

**IN THE COURT OF APPEAL OF THE DEMOCRATIC SOCIALIST
REPUBLIC OF SRI LANKA**

In the matter of an application for mandates in
the matter of *Writ of Mandamus and Certiorari*
under and in terms of Article 140 of the
Constitution of the Democratic Socialist
Republic of Sri Lanka.

**C.A. (Writ) Application
No: 1034/2025**

1. Garumuni Bandula Chandrasiri de Silva
Pothuliyadda,
Eththawala,
Warakapola

2. Ajanatha Sarathchandra Kuda
Banda Rathnayake
N11, Bambalapitiya National
Housing Scheme,
Galle Road,
Bambalapitiya

Petitioners

Vs.

1. Pradeshiya Sanwardhana Bank,
(Also known as Regional Development Bank)
No. 933, Kandy Road,
Wedamulla,
Kelaniya.

2. Lasantha Fernando
Chairman,
Pradeshiya Sanwardhana Bank,
No. 933, Kandy Road,
Wedamulla,
Kelaniya.

3. Ramani Wijeratne
Director,
Pradeshiya Sanwardhana Bank,
No. 933, Kandy Road
Wedamulla, Kelaniya

4. Rohini Madurawala
Director
Pradeshiya Sanwardhana Bank,
No. 933, Kandy Road,
Wedamulla,
Kelaniya.
5. P.A. Wijerathne
Director
Pradeshiya Sanwardhana Bank,
No. 933, Kandy Road,
Wedamulla,
Kelaniya.
6. W. Ranaweera
Director
Pradeshiya Sanwardhana Bank,
No. 933, Kandy Road,
Wedamulla,
Kelaniya.
7. Kumara Bandara
Director
Pradeshiya Sanwardhana Bank,
No. 933, Kandy Road,
Wedamulla,
Kelaniya.
8. Asanga Bandara Tennakoon
General Manager/Director
Pradeshiya Sanwardhana Bank,
No. 933, Kandy Road,
Wedamulla,
Kelaniya.

Respondents.

Before : R. Gurusinghe, J.
&
Dr. S. Premachandra, J.

Counsel : Tharidu Rajakaruna with Punsala Jayasundara
instructed by Malinda Bandara Wagoda
for the Petitioners

S. Soyza S.S.C.
for the Respondents

Argued on : 13-01-2026

Decided on : 19-02-2026

JUDGMENT

R. Gurusinghe, J.

The two petitioners filed this application seeking *inter alia*,

- b) Grant a Writ of Mandamus, compelling the Respondents and persons acting under the authority of such Respondents to make the appointment of the 1st Petitioner as a Deputy General Manager, permanent, with effect from 01.02.2024;
- c) Grant a Writ of Mandamus, compelling the Respondents and persons acting under the authority of such Respondents to make the appointment of the 2nd Petitioner as the Chief Information Officer/Deputy General Manager, permanent, with effect from 30.11.2023;
- d) Grant a Writ of Certiorari, quashing the decision of the 1st Respondent as set out in P18, refusing to make the appointment of the 1st Petitioner as a Deputy General Manager, permanent, with effect from 01.02.2024;
- e) Grant a Writ of Certiorari, quashing the decision of the 1st Respondent as set out in P18, refusing to make the appointment of the 2nd Petitioner as the Chief Information Officer/Deputy General Manager, permanent, with effect from 30.11.2023.

Both petitioners have been employees of The Pradeshiya Sanwardhana Bank (Bank) for a considerable period of time. The 1st petitioner was appointed as an Acting Deputy General Manager in July 2024, and the 2nd Petitioner was appointed as the Acting Chief Information Officer of the Bank on 30-07-2023. The 2nd petitioner states that the said appointment constitutes an appointment as Acting Deputy General Manager.

The two petitioners, along with one another, Acting Deputy General Manager, by letter dated 07-03-2025, have addressed to the General Manager/Chief Executive Officer (Acting) of the Bank, requesting that they be appointed as the Deputy General Managers of the Bank, with effect from their respective appointments as Acting Deputy General Managers.

By letter dated 07-10-2025 marked P18, the Chairman of the Bank replied to the petitioners as follows:

- a) *The provisions under the Pradeshiya Sanwardhana Bank (PSB) remain applicable and valid. Section 27(1) of the Act clearly prescribes that the term of office of a Deputy General Manager shall be three years from the date of first appointment, inclusive of a six-month probationary period. The statute does not provide discretion to vary this term based on the employee's age or mode of recruitment (internal or external).*
- b) *The provision does not distinguish between internal promotions and external appointments. Therefore, the three-year term applies uniformly to all Deputy General Manager Appointments, regardless of their source.*
- c) *Completion of the mandatory three-year term would be inconsistent with the express language of Section 29 (1). The statutory intent appears to prioritise certainty and stability of tenure, irrespective of whether the appointee is an existing employee or recruited externally.*

The existing internal policy requires retirement at age 60 without exception; the Bank cannot legally appoint any person who would reach the age of 60 during the three-year term.

When formal notices were issued on the respondents, the Learned Senior State Counsel appearing for the respondents stated that the respondents would not file objections to the petitioners' application. On behalf of the respondents, the Counsel submitted that the matter pertained to the interpretation of Section 27 of the Pradeshiya Sanwardhana Bank Act No. 41 of 2008 (the Act).

The petitioners also stated that they had fulfilled every eligibility criterion to hold the office of Deputy General Managers of the Bank under the provisions of the Act. The 1st petitioner was initially recruited as a Clerk/Accounts Assistant in 1986 by the Bank and has been gradually promoted to higher ranks within the Bank. The 1st petitioner produced documents evidencing that he holds a Doctor of Business Administration, a Master of Business Administration, a Graduate of Commerce from Sri

Jayawardenapura University, and is a Fellow of the Institute of Bankers in Sri Lanka.

