

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

In the matter of an application for orders in the nature of Writs of *Certiorari*, and *Prohibition* under and in terms of Article 140 of the Constitution.

CA (Writ) application No: 972/2025

1. Ceylon Electricity Board Engineers' Union,
P.O. Box 540, Colombo.

Also at:

Ceylon Electricity Board,
Asset Management (Thermal Electrical)
Branch,
New Kelani Bridge Road,
Wallampitiya.

2. Somawansa Illukthanna,
President - Ceylon Electricity Board
Engineers' Union,
P.O. Box 540, Colombo.

Also at:

Ceylon Electricity Board,
Asset Management (Thermal Electrical)
Branch,
New Kelani Bridge Road,
Wallampitiya.

3. Amal Sanjaya Ariyaratne,
Joint Secretary - Ceylon Electricity Board
Engineers' Union,
P.O. Box 540, Colombo.

Also at:

Ceylon Electricity Board,
Asset Management (Thermal Electrical)
Branch, New Kelani Bridge Road,
Wallampitiya.

4. W. A. Priyantha Prabath,
Secretary - Nidahas Sewaka Sangamaya
CEB Branch,
No. 1B, Saaruwaththa,
Sri Saddhathissa Nahimi Mawatha,
Walgama, Marara.
5. W. M. Bandula Kumara Walisundara,
Secretary - Ceylon Electricity Board
Transport Workers Union,
No. 109/1, Samagi Mawatha,
Magamma, Homagama.

PETITIONERS

-Vs-

1. Ceylon Electricity Board,
No. 50, Sir Chittampalam A. Gardiner
Mawatha,
Colombo 02.
2. Eng. (Prof.) K.T.M.U. Hemapala,
Chairman,
Ceylon Electricity Board,
No. 50, Sir Chittampalam A. Gardiner
Mawatha,
Colombo 02.
3. Prof. Saliya Jayasekara,
Vice Chairman,
Ceylon Electricity Board,
No. 50, Sir Chittampalam A. Gardiner
Mawatha,
Colombo 02.

4. P. Susantha Jayathilake,
Member
5. Nusith Kumarathunge,
Member
6. Eng. W. W. M. P. Asanka Kumara
Palamakumara,
Member
7. U. N. Mallawarachchi,
Member
8. M. D. Y. Dharmasekara,
Member

4th to 8th Respondents all of:
Members of the Board,
Ceylon Electricity Board,
No. 50, Sir Chittampalam A. Gardiner
Mawatha,
Colombo 02.

9. Eng. W. Edussuriya,
General Manager,
Ceylon Electricity Board,
No. 50, Sir Chittampalam A. Gardiner
Mawatha,
Colombo 02.
10. Eng. P. A. J. P. K. Perera,
Deputy General Manager (Personnel),
Ceylon Electricity Board,
No. 50, Sir Chittampalam A. Gardiner
Mawatha,
Colombo 02

11. Hon. P. S. Kumara Jayakodi,
Minister of Energy,
Ministry of Energy,
No.437, Galle Road,
Colombo-03.
12. Prof. Udayanga Hemapala
Secretary to the Ministry of Energy,
Ministry of Energy,
No.437, Galle Road,
Colombo-03.
13. Pubudu Niroshan,
Director General,
Power Sector Reforms Secretariat,
No.437, Galle Road,
Colombo-03.
14. Udayapriya Imbulpitiyalage,
Member - Power Sector Reforms Secretariat
15. Kosala Kamburudeniya,
Member - Power Sector Reforms Secretariat
16. Indra Mahakalanda,
Member - Power Sector Reforms Secretariat
17. Hasitha Paragahagoda,
Member - Power Sector Reforms Secretariat

14th to 17th Respondents all at:
Power Sector Reforms Secretariat,
No.437, Galle Road,
Colombo-03.

18. Electricity Generation Lanka (Private) Limited,
No. 50, Sir Chittampalam A. Gardiner Mawatha,
Colombo 02.
19. National Transmission Network Service Provider (Private) Limited,
No. 50, Sir Chittampalam A. Gardiner Mawatha,
Colombo 02.
20. National System Operator (Private) Limited,
No. 50, Sir Chittampalam A. Gardiner Mawatha,
Colombo 02.
21. Electricity Distribution Lanka (Private) Limited,
No. 50, Sir Chittampalam A. Gardiner Mawatha,
Colombo 02.
22. Hon. Anura Kumara Dissanayake,
In his capacity as the Minister of Defence,
Minister of Finance, Planning and Economic Development, and Minister of Digital Economy,
Ministry of Finance,
The Secretariat, Colombo 01.
23. Hon. (Dr.) Harini Amarasuriya,
Minister of Education, Higher Education and Vocational Education,
Ministry of Education, Isurupaya,
Battaramulla.

