ii) above.

(iv) *Commuted Pension*

- (i) At the option of the employee at the time of retirement on or after 1st April, 2006, 25 % of the monthly pension into 120 will be paid to employees who are entitled to a pension, who do not opt for a lump sum payment as provided for in the agreement and who opt for such commuted pension.
- (ii) Where an employee commutes his monthly pension in the manner aforesaid, the monthly pension payable to him during the first ten years of retirement will be 75% of the monthly pension he would have been entitled to at the time of retirement if he had not so commuted his pension. After the expiry of the said ten years the amount of the monthly pension so commuted will be restored and added to the monthly pension then being paid.

II. *Death Gratuity.*

On the death of an employee who has been confirmed and is in the permanent employment of the Bank, the Bank will make a compassionate payment of two month's gross salary for each year of completed service, subject to a minimum of twelve months gross salary, to the legitimate dependents of the deceased employee, as may be determined by the Bank at its sole discretion on the basis of information supplied to them.

In the case of the death of an employee who is not confirmed in employment the amount payable will be 50% of that payable to a confirmed employee provided that in the case of an employee who has not been confirmed consequent upon a promotion to a higher grade, the gratuity payable will be calculated as in the case of a confirmed employee. The gross salary for his purpose shall be the last drawn salary plus Cost of Living Allowance.

Provided, however, that in the event of death arising out of and in the course of employment, the dependents shall be entitled to and receive either the death gratuity referred to herein or payment by way of Compensation or under any laws in force at the time on account of Employees Compensation or under any other law or an Award of Court, whichever, is higher. Provided further, that in the case of an employee whose death occurred in consequence of an accident which entitled him to Compensation, the pre-acceptance of Death Gratuity as provided herein, shall not restrict the right of such dependents in subsequently claiming any balance compensation due to them under any written law.

III. *Gratuity upon Resignation/Termination Prior to Retirement.*

An employee shall, upon resignation/termination of employment prior to retirement in circumstances which do not entitle him to the terminal benefits referred to at the aforementioned Clauses 12 I (a) and 12 I(b) be entitled to a gratuity computed in terms of the Payment of Gratuity Act (1983), which shall be paid within 30 days of the cessation of employment.

The salary for this purpose shall comprise the salary referred to at Clause 5 and the Cost of Living Allowance referred to at Clause 7(a) hereof.

Completed years of actual service shall include only actual continuous service worked excluding absence/leave without pay, but subject to the provisions of the Payment of Gratuity Act (1983) and Clause 20 thereof.

No benefits granted under these rules shall be assignable or transferable to any person or corporation other than the Bank. The Bank would, however, have a right of lien over benefits in the event of fraud or dishonesty by any employee, resulting in a loss to the Bank.

13. Funeral Assistance

With effect from 01.01.2010, the Bank will grant assistance to the family of a staff member, who expires, while in service, by way of meeting the actual cost of funeral expenses, subject however, to a maximum limit of Rs. 75,000/-

14. Medical Scheme

With effect from 01.01.2010, the following Medical Scheme will be applicable during the pendency of the agreement.

I. *Reimbursement of Medical Expenses for Non-Hospitalization Expenses.*

The Bank shall reimburse an employee up to a maximum of Rs. 15,000 per annum in respect of Medical expenses incurred by him on his own behalf, on behalf of his spouse or unmarried legitimate children under the of 18, provided however, that any medical claim on this account shall be supported by relevant prescriptions, bills and receipts. Provided further that the prescriptions or doctors bills shall be from a Registered Medical Practitioner. This facility shall be per annum and non-cumulative.

II. *Special Non-Hospitalization and Non-Surgical Expenditure*

The Bank will reimburse an employee on a non-cumulative basis a further sum up to a maximum of Rs. 7,500/- per annum on account of special non-Hospitalization and non-surgical expenses covering the following items only incurred on behalf of the employee and not on behalf of his family members :

- (a) Dentures
- (b) Hearing Aids.

Subject to valid documentation as in the case of 12 (a) above and subject to the provisos that no claim is made in relation to items (a) and (b) more than once in three years.

Provided in the case of spectacles the Bank will reimburse an employee a sum of Rs. 15,000 in lieu of expenses only once every two (2) years. In the case of spectacles the claim must further be supported by a prescription from a medical Eye Specialist. Any claim made for spectacles will be deducted from the special Non Hospitalization and Non surgical allowance of Rs. 7,500 per year.

The Bank at its discretion may consult appropriate medical opinion for confirmation in respect of a claim made under 14 (II) above.

III. *Surgical and Hospitalization Expenditure.*

An employee would be entitled to the benefits on account of surgical and hospital expenses in respect of hospitalization on his own behalf, of his spouse, unmarried dependent children, parents and parents-in-law, upto a maximum limit of Rs. 250,000 (Rupees Two Hundred and Fifty Thousand) for any one year.

A dependent parent shall only include a parent who resides with and is totally dependent upon the staff member and shall not be in receipt of any source of income/pension/grant, etc., as may be verified by the Bank.

The year for this purpose would be a Calendar Year i.e. 1st January to 31st December, of each year.

Reimbursement, of Surgical and Hospital Expenses is subject to conditions specified by the insurers. Any changes to the conditions of the policy will be applied accordingly.

All payments on account of this facility will be strictly confined to the direct payment or reimbursement of actual bills from a nursing home or government hospital.

In the case of admission to a non-paying Government hospital, the staff member will be entitled to a payment of Rs. 1,500 (One Thousand Five Hundred) per day of admission to meet the cost of traveling and incidental expenses plus the actual cost of any drugs etc., prescribed by the Surgeon/Doctor.

Married family unit consists of employee, spouse and two Children, up to two parents of the employee, and up to two parents-in-law. Unmarried family unit consists of the employee and both parents.

The Fourth Schedule hereto sets out the terms on which reimbursement of medical expenditure will be effected.

