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4 JANUARY 2019

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**Responsibility and Accountability of Senior Management**

*Panut bin Padri v Padiberas Nasional Berhad*  
(Industrial Court Award No 3085 of 2018)

| by Shariffullah Abdul Majeed and Rahul Thomas Dennis |

The claimants were employed as the “Head of BBC Central Region”, the “Operating Manager for Central Region” and the “Head of Programme Rakan Ladang”. The claimants held senior positions of trust in the Company to manage the “Kilang Beras Bernas” (KBB), which was under their supervision.

Under the “Buku Peraturan dan Prosedur Tatatertib Padiberas Nasional Berhad Edisi III Tahun 2002”, it was serious misconduct when the claimants failed to supervise and monitor the production operation of low-grade rice. This led to losses of paddy stock by 10.36%, which was beyond the allowable 2% as 806 mt of rice had been removed from the premise without authorisation.

They tried to negate the fault by blaming the subordinate and using the distance between one KBB Plant and another as an excuse for their failure to monitor the KBB Plants effectively.

The Industrial Court dismissed their claim for unlawful dismissal and held that:

- (a) By being placed in a senior position, it was undoubtedly their duty and responsibility to supervise and monitor the operation of low-grade rice in KBB Sungai Besar;
- (b) By being placed in a senior position, it was the responsibility of the claimants to supervise and monitor all the staff who were involved in the said operation; and
- (c) Their misconduct had breached the trust and confidence of the Company and thus deserved the punishment of dismissal.

The Company was represented by partner Shariffullah Abdul Majeed of [Lee Hishammuddin Allen & Gledhill](#).

The Industrial Court award may be viewed [here](#).

**Shariffullah Abdul Majeed** and **Rahul Thomas Dennis** (Pupil-in-Chambers)

If you have any queries, please contact team partner [Shariffullah Abdul Majeed](#) ([sha@lh-ag.com](mailto:sha@lh-ag.com)).

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Published by the Employment Practice Group

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