

Collective Agreement

between

Coca-Cola Beverages Sri Lanka Limited

and

*Food Beverages & Tobacco Industries
Employees Union (FBTIEU)*

2013

(Manual Workers)

The Coca-Cola logo is centered at the bottom of the page. It features the brand name in its signature red script font with a white outline, set against a white background.

This *Collective Agreement* made on this *First day of June Two Thousand and Thirteen* pursuant to the Industrial Disputes Act between *Coca-Cola Beverages Sri Lanka Limited*, a public limited liability Company and having its registered office at Tekkawatte , Biyagama, hereinafter referred to as "*The Employer* " which term shall where the context so requires or admits mean and include the said *Coca-Cola Beverages Sri Lanka Limited* of the *One Part and Food Beverages & Tobacco Industries Employees Union, (FBTIEU)* duly registered under *Trade Union Ordinance and having its registered office at 513-2/1, Elvitigala Mawatha, Colombo 5*, hereinafter called and referred to as "*The Union*" which term shall mean and include the said *Food Beverages & Tobacco Industries Employees Union, (FBTIEU)* of the *Other Part*, witnesseth and it is hereby agreed between the parties as follows :-

1. Parties to be Covered and Bound

This Agreement shall cover and bind the Employer, The Union and members of the Union who are employed by the Employer on permanent contracts of employment in a *Manual or Labouring* capacity for whom salary scales are set out in the salary schedules annexed hereto.

2. Earlier Collective Agreements

The provisions of this Agreement shall supersede and replace the provisions of all other Collective Agreements entered into by The Company in relation to the categories of employees covered and bound.

3. Date of Operation and Duration

Unless otherwise expressly stated herein, this agreement shall be effective as from *the First day of June 2013* and shall thereafter continue in force unless it is terminated by either party giving one month's notice in writing to the other party, provided however, that neither party shall give such notice to the other party before the *Thirtieth day of April 2016 and* the Agreement shall not terminate before the *Thirty first day of May 2016*.

4. General Terms and Conditions of Employment

1. The terms and conditions of this Agreement shall from the date hereof and during the continuance in force of this Agreement, be deemed to be included in all the contracts of service between the Employer bound by this Agreement and permanent employees covered and bound by this Agreement, as well as other employees who are employed by the Employer on permanent monthly contracts of service in manual or laboring capacity whether such contracts of service be written or oral which are subsisting as at the date hereof or which come into being during the continuance in force of this Agreement.
2. Other than terms and conditions revised through this collective agreement, and the memorandum of settlement in relation to supplementary terms & conditions will be entered into by the parties on a mutually agreed date in the future, all other terms and conditions applicable to employees covered and bound by this collective agreement, as at the date of signing, shall remain unchanged.
3. Where an employee was immediately prior to the date hereof entitled or becomes entitled on or after that date under or by virtue of any law or under any contract, agreement, award or custom to any rights or privileges more favourable than those to which he would be entitled under this Agreement, nothing in this Agreement shall be deemed or construed to authorize or permit the Employer to withhold, restrict or terminate such rights or privileges.

4. It is agreed by parties to continue with the operation of the 'night shift' on a 'normal roster' basis (i.e. without payment of overtime) on all three lines and that the 'night shift' would commence at 10.00 p.m. and conclude at 6.00 a.m. on the following day.

5. Probation

1. The Employer may require any employee who is engaged for employment to serve a period of probation of not more than six (6) months. Provided further that if during the said probationary period of six (6) months, the Employer is not satisfied with such employee, the Employer may extend the probationary period for a further period of not more than three (3) months, and in that event the Employer shall communicate to the employee, in writing, the reason for such extension.
2. During the period of probation or extended probation as the case may be, where the Employer is not satisfied with the employee, the Employer may terminate the employment of the employee without notice.
3. Where the employment of an employee is not terminated during the period of probation or extended probation, as the case may be, and the employee has not been expressly confirmed by the Employer, the employee shall be deemed to be confirmed in employment with effect from the date of expiry of probation or extension of probation, as the case may be.
4. On confirmation, the date of employment of an employee shall be deemed to be the date on which such employee was initially employed in terms of *sub-paragraph (1)* hereof.

6. Attendance

1. Unless otherwise specifically instructed by his Employer an employee shall present himself for work on every day (other than a holiday) at the usual starting time of the Store, Factory, Mill or Job and shall there remain available for work throughout the normal working hours.
2. If, at a Store, Factory, Mill or Job, work is temporarily not available for an employee in his own occupation he shall be deemed to be ready and willing to perform work within the capacity and skill in any other occupation at the same work site or at any other work site of the Employer where work is available.

7. Hours of Work and working arrangements

1. The normal working hours shall be those hours which are customarily worked at a Store, Factory, Mill or Job in the establishment of the Employer bound by this Agreement, and would include a three shift operation (6.00 a.m. to 2.00 p.m., 2.00 p.m. to 10.00 p.m. and 10.00 p.m. to 6.00 a.m.) based on which employees shall be rostered for duty to meet production requirements of the company on the new manning levels as referred to in Clause 7 (2) below:
2. The current manning levels pertaining to the operations of the factory on a three shift working arrangement, including the night shift, shall be continued subject to the following changes agreed by parties.

- i. Line 1 - In the Blow moulding section, it was agreed to remove the two helpers and that the task of preform feeding shall hereafter be carried out by the blow moulder operators themselves with the use of the high capacity preform transfer unit. Further the Company agreed to promote Assistant Operator in Blow moulding section to Operator grade.