IV. *Maternity Grant.*

With effect from 01.01.2010, an employee who is married will be entitled to a grant of Rs. 15,000/- in respect of two births of children. If both spouses are employed in the Bank only one shall be entitled to this grant.

In the case of reimbursement under surgical and hospitalization expenses, for maternity, an employee shall not be entitled to this grant.

15. Retirement

- (a) The age of retirement shall be 55 years, or any other age mutually agreed to between the Bank and its employees, and on reaching the age of 55, or any other age mutually agreed upon, an employee shall *ipso facto* retire and cease to be employed by the Bank and there shall be no obligation on the Bank to give such employee any notice of such retirement.
- (b) An employee may also be retired and be eligible for retirement benefits if he is not less than 50 years and has 10 or more years of service, subject to mutual agreement between the employee, his Union and the employer that he should be given such concession and subject to the condition that the refusal by any party to agree to such premature retirement shall not constitute an industrial dispute.

16. Bonus

Without prejudice to the claim of the Bank that bonus payments are ex-gratia, the Bank will each year pay to every employee covered by this Agreement a bonus of two month's salary as drawn by such employee for the month of December in respect of one complete year of service meaning January to December and proportionately for service less than one year at the rate of one-twelfth of such entitlement in respect of each complete month of service. The salary for this purpose shall include the cost of living allowance payable for that month.

17. Personal Accident Insurance

The Bank will take insurance cover against compensation payable to staff, resulting from injury or death, arising out of any accident, in Sri Lanka or overseas, 24 hour cover.

I. *Category of Employees Covered.*

All categories of staff.

II. *Limit of Indemnity.*

100% of sum insured would be equivalent to 60 months consolidated gross salary of the staff member concerned.

III. *Table of Compensation.*

<i>Accidental bodily injury</i>	<i>Limit of Indemnity</i>
(i) Death	100% of sum insured
(ii) Total and irrecoverable loss of use of both hands or both feet or one eye and one limb (hand or foot) or one hand and one foot, use of one Eye, one hand or one Foot.	Occurring within twelve months of the injury or the happening of the event, 100% of sum insured to 50% of sum insured.
(iii) Permanent total disablement	100% of sum insured

Double the scale of compensation to staff engaged in courier of cash and those staff who are engaged as technicians.

DEFINITION. - *PERMANENT TOTAL DISABLEMENT* - shall mean permanent and complete inability to attend to any part whatsoever of the employee's occupation or any other occupation for which he is fitted, by knowledge and training.

IV. Limitations :

Benefits under III(iii) above shall be payable only at the end of the 52nd week from the date of injury.

Payment shall not be made under more than one of the scales of compensation specified at III(i)(ii) or (iii) above.

No further liability to make any payment for any employee shall attach to the insurers or the Bank, after a claim under the scales of compensation specified at III (i), (ii) or (iii) have been admitted and become payable.

While the bank will make every effort and care in lodging claims for compensation, It will not accept responsibility or liability in respect of any claims that may not be accepted or in which liability is repudiated by the insurers, under any circumstances whatsoever.

18. Loan Facilities.

I. Housing Loan.

(a) *Eligibility :*

Five years service with a record of good performance as determined by the Bank. A 3B rating or above, for the past 2 years, will be considered 'good performance'.

(b) *Limit* — Rs. 3,000,000/-

(c) *Quantum of Loan. :*

(i) The maximum loan entitlement shall be such capital sum as per the above limits which the staff member shall be capable of repaying in full including interest, prior to his/her retirement, within the monthly salary deduction of Sixty per centum (60%) of gross salary on account of all loans availed of and other deductions.

(ii) The loan shall be in respect of 100% of the cost of the house and property, including legal charges and stamp duties and the cost of the single premium life insurance premia. In the case of purchase of land and construction of a house thereon, there should be clear proof to the satisfaction of the management, that the staff member will be completing the purchase of land and construction of a house thereon, within the loan entitlement, *i.e.* Loans will not be available for partial construction of a house.

(d) *Interest :*

Interest shall be charged monthly on the outstanding balance and shall be recovered along with the principal at 2% per annum.

(e) *Repayment :*

Repayment period shall be extended up to the point of retirement of a staff member.

(f) *Security :*

- (i) Mortgage over property ;
- (ii) Promissory Note (Where mortgage has not yet been signed) ;
- (iii) Temporary decreasing Life Insurance Policy ;
- (iv) Any other form of security arrangements recommended by the Bank's Attorneys or considered necessary in the circumstances by the bank.

(g) *Restrictions :*

- (i) The housing loan facility is a one-off facility that will accrue to a staff member only once during his/her employment except, however, in the case of a staff member who shall sell the house purchased against the loan and repay such loan in full, whereupon such staff member may be entitled to a further loan to purchase another house and property subject to the satisfaction of the Bank that such reinvestment was for the improvement of living standards within reasonable limits of the staff member and family.
- (ii) Loans will be available only to build, re-build or extend a house, but not for repairs.
- (iii) In the case of the purchase of a house and property, the needs of such house and property shall be examined by the Bank's lawyers and a Certificate of good title obtained.
- (iv) Loans will not be granted to staff members who shall not reside in the house being purchased, built or extended, as the case may be.
- (v) A valuation of the house and property should be obtained from a Certified/Qualified Valuer, confirming the value of such house and property.
- (vi) A Certificate of Non-vesting should be obtained from the Municipal/Urban Council Authorities.
- (vii) A Certificate to be obtained from the Municipal /Urban Council Authorities that the Municipal rate, Electricity, Water Bills, etc., have been paid in full, up to the date of transfer.
- (viii) The house and property must be kept in good condition at all times and should be made available for inspection by the Bank from time to time during the operation of the loan.
- (ix) This facility shall further be subject to the general restrictions specified under "Loans General Restrictions"

II. Vehicle Loan

(a) *Eligibility :*

Three years service with a record of good performance, as determined by the Bank.

