

COLLECTIVE AGREEMENT

Between

HOUSING DEVELOPMENT FINANCE CORPORATION BANK OF SRI LANKA
Sir Chiththampalam A Gardiner Mawatha, Colombo 02
of the *One Part*

And

CEYLON BANK EMPLOYEES' UNION
No.20, Temple Road, Colombo 10
of the *other part*

This Collective Agreement is made on this 30th of day of December, 2009 by and between the HDFC Bank of the one part (hereinafter referred to as "the Bank") and the Ceylon Bank Employees Union of the other part (hereinafter referred to as "the Union")

TITLE : This Agreement will be known and referred to as COLLECTIVE AGREEMENT OF "HOUSING DEVELOPMENT FINANCE CORPORATION BANK with THE CEYLON BANK EMPLOYEES' UNION FOR THE PERIOD COMMENCING FROM FIRST JANUARY TWO THOUSAND NINE TO THIRTY FIRST DECEMBER TWO THOUSAND ELEVEN (01. 01. 2009 – 31. 12. 2011)"

01. EMPLOYER TO BE COVERED AND BOUND

This Agreement shall cover and bind the HDFC Bank, which is a party to this Agreement

02. EMPLOYEES TO BE COVERED AND BOUND

This Agreement shall cover and bind members of the Union in employment with the Bank and who are employed in any of the categories of whom a salary scale has been prescribed in this Agreement in the Annexure attached hereto.

03. DATE OF OPERATION AND DURATION

This Agreement shall deem to be in force from the First day of January Two Thousand Nine (1st January, 2009) and thereafter continue to be in force, unless it is determined by either party giving six months notice in writing to the other, provided however, that no party shall give such notice to the other party before the 1st day of July, 2011 and such notice shall not expire before the 31st day of December, 2011.

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04. MATTERS COVERED AND VARIATION OF TERMS AND CONDITION EMPLOYMENT AND BENEFITS.

- (a) 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 in relation to the period commencing from 2009 to 2011 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 other than the matters relating to non salary benefits which shall be discussed by the Management of the Bank with the Ceylon Bank Employees Union and reach finality on or before 31st January, 2010. After an agreement has been arrived at, as regards non-salary benefits the terms and conditions of same shall be annexed to this agreement, which shall form an integral part thereof.
- (b) 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 applicable or enjoyed as provided for in this Agreement other than by mutual agreement with the Bank.

05. SALARY COMPONENTS

As from 01.01.2009 each employee covered and bound by this Agreement shall be paid upon and subject to the other terms and conditions herein contained a monthly salary which comprises the following components:

5.1 Fixed Component

The fixed component comprises the following items:-

- (i) Revised basic salary as set out in the annex hereto. (Increments will be granted continuously notwithstanding the maximum point given in the salary scales).

(ii) **Allowances**

- (a) In addition to the basic salary, the following allowances will be paid, effective from 01.01.2009

- (i) Cost of Living Allowance as per item (b) below
(ii) Rent Allowance as per item (c) below
(iii) 10% of Basic salary + Rent Allowance + Cost of Living Allowance

- (b) The cost of living allowance shall be paid to employees from the 01st January, 2009 at Rs. 3/- per point increase beyond the base figure of 2404.9. (The index point of Colombo Consumer Price Index as at December, 1999) If the index point drops below 2404.9, then the cost of living payable shall be computed at the rate of Rs. 2/75 for point.

- (c) The rent allowance will be 20% of the Basic Salary.

06. TAXES ON EMOLUMENTS

PAYE tax on emoluments of staff will be borne by the Bank. (Except for the employee where their letter of employment state, otherwise)

07. CONVERSION OF THE BASIC SALARY

(a) The Basis Salaries of all employees will be converted to the revised scale by applying the step for step (point by point) method of conversion.

e.g. An employee who had been on the 5th step of the scale as at 31.12.2008 will be placed on the 5th step of the relevant revised scale with effect from 01.01.2009.

(b) Non-Banking stream personnel shall also be placed at the appropriate revised salary scale on the same basis.

08. CONVERSION OF THE BASIC SALARY

Any anomalies that would arise consequent to this revision shall also be examined by a Committee comprising of representatives of the Bank and the Union and will be rectified suitably.