Line 1 shall be maintained by (i.e. manned with) one mechanic per shift

Apart from above, parties agree to discuss manning levels prior to upgrading the remainder of the line

- ii. Line 2 - Reduction of employees related to the final inspection point shall be implemented with the installation of the "fill height detector"
- iii. Line 3 - Reduction of employees related to the final inspection point shall be implemented with the installation of the 'fill height detector'.

In order to facilitate above, the duration of release of bottle inspectors other than those of wash bottles (after washer and before filler) is equal to inspection time. In other words, the current practice of 15 minutes inspection and 30 minutes release from inspection will change to 15 minutes inspection and 15 minutes release, for rotation of other work.

The manning levels shall be re-negotiated if improvements are made in relation to technology, automation of work procedures or increase competencies of employees.

3. General Stores, Post Mix Department & Engineering Stores shall be operated on two shift work arrangement as set out below
 - a) Shift one – 06.00 a.m. to 02.00 p.m.
 - b) Shift two - 02.00 p.m. to 10.00 p.m.

Any further reduction of engineering cadre will be discussed with the improvements to the production lines and enhancement of capabilities & skills of employees

8. Forfeiture of Salaries

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

9. Overtime

1. Overtime work will be worked by an employee as and when and for such period as the Employer may reasonably require, provided there is no good reason for refusal by such employee.
2. Any work which is performed in excess of normal working hours shall be remunerated at one and one half (1 ½) times the normal hourly rate ascertained in accordance with the provisions of *Clause 17 (a)* hereof.

10. Weekly Holidays

1. *In respect* of each week every employee shall be allowed a holiday in that week as the weekly holiday. Provided however that if any employee has not worked for a period of at least Twenty Eight (28) hours, he shall be liable to forfeit and the Employer shall be entitled to deduct one days wage in respect of the weekly holiday for that week computed in accordance with the provisions of *Clause 17 (b)* hereof.
2. In computing the period of Twenty Eight (28) hours referred to in *sub-clause (1)* the Employer shall include :-
 - a) Every holiday allowed by the Employer to the Employee as annual holiday.
 - b) Every public holiday granted by the Employer in terms of *Clause 12* hereof, and
 - c) Every day's absence on any ground approved by the Employer.
3. The Employer may employ any employee on a weekly holiday as and when required for such period as the Employer may reasonably require provided there is no good reason for refusal by such employee subject to the following condition.
 - (i) A day within six days next succeeding such weekly holidays be allowed to that employee as a holiday with remuneration. Provided however that if any employee who is employed on his weekly holiday is liable to forfeit and the Employer is entitled to deduct one day's wage in respect of that weekly holiday as provided in *sub-clause (1)* , then and in such event that employee shall forfeit and the Employer shall be entitled to deduct one day's wage computed in accordance with the provisions of *Clause 17 (b)* hereof in respect of the holiday which shall be allowed to that employee within six (6) days of that weekly holiday. Provided further that in respect of not more than two (2) such weekly holidays in any one calendar month the Employer may with the consent of the employee ;
 - (a) instead of allowing an alternate holiday within six (6) days of the weekly holiday in respect of which that employee shall not be liable to forfeit and the Employer shall not be entitled to deduct one day's wage as aforesaid pay him one day's wage computed in accordance with the provisions of *Clause 17 (b)* hereof in lieu of such alternate holiday , or

- (b) in case that employee is entitled to an alternate holiday within six (6) days of the weekly holiday as aforesaid in respect of which alternate holiday he shall be liable to forfeit and the Employer shall be entitled to deduct a day's wage as aforesaid employ that employee on the alternate holiday.
- (ii) That in respect of work done on such weekly holiday the employee shall be paid as remuneration :-
- a) One and one half (1 1/2) times the normal hourly rate ascertained in accordance with the provisions of **Clause 17 (a)** hereof for the number of hours work during the first nine (9) hours (inclusive of one hour for a meal) ; **and**
 - b) At double the normal hourly rate ascertained in accordance with the provisions of **Clause 17 (a)** hereof for each subsequent hour of work.

The provisions of this sub-clause shall not apply to employees engaged on work outside the business premises of the Employer for periods exceeding twelve (12) days in respect of the duration of each such period.

11. Annual Holidays

Fourteen days Annual leave shall be allowed to an employee in each year in accordance with existing practice.

12. Public Holidays

1. Public holidays shall be allowed to an employee in accordance with the decisions of the relevant Wages Board. Provided however that if an employee is not covered by the decisions of any Wages Board public holidays shall be allowed to that employee in accordance with the decisions of the Wages Board for the Ice and Aerated Water Trade.
2. In the event of the Employer requiring an employee to work on a public holiday in which event that employee will be employed on that public holiday in accordance with the decisions of the relevant Wages Board. Provided however that if an employee is not covered by the decisions of any Wages Board public holidays shall be allowed to that employee in accordance with the decisions of the Wages Board for the Ice and Aerated Water Trade.
3. If any public holiday to which an employee is eligible under the provision of **sub clause (I)** hereof falls on a weekly holiday, a day either in the six (6) days immediately preceding or in the six (6) days immediately succeeding such public holiday shall be granted to the employee as a weekly holiday in accordance with the provision of **Clause 10** hereof.
4. If any public holiday to which an employee is eligible under the provisions of **sub clause (I)** hereof falls on a short working day, the number of hours constituting the normal working day (exclusive of one hour for a meal) on the day immediately preceding such public holiday shall be five (5) hours.