(b) *Quantum of Loan :*

The maximum loan entitlement shall be such capital sum which the staff member shall be capable of repaying in full including interest, prior to his/her retirement, within the maximum monthly salary deduction of sixty per cent (60%) of consolidated gross salary on account of all loans availed of and other deductions. Salary for this purpose shall be the salary drawn by the staff member as at date of application.

(c) *Interest :*

3% per annum, applied monthly.

(d) *Repayment :*

Not more than 72 monthly instalments in the case of Motor Vehicles and 36 instalments in the case of Motor Cycles/Scooters.

In the case of employees with more than 5 years service, the repayment shall be extended to cover a period of 10 years.

(e) *Security* :

- (i) Mortgage over vehicle or unencumbered lien over Provident Fund.
- (ii) Demand Promissory Note pending execution of Mortgage Bond.
- (iii) Lien over total Provident Fund balances.
- (iv) Comprehensive Insurance Policy to cover the full prevailing market value of the vehicle and cover all risks, including "Leaner Driver" where applicable.
- (v) Registration Book of the vehicle to be lodged with the Bank pending execution of Mortgage bond and registration of same with the Registrar of Motor Vehicles.

(f) *Restrictions* :

- I. The Staff member is free to pay more than the minimum repayment instalment, subject however, to the restriction specified under "Loans-General Restrictions".
- II. The vehicle to be for the personal use of the staff member concerned and cannot be hired, rented or leased.
- III. The staff member or spouse must possess a valid driving license issued by the Registrar of Motor Vehicles, to drive the class of vehicle for which the loan is obtained.
- IV. In the case of a second hand vehicle a Valuation Report should be obtained from the local agent, the Automobile Association of Ceylon or any other Valuer recognized by the Bank and the quantum of loan shall not exceed the amount of such valuation.
- V. In the case of all purchases the payment shall be made by pay Order drawn directly in favour of the seller, for the purchase value of such vehicle.
- VI. The vehicle must be kept in good condition at all times and should be made available for inspection by the Bank from time to time.
- VII. No further loans under this facility will be available to a staff member even though the total has been repaid, in full if such staff member is in possession of a vehicle earlier purchased under the same facility.
- VIII. This facility shall further be subject to the general restrictions specified under "Loans General Restrictions".

III. Personal Loan

(a) *Eligibility* :

One year's service with a record of good performance as determined by the Bank.

(b) *Quantum of Loan.*

Maximum nine months gross salary. Salary for this purpose shall be the salary drawn by the staff member as at date of application.

(c) *Interest* :

5% per annum, applied monthly.

(d) *Repayment* :

Not more than 48 monthly instalments.

(e) *Security* :

- I. Promissory Note in favour of the Bank.
- II. Un-encumbered lien over Provident Fund total balances.

(f) *Restrictions* :

Personal Loan enhancements will be available only after repayment of 12 instalments.

This facility shall further be subject to the general restrictions specified under “Loans-General Restrictions”.

IV. Surgical and Hospitalization Loan

Where any staff member requests for financial assistance, the bank will grant such staff member a letter addressed to the hospital/nursing home undertaking to settle bills in full, where such hospitalization expenses qualify for reimbursement under the conditions of the Surgical and Hospital expenses Scheme, provided however, that all expenses, hospital charges etc., which do not qualify for reimbursement, will be recoverable from the staff member concerned, who may if he so desires, request for such recovery in instalment. Recovery shall be in no more than 36 monthly instalments, interest free.

This facility shall, however, be further, subject to the general restrictions specified under “Loans-General Restrictions”.

V. Festival Advance

(a) *Quantum and Conditions* :

One months gross salary for any one festival each year of the employee’s choice, repayable in 10 equal instalments, interest free, provided further, that such Festival Advance will not be payable until the Festival Advance paid previously, has been recovered in full.

(b) *Restrictions* :

The total deduction from the staff member’s salary including this recovery and all other deductions shall not exceed 60% of the staff members consolidated gross salary.

VI. Loans-General Restrictions

- (I) *Bank Policy of Granting Loans.*— Loans, unlike salary and perquisites are not automatically due to any employee. Staff loan facilities, at highly concessional rates of interest and very soft repayment periods are regarded by the Bank as a costly fringe benefit, only available to staff with a good record of overall performance. Staff who, therefore, do not possess a good record of performance, as assessed by the Bank will not qualify to enjoy these loan facilities.
- (II) *Repayment Restrictions 60% of Gross Salary.*— maximum limit on account of all deductions (including loan payments) shall not exceed 60% - while the staff member is free to avail himself of loans in any proportions (subject to the restrictions) under no circumstances whatsoever, shall the total deductions form such staff member’s monthly salary including all loan deductions exceed 60% of such staff member’s monthly gross salary.
- (III) *Repayment through Salary Only.*— The recognized means of repayment of all Staff Loan Facilities will be exclusively confined to recoveries from monthly salary, except at the time of termination when repayment from balance dues and in cash will be acceptable.
- (IV) Accordingly under no circumstances will employee be permitted to manipulate, improve and/or advance their loan facilities under any of the loan facilities by repayment in cash or any other means, excluding normal deductions from salary.
- (V) *Senior Management Discretion.*— The above terms and conditions will generally apply in respect of all loan schemes referred to in these terms of service, However, the General Manager may exercise his discretion referred to above, to the benefit of any staff member, subject however, to the condition that the restriction pertaining to the maximum period of repayment and the maximum deduction of 40% of his gross salary, as defined in the above scheme cannot be varied and shall strictly apply.