24. Hon. Vijtha Herath,
Minister of Foreign Affairs, Foreign
Employment and Tourism,
Ministry of Foreign Affairs
Republic Building,
Sir Baron Jayathilake Mawatha,
Colombo 01.
25. Hon. K. D. Lal Kantha,
Minister of Agriculture, Livestock, Land
and Irrigation,
Ministry of Agriculture,
80/5, “Govijana mandiraya”,
Rajamalwatta Lane, Battaramulla.
26. Hon. Bimal Rathnayaka,
Minister of Transport, Highways, Ports and
Civil Aviation,
Ministry of Transport, Highways, Ports and
Civil Aviation,
7th Floor, Sethsiripaya Stage II Battaramulla.
27. Hon. Sunil Handunneththi,
Minister of Industry and Entrepreneurship
Development,
Ministry of Industry and Entrepreneurship
Development,
No.73/1 Galle Road, Colombo 03.
28. Hon. Ramalingam Chandrasekar,
Minister of Fisheries, Aquatic and Ocean
Resources,
Ministry of Fisheries, Aquatic and Ocean
Resources,
New Secretariat,
Maligawatta Colombo 10.

29. Hon (Prof.) Anil Jayantha Fernando,
Minister of Labour,
Ministry of Labour,
6th Floor, Mahawera Piyasa, Narahenpita,
Colombo 05
30. Hon. Samantha Vidyaratna,
Minister of Plantation and Community,
Infrastructure,
Ministry of Plantation and Community
Infrastructure,
11th Floor, Sethsiripaya 2nd Stage,
Battaramulla.
31. Hon. Anura Karunathilaka,
Minister of Urban Development and
Housing,
Ministry of Urban Development and
Housing,
12th Floor, "Sethsiripaya", Stage-II,
Battaramulla
32. Hon. (Dr). Nalinda Jayatissa,
Minister of Health and Mass Media,
Ministry of Health,
Suwasiripaya, No. 385, Rev. Baddegama
Wimalawansa Thero Mawatha,
Colombo 10.
33. Hon. (Prof.) A.H.M.H. Abayarathna,
Minister of Public Administration,
Provincial Councils and Local Government,
Ministry of Public Administration,
Provincial Councils and Local Government,
Independence Square,
Colombo 07.

34. Hon. Wasantha Samarasinghe,
Minister of Trade, Commerce, Food
Security and Cooperative Development,
Ministry of Trade, Commerce, Food
Security and Cooperative Development,
No 492, R. A. De Mel Mawatha,
Colombo 03.
35. Hon. Harshana Nanayakkara,
Minister of Justice and National Integration,
Ministry of Justice,
No. 19, Sri Sangaraja Mawatha,
Colombo 10.
36. Hon. (Mrs.) Saroja Savithri Paulraj,
Minister of Women and Child Affairs,
Ministry of Women and Child Affairs,
5th Floor, Sethsiripaya Stage II,
Battaramulla.
37. Hon. (Dr.) Upali Pannilage,
Minister of Rural Development, Social
Security and Community Empowerment,
Ministry of Rural Development, Social
Security and Community Empowerment,
1st Floor, Sethsiripaya (Stage II),
Battaramulla.
38. Hon. K.M. Ananda Wijepala,
Minister of Public Security Parliamentary
Affairs,
Ministry of Public Security,
18th Floor, “Suhurupaya”,
Battaramulla.

39. Hon. (Dr.) Hiniduma Sunil Senevi
Minister of Buddhasasana, Religious and
Cultural Affairs,
Ministry of Buddhasasana, Religious and
Cultural Affairs,
8th Floor, Sethsiripaya,
Battaramulla.

40. Hon. Sunil Kumara Gamage,
Minister of Youth Affairs and Sports,
Ministry of Youth Affairs and Sports,
No. 09, Phillip Gunawardana Mawatha,
Colombo 07.

