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The Gazette of the Democratic Socialist Republic of Sri Lanka
EXTRAORDINARY

අංක 2035/9 - 2017 සැප්තැම්බර් මස 04 වැනි සඳුදා - 2017.09.04
No. 2035/9 - MONDAY, SEPTEMBER 04, 2017

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PART I : SECTION (I) — GENERAL
Government Notifications

My No. : IR/10/65/2012.

Ref. No. : IR/10/65/2012.

THE INDUSTRIAL DISPUTES ACT, CHAPTER 131

In the matter of an Industrial Dispute

Between

THE award transmitted to me by the Arbitrator to whom the Industrial Dispute which has arisen between Mr. P. D. Samarasinghe, No. 68, 5th Lane, Colombo 03 of the one part and Richard Pieris and Company PLC, No. 310, High Level Road, Navinna, Maharagama of the other part was referred by order dated 19.01.2016 made under Section 4(1) of the Industrial Dispute Act, Chapter 131 (as amended) and published in the *Gazette* of the Democratic Socialist Republic of Sri Lanka *Extraordinary* No. 1951/8 dated 25.01.2016 for settlement by Arbitration is hereby published in terms of Section 18(1) of the said Act.

P. D. Samarasinghe,
No. 68, 5th Lane,
Colombo 3.

Party of the First Part.

Case No. A/3619

and

Richard Pieris and Company PLC,
No. 310, High Level Road,
Navinna,
Maharagama.

Party of the Second Part.

A. WIMALAWEERA,
Acting Commissioner General of Labour.

AWARD

Department of Labour,
Labour Secretariat,
Colombo 05,
24th August 2017.

The Hon. Minister of Labour and Trade Union Relations
Welatantirige Don John Seneviratne by the powers vested



in him by Section 4(1) of the Industrial Disputes Act, Chapter 131 of the Legislative Enactments of Ceylon (1956 Revised Edition), as amended by Acts Nos. 14 of 1957, 4 of 1962 and 39 of 1968 (read with Industrial Disputes (Special Provisions) Act, No. 37 of 1968 appointed me as the Arbitrator and referred the aforesaid dispute to me for settlement by arbitration.

Statement of the matter in dispute

“Whether the monthly salary of Mr. P. D. Samarasinghe who served as Chief Executive (Operations) of Richard Pieris and Company PLC has been reduced from Rs. 850,000/- to Rs. 600,000/- with effect from November 2008 and if so, what relief he is entitled to.”

Appearances :

For the party of the 1st part Mr. Avindra Rodrigo, Senior Counsel along with Ms. Rozali Fernando, Attorney-at-Law appears for the Party of the 1st Part. Party of the 1st part, Pravir Danoush Samarasinghe is present.

Mr. Geoffrey Alagaratnam, PC with and Mr. Lewie Ganashathanan, Attorney-at-Law appeared on behalf of the Party of the second part, Mr. Shiron Goonaratne, Group Chief Financial Officer is present on behalf of the Party of the 2nd part with Ms. Namali Kuruppu, Attorney-at-Law, Legal Officer of the Party of the 2nd Part.

After both parties mentioned above have submitted their respective statements that has led to the dispute in terms of Regulation 21(1) and 21(2) of the Industrial Disputes Regulations of 1958.

In fact is noted in the absence of an English competent stenographer the above said parties hired an individual English stenographer and they both shared the expenses including these proceedings and this Award.

In fact, at the outset I made an endeavour to explore the possibility of an amicable settlement but it proved futile.

The Party of the 2nd Part was ordered to commence proceedings by the Court and while the Party of the 1st Part was under cross examination the Court once again suggested a proposal to settle the matter and which was offered to them on 3rd July 2017. To make a long story short this proposal had been accepted and acted upon by them and the terms of settlement were entered into on 24th July 2017

and the said settlement scheme was recorded, as detailed hereunder.

The terms of settlement that had been agreed between parties are :-

1. The Party of the 2nd Part (Richard Pieris Company PLC), shall pay to the Party of the First Part (Pravir D. Samarasinghe) a sum of Rupees Seven Million Five Hundred Thousand (Rs. 7,500,000) by cheque bearing No. 706871 dated 2nd August 2017 drawn on the National Development Bank as an amicable settlement.
2. The Party of the 1st Part will bear the tax liability (if any) for the said amount. The Party of the 1st Part agrees to indemnify the Party of the 2nd Part if any order is made against the Party of the 2nd Part requiring the Party of the 2nd Part to pay tax on the said amount of Rupees Seven Million Five Hundred Thousand (Rs. 7,500,000).
3. The Party of the 1st Part accepts the above mentioned payment as a full and final settlement of the matters before the Hon. Arbitrator in the industrial arbitration in Case No. A3619 and confirms that all payments will include EPF, ETF and gratuity arising from and during the period of his employment with the Party of the 2nd Part, i.e. “from 1st March 1991 to 10th March 2011” has been paid and settled in full and specifically agrees that he is not entitled to any other payment or additional/increased EPF/ETF granted from and during the said period of his employment, subject to the realization of the cheque referred to above.
4. The Party of the 1st Part agrees not to make any claim against the Party of the 2nd Part or any officers, agents or subsidiaries of the Party of the 2nd Part in respect of the matters referred to the Hon. Arbitrator in industrial dispute in Case No. 3619 including any action on the alleged contempt of Court on the Hon. Tribunal arising out of the industrial arbitration in Case No. A 3619.
5. Both parties agree to maintain strict confidentiality of the terms of the settlement.
6. The parties agree that industrial arbitration in Case No. A 3619 be concluded upon the realization of the aforementioned cheque.

7. The Hon. Arbitrator notes that the cheque brought before the Tribunal today bears only one signature.

The Group Chief Financial Officer of the Party of the 2nd Part states that this cheque is made in terms of a mandate given to the Party of the 2nd Part in making payments of special transactions which require confidentiality and the Party of the 2nd Part has sought and obtained a mandate from the particular Bank which permits one signature alone to be made in execution of such a cheque.

On that basis the Party of the 1st Part has no objection.

8. The Party of the 1st Part has given draft terms and conditions which parties have signed today (24.07.2017).
9. In the presence of all parties the Arbitrator hands over the cheque from the Party of the 2nd Part to the Party of the 1st Part. The Party of the 1st Part signed the draft terms and accepted the cheque. A copy of the draft terms signed by all parties is given to the parties. One copy is filed of record.

And as such this matter was called for the confirmation and to check the realization of the above said cheque of Rs. 7,500,000/- . It was confirmed by the Hatton National Bank by their letter dated 8th August 2017 and a copy is filed of record and when this matter was called on 11.08.2017 (today) and I having satisfied that the terms and condition made by both parties had been comprehensively obligated and settled I do not stand in their way.

In the circumstances I make order that the above said settlement between the parties having honored in the true spirit and settled in full and I make the award accordingly.

In the premises I consider that the above the said settlement award is just and equitable in the circumstances.

T. EDMUND SANTHARAJAN,
Arbitrator.

At Colombo,
11th August 2017.

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