- (VI) *Cessation of Staff Member's employment* - In the event of there being a balance outstanding under any loan facility at the date of cessation of a staff member's employment, such balance shall be immediately repayment in full and all concessions enjoyed by the staff member under these terms of service shall cease forthwith.
- (VII) *Bank's Lien over Provident Fund* - In terms of the rules of the Grindlays Bank Ceylonese staff Provident fund the Bank enjoys a first and paramount lien on 75% of the aggregate balance, (including interest) lying to the credit of a staff member in respect of any loans or salary advance or any other dues to the Bank, which the bank may exercise, for recovery in the event of the termination of death of a staff member.
- (VIII) *Unsecured Loans, Reduce Provident Fund Loans* - All staff loans, excluding Housing Loans, are categorized 'Unsecured Loans' and, the Provident Fund Committee of Management should be advised that when granting employee loans against their Provident Fund balance, the entitlement has to be reduced by the total amount of 'Unsecured' staff loans. Also similarly the eligibility under the Staff loans scheme will be reduced by the amount of the outstanding Provident Fund Loan *i.e.* the lien on Provident Fund monies can only be of value if such monies are available to the Bank.
- (IX) *Misuse* - In the event of any staff member being found to misuse these loan facilities or violating the terms and conditions of any of these Schemes the Bank may at its discretion so advise the staff member and apply the commercial rate of interest on the loan and increase the repayment and also impose any further action it may deem necessary against any such staff member in the circumstances.

19. Probation

Every employee recruited by the Bank will serve a period of nine months probations subject to the right of the bank to extend the period of probation by a further period of three months.

20. Concessions to Branch Union Office Bearers and General Councilors

- (a) The Bank shall at its discretion permit the release of not more than two Branch Union Office bearers at any one given occasion without loss of pay exclusively to enable Branch Union Office bearers to be present at inquiries before the Labour Department, Labour Tribunal, Arbitrations, industrial Courts, and with their respective Bank Managements - exclusively on matters pertaining to the Bank.
- (b) It is agreed that Central Committee Members (General Council) of the Union will be permitted to leave at 12.30 p.m. on 12 days in a year for meetings. In the case of outstation General Council Members, they would be permitted leave for the whole day for 12 General Council Meetings in a year.
- (c) It is agreed that a day's paid leave shall be granted on two occasions per year to General Councilors to attend Parent Union General Council meetings.
- (d) It is agreed that Executive Committee members will be released at 3.00 p.m. for meetings of the Executive Committee of the Union, These meetings will not usually be more than on a monthly basis.

21. Special Leave to Visit Outstation Branches

The Bank shall permit office bearers of the Union employed by the Bank paid leave to visit outstation branches calculated on the basis of a days' leave available for each such branch, *i.e.* If there are X branches the total number of days paid leave available shall also be X. For this purpose an outstation Branch is one situated more than 30 miles from Colombo.

22. Overtime

- (a) If required by his employer an employee shall work reasonable overtime which has been authorized by the employer, subject to the provisions of any law for the time being in force.
- (b) Overtime work shall be remunerated in accordance with the provisions of the Shop and Office Employees Act.

23. Annual, Medical and Casual Leave.

I. *Annual Leave*

(a) *Entitlement :*

In respect of each year of employment (which means the period January to December) during which an employee has been in continuous employment he shall be entitled to take in the following year 21 working days paid leave. He shall avail himself of at least 10 days out of the 21 days on successive days and shall in respect of each year avail himself of not less than 14 days out of the said 21 working days.

At the end of the first year of employment the employee qualifies for proportionate leave as follows :

- (a) The full annual holiday of 21 days if his employment commenced on or after 1st January but before 1st April.
- (b) A holiday of 15 days if his employment commenced on or after 1st April but before 1st July.
- (c) A holiday of 11 days if his employment commenced on or after 1st July but before 1st October, and
- (d) A holiday of 6 days if his employment commenced on or after 1st October.

(b) *Availment :*

The availment of all annual leave shall be by prior authorization of the Bank upon the employee's application, giving sufficient notice to the bank, so as to ensure availment at items mutually convenient, Availments shall be in not more than two installments, each year.

(c) *Accumulation :*

Annual leave may be accumulated by an employee exclusively for the following purposes :

- (a) For availment in full, immediately proceeding retirement by mutual arrangement with the Bank,
- (b) For the purpose of attending on a family member who is seriously ill,
- (c) For travel abroad for which purpose one month's prior notice shall be given,
- (d) For marriage of the employee.
- (e) For use during prolonged illness of the employee, when the medical leave quantum (including accumulated medical leave) is exhausted.
- (f) On account of the death of a family member provided that the employee has exhausted his current year's leave.
- (g) For purposes of nursing third and fourth children beyond the Maternity Leave entitlement.

Provided that in the case of (b) to (d) the approval of such leave shall be at the discretion of the Management. Family member for purposes of (b) above shall mean spouse, children or parents.

Provided also that such accumulation will be restricted up to a maximum of seven (7) days per year and provided further that such total accumulation shall be restricted to a maximum of ninety (90) days and shall not be encashed under any circumstances.

(d) *Holiday Reimbursement :*

All Employees will be entitled to reimbursement of the expenses incurred by them during their Annual Leave holiday, up to a maximum value of half month's gross salary once every year. The gross salary for this purpose shall be the gross salary payable to such employee for the month of January entitlement of the respective year. This benefit is non-cumulative and will lapse if not availed of, during the year.

II. Medical Leave

(a) Entitlement :

An employee shall be entitled to not less than Twenty-four (24) days leave exclusive of weekly or other holidays in any one year, in case of sickness on full pay, subject to the conditions in sub-clause (b) hereof.

(b) Availment :

The Bank will be entitled to refuse to grant pay for any days of absence on grounds of sickness not supported by a Certificate from a Registered Medical Practitioner :

- (a) where such period of absence exceeds two consecutive days including weekly or other holidays, or
- (b) Where the number of days already allowed on full pay on grounds of sickness, uncertified by a Medical Practitioner, is in excess of ten (10) days.