13. Casual Leave

1. In respect of each year of employment during which any employee has been continuously in employment that employee shall be entitled to take on account of private business or other reasonable cause including ill-health if that employee's entitlement of sick leave has been fully utilized, leave (hereinafter referred to as casual leave) with remuneration for the period or an aggregate of periods not exceeding seven (7) days and the Employer shall allow such casual leave and shall be liable to pay such remuneration. Provided however that not more than two (2) days casual leave shall be taken at any one time. Provided further that any employee shall not be entitled to take casual leave immediately preceding or immediately following any period of annual holidays.
2. Casual Leave will normally be obtained with prior approval and will normally be granted on application without the employee being required to state the reasons for the application. Where the Employer finds it difficult to grant an application for casual leave, his difficulty shall be notified to the employee as soon as possible after the application is made, and in such case the employee may be required to state the reason for the application in order that the Employer may decide whether it is reasonable in the circumstances to grant casual leave.
3. Provided further that any employee shall be entitled to casual leave on the basis of one (1) day for each completed period of two (2) months service during his probationary period. After confirmation he shall be entitled to casual leave for the remainder part of that calendar year on the following basis .

<u>Period of Service</u>		<u>Entitlement</u>
1	Month	Nil
2 to 3	Months	1 Day
4 to 5	Months	2 Days
6 to 7	Months	3 Days
8 to 9	Months	4 Days
10 to 11	Months	5 Days
12	Months	7 Days

14. Sick Leave

In any year an employee shall be entitled to sick leave not exceeding Twenty One (21) days provided that :-

1. His illness is supported by a certificate from a registered Medical Practitioner unless waived by the Employer, subject to existing practice.
2. The employee shall not be on probation within the meaning of *Clause 5* hereof provided however that an employee who has been on probation shall as from the date of confirmation in respect of the remainder of that calendar year be entitled to sick leave as shown below.

<u>Period of Service</u>	<u>Entitlement</u>
2 Months	1 Day
3 Months	3 Days
4 Months	5 Days
5 Months	7 Days
6 Months	9 Days
7 Months	11 Days
8 Months	13 Days
9 Months	15 Days
10 Months	17 Days
11 Months	19 Days
12 Months	21 Days

15 . Monthly Consolidated Salaries

1. Subject to the provisions of clause 17 hereof, the monthly consolidated salary of an employee in employment as at date hereof with effect from 1st June 2013 shall be in terms of the salary scales set out in the First, Second and Third Schedules hereof.
- 2.. If during the continuance in force of the agreement the Government of Sri Lanka :
 - a) prescribes increase in salary by any written law applicable to categories covered by this agreement legally obliging the Employer to make such payment, the Employer will pay such increase in salary in accordance with the law.
 - b) recommends increase in salary, such recommendations will not be applicable to the employer whether or not such recommendations are applicable to categories covered by this agreement.

16. Conversion to the salary scale set out in the First Schedule

1. A sum equal to 8% of the salary payable to an employee as at 1st June 2013 shall be added to the salaries of the employees covered and bound by this Agreement with effect from 1st June 2013.
2. An employee shall thereafter be placed on the corresponding point in the grade applicable to him in the salary scales set out in the 1st schedule hereof or in the event of there being no corresponding point on the next higher point in monetary terms in the said grade and the scale.
3. With effect from 1st June 2014 the Employer will increase the monthly salaries of the employees covered by this Agreement by a sum equal to 9% of the monthly salary drawn by each employee as at 1st June 2014 and thereafter place each employee on the corresponding point, or if there is no such corresponding point on the next higher point on the salary scales given in the 1st schedule hereof or the grade applicable to such employee.
4. With effect from 1st June 2015 the Employer will increase the monthly salaries of the employees covered by this Agreement by a sum equal to 9% of the monthly salary drawn by each employee as at 1st June 2015 and thereafter place each employee on the corresponding point, or if there is no such corresponding point on the next higher point on the salary scales given in the 1st schedule hereof or the grade applicable to such employee.
- 5 **Notional Arrears**

An ex-gratia payment by way of notional arrears shall be made in consideration of the period 1st January 2012 up to 31st May 2013 taking into consideration the following.

 - (a) A sum equal to 8% of the salary payable to an employee as at 31st May 2013 in consideration of the period 1st January 2012 up to 31st May 2013.
 - (b) This lump sum payment by way of notional arrears shall not constitute a part of an employee's earnings for any purpose whatsoever and shall not attract any consequential payments such as EPF, ETF, Gratuity, Overtime etc.
- 6 Parties agreed that no other payments are due to be paid by means of arrears.
- 7 The employer will also make a payment of a special ex-gratia amounting to Rs 5,000/- to employees covered and bound by this agreement in the first week of June 2013. It is also agreed by parties that this is payment too shall not attract any consequential payments such as EPF, ETF, Gratuity, Overtime etc.

