

# **Internal Service Rules of**

**Enterprise Name:**

**Location:**

**Contact No.:**

## **Preliminary**

1. These Rules shall be called Internal Service Rules of ..... The provision of these Rules and Regulations shall apply to all types of employment under this enterprise.
2. These Rules shall come into effect from the date of approval by Chief Labour Administrator, MoICE.
3. Where the provision of this Rule conflicts with Labour and Employment Act of Bhutan, 2007 and its Regulations or where the Rules are silent, provisions of the Labour and Employment Act, 2007 shall prevail.
4. Where any provision of this Internal Service Rules is not covered under Labour and Employment Act of Bhutan, 2007, shall be dealt with as per the relevant Laws of the country.
5. The Internal Service Rules once approved shall be displayed in one or more prominent locations in the workplace in a language understood by all employees.
6. An enterprise must ensure that the contents of the Internal Service Rules are explained and understood by all employees.
7. This enterprise shall not discriminate against employees or job applicants for vacancies in connection with recruitment, dismissal, transfer, training or demotion.

## **Recruitment Appointment**

8. The Employer shall try its best to recruit only Bhutanese nationals as far as possible keeping in view of Royal Government's policy to reduce dependency on the foreign workforce. Foreign workers shall be employed only when nationals are not available.
9. Vacancies shall be advertised in the local media giving details of the requirements of the posts and selection, as far as possible, and shall be carried out based on merit/qualification/experience.
10. The appointments shall be in line with the Labour and Employment Act of Bhutan, 2007, and its Regulations.
11. Any employees not covered under this Internal Service Rules shall be conducted as per the Labour and Employment Act of Bhutan, 2007, and its Regulation.

## **Qualification for Appointment**

12. The appointments to the posts shall be made subject to candidates possessing the required qualifications or otherwise found suitable by the management to carry out the duties and responsibilities of the posts.

## **Minimum Age for Employment**

13. The minimum age of employment shall be 18 years.

## **Contract of Employment**

14. The Contract of Employment shall be drawn between the employer and employee for employment (sample attached as Annexure I) and a copy of it must be provided to the employee.

15. The contract of employment shall specify;
  - a) the duration,
  - b) specific task to be performed,
  - c) notice period of termination of the contract; and
  - d) wages, working hours, probation period, leave provision, and benefits (PF and gratuity)

16. Either party can terminate the Contract of Employment serving a notice period of 1 month or either party can pay in lieu of the notice period.

## **Probation**

17. Employees who are employed for one year or more shall be on probation for a maximum of 6 months within which period either party may terminate the contract by giving the other party notice of 7 days.

## **Hours of Work**

18. The normal working hours for an employee shall be:
  - a) 8 hours a day
  - b) 48 hours a week
  - c) 6 days a week

## **Over time Work**

19. Hours worked additional to standard working hours as specified in Section 161 of this Regulation are overtime hours and must not exceed 12 hours per week.
  - a) An employee shall be entitled to overtime payments which should not be less than the normal rate of pay.
  - b) All overtime work shall be performed upon mutual agreement by both employee and the employer.
20. If an employee is required by the employer to perform work between the hours of 10.00 P.M and 8.00 A.M in the following morning besides their normal day shift, the employer shall pay an additional 50% of the worker's

normal rate of pay for the number of overtime hours worked.

21. If an employee is required to perform work during Public Holidays, the employer shall pay an additional 50% of the employee's normal rate of pay.

### **Meal Intervals**

19. An employee shall be entitled to a meal break of a minimum of .... Minutes after four hours of work and the meal break shall be excluded from the working hours.
20. A Contract of Employment drawn up at the time of appointment may dispense the meal break if the employee works less than four hours a day.

### **Daily and weekly Rest Periods**

21. An employee shall have;
  - a daily rest period of 12 consecutive hours;
  - a weekly rest period of 24 consecutive hours (one day).

### **Night Work**

22. The employer shall ensure a safe and healthy work environment for those employees working at night.
23. The employer shall ensure that an employee who works regularly between 10:00 PM and 8:00 AM shall be informed of any health hazards.
24. The employees have the right to undergo medical examinations to determine the medical fitness to work at night.