The Bank will be entitled, after inquiry and advising the employee concerned, to refuse to pay and/or take any action as appropriate in situations where the absence on grounds of sickness occurs in the following circumstances ;

- (a) Where the Bank has reasonable cause to suspect the *bona fides* of the application and/or reason for absence of an employee, or
- (b) Where the absence of the employee on grounds of sickness immediately follows or precedes any weekly or other holiday and the Bank has reasonable cause to suspect the *bona fides* of the application and/or reason for absence of the employee.

(c) Accumulation :

An employee who takes less than his entitlement in any one year as prescribed above shall be entitled to avail himself of the balance of his entitlement for such year in any succeeding year or years, subject to the following provisions :

- (a) in no case shall the entitlement to medical leave on full pay, by reason of such accumulation, exceed ninety (90) days, and
- (b) the accumulated medical leave may only be availed of on account of prolonged illness, hospitalization or similar circumstances, supported by a Certificate from a Registered Medical Practitioner,
- (c) where an employee has exhausted his current year's sick leave as a result of prolonged illness such as an infectious disease or prolonged hospitalization an employer may permit him to set off any further absence on grounds of ill health against such accumulated sick leave up to the extent of the leave taken for such earlier prolonged illness.

III. Casual Leave

An employee shall be entitled to a maximum of seven (7) days casual leave in each year of employment where of not more than two (2) days shall be taken at any one given time and such leave shall not precede or follow any period of annual leave. All casual leave shall be by prior approval of the Bank, unless the reason for such absence is justified to the satisfaction of the Bank as being in circumstances that could not have been foreseen by such employee.

24. Suspension

(i) Where an employee is suspended pending a disciplinary inquiry on investigations, he will, subject to the provisions of sub-clauses (ii) and (iii) below, receive half his salary from the date of suspension up to six months and full pay thereafter, subject to the condition that the delay was not due to the employee concerned.

(ii) Where the suspension is on account of charges involving financial dishonesty such as fraud or misappropriation, the employee will not be entitled to any salary during the period of suspension unless the inquiry is not concluded within six months of the date of suspension in which event he will receive half his salary (salary plus cost of living allowance) during his suspension beyond the said six months period, Provided that if the delay beyond six months is due to the employee's own conduct or due to the employee being in custody or remand thereby making it impossible for the Bank to hold or conclude the inquiry, half such salary as aforementioned will not be payable.

(iii) In cases not involving financial dishonesty as aforementioned, where the employer is prevented from concluding the inquiry within six months of suspension for reasons beyond the employer's control such as where the employee makes repeated requests for postponements or where he is remanded or in Police custody or where the matter is under investigation by the Police, the employee will continue to receive half his salary and will not receive full pay in these circumstances.

25. Disciplinary Procedure

Where the Bank proposes to take disciplinary action against an employee except, however, in the case of oral warning, letters of advice, caution or warnings for minor offenses, the following procedure shall apply :

- (a) Irrespective of whether such employee has been suspended, the employee shall be furnished with a show cause letter which shall set out the particulars of the charges against such employee and such show cause letter shall give the employee not less than ten (10) calendar days within which to tender his explanation in writing to the charges preferred.
- (b) Within ten (10) calendar days after the date of the show cause letter the employee shall tender in writing to the Bank his explanation to the aforesaid charges provided however that if in the circumstances it is reasonable the employee may request the Bank for an extension of time within which to tender the written explanation and where such request is made, the Bank shall normally grant such request for such further period of times as is considered necessary by the Bank in the circumstances.
- (c) If where the employee tenders his explanation within the period of time allowed to the employee to show cause and the Bank is satisfied with such explanation, the Bank shall withdraw the charge/s against the employee and if the employee is under suspension, the Bank shall forthwith reinstate the employee and shall pay to such employee his salary and entitlement in respect of the period of such suspension.
- (d) Where the employee tenders his explanation within the time allowed to him to show cause and the Bank is not satisfied with such explanation, the Bank shall, subject to sub-clause (k)(iii) hereof, hold an inquiry into the charges against such employee.
- (e) The Bank shall commence an inquiry as referred to in sub-clause (d) hereof within 21 working days from the date of receipt by them of the written explanation to the show cause letter unless it is not possible to do so for reasons beyond the Bank control, or by reason of the employer's own conduct or seeking, or by reason of unforeseen circumstances.
- (f) The Bank will permit a member of the Branch Union of the same Grade or of a Higher Grade than the accused employee or an office bearer of the Branch Union irrespective of grade C in which case the Bank reserves to itself the right to prevent the person carrying on the defence for unacceptable conduct) or a Central Committee Member of the Union employed in the Bank to defend the accused employee at a domestic inquiry provided the defending employee has not obtained a legal qualification. The defending employee will not suffer any loss of salary for absence from work on this account. The Bank will further allow another member of the Branch Union to be present at the Inquiry as an Observer without loss of salary for absence from work. The accused employee shall submit to the Bank in writing the name of the defending employee and Observer not less than 48 hours before the time appointed for the commencement of the inquiry. The defending employee shall be entitled to examine the witnesses for the accused employee and cross examine witnesses for the Bank. The Inquiring Officer will be entitled to require a defending employee or Observer

who obstructs the inquiry to withdraw there from and the defending employee or Observer shall forthwith comply with such requirement. The absence of a defending employee or Observer from the whole or any part of an inquiry for any reason whatsoever shall not vitiate such inquiry, nor the proceedings thereat, nor the findings pursuant thereto. The Observer shall not be entitled to participate in the proceedings but he may answer any question which the Inquiry Officer may ask him.