17. Shift Allowance

The allowance payable to employees working on shifts will be :

- 6.00 am to 2.00 pm - Nil
- 2.00 pm to 10.00 pm - Rs 50/-
- 10.00 pm to 6.00 am - Rs 250/-

18. Attendance Incentives

The Attendance Incentive for 100% attendance will be Rs 350/- pm:

- a) 100% attendance : Rs 350/- pm
 - b) Being absent on a single day within a month : Rs 320/- pm
 - c) Being absent on 2 days within a month : Rs 290/- pm
 - d) Being absent on 3 days within a month : Rs 230/- pm
 - e) Being absent on 4 days within a month : Rs 170/- pm
- Attendance Incentive will not be granted if absent on 5 days or more within a month

19. Salary for Periods Less than One Month

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

- a) For an hour - the monthly salary divided by Two Hundred and Forty (240)
- b) For one Day - the monthly salary divided by Thirty (30)
- c) For one-half day- a day's salary ascertained as above divided by two(2) (either morning or afternoon)
- d) For one week - a day's salary ascertained as above multiplied by seven (7)

20. Promotions

The following shall be the principles which will guide the Employer in respect of promotions.

1. In case of employees who satisfactorily complete Twelve (12) years of service in Unskilled Grade of the Ice and Aerated Water Trade or the Engineering Trade however, they will if up to then otherwise not promoted, automatically be entitled to promotion to the Semi-skilled Grade II as provided in the First Schedule hereto, in the trade in which they are employed. Upon promotion to Grade II, the employee will receive a wage increase of Rs.250/- to the monthly salary.
2. In case of employees who have satisfactorily completed eight (8) years service in the Semi- Skilled - II as provided in the First Schedule hereto in either of the trades mentioned at (2) above, they will if up to then otherwise not promoted, be entitled automatically to promotion to Skilled Grade I in their respective trades as provided in the First Schedule hereto. Upon promotion to Grade I , the employee will receive a wage increase of Rs.250/- to the monthly salary.
3. However, mere length of service shall not be the sole criterion for promotions from one grade to the next. The Employer shall be entitled to take into account skills, efficiency, performance, educational qualifications, NVQ certificate; Assessments recommended by the group and other similar criteria and the cadre requirements in deciding on

promotions. In the event where an employee is found not suitable to be upgraded as per above, review of his performance and suitability would be done within a period not less than two years.

21. Provident Fund

1. The Employer and the employee shall contribute to the Provident Fund at the rates prescribed by the Employees Provident Fund Act No. 15 of 1958.
2. Subject to the provisions of the Employees' Trust Fund Act No: 46 of 1980 , where the Employer and employee as at the date hereof were contributing to a Provident Fund at rates more favourable than those prescribed by the Employees' Provident Fund Act, the more favourable rates of contribution will continue.

22. Terminal Benefits.

1. The Employer will subject as hereinafter provided pay terminal benefits to employees in accordance with the scheme of terminal benefits set out in this clause.
2. As and by way of terminal benefits the Employer shall pay an employee a sum equivalent to half month's salary for each year of service up to twenty (20) years and one month's salary for each year of service over and above twenty (20) years of service. The employees who do not complete five (5) years of uninterrupted service are not entitled to terminal benefits under this provision.
3. The salary on which the said terminal benefits under *sub-clause (2)* hereof shall be payable will be the last monthly salary receivable by an employee on which Provident Fund is payable.
4. For the purpose of calculating terminal benefits under this Clause an year of service shall be a period of not less than six (6) months.
5. If at the date of cessation of an employee's service there is due to the Employer from the employee any sum on account of fraud, misappropriation or any other account and the same cannot be recovered from the amount in the employee's credit in the Provident Fund the same shall be recovered from the terminal benefits provided for herein.
6. On the death of an employee whilst in service, who is eligible to receive terminal benefits under this Clause, the Employer shall pay such terminal benefits in the manner and to the persons hereinafter set forth :-
 - a) If there is a valid nomination in force for the purpose of the deceased employee's Provident Fund at the date of his death, to the nominee, or nominees of such employee in conformity with the form of nomination where such nominee is surviving and of full age.
 - b) Where there is no valid nomination or in the event of the nominee of any one or more of the nominees having predeceased the employee , or in the event of a nominee being a minor at the time that the payment of the terminal benefits become due, the Employer shall make payment only after the person or persons entitled to the payment have established their claim in law and furnished proof thereof.

7. In the event of any written law providing for payment of gratuity or terminal benefits the more favourable scheme shall apply but not both.
8. No employee shall be entitled to any gratuity or terminal benefits in addition to the terminal benefits provided for in this Clause or by any written law as the case may be.

23. Bonus

The Employer will make a payment of bonus to each employee covered and bound by this Agreement on the following basis during the period of this Agreement, provided however only employees who have completed 12 months service at the time of payment of bonus will qualify for payment in terms hereof and an employee who has not completed 12 months but in service for more than 6 months at such time will be entitled to receive only a proportionate payment of the bonus having regard to his period of service.

1. A payment of bonus equivalent to one month's monthly salary has already been paid on 15th March 2013 (Based on December 2012 salaries). Union acknowledges that this payment has already been made.
2. A payment of bonus equivalent to one month's monthly salary will be paid on 15th December 2013.
3. A further payment of bonus equivalent to one month's salary will be paid in January 2014, provided that the company achieves its budgeted annual volumes and cash operating profits declared for the year 2013
4. A payment of bonus equivalent to one month's monthly salary will be paid on 15th March 2014. (Based on December 2013 salaries)
5. A payment of bonus equivalent to one month's monthly salary will be paid on 15th December 2014.
5. A further payment of bonus equivalent to one month's salary will be paid in January 2015, provided that the company achieves its budgeted annual volumes and cash operating profits declared for the year 2014
6. A payment of bonus equivalent to one month's monthly salary will be paid on 15th March 2015 (Based on December 2014 salaries).
7. A payment of bonus equivalent to one month's monthly salary will be paid on 15th December 2015
8. A further payment of bonus equivalent to one month's salary will be paid in January 2016, provided that the company achieves its budgeted annual volumes and cash operating profits declared for the year 2015
9. A payment of bonus equivalent to one month's monthly salary will be paid on 15th March 2016 (Based on December 2015 salaries).