### **Payment of Wages/Salary**

25. A contract of employment signed with each employee shall specify a pay period of one month or less.
26. An employer may make a lawful deduction up to a maximum of 50% from the employee's wages.
27. An employee appointed to a time scale of salary shall draw his/his increment in the scale after the completion of the probation period.

### **Public Holidays**

28. An employee shall be entitled to a minimum of ..... public holidays including National Day and His Majesty's Birth Day with full salary in addition to the normal rest days.
29. Public holidays to be availed by an employee shall be notified to the management in advance.

30. Public holidays other than National Day and His Majesty's Birthday shall be staggered between different employees to ensure that an establishment continues to be operational on such holidays unless the management decides that the establishment shall remain closed on such holidays.
31. Should the exigencies of the establishment require an employee to work on public holidays:
  - a) The employee may be engaged in work with his/her agreement, or
  - ~~b)~~ If an employee is required to work by the employer on a public holiday, the employer shall pay an additional 50% of the employee's normal rate of pay.
  - c) Exchange a public holiday with another public holiday by mutual agreement.

### **Promotion**

32. An employee shall be considered for promotion to the next higher level purely based on merit and competitive selection procedure. No employee shall claim promotion as a matter of right or automatic entitlement.

### **Training**

33. The categories of Training Programs shall be as follows:
  - a) Training period of six months or less shall be considered as Short-Term Training (STT); and
  - b) Training period of more than six months shall be considered as Long-Term Training (LTT).
34. The training and development obligation duration owed to the Company shall be as follows:

#### **37.1 Short-Term (STT)**

- 37.1.1 An employee after completing STT shall serve the enterprise for 6 months however, in the event that the employee resigns before completing the obligation period, the employee shall refund the expenditure incurred by the employer for the training. Such refund may be waived off by the employer at their discretion.

#### **37.2 Long-Term Training (LTT)**

- 37.2.1 An employee after completing LTT shall serve the enterprise for maximum of double the duration of the LTT.
- 37.2.2 In the event, the employee does not fulfill their obligation as mentioned in above or failing to return to the enterprise on

completion of the training, the employee shall refund not exceeding to double the total amount of all the expenses incurred by the employer. Such refund may be waived off by the employer at their discretion.

37.2.3 If the employee fails to complete the course or withdrew/discontinued for reasons other than ill-health, the employee shall refund though not exceeding double the total amount of all the expenses incurred by the employer. Such refund may be waived off by the employer at their discretion.

37.2.4 In case of the demise of an employee during the study period or before completing the obligation as mentioned in Section 37.2.1 the financial obligation mentioned in the Section 37.2.2 and 37.2.3 shall be null and void.

37.2.5 The obligation of an employee on LTT may be partially or fully waived off by the employer at their discretion.

### **Leave, Medical facilities**

35. An employee shall be entitled to the following kinds of leave:

- a) Annual leave
- b) Sick leave
- c) Casual leave
- d) Maternity leave
- e) Paternity leave

### **Annual Leave**

36. An employee shall be entitled to ..... days of annual leave in a calendar year after completion of probation period.

37. The annual leave shall include only working days of the employee, excluding public holidays and weekly rest periods.

38. The employee shall provide a minimum of 14 calendar days' written notice to the employer intending to avail annual leave.

39. The employer shall pay the employee the unavailed annual leave at the normal rate of pay at the end of every calendar year. However, the employer and employee may come to an agreement on whether to avail or encash the unused annual leave.

### **Sick leave**

40. An employee shall be entitled to a minimum of ..... working days per year as sick leave after notifying the employer in advance of any sickness
41. The employee shall produce evidence of the nature of sickness which will include a signed certificate from a registered medical practitioner in Bhutan indicating he/she is sick and unfit for work.

### **Casual leave**

42. An employee shall be entitled to ..... casual leave in a calendar year after the completion of the probation period.
43. Casual leave, if not availed during the calendar year, shall be merged with the annual leave of an employee at the end of each calendar year.