- (g) The Union will be entitled to a copy of the proceedings of the inquiry conducted subject to the Observer and the accused employee signing proceedings as a correct record. After the proceedings have been certified and a copy issued to the accused employee for all purposes thereafter the proceedings shall be taken as a true copy of such proceedings before the Inquiring Officer.
- (h) The Inquiring Officer shall maintain his impartiality and shall not attempt to act the role of the prosecution as well.
- (i) within thirty (30) working days after the conclusion of the inquiry the Bank shall inform the employee, in writing, of the findings in respect of the charges and of the punishment, if any, imposed by the Employer.
- (j) Where the Bank fails to inform the employee as aforesaid within the said period of thirty (30) working days except for reasons beyond the control of the Bank or by reason of the conduct of the employee, such employee shall not be punished thereafter in respect of such charges and no inference adverse to the employee shall be drawn in respect of such charges.
- (k) Notwithstanding the preceding provisions, the Bank shall not be required to hold a domestic inquiry in any of the following circumstances :
- (i) Where the employee fails to tender his written explanation before the expiry of the time allowed to show cause in which event the Bank shall be entitled to take disciplinary action on the basis that such employee had no cause to show.
 - (ii) Where the employee makes a written admission of the charges against him.
 - (iii) Where the Bank proposes to warn an employee, but without prejudice to the Union's right to request the Bank thereafter to hold an inquiry in which even the fact that the inquiry did not commence within Twenty One (21) working days after receipt of the employee's explanation shall not be material or relevant.
- (l) The findings of a domestic inquiry and the punishment if any imposed by the Bank shall be final and binding on the Bank and the employee and the Union, unless the employee or the Union shall within three (3) months from the date on which the Bank had notified such employee of the findings or punishment, raises a dispute in respect of such findings and/or punishment.
- (m) Where an employee is under suspension and the Bank makes order that :-
- (i) the employment of the employee shall be terminated, then the termination of such employment shall take effect as from the date of suspension or such later date as the Bank may determine ; provided further that the Bank shall not be entitled to recover from the employee any payment made in respect of salary to the employee in respect of such period of suspension, if any such payment has been made.
 - (ii) the employment of the employee shall not be terminated, then the employee shall be employed forthwith and shall be paid the entirety of his salary in respect of the period of suspension without prejudice to the right of the Bank to impose such other punishment other than termination, which may include the whole or part of the period of suspension pending inquiry, on the basis of the findings of the inquiry.

- (n) The observance by the Bank of Sub-clauses (e), (i) and (j) shall not be necessary where an inquiry is not held in view of the fact that the matter under inquiry is being referred, or has been referred, to the Police or other authorities for investigation or inquiries or in view of the fact that criminal charges are pending against the employee.
- (o) The above provisions shall only apply in respect of inquiries that commenced after the date of signing of this Agreement.

26. Technology

- (i) The Fifth Schedule hereto contains matters relating to new Computer Based Banking Technology agreed upon between the parties.
- (ii) The Bank will furnish the Union on request information relating to new computer hardware to be introduced by the Bank, *i.e.* published manufacturer's specifications relating to equipment. The Bank will be under no obligation to provide information relating to software.
- (iii) The Union will be free to make representations on matters relating to the introduction of new Computer Based Banking Technology in the Bank other than on matters covered in this Agreement and subject to sub-clause (ii) above.
- (iv) Notwithstanding the provisions of (iii) above, the Union will not be entitled to raise any industrial dispute on matters relating to Computer Based Banking Technology, will not resort to any industrial action in that regard and any representations/dispute in that connection shall not fall within the meaning of an industrial dispute under the laws of Sri Lanka.
- (v) It is agreed that any matter raised by the Union relating to the adverse effects of the use of computers shall be referred to the monitoring Committee set up under the Collective Agreement for resolution. In the event of the Monitoring Committee not being able to satisfy the Union, such matter shall be referred to the Department of Health and Safety of the Labour Department and the recommendation given by the Doctor-in-charge shall be accepted by both parties and where changes are necessary in terms of such recommendation the Monitoring Committee shall prevail on the Bank to implement such changes.

27. Trade Union Action

I. Matters Related and Covered in the Agreement :

The Union and its members covered and bound by this Agreement jointly and severally agree with the Bank that during the continuance in force of this Agreement they shall not engage in any strike or other form of Trade Union action including go-slow, boycott or demonstrations or picketing or any form of collective action against the Bank in respect of any dispute related to this Agreement.

II. Matters Not Related and Not Covered in this Agreement :

The Union and its members covered and bound by this Agreement jointly and severally agree with the Bank that during the continuance in force of this Agreement they shall not engage in any strike or other form of Trade Union action including go-slow, boycott or demonstrations or picketing or any form of collective action against the Bank in respect of any dispute that may arise on any matter not related to this Agreement until—

- (i) The Branch Union of the Bank has exhausted all forms of conciliation to resolve such dispute amicably with the Bank, at which stage the Branch Union shall notify the Bank in writing of its intention to refer such matter to the Parent Union (the Ceylon Bank Employees' Union).
- (ii) The Parent Union (the Ceylon Bank Employees' Union) has intervened in the matter and has exhausted all forms of conciliation to resolve such dispute amicably with the Bank and/or the Employers' Federation of Ceylon.

- (iii) In the event of there being no settlement at the level of conciliation aforesaid, the Parent Union has to give notice in writing of not less than fourteen (14) days of the fact that there has been no satisfactory settlement of the dispute and that it wishes to resort to Trade Union action. Such notice shall be given to the Bank, the Employers' Federation of Ceylon and to the Commissioner of Labour.

28. Union Check-off Facilities

During the continuance in force of this Agreement and provided the Union has not less than forty (40) percent membership among the employees covered by this agreement the Bank shall continue to grant check-off, provided, however, that the Bank reserves the right to stop, suspend, or discontinue such facility in the event of the Union violating any of the provisions of this Collective Agreement in relation to the Bank.