The 1st petitioner was appointed as an acting Deputy General Manager of the Bank in July 2024. The 1st petitioner's post of Acting Deputy General Manager – Business Revival and Recovery has been extended until 10-04-2026 by letter P10(b).

The 2nd petitioner previously worked at Lanka Putra Development Bank. Following its merger with the 1st respondent Bank in 2019, the 2nd petitioner was appointed Assistant General Manager, Technology, and was absorbed into the 1st respondent Bank as Chief Manager. Subsequently, the 2nd petitioner was appointed as the Acting Chief Information Officer of the Bank. The 2nd petitioner states that the appointment amounts to an appointment as an Acting Deputy General Manager of the Bank. The 2nd petitioner holds a Doctor of Philosophy and a Master of Business Administration awarded by Leeds Metropolitan University, United Kingdom and a Graduate of Science from National University, Ireland. The 2nd petitioner's services as an Acting Chief Information Officer were extended for one year, with effect from 30-05-2025, by letter annexed as P15.

The two petitioners and another Acting Deputy General Manager, by letter dated 07-03-2025, marked P17, requested the Bank to appoint them as Deputy General Managers of the Bank, backdated to their respective dates of appointment as Acting Deputy General Managers. The respondent replied to this letter approximately six months later, by letter dated 07-10-2025, marked P18.

P 18 is as follows:

“Request with regard to the appointment as Deputy General Manager of the Regional Development Bank.”

We write with reference to the letter dated 07th March 2025.

Please be advised as follows:

- a) The provisions under the Pradeshiya Sanwardhana Bank (PSB) remains applicable and valid. Section 27 (1) of the Act clearly prescribes that the term of office of a Deputy General Manager shall be three years from the date of first appointment, inclusive of a six-month probationary period. The statute does not provide discretion

to vary this term based on the employee's age or mode of recruitment (internal or external).

- b) The provision does not distinguish between internal promotions and external appointments. Therefore, the three-year term applies uniformly to all Deputy General Manager Appointments, regardless of their source.
- c) Completion of the mandatory three-year term would be inconsistent with the express language of Section 27(1). The statutory intent appears to prioritise certainty and stability of tenure, irrespective of whether the appointee is an existing employee or recruited externally.

The existing internal policy requires retirement at age 60 without exception, the Bank cannot legally appoint any person who would reach the age of 60 during the three-year term.

The bank's sole reason for not appointing the petitioners as Deputy General Managers was that they would attain the age of retirement, 60 years, and therefore could not complete a three-year term in office. The view taken by the 1st respondent Bank is that the term of office of a Deputy General Manager should be exactly three years. However, the petitioners have shown that the Bank had previously appointed Deputy General Managers who could not complete a three-year term.

Paragraph 32 of the petition is as follows:

“The Petitioners state that in view of the history and pattern of the 1st Respondent of appointing officers with less than 3 years to retirement age to the position of Deputy General Manager as demonstrated in P19(a), P20(b), the Petitioners had a legitimate expectation of being appointed to the position of Deputy General Manager on permanent basis, which is now being violated by the Respondents.”

The respondents have decided not to file objections. Furthermore, the facts set out in paragraph 32 of the petition, remains unrefuted and have not been specifically denied by the Respondents

Section 27 of the Act is as follows:

27.

- (1) The Board shall appoint four persons to be Deputy General Managers of the Bank, from those who have a minimum of eight years

experience at Senior Management level in banking. Every Deputy General Manager shall—

- (a) hold a degree from a recognized University with a postgraduate qualification or postgraduate diploma in a relevant field; or
- (b) have full professional qualifications in Banking.

(2) Every Deputy General Manager shall be a full-time officer of the Bank.

(3) The Deputy General Managers shall subject to the general direction, supervision and control of the Board assist the General Manager in the conduct, management and administration of the affairs of the Bank in such manner as is best designed to achieve the objectives of the Board.

(4) The term of office of a Deputy General Manager shall be three years from the date of the first appointment inclusive of the initial probation period of six months.

(5) The term of office of Deputy General Manager may be extended by the Board if his work is found to be of satisfactory nature.

The Bank's position, in declining to appoint the petitioners as Deputy General Managers, was predicated on the view that they should be capable of completing a three-year term, which is not a reasonable interpretation of Section 27(4) of the Act.

In Maxwell on The Interpretation of Statutes, 12th Edition, at Page 199 states *“An intention to produce an unreasonable result is not to be imputed to a statute if there is some other construction available. Where to apply words literally would defeat the obvious intention of the legislation and produce a wholly unreasonable result, we must do some violence to the words and so achieve the obvious intention and produce a rational construction.”*

In interpreting Section 27 (4), unreasonable and inconvenient results are to be avoided. I am of the opinion that the three-year term for a Deputy General Manager in this section defines the maximum duration of a single appointment cycle rather than mandatory minimum tenure. It does not mean that a Deputy General Manager must hold office for a fixed period of exactly three years, regardless of circumstances, or that earlier termination for retirement, resignation, or dismissal for misconduct is precluded. The Court holds that the above section refers to the maximum three-year period and not the minimum time in office.

If the bank's interpretation is accepted, the bank will effectively lose the right to terminate employment for a good cause, and correspondingly, the employee will be deprived of the right to resign prior to the expiry of the three-year period. Such a construction would lead to absurdity.

In the above circumstances, the application of the petitioners' is allowed, and the Court holds that the petitioners' are entitled to the reliefs prayed for in paragraphs b, c, d, e, and f of the prayer to the petition.

Judge of the Court of Appeal

Dr. S. Premachandra J.

I agree.

Judge of the Court of Appeal.