### **Maternity leave**

44. A female employee who has worked for an employer continuously for 12 months or more shall be entitled to ..... month's maternity leave in addition to other leaves on the production of a medical certificate duly signed by a recognized medical practitioner in Bhutan.
45. A female employee shall be entitled to maternity leave with salary subject to three confinements during the entire service of the employee.

### **Leave for Pregnancy-related Illness or Termination (miscarriage)**

46. If the employee's pregnancy terminates before the expected date of birth, other than by the birth of a living child, they are entitled to:
  - a. Unavailed paid sick leave, casual leave, or annual leave; and
  - b. Unpaid leave for as long as a certified medical practitioner certifies it to be necessary.

### **Paternity Leave**

47. An employee who has worked for an employer continuously for 12 months or more shall be entitled to ..... Working days as paternity leave.
48. An employee shall be entitled to paternity leave with salary subject to three confinements during the entire service of the employee.

### **Unpaid leave**

49. Except as provided in Section 208 of the Regulation on Working Conditions, 2022, or as indicated in a written contract of employment, an employee shall be granted unpaid leave at the sole discretion of the employer.
50. In the event, that an employee is required to go on compulsory unpaid leave by the employer, the period of unpaid leave shall be considered as continuous employment of an employee.

## **Service Benefits**

### **Provident Fund**

51. The enterprise shall register all employees in the Provident Fund Scheme maintained with the .....(BIL, RICBL, NPPF).
52. The employer and employee shall each contribute ..... % of the employee's monthly basic wage which shall be deposited to the individual employee's Provident Fund account.
53. The employee who resigns before ..... years of service term shall be entitled to only the employee's contribution with interest. However, an employee who resigns after completion of ..... years of service shall be entitled to both contributions with interest which may remain in the employee's PF account and be carried forward to their next place of employment.
54. Section 56 shall not apply in projects or other time-bound works that are less than ..... years or specified as less than ..... years in the written contract of employment or Internal Service Rules. In such case, the employee shall be entitled to receive the full amount of provident fund contributions of both the employer and employee, including interest accrued therein.
55. For employees in projects or other time-bound works that are less than ..... years or specified as less than ..... years in the written contract of employment or Internal Service Rules and also during the occurrence of a natural disaster or a global pandemic that forces an employer to declare their employees redundant and retrenched. In such case, the employee shall be entitled to receive the full amount of provident fund contributions of both the employer and employee, including interest accrued therein.

### **Payment**

56. Provident Fund payments to entitled employees shall be made in cash or by transfer to the employee's bank account within 15 working days from the date on which the employee became entitled to receive payment.

### **Gratuity**

57. An employee who resigns after completion of ..... years of continuous service shall be eligible for receiving gratuity.
58. No advance payment can be made on the gratuity entitlement to an employee by this enterprise.

## **Amount of Gratuity**

59. The amount of gratuity payable to an employee shall be an amount equivalent to one month's last basic pay of the employee times the number of years of his active service with the employer.

## **Payment**

60. A gratuity shall be paid to the dependents/nominees of an employee whose employment is terminated by death, irrespective of whether the death arises from work or not. The payment shall be made within 15 working days from the date on which the employee became entitled to receive payment.

## **Settlement of Dues**

61. An employee shall settle all outstanding dues to the employer through adjustment against benefits payable to the employee before provident fund and gratuity is paid.

## **Bonus**

62. An employee may be entitled to bonus on the annual profit after tax or after due observance of individual performance. No individual shall claim it as a matter of right.

## **Retrenchment and Resignation**

### **Retrenchment**

63. A management shall have the right to retrench the employees depending on the needs and viability of the business. The employee(s) identified to be retrenched shall be conducted as in the following;
- a) The company shall consult with the employees at the workplace, advising of the number of employees likely to be made redundant and the period over which this may occur;
  - b) Give notice according to sections 68 to 70 of the Labour and Employment Act of Bhutan, 2007, and additional notice of seven days for every year of continuous employment by the employee for that employer up to a maximum of 42 days and ;
  - c) Notify the Chief Labour Administrator of the proposal, including the number and categories of employees involved and the reasons for their termination.