24. Annual Increments

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

- a) *deferred*, the loss of increments shall be continuous throughout the year ;
- b) *stopped*, the loss of increments shall only be for the period of stoppage during the year ;
- c) *suspended* , the increment is suspended pending a decision to defer or stop an increment , such decision being dependent upon a consideration of the factors giving rise to the suspension. Where on such decision an increment is neither stopped nor deferred, then the suspension shall be treated as waived and the full increment from the date of suspension thereof shall accrue to the employee concerned.

Deferment, stoppage or suspension of an increment shall only be effected in cases where the employee has been notified in writing of a complaint against such employee and has been found guilty after due inquiry of inefficiency, fraud or misconduct, which in the circumstances does not merit termination of employment.

25. Warning

If in the opinion of the Employer an offence warrants a warning the same shall be conveyed to the employee by a letter, a duplicate of which shall be signed by the employee.

26. Suspension

- 1) An employee may be suspended without pay by the Employer :-
 - a) pending an inquiry to be held by the Employer on a charge or charges of misconduct which warrants dismissal ;
 - b) in order to avoid a breach of the peace or damage to the property or disturbance of the business of the Employer ;
 - c) as a punishment for misconduct for a period not exceeding seven (7) working days after due inquiry;
- 2) At the time of suspension under *sub-clause (1) (a)* or within twenty four (24) hours thereof the Employer shall provide the employee with a written order of suspension specifying the reasons for such suspension and thereafter hold an inquiry into the charge or charges in terms of *Clause 26* hereof.

27. Disciplinary Action

Where the Employer proposes to proceed against an employee then :-

1. irrespective of whether an employee has been suspended under *Clause 25* hereof or not, the employee shall be furnished with a show cause notice which shall set out the particulars of the charge or charges of misconduct alleged against such employee and such show cause notice shall give the employee not less than five (5) clear working days in which to give the answer or explanation to the charges preferred.
2. within five (5) clear working days after the date of show cause notice, the employee shall furnish in writing to the Employer the answer or explanation to the charges preferred against such employee. Provided however that if in the circumstances it is reasonable the employee may ask the Employer for an extension of time within which to furnish the written answer or explanation to the show cause notice and where such request is made by an employee to the Employer, the Employer shall grant such request for such further period of time as is deemed necessary in the circumstance of the case.
3. if the Employer is satisfied with the written answer or explanation of the employee, the employee shall if he is under suspension forthwith be reinstated and shall be paid all wages and entitlements due for the period of such suspension.
4. if the Employer is not satisfied with the written answer or explanation of an employee to the show cause notice and such answer or explanation is rejected by the Employer, the Employer shall commence an inquiry within fourteen (14) working days from the date of receipt by him of the written answer or explanation to the show cause notice.
5. after holding such inquiry the Employer shall notify the employee of the findings on each of the charges in the show cause notice and the punishment, if any, imposed by the Employer. Provided that if the Employer fails to make an order except for reasons beyond the control of the Employer on the charges in the show cause notice within thirty (30) working days from the conclusion of the inquiry into such charges, the employee shall not be liable to be punished thereafter in respect of such charges and no inference adverse to the employee in respect of such charges shall be drawn from such charges.
6. if the employee is under suspension and the Employer after such inquiry makes order that :-
 - a) the employee shall not be dismissed then the employee shall resume employment forthwith and shall be subject to the provisions of *sub-clause 25 (1) (c)* hereof be paid all wages and entitlements due for the period of suspension irrespective of such other punishment less than dismissal that may be imposed by the Employer on the findings as to the charges in the show cause notice ;
 - b) the employee shall be dismissed , the employee's dismissal shall take effect from the date of the employee's suspension and accordingly the employee shall not be paid for the period of such suspension ;
 - c) in view of the serious or involved nature of the charges in the show cause notice against the employee the Employer is unable to make a final order as it is necessary and desirable that the matter be referred to the Police or other authorities for further investigation or inquiry and that the matter be therefore referred to the Police or other authorities or if in view of the serious or involved nature of the charges preferred against the employee the matter had

been previously referred to the Police or other authorities for investigation or inquiry be awaited, then in either of such circumstances the employee may remain suspended without pay.