29. Implementation and interpretation of this Agreement

Where either the Union or the Bank are dissatisfied with the manner in which the Collective Agreement is being Implemented or where there is a complaint regarding the adverse effects of computer technology change such matter shall be dealt with by a Monitoring Committee set up by the Bank consisting of two representatives from the Bank and two representatives from the Union. The Bank or the Union may request that a matter be placed before the Monitoring Committee by communication addressed to the Employers' Federation of Ceylon setting out the cause of complaint.

Any dispute over the interpretation of the Agreement shall be settled by voluntary arbitration under Section 3 of the Industrial Dispute Act, 1950.

30. Consequences of Termination of Agreement

On the termination of this Agreement all terms, conditions, benefits facilities and concessions enjoyed by the Union and/or its members shall *ipso facto* cease.

31. Definitions

In this Agreement, unless the context otherwise requires, the following words and phrases shall have the following meanings :—

Bank	Standard Chartered Bank
Employee	an employee covered and bound by this Agreement
Employer	Standard Chartered Bank
Cost of Living Allowance	The Cost of Living Allowance calculated in the manner set out in Clause 7 hereof on the Cost of Living Index Figure published by the Department of Census and statistics [CCPI (N)] each month.
Cost of Living Index	The Cost of Living Index published monthly by the Department of Census and Statistics.
Parent Union	The Ceylon Bank Employees' Union
Branch Union	The Branch Union of the Ceylon Bank Employees' Union at Standard Chartered Bank.
Dispute	A dispute shall have the same meaning as an Industrial Dispute in the industrial dispute Act and shall include any dispute arising between the Bank and the Branch Union of the Ceylon Bank Employees' Union.
Salary	Shall mean the consolidated salary as defined in Clause 5.

Words importing the masculine gender shall include the feminine.

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

THE FIRST SCHEDULE

CLERICAL SALARY RANGES

Rs. 15,500 to Rs. 45,000

Separate Schedules will not be applicable for salary purpose as we have already aligned the remuneration of SCB/SCG employees.

THE SECOND SCHEDULE

113979 7	Surangani B. S. Fernando
113980 1	Piyal P. K. Gamage
113982 1	Hiranthi W. W. H. N. Hendalage
113983 1	Marzuna Z. M. Jamaldeen
113995 3	Videha M. A. R. V. V. Wijesinghe
113993 0	Moksha J. A. M. Sirimanne
113978 5	Dinesh F. D. Emmanuel

THE THIRD SCHEDULE

MAXIMUM SALARY POINT WOULD BE AS STIPULATED IN THE SALARY RANGES IN SCHEDULE I

1150309	Nanayakkara G. J. Nanayakkara
1150080	Nirmala W. P. N. Fernando
1150132	Thanges S. Thangeswaran
1150131	Sunil J. A. S. C. Dias
1150146	Tillakaratne W. A. Tillakaratne
1150081	Deepika R. N. D. Jayasinghe
1150129	Gamini W P G Ariyaratne
1150136	Gunatilaka A. T. Gunatilaka

THE FOURTH SCHEDULE

(1) (a) The benefits of the Scheme will accrue to the employee but will cover those persons specified in Clause 14(iii) of the Agreement. It shall be the duty of the employee to enroll members of his family immediately on becoming eligible to be included in this Scheme.

No reimbursements will be made in respect of members of the family who have not been enrolled.

(2) Reimbursements will only be effected on hospitalization involving at least one night stay in a hospital.

(3) The Bank must be notified promptly, and in any event not later than on the first business day following admission to hospital.

(4) The Bank will be entitled to take out Insurance Policies covering reimbursement under this Scheme and the employee shall be required to make declarations (including completion and signing of Insurance Proposal forms) and submit documentation required by Bank/Insurers in a proper form and timely manner to enable the Bank to obtain reimbursement from the Insurance Companies. The Bank will advise by internal circular issued from time to time the documentary requirements and time limits within which documents should be submitted. Where an employee does not comply, he will not be entitled to benefits under this Scheme.

(5) Employee shall uphold the principle of uberrima fides when making declarations and submitting claims under this scheme and any deviation would disqualify the employee from received any benefit under this scheme. In addition, the employee will be liable to disciplinary action in accordance with provisions set out in this Agreement.

(6) (a) The Bank will circulate by internal circular published from time to time a list of hospitals/nursing homes, expenses incurred at which, will be eligible for reimbursement under the Scheme. Additions and/or deletions to this list will also be made by internal circular.

(b) If for reasons of Geographical Location any employee believes he may not be in a position to use any of the Institutions given in the list, he may apply to the Bank in writing within 30 days of publication of the list of amendments to the list referred to in the preceding sub-paragraph, requesting special dispensation to use a named Institution or Institutions and the Bank shall consider such application on a case by case basis and, where deemed appropriate, will rent such special dispensation, provided however, that the decision of the Bank on this matter shall be final and conclusive.

(7) Exclusions

The Scheme shall not cover benefits/ expenses :

- (a) Arising from an injury sustained or a sickness contracted outside Sri Lanka or for treatment outside Sri Lanka.
- (b) Occasioned by or happening through :
 - (i) The participation by the employee or other eligible family members in War, Invasion, Act of Foreign Enemy, Hostilities (whether war be declared or not), Civil War, Rebellion, Revolution, Insurrection, Mutiny or Usurped Power, Military, Popular Rising or while serving as a member of any Defence, Police, Security Force, Home Guard etc.,
 - (ii) Attempted Suicide, Alcoholism, Venereal Disease, Insanity and Illnesses resulting from Acquired Immune Deficiency Syndrome.
 - (iii) Normal child birth or pregnancy subject to clause 14(iv). Provided that if an employee has been employed for a continuous period of twelve months, the Bank will pay the medical expenses incurred for any abnormality of maternity which is in excess of what a normal child birth would have cost. The responsibility for furnishing the Bank with the required proof of the extra cost involved, such as a letter from the Doctor/Hospital, will be on the employee who makes the claim.
 - (iv) Earthquake, Volcanic Eruption of Tidal Wave.