41. Hon. (Prof.) Crishantha Abeysena,
Minister of Science and Technology,
Ministry of Science and Technology,
3rd Floor, Sethsiripaya Stage I,
Battaramulla,

42. Hon. (Dr.) Dammika Patabendi,
Minister of Environment,
Ministry of Environment,
“Sobadam Piyasa”,
416/C/1, Robert Gunawardana Mawatha,
Battaramulla.

43. W.M.D.J. Fernando,
Secretary to the Cabinet of Ministers,
Lloyd’s Building,
Sir Baron Jayathilaka Mawatha,
Colombo 01.

RESPONDENTS

Before: S. U. B. Karalliyadde, J.

Dr. D. F. H. Gunawardhana, J.

Counsel: Shantha Jayawardena with Hirannya Damunupola instructed by Sanjeewa

Kaluarachchi for the Petitioners.

Manohara Jayasinghe, DSG with Prabashinee Jayasekera, SC for the 1st and 2nd Respondents.

Supported on: 16.10.2025

Order delivered on: 24.10.2025

S. U. B. Karalliyadde, J.

This Order pertains to the issuance of formal notices on the Respondents and the granting of interim reliefs sought in the Petition. The 1st Petitioner, The Ceylon Electricity Board Engineers' Union, is a duly registered trade union and the 2nd and 3rd Petitioners are its members. The 4th Petitioner is the Secretary to Nidahas Sewaka Sangamaya and the 5th Petitioner is the Secretary to the Ceylon Electricity Board Transport Workers Union of the 1st Respondent, The Ceylon Electricity Board (the CEB). The CEB was established under the Ceylon Electricity Board Act, No. 17 of 1969 and performs three core functions of electricity generation, transmission and distribution as a single entity. The Sri Lanka Electricity Act, No. 36 of 2024 was enacted to reform the electricity industry by repealing the Ceylon Electricity Board Act and the Sri Lanka Electricity Act, No. 20 of 2009. The Sri Lanka Electricity Act of 2024 was established to segregate and separate the activities of the CEB by

incorporating of independent corporate entities for generation, transmission, distribution, trade, supply and procurement of electricity. The Sri Lanka Electricity Act of 2024 was amended by the Sri Lanka Electricity (Amendment) Act, No. 14 of 2025.

Part VI of the Sri Lanka Electricity Act 2024 (as amended) (the Act) provides for the incorporation of limited companies under the Companies Act, No. 07 of 2007 for the purpose of restructuring the CEB. In terms of Section 17(2)(a) of the Act, the restructured activities of the CEB relating to its three core functions and all its assets and liabilities shall, on the appointed date of the Act, be vested with such limited companies (successor companies) established under the Act in accordance with the preliminary transfer plan specified under Section 18 of the Act. Under Section 18 of the Act, a transfer plan must be prepared which contains detailed plans, proposals and strategies for the unbundling of the activities of the CEB relating to the generation, transmission, distribution and supply of electricity. According to Sub Section 2 of Section 18, the transfer plan must comprise a preliminary transfer plan and a final transfer plan. In terms of Section 18(3)(f) of the Act, the transfer plan must ensure that the officers and servants of the CEB are notified of their proposed assignation to the respective successor companies. If any employee does not opt to be assigned to a successor company, they are entitled to a Voluntary Retirement Scheme (the VRS) under Section 18(3)(f) of the Act.

The 2nd to 5th Petitioners have received the letters dated 25.08.2025 marked as P22 to P25 informing them of their proposed assignation to the successor companies. The

Petitioners state that the VRS has been published in the Extraordinary Gazette No. 2451/11 dated 26.08.2025, marked as P21. The Petitioners have invoked the writ jurisdiction of this Court seeking *inter alia*, a Writ of Certiorari to quash the letters marked P22 to P25 and the VRS marked as P21.

The contention of the Petitioners is two-fold. First, they argue that the transfer plan must contain their new designation in the companies and the Respondents, without first publishing the transfer plan under Section 18 of the Act, have resorted to sending the letters marked as P22 to P25 in violation of Section 18(3)(f) of the Act. Therefore, it is arbitrary and unreasonable for the 1st to 17th Respondents to direct the employees of the CEB to respond to the assignation letters within 2 months from the receipt of those letters. Furthermore, the assignation letters do not contain adequate information as to the assigned job role of the employees, duties, place of work, career progression and promotion pathways, corporate structure of the successor companies, management of the companies, Human Resources policy and Transfer Policy of the successor companies. Secondly, the Petitioners argue that the VRS marked as P21 has been published under Section 50 of the Act, which is a section that is still not in operation, and P21 fails to specify the precise time frame within which compensation is to be paid to employees who opt for the VRS. Therefore, the Petitioners contend that without the transfer plan and the lack of information regarding the time period of payment of compensation in P21, they are unable to take an informed decision as to whether they should accept the assignation or opt for the VRS.