7. If in any case where an employee is suspended as provided for herein the Employer fails to make an order under *paragraph (a) to (c)* of the preceding sub clause for any reason other than that of the employee's own seeking within thirty (30) working days from the date of the employee's suspension, the employee shall be entitled to half of his normal remuneration for the period of thirty (30) days from the date of such suspension in excess of thirty (30) days up to the date on which the Employer makes an order under paragraphs (a) to (c) of the preceding sub-clause, irrespective of the outcome of the inquiry.
8. In any case where an employee is suspended as provided herein the Employer shall make an order under *paragraph (a) to (c) of sub-clause 6* within ninety (90) days of the date of suspension of the employee unless he is prevented from so doing by reason of the employee's own seeking or for reasons beyond the control of the Employer or it is agreed between the Employer and the Union that in the circumstances of the case the period Ninety (90) days be extended for such further time as may be agreed.
9. The Employer shall not be required to hold an inquiry as referred to in *sub-clauses 4 and 5* hereof where the Employer proposes to warn the employee or where the employee admits to the charge or charges. Provided however that if the Union disputes the warning or punishment imposed on the employee by the Employer and request the holding of an inquiry the Employer shall comply with such request and the provisions relating to the holding of an inquiry shall then apply subject to the expectation that the fact that the inquiry had not commenced within fourteen (14) working days after receipt of the employee's explanation shall not be material or relevant.

28. Retirement

On reaching the age of sixty (60) years an employee shall ipso facto retire and cease to be employed by the Employer and there shall be no obligation on the Employer to give the employee any notice of such retirement. The employee however has the option to retire at the age of fifty five (55) years or thereafter by giving three months notice to the Employer.

29. Disputes Procedure

1. The procedure to be followed for the settlement of a dispute shall be as set out in *sub-clauses (i) , (ii) (iii)and (iv)* hereof.
 - i. Whenever there is a dispute, a written statement of the dispute should be forwarded by the Union's Branch Committee to the Employer, and at least ten working days given for the Employer to resolve the dispute.
 - ii. If no satisfactory solution is found, the matter should be referred to the Parent Union and to the Employers' Federation of Ceylon (EFC) for the purpose of attempting to resolve the dispute.
 - iii. If after the discussion, the matter cannot be resolved by the intervention of the EFC and the Parent Union, the conciliatory proceedings under the Industrial Disputes Act should be followed

30 . How Anomalies in the Course of Implementing this Agreement Shall be Dealt with

Any anomaly arising from the implementation of this Agreement shall be settled by negotiation between representatives of the Employer and the union of which the employee is a member and if the matter cannot be settled by negotiation the matter shall be settled in accordance with the provisions of the Industrial Disputes Act and the regulations made thereunder.

31. Trade Union Action

The Union and the Employees jointly and severally agree with the Employer that during the continuance in force of this Agreement they shall not engage in any strike or other form of trade union action against the Employer, in respect of any dispute between the Union or the Employees and the Employer, whether or not such dispute is related to the Agreement, except where such dispute has been caused by an act of the Employer which in the opinion of the controlling body (by whatsoever name called) of the Union is mala fide or vindictive or calculated to threaten or undermine the existence or the legitimate activities of the Union and/or its members or is grossly unfair or seriously detrimental to the interest of the Union and/or its members. Provided however that at least seven (7) days notice in writing shall be given by the Union to the Employer, the Federation and the Commissioner General of Labour before the date of commencement of any intended strike or other form of trade union action consequent upon an act of the Employer which in the opinion of the controlling body (by whatsoever name called) of the Union is mala fide or vindictive or calculated to threaten or undermine the existence or the legitimate activities of the Union and/or its members is grossly unfair or seriously detrimental to the interest of the Union and/or its members.

32. Variations of Terms and Conditions of Employment or Benefits

1. The Union and its members, and the employees covered and bound by this Agreement, jointly and severally agree with the Employer that during the continuance in force of this Agreement, they will not seek to vary or alter or add to all or any of the terms and conditions of employment presently applicable to any of the employees covered and bound by this Agreement, or all or any of the benefits presently enjoyed by any of the employees covered and bound by this Agreement, other than by mutual agreement.
2. Subject to the terms of this Collective Agreement, the Employer agrees that it will not seek to vary or add to all or any of the terms and conditions of employment presently applicable to any of the employees covered and bound by this Agreement, all or any of the benefits presently enjoyed by the employees covered and bound by this Agreement, other than by mutual agreement.
3. Any dispute or difference arising from negotiations under provisions of *sub-clause (1) or (2) hereof* may be resolved by voluntary arbitration, but only if all the parties concerned agree to submit such dispute or difference for settlement by voluntary arbitration.

33. Unfair Labour Practice

1. Any person bound by this Agreement shall not instigate, support or engage in any unfair labour practice.
2. The Employer will not take any action which is calculated to undermine the existence of the Union in the establishment of the Company.

34. Retrenchment

Without prejudice to the right of the Employer to introduce voluntary separation schemes subject to requirements of the company, the employer will not, during the pendency of this Agreement, retrench employees unless with the consent of the union. Any variation of the manning levels in any operation in the Employer's factory will be made in consultation with the union and by mutual agreement

PART II
CONTAINING THE FACILITIES AND CONCESSIONS GRANTED BY THE
EMPLOYER TO THE UNION

1. Breaches of Collective Agreement

If in the opinion of the Employer the Union shall commit a breach of any of the terms of this Collective Agreement, then and in any such event the Union committing such breach shall cease to be entitled to enjoy the facilities and concessions granted by the Employer in the succeeding clauses of this part and same shall stand withdrawn without prejudice to the Employer's right to restore such facilities and concessions, upon such terms and conditions as the Employer may decide.

2. Domestic Inquiries

If an employee who is furnished with a show cause notice in terms of *clause 25* is a member of the Union, the following provisions shall apply to the inquiry held by the Employer pursuant to such show cause notice.