- (c) Incurred whilst traveling in an aircraft other than as a ticket holding passenger in a fully licensed standard type of civil aircraft operated by a recognized Airlines on a regular route or in a fully licensed standard type of civil aircraft having two or more engines operated by a recognized Air Charter Company or owned by a Commercial or Industrial firm and piloted by a Pilot holding a Commercial Pilot's License.
- (d) In respect of Eye Tests or Dental Treatment.
- (e) Arising from any physical defect or infirmity which existed prior to confirmation in the Bank's service.

(8) The benefits under this Scheme shall not be cumulative and the words "any one year" in Clause 14(iii) of the Agreement shall be deemed to be the period 1st January, to 31st December. In the case of employees who join during the course of a year the overall limit and event limit up to the period ending the next 31st December will be pro-rated to the number of full months of service up to 31st December.

(9) In respect of claims for hospitalization which span the end of any year, reimbursement will be made out of the entitlement of either or both years, subject, however, to the event limit specified in Clause 14(iii) of the Agreement.

THE FIFTH SCHEDULE

The parties agree to the following conditions in relation to the introduction of new computed Based Banking Technology by the Bank covered and bound by this Agreement.

- (1) Wherever practical, the Bank will endeavour to ensure that jobs are designed to include a mix of VDU/non VDU tasks which seek to provide variation in visual and mental demands upon the operator.
- (2) The workload of operators of VDUs will be regularly reviewed by Management for the purpose of ensuring proper safety and effectiveness of the operation.
- (3) The Banks agree to provide VDU operators with adequate training within the parameters of their job description to ensure the safety and health of employees.
- (4) (a) In selecting VDUs the Bank will attempt to obtain equipment which will ensure the following :—
 - (i) Screens that give clear stable images.
 - (ii) Proper sitting of keyboards so as to ensure the reduction of stress and improved maneuverability.
 - (iii) Equipment which is quiet in operation so that the level of noise is kept to a reasonable limit.
- (b) The Bank will undertake proper servicing and maintenance to ensure optimum functioning of the VDUs.

The Bank will pay attention to the proper positioning of screens, keyboards and provide facilities for placing documents and ancillary equipment in a manner to facilitate the work of employees.

The Bank will endeavour to provide lighting facilities to minimize visual fatigue in the operation of VDUs.

Employees whose main or primary function, as decided by the Management of the Bank, is the operation of a VDU, will be permitted to visit, at the cost of the Bank, an Optician selected by the bank to have his eyesight examined prior to his commencing employment on a VDU. In the event of an adverse report being obtained from the Optician, the employee should inform the Bank immediately.

Where an employee whose main or primary function, as decided by the Management of the Bank, is the operation of a VDU, and he is already using spectacles, when he is called upon to operate a VDU for the first time, he will be permitted, at the expenses of the Bank, to be examined by an Optician nominated by the Bank for the purpose of obtaining an opinion as to whether any modification is necessary to his lenses. The cost of such examination and modification to the lenses if necessary, will be borne by the Bank on the following basis :—

- (i) The cost of the examination will be met by the Bank outside the limits prescribed by the Medical Assistance Scheme herein.
 - (ii) The cost of modification of the lenses will be met within the Medical Assistance Scheme, but if such cost should exceed the limits prescribed by the Scheme, the Bank will bear such additional cost as well.
- (5) Accepting the fact that continuous work at a terminate by a data entry operator causes a certain amount of strain, the Bank is agreeable to a reasonable pause in entering information at or about the end of each period of 2 hours so long as there is no disruption of the smooth flow of work and so long as such pause does not exceed 10 minutes.
 - (6) The provisions of this Agreement will apply to employee whose main or primary function, as decided by the Management of the Bank, is operating a VDU. Provided however the Union will be entitled to make representations as to whether the main or primary function is the operation of a VDU subject to there being no industrial dispute being raised on this issue.
 - (7) The Bank agrees that they will not seek to retrench employees who become redundant solely and exclusively in consequence of the introduction of new Computer Based Banking Technology. Instead, the Bank may avail itself of any one or more of the following options.
 - (a) The aforementioned excess employees may be transferred to other section/departments to perform work which is within their skill and capacity without reduction in salary and allowances which are in force at such time in relation to such employees. this option refers to a transfer other than within the scope of employment which the Bank would under normal circumstances be entitled to effect.
 - (b) The Bank may, on a transfer within the scope of (a) above, re-train an employee if the employers consider it necessary.
 - (c) The Banks will be entitled to negotiate with employees who are redundant for the reasons contemplated in this Agreement, with a view to achieving a cessation of employment on terms mutually agreed upon and this will not amount to retrenchment within the meaning of this Schedule.
 - (8) For the purpose of this Agreement, retrenchment will mean an involuntary termination of the employees made redundant consequent upon the introduction of new Computer Based Banking Technology. It will not include a situation where such redundant employees voluntarily leave the service of the employer on terms mutually agreed upon.

In witness hereof the said parties have set their hands hereunto on this Eleventh Day of February, 2010 at Colombo.

For and on behalf of
Standard Chartered Bank

For and on behalf of
Ceylon Bank Employees' Union.

Name : Simon Morris
Designation : Chief Executive Officer,
Standard Chartered Bank

Name : M. R. Shah
Designation : President.
CBEU

Name : Deshika Rodrigo
Designation : Head of Human Resources,
Standard Chartered Bank

Name : M. Sukumaran
Designation : General Secretary.
CBEU

Witnesses. :

Name : Kanishka Weerasinghe
Designation : Assistant Director General,
Employeers Federation of Ceylon

Name : Dinesh Emmanuel
Designation : President.
CBEU Standard Chartered Branch.

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