First, this Court will look into whether the letters marked as P22 to P25 have been issued in violation of Section 18(3)(f) of the Act. In terms of Section 1(2) of the Act, other than Sections specified therein, including Sections 17 and 18, the remaining provisions of the Act come into operation on a date to be determined by the Minister of Energy by Order published in the Gazette (the appointed date). In terms of Section 1(3), Sections 17 and 18 had come into operation on 27.06.2024, the date on which the Sri Lanka Electricity Bill becomes an Act of Parliament. As stated above, in terms of Section 17(2)(a), on the appointed date, the restructured activities, all assets and liabilities, along with their respective duties and functions of the CEB, will be vested with the successor companies in accordance with the scheme set out in the transfer plan specified under Section 18 of the Act. The transfer plan under Section 18 must contain detailed plans, proposals and strategies for unbundling the activities of the CEB. In terms of Section 18(2) of the Act, the transfer plan must comprise a preliminary and a final plan. Section 18(2) reads thus,

The Power Sector Reform Secretariat shall, subject to the policy directions of the Minister prepare the transfer plan which shall comprise -

*(a) a **preliminary transfer plan**, which shall be approved by the Cabinet of Ministers and thereafter to be published in the Gazette on the day immediately succeeding the appointed date and shall contain all details of the vesting of the activities relating to the restructuring of the generation, transmission, distribution and supply of electricity as well as a financial plan for the vesting*

of assets and liabilities which shall be initially required for the successor companies to commence operations;

*(b) a **final transfer plan** which shall be prepared not later than one years from the appointed date and shall be approved by the Cabinet of Ministers and immediately thereafter, be published in the Gazette. The final transfer plan shall after Gazetting be deemed to comprise the process of implementation of all remaining matters required to complete the restructuring of the Electricity Industry;*

In terms of Section 18(2), the preliminary transfer plan must be approved by the Cabinet of Ministers and be published in the Gazette on the day after the appointed date, and the final transfer plan must be prepared not later than one year from the appointed date. It is evident that the Act only mandate the initial stage of the transfer plan, which is the preliminary transfer plan to be published on the day preceding the appointed date, which has not yet been published by the Minister of Energy. The Petitioners argue that the transfer plan must contain the proposed assignation in the successor company as specified by Section 18(3)(f) of the Act. Section 18(3)(f) reads thus,

The transfer plan prepared under subsection (1) shall -

(f) ensure that all officers and servants of the Ceylon Electricity Board holding office in the Ceylon Electricity Board on the day preceding the appointed date shall be -

- (i) *duly identified by the Ceylon Electricity Board;*
- (ii) *be **notified by the Ceylon Electricity Board** of their proposed assignment to the respective successor companies **within fourteen months of this section comes into operation**; and*
- (iii) *be **required to notify the Ceylon Electricity Board within two months of the receipt of the notice referred to in subparagraph (ii)**, whether they opt to be assigned to such respective successor companies or not, and shall with effect from the date succeeding the appointed date shall be assigned to such successor companies under the preliminary transfer plan on terms and conditions not less favourable than those enjoyed by them on the day preceding the appointed date under their contract of employment with the Ceylon Electricity Board. Where an employee does not opt to be assigned to a successor company, such employee shall be entitled to a voluntary retirement scheme and the terms and conditions of such scheme shall be & prescribed within four months of this section comes into operation;*

In terms of part (ii) of Section 18(3)(f), the employees of CEB must be notified of their proposed assignment within fourteen months from the date on which Section 18 comes into operation. In terms of Section 1(3) of the Act, Section 18 comes into operation on the date it becomes an Act of Parliament. Therefore, the 14-month time frame is from 27.06.2024 to 27.08.2025. The assignment letters marked as P22 to P25 received by the