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

3. Union Meetings

1. The following provisions shall apply to meetings of the Branch Union.

- (a) In respect of each meeting which the Branch Union desires to hold at the Employer's premises, an application for permission shall be previously made to the Employer.
- (b) If the Employer decides to grant permission, the Employer shall be entitled to impose, inter alia, one or more of the undernoted conditions.
 - (i) That no person other than an employee in the service of the Employer shall be present at a meeting of the Branch Union.
 - (ii) On occasions such as the Annual General Meeting of the Branch, office bearers of the Union may, with the previous approval of the Employer, attend.
 - (iii) Fix a time limit within which a meeting of the Union shall be concluded or adjourned.

(c) It shall be the duty of the Branch Union and its office bearers to ensure that the terms on which permission to hold a meeting of the Branch Union is granted, are duly complied with.

(d) It shall be the duty of the Branch Union and its office bearers to ensure that no damage is caused in the cause of , or in connection with, a meeting of the Branch Union to the Employer's property or any other persons at the Employer's premises and the Branch Union shall indemnify the Employer and keep the Employer indemnified against any such damage.

2. The following provisions shall apply in respect of meetings of summoned by the Union –

- a) Without prejudice to the right of the Employer to refuse to grant permission if in his discretion the exigencies of the circumstances warrant refusal, the Employer will grant permission for designated branch committee members to attend meetings summoned by the Union.
- b) For the purpose of paragraph (a) above the Union shall forthwith furnish in writing to the Employer the purpose of such meeting and a list of members whom it wishes to be released, at least forty eight hours prior to the said meeting.

4. Duty Leave

1. The following provisions shall apply to duty leave.

Without prejudice to the right of the Employer to refuse to grant permission if, in their discretion, the exigencies of the circumstances warrant refusal, the Employer will generally grant permission for not less than two office bearers of the Union :-

- a) to be present at conferences held under the aegis of the Employer or the Employers' Federation of Ceylon or the Department of Labour in connection with a dispute between such Union and the Employer , *or*
- b) to attend inquiries before Industrial Courts , Arbitrators or Labour Tribunals without loss of wages for such absence.

2. The Employer will, in his discretion, grant leave without remuneration to an employee to attend a Trade Union Course or Seminar or Conference either in Sri Lanka or abroad unless the employee concerned is entitled to annual, customary or statutory holidays which he wishes to utilize for the purpose.

5. Check Off

1. The Employer shall, on the written request of an employee, deduct from the salary due to such employee the current monthly Union dues as are specified by the employee to be payable monthly by the employee to the Union and remit the amount so deducted to the Union, in accordance with the 'check off' agreement, procedure applicable and upon and subject to the conditions hereinafter set forth.
2. In the event of the Union being representative of less than 40 % of the employees in the categories covered and bound by this agreement at the employer's production facility situated at Tekkawatta Biyagama, no remittance in respect of check off would be made.
3. Every employee who agrees to the deduction of Union dues from his salary shall sign a statement to that effect in the form set out in Form No. 1 hereinafter referred to as an "Authorization".
4. Every employee shall be entitled to withdraw his agreement to check off at any time by signing a statement to that effect in the form set out in Form No : 2 hereinafter referred to as a "Revocation".
5. As far as practicable deductions under an authorization shall commence from the salary due immediately after the date of receipt of such authorization and shall continue thereafter until the authorization is cancelled by a revocation.
6. As far as practicable deduction under an authorization shall cease from the date of receipt of a revocation canceling such authorization. Provided however -
 - (a) the Employer shall not be liable in any manner whatsoever to the Union or the employee concerned for failure to comply with *sub-clause (5) or (6)* ;
 - (b) that, at his discretion, the Employer shall be entitled not to make deductions by way of check off in any month in which the deductions by way of check off will together with all other deductions from the employee's salary in that month exceed the deductions permitted by law.
7. The Employer shall not later than the tenth day of each month remit the Union dues deducted from the salaries of the employees in the month immediately preceding, to the Treasurer of the Union in accordance with the tenor of each authorization by a cheque payable to the Treasurer thereof and crossed "Account Payee".
8. The cheque shall be sent at the risk of the Union and the employees by post in a pre-paid envelope addressed to the Treasurer of the Union concerned at its address for the time being.
9. The Treasurer of the Union concerned shall promptly acknowledge receipt of the cheque.
10. The Employer shall not be liable to pay the Union or to the Treasurer on its behalf, as aforesaid, any sum other than the Union dues actually deducted.

Form No : 1

Name of Employer :-

AUTHORIZATION

As I am an employee covered and bound by this Collective Agreement affecting employees employed in theTrade bearing No :.....and I desire to avail myself of the facility for check off contained in the Collective Agreement of which I am eligible as a member of theUnion , please deduct from my wages each month a sum of Rupees.....(Rs.....) in respect of my current monthly membership dues to the said Union and remit the same to the said Union on my behalf. The first payment should please be made from my wages next due immediately following the date hereof.

.....
.....

(Date of Signing)

(Signature of Employee)

.....
Full Name of Employee

RECEIVED ON.....
(To be filled by the Employer)

v

Form No: 2

Name of Employer :

REVOCATION

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

.....
(Date of Signing)

.....
(Signature of Employee)

.....
Full Name of Employee

RECEIVED ON.....
(To be filled by Employer)

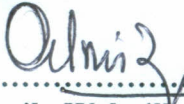
PART III
CONTAINING DEFINITIONS OF CERTAIN WORDS

Parts I and II of this Agreement unless excluded by the subject or context the following words shall have the meaning set opposite to them.