### **Resignation**

64. An employee intending to resign from the service shall notify the employer in writing of his intention to terminate the contract of employment 1(one) month in advance. In the event the employee fails to provide the notice in advance, the employer shall be compensated with the 1(one) month of the employee's basic pay in lieu of the notice period.
65. The length of termination notice and compensation in lieu of notice period shall be the same for the employer and the employees.

### **Conduct and Discipline**

66. In the following cases of misconduct an employee shall be liable for punishment, including termination from the service;
  - a) Fraud, theft or misuse of the enterprise's/employer's property, including employer's intellectual property;
  - b) Assault and other serious crime;
  - c) Willful insubordination or disobedience of a repeated or serious character;
  - d) Habitual irregular attendance;
  - e) Sabotage;
  - f) Sexual harassment of co-workers;
  - g) Abandonment of the employee's post;
  - h) Persistent absence from the workplace without good excuse; or
  - i) Willfully offending the Tsa-Wa-Sum.
67. Depending on the nature and severity of any misconduct, an employee may be imposed any of the following penalties:
  - a) Reprimand,
  - b) Withhold increment(s),
  - c) Withhold Promotion or demote to lower level/position,
  - d) Compulsory retirement,
  - e) Termination with benefits,
  - f) Termination without benefits.

### **Procedure for imposing penalties**

68. While making a decision on imposing any penalty, the management shall

observe the principles of natural justice and afford a full opportunity to the employee to defend himself/herself by presenting written and oral evidence. In particular, the following procedure shall be adhered to:

- a) Charges shall be framed on the basis of allegations on which the inquiry is proposed to be conducted. Such charges shall be communicated in writing to the employee who shall be required to submit a written statement in his/her defense. In the event the employer finds the explanation submitted satisfactory, the charges against the individual shall be dropped.
- b) The management shall, in the course of the investigation, consider such documentary evidence and witnesses that may be relevant materials to such charges. The employee shall be entitled to give evidence in person and cross-examine the witnesses.
- c) At the conclusion of the inquiry, if the decision is to impose any penalty, the employer shall give a written communication to the employee stating the grounds for the decision.

### **Workers' Compensation**

69. The company shall insure employees with ..... (BIL/NPPF/RICBL) who is an authorized financial institute to ensure that all types and levels of compensation are covered by the insurance policy as per Labour and Employment Act of Bhutan 2007 and its Regulations.
70. The agreed premium shall be paid by the company and shall not be deducted from the employees' wage/salary.
71. The employer or an insurer shall compensate an employee for injuries or diseases or death arising out of and in the course of employment, the employer or an insurer shall be liable to pay compensation as per Labour and Employment Act of Bhutan 2007 and its relevant regulations.

### **Occupational Health and Safety**

72. The employer/enterprise shall prepare and implement the Health and Safety Policy, and it shall be displayed at a conspicuous place in Dzongkha and English. (Occupational health and safety policy statement sample attached as Annexure II).
73. General duties of Employer;
  - a) Ensure the health and safety of all employees and other persons at the workplace and comply with regulations.
  - b) Improve working environments that are hazardous to the health and safety of employees.
  - c) Ensure that the employees are;
    - i. Made aware of all known or reasonable foreseeable health and safety hazards to which they are likely to be exposed by virtue of their work.

- ii. Made aware of their rights and duties under the regulation.
- iii. Establish occupational health and safety policies and programs in accordance with the regulation.
- iv. Provide and maintain protective equipment, devices, and clothing as required in good condition.
- v. Provide information, instruction, and necessary supervision to ensure the health and safety of employees.

74. General duties of Employees;

- a) Carry out work in accordance with established safe work procedures.
- b) Use of protective equipment, devices or clothing as required in the workplace.
- c) Not engage in horseplay or similar conduct that may endanger him/her or other workers or any other person.
- d) Ensure that his/her ability to work without risk to his /her own safety and health or to the health or safety of any other person is not impaired by alcohol, drugs, or other causes.
- e) Report any contravention, absence of, or defect of any equipment that is likely to endanger an employee or anyone.