2nd to 5th Petitioners are dated 25.08.2025. These letters are titled “Notice of Proposed assignment to the successor company”. Therefore, it is evident that the CEB has notified its employees of their proposed assignment to the successor company, adhering to the 14-month time frame under part (ii) of Section 18(3)(f) of the Act. Section 18(3)(f) only requires the CEB to ‘notify’ its employees of their ‘proposed assignment’. It does not state that CEB is required to provide additional information as to their job role, duties, place of work, career progression and promotion pathways in the successor companies. Section 18(3)(f) itself provides that the new assignment will be “on terms and conditions not less favourable than those enjoyed by them on the day preceding the appointed date under their contract of employment with the Ceylon Electricity Board”. Furthermore, in terms of Section 51(b) of the Act, the promotion schemes, codes of conduct and the disciplinary codes of the CEB as long as they are not inconsistent with any provisions of the Act will continue to apply to the employees of CEB who have opted to continue in the service of the successor companies until new promotion schemes, codes of conduct and disciplinary codes are adopted by the successor companies. This has been conveyed to the Petitioners by the Director General, Power Sector Reforms Secretariat, by the letter dated 25.08.2025 marked as P14, in reply to certain concerns raised by the Petitioners regarding the proposed assignments. Therefore, this Court see no reason why such additional information as argued by the Petitioners should be included in the letters marked as P22 to P25.

The Petitioners argued that it is arbitrary and unreasonable to demand that they should reply to the assignment letters within 2 months from the receipt of such letters. However, this Court is of the view that part (iii) of Section 18(3)(f) has specifically stated that the employees of the CEB are required to notify the CEB, whether they accept the proposed assignment or not. Therefore, this Court is not inclined to accept the argument of the Petitioners that the 2 months' time limit to respond to the proposed assignment letters is arbitrary and unreasonable. It is the view of this Court that the letters marked as P22 to P25 have been issued in compliance with Section 18(3)(f) of the Act, and as stated above, even the preliminary transfer plan is to be published on the day preceding the appointed date. Under such circumstances, this Court is of the view that the transfer plan is not required to be published prior to notifying the employees of the CEB of their proposed assignment in the successor companies.

Secondly, this Court will look into the second argument of the Petitioners that the VRS marked as P21 has been published in terms of Section 50 of the Act, which is not yet in operation, and therefore it is illegal and *ultra vires* the Act. The position of the learned DSG appearing for the Respondents is that the Minister has made a technical error when publishing P21 under Section 50. However, P21 is the terms and conditions of the VRS, which should be prescribed in terms of Section 18(3)(f) of the Act, and there is no requirement that such terms and conditions should be published.

The latter part of Section 18(3)(f) states that,

*Where an employee does not opt to be assigned to a successor company, such employee shall be entitled to a voluntary retirement scheme and the **terms and conditions of such scheme shall be & prescribed within four months of this section comes into operation;***

As correctly pointed out by the learned DSG, the Act does not require the terms and conditions of the VRS to be published. In the Gazette marked P21, it states that the Minister of Energy has published it in exercising his powers under Section 50 of the Act, read with Section 18(3)(f). P21 has been titled as the ‘Sri Lanka Energy Electricity (terms and conditions of the voluntary retirement scheme) Regulations of 2025’. In terms of Section 1(2) of the Act, Section 50 comes into operation on the appointed date. Both parties admit that Section 50 has not yet come into operation. However, the position of the learned DSG is that there is no requirement to publish the terms and conditions of the voluntary retirement scheme, and the Minister had made a technical error. This Court is in agreement with the position of the learned DSG. The grievance of the Petitioners is that not stipulating a specific time period for which the compensation will be paid and the absence of a transfer plan are preventing them from taking an informed decision as to whether they should accept the proposed assignment or opt for the VRS. Even though the VRS marked P21 does not stipulate a time period within which the compensation due to the employees of CEB who opt for the VRS to be paid, it has nonetheless clearly laid down the criteria that should be adopted in calculating the compensation offered to them. Accordingly, the absence of an express

provision as to the period of payment does not, by itself, render the scheme defective, and this Court is of the view that the reference to the non-operative section is not fatal in this Application as no prejudice will be caused to the Petitioners by such error.

Furthermore, this Court is also of the view that this Order should not be a bar for the Petitioners or any person aggrieved by the Gazette notification marked as P21 from challenging it before a court of law.

Considering all the above-stated facts and circumstances, this Court is of the view that the Petitioners are not entitled to the reliefs prayed by them in the Petition of this Application. Therefore, this Court refuses to issue formal notices on the Respondents. Application is dismissed *in limine*. No costs ordered.

Application dismissed.

JUDGE OF THE COURT OF APPEAL

Dr. D. F. H. Gunawardhana, J.

I agree.

JUDGE OF THE COURT OF APPEAL