<u>WORDS</u>	<u>MEANING</u>
Industrial Disputes Act	The Industrial Disputes Act No. 43 of 1950
The Act	The Shop & Office Employees (Regulation of Employment and Remuneration) Act No. 19 of 1954.
The Federation	The Employers' Federation of Ceylon.
The Union	Food Beverages & Tobacco Industries Employees Union
Branch Union	The Branch Union of the Food Beverages & Tobacco Industries Employees Union in the establishment of an Employer.
Employer (for convenience sometimes referred to as "he" or its grammatical variations)	The Employer bound by this Agreement.
Employee (for convenience sometimes referred to as "he" or its grammatical variations).	The employee covered and bound by this Agreement.
Week	The period between midnight on any Saturday night and midnight on the succeeding Saturday night.
Weekly full holiday in respect of any week.	Shall have the meaning as "weekly holiday" under the Shop & Office Employees Act.
Two such weekly holidays	Two full holidays or four half holidays or any combination of full or half holidays which does not exceed two full holidays.
Salary	The monthly salary according to the scales of consolidated salaries in the First Schedule hereto.
Normal Incremental date	The date on which the employee would normally receive an increment.
Dispute	A dispute or difference between the Employer and employee or between a Branch Union and the Employer or between the Union and the Federation on any matter covered by this Agreement or affecting the employees covered by this Agreement in relation to their employment under the Employers covered by this Agreement.
Check Off	The act of the Employer deducting, at the request of the Union, subscriptions payable to the Union by an employee from the latter 's pay with his concurrence.

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

In witness hereof parties have hereunto set their hands on this **first Day of June Two Thousand and Thirteen, in Colombo.**



.....
Mr. Kapila Welmillage
Country Manager

For & on behalf of
Coca-Cola Beverages Sri Lanka Limited



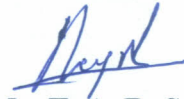
.....
Mr. D. Malavisooriya
Deputy General Secretary
For & on behalf of

Food Beverages & Tobacco Industries
Employees Union, (FBTIU)

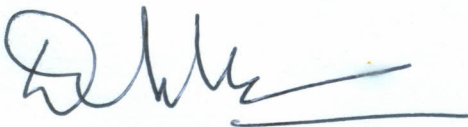
Witnesses to the above signature



1.
Name : **Mr. Prasad De Silva**
Designation: **Assistant Director General**
Employers' Federation of Ceylon



1.
Name : **Mr. T. A. R. Susantha**
Designation : **Branch Secretary**



2.
Name : **Mr. Nilanthi Jayatillake**
Designation : **Country HR Manager**



2.
Name : **Mr. W.A. Karunapala**
Designation: **Branch President**

SALARY SCHEDULE

Salary Scales Applicable With Effect From 1st June 2013 to 31st May 2014

First Schedule				
Grade	Salary Minimum	Increments		Salary Maximum
Ice & Aerated Water Trade				
Un Skilled Gr III	12,500	207	90	31,162
Semi-Skilled Gr II	12,693	222	90	32,716
Skilled Gr I	12,977	260	90	36,402
Machine Operator				
Gr C	12,443	216	90	31,883
Gr B	12,731	229	90	33,337
Gr A	13,020	270	90	37,320
Engineering Trade				
U/S Gr III	12,624	215	90	31,967
S/S Gr II	12,763	229	90	33,369
S Gr I	13,098	273	90	37,690
Motor Transport				
Gr II	12,913	244	90	34,880
Gr I	13,098	273	90	37,690

Entry point for new employees who are absorbed to the permanent cadre after 1st June 2013 will be Rs 12,500/- pm and thereafter they will be placed on the scale indicated in the schedule

SALARY SCHEDULE

Salary Scales Applicable With Effect From 1st June 2014 to 31st May 2015

Second Schedule				
Grade	Salary Minimum	Increments		Salary Maximum
Ice & Aerated Water Trade				
Un Skilled Gr III	12,500	226	90	32,842
Semi-Skilled Gr II	12,693	243	90	34,518
Skilled Gr I	12,977	284	90	38,510
Machine Operator				
Gr C	12,443	235	90	33,633
Gr B	12,731	250	90	35,192
Gr A	13,020	294	90	39,507
Engineering Trade				
Un Skilled Gr III	12,624	234	90	33,708
Semi-Skilled Gr II	12,763	250	90	35,224
Skilled Gr I	13,098	298	90	39,903
Motor Transport				
Gr II	12,913	266	90	36,857
Gr I	13,098	298	90	39,903

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SALARY SCHEDULE

Salary Scales Applicable With Effect From 1st June 2014 to 31st May 2015

Third Schedule				
Grade	Salary Minimum	Increments		Salary Maximum
Ice & Aerated Water Trade				
Un Skilled Gr III	12,500	246	90	34,673
Semi-Skilled Gr II	12,693	264	90	36,483
Skilled Gr I	12,977	309	90	40,808
Machine Operator				
Gr C	12,443	257	90	35,540
Gr B	12,731	272	90	37,213
Gr A	13,020	321	90	41,891
Engineering Trade				
Un Skilled Gr III	12,624	255	90	35,605
Semi-Skilled Gr II	12,763	272	90	37,245
Skilled Gr I	13,098	325	90	42,315
Motor Transport				
Gr II	12,913	290	90	39,012
Gr I	13,098	325	90	42,315