### **Sexual Harassment**

75. Sexual harassment in the workplace or during recruitment includes:

- a. An unwelcome sexual advance or an unwelcome request for sexual favours by one person to another; or
- b. Any other unwelcome physical, verbal, or visual conduct of a sexual nature by one person to another.

### **Prevention**

76. To prevent the incidence of sexual harassment in workplaces and during recruitment falling within the coverage of the Act, every enterprise shall prepare and implement a Policy on Prevention of Sexual Harassment and prepare a written complaint against a harasser.

### **Lodging of Complaints**

77. A victim of sexual harassment may lodge a complaint with the employing agency or the Royal Bhutan Police.

### **Liability of an Employer**

78. The employer of a person found to be guilty of sexual harassment may be legally liable to the victim if the employer knew or reasonably should have known of the harassment and failed to take action.

79. The employers who have prepared and conscientiously implemented a Policy on the Prevention of Sexual Harassment, have taken positive steps to educate and inform their employees on sexual harassment and its

consequences, and who have clear internal procedures for handling sexual harassment complaints, shall not normally be liable to the victim.

### **Grievance Procedure**

80. Policy;
  - a) The policy of this rule is to ensure that complaints and problems within the enterprise are resolved without the need for government intervention.
  - b) Prevent minor labour problems and complaints from escalating in to a formal dispute.
  - c) Encourage great cooperation and build trust between workers and managers.

### **Grievance Procedure Preparation**

81. The procedure shall be prepared in consultation with the employees.
82. The procedure shall be written in simple language and presented in a form easy to follow by all employees.
83. It shall be reviewed periodically.

### **Rights and Obligations**

84. Employer shall not retaliate in any form against an employee who lodges a complaint.
85. Employee who lodges the complaint shall not be subject to disciplinary provisions of the Internal Service Rule.
86. Employees lodging the complaint shall have the right to representatives from within or outside the company.
87. Both employer and employee should make an effort to resolve the complaint within the company without having to notify the complaint to Chief Labour Administrator.

### **Steps in Procedure**

88. The aggrieved complainant shall make a complaint in writing identifying the other party about the dispute, the place where the dispute exists, and the subject matter of the dispute.
89. The dispute matter shall be received by the designated officer who shall acknowledge complaint receipt within two working days and commence investigation within 5 working days.
90. The time period in which the complaint matter shall be dealt with will be 10 working days from the commencement of the investigation.
91. If a grievance remains unresolved following an attempt to settle it by

applying the workplace grievance procedures at a workplace, the party or the parties who initiated the grievance shall notify the Chief Labour Administrator that a labour dispute exists.

#### **Amendment**

92. In the event of amendment in the Act and its Regulations, the enterprise shall be required to make necessary changes to their Internal Service Rules accordingly and submit to the Chief Labour Administrator for verification and approval. The employees should be made aware of such changes.
93. An enterprise seeking to amend any sections of their Internal Service Rule, may only do so with consultation and agreement of at least 90% of their employees following which the proposed amendment(s) along with the proof of consultation and agreement must be submitted for approval.

#### **Miscellaneous**

94. Employment of foreign workers shall be in line with the Labour and Employment Act of Bhutan, 2007 and Immigration Act of Bhutan, 2007.

## Annexure I (Sample Contract of Employment)

This agreement, made on the ..... day of the .....month of the year.....

Between: ..... (hereinafter referred to as "the Employer") and ..... (hereinafter referred to as "the Employee")

WHEREAS the Employee and the Employer wish to enter into an employment agreement governing the terms and conditions of employment;

THIS AGREEMENT WITNESSETH that in consideration of the premises and mutual covenants and agreements hereinafter contained is hereby acknowledged and agreed by and between the parties hereto as follows:

### 1. Term of Employment

The employment of the Employee shall commence from the date hereof and continue for an indefinite term until terminated in accordance with the provisions of this agreement.