09. OTHER COMMITMENTS


The Union further agree to assist and support the Management of the Bank in every manner to obtain the maximum contribution of its members to achieve the targets set out in the Business Plan / Strategic Plan of the Bank.


10. Where the existing terms and conditions of employment of an employee covered and bound by this agreement and any existing concessions extended to the members of the Union are more favorable than the terms and conditions provided for in this agreement, then nothing in this agreement shall in any way affect or prejudice such existing terms and conditions of employment or such concessions shall continue to exist, notwithstanding anything to the contrary contained herein.

11. Where an employee was immediately prior to the date hereof entitled to or becomes entitled on or after that date under or by virtue of any law, contract, agreement, award or custom to any rights or privileges more favorable than those to which he/she would be entitled under this agreement, nothing in this agreement shall be deemed or construed to authorize or permit the Bank to withhold, restrict or terminate such right or privilege.

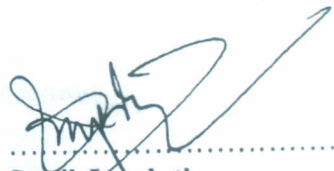
For and on behalf of the

HDFC BANK


.....
S. M. M. Yaseen
Chairman


.....
P. Sumanapala
Director

CEYLON BANK EMPLOYEE'S UNION


.....
Sunil Jayalath
Senior Vice President

.....
M. Sukumaran
General Secretary

Witness to the above Signatories


.....
D. V. Pathirana
Assistant General Manager


.....
E. Kottegoda Vithana
President
HDFC Bank Branch Union

ADDENDUM TO COLLECTIVE AGREEMENT

This Addendum to the Collective Agreement made and entered into at Colombo on this 20th day of September 2010 between Housing Development Finance Corporation Bank of Sri Lanka, a Bank incorporated under the Housing Development Finance Corporation Act No.07 of 1997 amended by Act No. 15 of 2003 and having its registered office at NHDA Secretariat, Sir Chittampalam A. Gardiner Mawatha, Colombo 02. (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 20, Temple Road, Colombo 10, (hereinafter referred to as "the Union") of the **Other Part**.

WHEREAS the Bank and the union entered into a Collective Agreement on 30th December 2009 for the period commencing from 01st January 2009 to 31st December 2011.

AND WHEREAS by the Collective Agreement signed on 30th December 2009, the parties hereto have agreed to discuss and finalise the terms and conditions relating to non salary benefits, medical benefits and other allowances of the employees of the Bank which had not been covered by the above said Collective Agreement.

AND WHEREAS this Addendum to the said Collective Agreement is in respect of non salary benefits, other allowances, medical benefits and others and will also cover and bind the HDFC Bank and members of the Union in employment with the Bank and will be effective from 01st January 2009 upto 31st December 2011 and shall form an integral part of the Collective Agreement signed on 30/12/2009 by and between the aforesaid parties.

AND WHEREAS the matters agreed upon by the aforesaid parties are set out here under:

01. ALLOWANCES :

The allowances stated below will not be included for the purpose of computing consequential benefits or other allowances.

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1.1 Transfer allowance

In the event an employee is transferred from his/her current station/branch to another station/branch situated more than 100 kms away from his/her current place of residence, due to service requirement he/she will be paid an allowance of Rs. 500/= per transfer as a once and for all payment for that particular transfer.

The payment of the above mentioned allowance will not be applicable to employees who may be transferred on disciplinary grounds.

1.2 Risk allowance

Cashier staff and Business Promotion Assistants will be paid a Risk Allowance of Rs.75/= per day on which such work is performed on confirmation being received from the respective Unit Head / Branch Manager.

1.3 Subsistence and Combined allowance

Subsistence and combined allowance will be revised as follows:-

<u>Grade</u>	<u>Subsistence</u> (Rs.)	<u>Combined Allowance</u> (Rs.)
Grade II and Above	650	1,300.00
Grade III Class 1 & 2	600	1,200.00
Grade III (3) and Grade IV	550	1,100.00
Grade V and below	500	1,000.00

Snr Mgr
Mgr/Snr Exe
Exe/Snr Exe
Sec/Peon/Driver
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1.4 The mileage rate of the field officers to be revised as follows:-

Type of Vehicle	Revised Rate (Rs.) per Km
Private Motor Vehicle	23.00
Rented Motor Vehicle	25.00
Three Wheeler	24.00
Motor Bicycle	13.00

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1.5 Out of Pocket Allowance

The officers in Grade IV and above who may be required to work after normal office hours on week days or on holidays will be paid the following hourly rates subject to the condition that to be entitled for this allowance, the officer should work for a minimum

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of 1 hour and up to a maximum of 2 hours after normal working hours on a week-day, and a minimum of 4 hours and up to a maximum of 8 hours on weekend or statutory holidays. However no payment will be made in excess of 8 hours and or the aforesaid 2 hours.

