

Lakson Tobacco employees' services terminated

KARACHI (April 04 2008): The Lakson Tobacco Company Limited (LTCL), which has been defunct since December 27 riots, has eventually terminated the services of its employees with immediate effect.

The company staffers would, however, be paid a one-month salary in lieu of notice and they would stand relieved from the service with immediate effect, said the LTCL in a notice to the Securities and Exchange Commission of Pakistan (SECP) and all three bourses on Thursday. According to the notice, the incident of riots and civil commotion, which took place in Karachi from December 27 to 29, 2007, had resulted in significant losses and damages to the Company's assets both human and property.

During the riots, the unknown armed miscreants had forcibly and criminally entered the factory premises located at Korangi Industrial Area, Karachi, and left certain personnel injured and the valuables looted, it said.

The miscreants also caused severe damage and destruction to the factory (including but not limited to the stock, machinery, equipment and goods etc). In this regard, the notice said an FIR had been lodged with the Korangi Police Station on January 1, 2008.

In view of the aforesaid destruction of the factory resulting from fire, stoppage of power and civil commotion/riots there has been a stoppage of work/closure of the factory/establishment since December 27, 2007, the notice revealed.

The company has notified all concerned that it is not in a position to resume its manufacturing operations which requires a significant investment for installing new plant, machinery, equipment and incurring costs relating to the civil works.

"Consequently, all workers of the company employed with respect to the factory (who have been rendered surplus due to the aforesaid incidents) are hereby laid off/retrenched as per provisions of Standing Orders 11 and 11-A of the West Pakistan Industrial and Commercial Employment Ordinance 1968," said the notice.

The company as a gesture of goodwill would offer an ex-gratia payment in addition to the legal dues to the affected workers after completing the necessary clearance formalities, latest by April 15, 2008, it added. After the deadline no one would be entitled to the ex-gratia payment except those with legal dues as permissible under the law, it maintained.

Courtesy Business Recorder

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