### 2. Probation

The parties hereto agree that the initial ..... month period of this agreement is "Probationary" in the following respects:

- a. The employer shall have an opportunity to assess the performance, attitude, skills, and other employment-related attributes and characteristics of the Employee;
- b. the Employee shall have an opportunity to learn about both the Employer and the position of employment;
- c. Either party may terminate the employment relationship at any time during the initial six-month period with advance notice of seven days with justifiable reason, in which case there will be no continuing obligations of the parties to each other, financial or otherwise.

### 3. Compensation and Benefits

In consideration of the services to be provided by him hereunder, the Employee, during the term of his employment, shall be paid a basic salary of Nu..... a month, less applicable statutory deductions. In addition, the Employee is entitled to receive benefits in accordance with the Employer's standard benefit package, as amended from time to time.

#### 4. Duties and Responsibilities

The Employee shall be employed in the capacity of,.....the current duties and responsibilities which are set out in Annexure "A" annexed hereto and forming part of this agreement. These duties and responsibilities may be amended from time to time at the sole discretion of the Employer, subject to formal notification of the same being provided to the Employee.

#### 5. Termination of Employment

Subsequent to completion of the probationary term of employment referred to in paragraph 2 herein, the Employer may terminate the employment of the Employee at any time:

- a. For just cause at common law, in which case the Employee is not entitled to any advance notice of termination or compensation in lieu of notice;
- b. The Employee and employer may terminate their employment at any time by providing at least seven days' notice for the probationer and 1-month advance notice for their intention to terminate the contract of employment or payment in lieu thereof.

The entitlements and termination of services will be governed by the Labour and Employment Act, 2007, and its regulations and laws of the land.

#### 6. Confidentiality

The Employee acknowledges that, in the course of performing and fulfilling his duties hereunder, he may have access to and be entrusted with confidential information concerning the present and contemplated financial status and activities of the Employer, the disclosure of any of which confidential information to competitors of the Employer would be highly detrimental to the interests of the Employer. The Employee further acknowledges and agrees that the right to maintain the confidentiality of such information constitutes a proprietary right which the Employer is entitled to protect. Accordingly, the Employee covenants and agrees with the Employer that he will not, during the continuance of this agreement, disclose any of such confidential information to any person, firm or corporation, nor shall he use same, except as required in the normal course of his engagement hereunder, and thereafter he shall not disclose or make use of the same.

#### 7. Assignment (Transfer of Contract of Employment)

This agreement shall be assigned by the Employer to any successor employer and be binding upon the successor employer with the consent of the employee. The Employer shall ensure that the successor employer shall continue the provisions of this agreement as if it were the original party of the first part. This agreement may not be assigned by the Employee.

#### 8. Severability

Each paragraph of this agreement shall be and remain separate from and independent of and severable from all and any other paragraphs herein except where otherwise indicated by the context of the agreement. The decision or declaration that one or more of the paragraphs are null and void shall have no effect on the remaining paragraphs of this agreement.

## 9. Working Conditions

Sr.	Rights	Provisions	Remarks
1	Working Hours and rest periods	8 hours a day excluding meal breaks	Minimum of 1.5 times at the rate of daily wage (10 PM to 8 AM in the following morning). One day rest period after six days of work.
2	Public holidays	Minimum ( ) days	Excluding other leave entitlements (Casual, annual, medical, etc.) Both the parties may agree to substitute public holiday with another public holiday
3	Leave	Casual ( ) Annual Leave ( ) Sick Leave ( ) Maternity leave ( ) Paternity Leave ( )	The leave provided must at the minimum be provided as prescribed by the Regulations on leave
4	Provident Fund		Contribution of minimum of ( %) and eligibility shall be governed by the regulations on Provident Fund
5	Gratuity		Eligible after completion of ( ) years of continuous employment. Shall be calculated on the last basic salary multiplied by number of years of service.
6.	OHS equipment	All Personal Protective Equipment (PPE) required for the occupation shall be provided free of cost by the employers and shall be governed by the regulations in force.	

## 10. Notice

Any notice required to be given hereunder shall be deemed to have been properly given if delivered personally or sent by pre-paid registered mail as follows:

a. to the Employee:[address]

b. to the Employer:[address]

and if sent by registered mail shall be deemed to have been received on the 5 working days of uninterrupted postal service following the date of mailing. Either party may change its address for notice at any time, by giving notice to the other party pursuant to the provisions of this agreement.