<u>Grade</u>	<u>Amount</u>
Gr. 1 and above	Rs. 390.00
Gr.II	Rs. 355.00
Gr.III-I	Rs. 325.00
Gr.III-II	Rs. 280.00
Gr.III-III	Rs. 240.00
Gr.IV	Rs. 215.00

The hourly rate to be paid for working on week-ends and statutory holidays will be 1 ½ (One and a half) times of the above rate subject to the condition that the employee should work for a minimum of 4 hours and a maximum of 8 hours and no payment will be made in excess of 8 hours.

1.6 Difficult Area Allowance

The Bank will pay the below mentioned Difficult Area Allowance monthly to employees who are working in branches which have been recognized by the Management as located in difficult areas.

<u>Grade</u>	<u>Difficult Area Allowance</u>
Gr.IV and above	Rs.1,500.00
Gr.V and VI	Rs.1,250.00
Gr.VII (Minor Employees)	Rs.1,100.00

Branches located in the District of Monaragala, Batticaloa, Nuwara Eliya and Ampara have been categorized as branches in difficult areas. However, if the employee is a permanent resident of this area this allowance will not be paid.

1.7 Branch Manager's Risk Allowance

Branch Managers to be paid a risk allowance of Rs.5,000/= per month, as branch managers take full responsibility for branch operations including security of cash and other assets.

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RCM
Mr G
Sig

02. ANNUAL INCREMENT ON RETIREMENT

It is agreed to grant the increment proportionately computed on the basis of months completed by an employee during his/her incremental year in the case of those who are retiring prior to the date of their annual increment.

03. MEDICAL BENEFITS

Reimbursement of medical expenses will be made in terms of the existing regulations subject to the limits given below:-

3.1 Once and for all facility of Rs.750,000/= to the employee for special treatment such as surgery in respect of brain, kidney or heart to be done locally and/or abroad.

This facility shall be extended to a member of the family (spouse and children). However the total claimed either by the staff member or any member of the family or both should not exceed Rs.750,000/=. This payment will be subject to the approval of the Board of Directors of the Bank.

3.2 Routine medical expenses	Rs. 46,800/= per annum
Eye care	Rs. 12,675/= per annum
Dental Care	Rs. 10,725/= per annum
Hospital Charges	Rs.127,125/= per annum

The accumulation of hospital charges will be confined to two years. An year would be from 01st January to 31st December of each year.

3.3 Maternity in Government Hospitals:

The following payments will be made for the first two Children subject to the existing statutory limits:

Normal Forceps delivery	Rs. 9,750/=
Cesarean delivery	Rs.17,750/=

These payments shall be deducted from the Hospital charges referred to in 3.2 above.

3.4 Rs.1,000/- will be paid for a day for hospitalization in a Government hospital.

3.5 A maximum of Rs.50,000/= per annum will be paid for continued medication for critical illnesses i.e. Heart Surgery,

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Kidney, Liver, Lung, Brain Surgery or any other major surgery with the approval of the Board of Directors of the Bank.

04. RETIREMENT AGE

4.1 The retirement age for bank employees should be on completion of 55 years of age. However, the Board has discretion to extend the service of an employee who has reached the age of 55 years in the event that employee has made a request for such extension of service.

4.2 The aforesaid discretion of the Board shall be used to grant extensions to any employee up to the age of 57 on the relevant terms and conditions to be determined by the Board and also subject to the condition that the respective employee has made a substantive contribution to the Bank in his or her field of service and there should be no adverse reports pertaining to his / her conduct / performance which adversely affects the Bank and also there should be no disciplinary proceedings conducted against the employee.

// 4.3 However, those employees who are over the age of 57 years and presently in service will be retired on the expiry of the current extension date.

4.4 Other terms and conditions relating to the policy to extend the service of an employee adopted by the Bank will remain unchanged.

05. SPECIAL LOAN

In addition to the existing distress loan of Rs 100,000/- a special loan of Rs.100,000/= will be granted to employees to meet expenses incurred in distress situations related to housing.

The rate of interest shall be cost of funds plus 1%.

06. RE DESIGNATION OF THE GRADING

The sub grading order within the main grade of the Secretaries, Drivers and Office Assistants shall be made to the descending order instead of the existing ascending order.

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Mr
Signature

07. CREATION OF NEW GRADE

An additional grade namely "Grade VII Supra" shall be created to promote officers who had been in Grade VII (I) (Drivers and Office Assistant grades) for a period of more than 10 years. The salary scale applicable to this new grade shall be the same salary scale applicable to the lowest grade of Banking Assistants. ie., VI (3)

08. BANKING ASSISTANTS ON CONTRACT BASIS

The relevant terms and conditions applicable to the remuneration of the Banking Assistants on contract basis will be discussed further and amended if necessary on par with other state Banks.

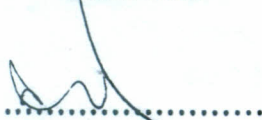
09. All other terms and conditions IN the existing collective agreement will remain unchanged and will be applicable hereto.

In Witness Whereof the said parties have set their respective hands hereunto on the date and place mentioned at the beginning hereof.

For and behalf of
Housing Development Finance
Corporation Bank of Sri Lanka



S N Wickramasinghe
Chairman

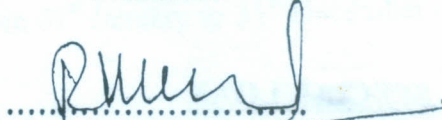


A M Chandrasagara
Director

For and behalf of
Ceylon Bank Employees' Union

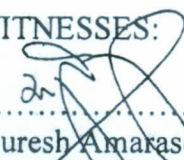


Sunil Jayalath
President



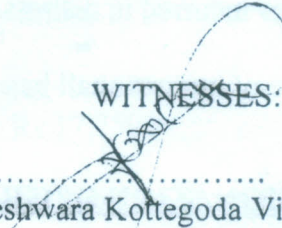
R Munasinghe
General Secretary

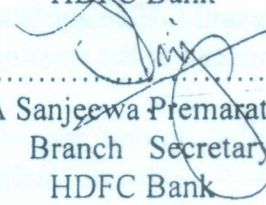
WITNESSES:

1. 
Suresh Amarasekera
CEO/GM
HDFC Bank

2. 
CPK Hewage
Manager Human Resources
HDFC Bank

WITNESSES:

1. 
Eshwara Kottegoda Vithana
Branch President
HDFC Bank

2. 
KA Sanjeewa Premaratna
Branch Secretary
HDFC Bank

HDFC BANK OF SRI LANKA
Salary Revision -2009

Post / Grade	Salary Scale(Rs)
Deputy General Manager	57700- 2385.83 x12 - 86330/-
Assistant General Manager	49670 -1860 x12 - 71990/-
Chief Manager – Grade I	41225 – 1570 x 12 -60065/-
Senior Manager – Grade II	33055 – 1015 x 20 – 53355/-
Manager – Grade III(1)	27680 -890 x 20 – 45480/-
Senior Executive – Grade III(2)	22720 -660 x 20 – 35920/-
Executive – Grade III(3)	17840 – 465 x 20 – 27140/-
Junior Executive – Grade IV	16025 – 375 x 20 – 23525/-
Secretaries – Grade V(2)	13980 – 235 x 20 – 18680/-
Secretaries – Grade V(1)	13165 – 175 x 20 – 16665/-
Banking Assistant – Grade VI (3)	14555 – 260 x 20 – 19755/-
Banking Assistant – Grade VI (2)	13485 – 235 x 20 – 18185/-
Banking Assistant – Grade VI (1)	12750 – 175 x 20 – 16250/-
Peon / Driver – Grade VII (3)	12120 – 175 x 20 – 15620/-
Peon / Driver/Maintenance Tech. – Grade VII (2)	11570 -155 x 20 – 14670/-
Peon / Driver – Grade VII (1)	10970 – 115 x 20 – 13270/-