**11. Interpretation of Agreement**

The validity, interpretation, construction, and performance of this agreement shall be governed by the Labour and Employment Act, 2007 and its Regulations. This agreement shall be interpreted with all necessary changes in gender and in number as the context may require and shall ensure to the benefit of and be binding upon the respective successors and assigns of the parties hereto.

IN WITNESS WHEREOF the parties hereto have caused this agreement to be executed as of .....day..... month.....year and shall each retain a copy of the agreement in original.

(Affix legal stamp)  
**Signed by the employer**

(Affix legal stamp)  
**Signed by the employee**

**at.....**

**ID No:.....**

**at.....**

WITNESS

Name:.....

ID No:.....

Contact No:.....

WITNESS

Name:.....

ID No:.....

Contact No:.....

Annexure A

The person in this position will be responsible to ..... and undertake the following tasks and responsibilities (should be counter signed by both the parties).

- |       |       |                  |    |
|-------|-------|------------------|----|
| a.    | Job   | Responsibilities | of |
| <hr/> |       |                  |    |
|       | i.    |                  |    |
|       | ii.   |                  |    |
|       | iii.  |                  |    |
|       | iv.   |                  |    |
|       | v.    |                  |    |
|       | vi.   |                  |    |
|       | vii.  |                  |    |
|       | viii. |                  |    |

Signature of Employee

Signature of Employer

## **Annexure II (Occupational Health and Safety Policy Statement)**

### **DECLARATION**

The management of (*insert company name*) is firmly committed to a policy enabling all work activities to be carried out safely, and with all possible measures taken to remove, or at least reduce, risks to the health, safety, and welfare of workers, contractors, visitors, and anyone else who may be affected by our operations.

We are committed to fully comply with the Labour and Employment Act of Bhutan 2007, and relevant Occupational Health and Safety legislations.

### **RESPONSIBILITIES**

#### **❖ The Management will:**

- provide and maintain a safe working environment through recognizing, assessing, controlling and evaluating hazards at workplace periodically
- provide and maintain plant and toxic substances in safe condition
- implement emergency management plans/procedures
- provide and maintain facilities for the welfare of workers
- provide information, instruction, training and supervision that is reasonably necessary to ensure that each worker is safe from injury and risk to health
- assign clear roles and responsibilities at different levels in terms of health and safety at work
- provide a commitment to consult and co-operate with workers in all matters relating to health and safety in the workplace
- provide adequate budget for occupational safety and health programs, including return to work program
- integrate health and safety in all decisions including those dealing with purchase of plants, equipment, machinery, material and selection and placement of personnel
- provide a commitment to continually improve our performance through periodically reviewing policy, regular monitoring and effective safety management.

#### **❖ We ensure that each worker of the enterprise shall:**

- comply with any direction given by management for health and safety
- comply with safe work practices with the intent of avoiding harm/injury to himself or herself and others and damage to plant and equipment

- take reasonable care of the health and safety of himself or herself and others
  - wear and maintain personal protective equipment and clothing where necessary
  - not misuse or unnecessarily interfere with anything provided for health and safety
  - report accidents and incidents, no matter how minor, occurring on the job immediately
  - report all known or observed hazards to their supervisor or manager.
- ❖ We ensure those contractors, sub-contractors, transporters, other agencies entering the premises of the enterprise and visitors shall adhere to the health and safety rules of the company.

**Policy statement endorsed by:**

**Date:**

**Name, signature and seal of authorized person**

**Seal of Company**

## **Endorsement Statement**

### **Internal Service Rule (ISR)**

Formally reviewed and endorsed by the Endorsement Committee on .....

The Committee confirms that this ISR is in full compliance with the *Labour and Employment Act of Bhutan, 2007*, and upholds the principles and standards set forth therein.

### **Endorsement Committee Members:**

Dorji P (Regional Director).....

Dechen Wangmo (Asst. Labour Officer).....

Karma Nima (Asst. Employment Officer).....

Leki Wangmo (Adm. Assistant).....