

BY COURIER

8<sup>th</sup> May 2007

Hon. Karu Jayasuriya, M.P.,  
Former Deputy Leader, UNP / Leader UNP Alternate Group  
2, Amarasekere Mawatha,  
Colombo 5.


Dear Karu,

Trust you received my Letter of 7.5.2007.

I meant to forward the enclosed 2 Letters, which I had forwarded to the "*Clean Hands*" Organisation after seeing the news report of 29.3.2007 attributed to you – "Politicians should protect dignity of public servants". The reality has been otherwise. The politicians must cleanse their stables first without any compromise !

The reality is that the 1972 and 1978 Constitutions and the politicians have completely mismanaged and ruined our country, amply demonstrated by the advanced development of Singapore, which was well behind our country, at the time of independence !

Yours truly,



Nihal Sri Ameresekere

BY COURIER

7<sup>th</sup> May 2007

Hon. Karu Jayasuriya, M.P.,  
Former Deputy Leader, UNP / Leader UNP Alternate Group  
2, Amarasekera Mawatha,  
Colombo 5.

Dear Karu,

I enclose for kind information copy of my Letter of 4.5.2007 forwarded to Mr. Ranil Wickremesinghe M.P., Leader, UNP.

I particularly draw your kind attention to paragraph 2 of the said Letter *vis-à-vis* the impartial stance and action taken by Late Minister Ranjan Wijeratne, then General Secretary, UNP. I believe you are aware that Mr. Ranjan Wijeratne was a very close relation of Late Prime Minister D.S. Senanayake, whom, according to my understanding, you *revere* very much.

As the then Deputy Leader, UNP you could not do anything about this deplorable matter ! I urge you, at least now, irrespective of whether the persons concerned are political friends or foe, to take a firm stance and action *vis-à-vis* fraud and corruption of national economic proportions, to prosecute miscreants, *who act regardless of national and public interest, impoverishing the poor, thereby causing grave social injustice, leading to social calamity and insurrection.*

Yours truly,



Nihal Sri Ameresekere

**BY COURIER**

4<sup>th</sup> May 2007

Mr. Ranil Wickremesinghe, M.P.  
Leader, United National Party,  
115, 5th Lane,  
Colombo 3.

Dear Ranil,

In the context of your own actions, morefully set out herein, I am indeed amazed at your questioning in the public domain, the 'suitability' of Mr. Gotabaya Rajapakse, to function as the Secretary, Ministry of Defence, *vis-à-vis*, his expertised competence therefor, which, however, I am not competent to comment on !

Nevertheless, such stance taken by you, compels me to cite in comparison, the appointments made by you of Mr. K.N. Choksy P.C., M.P., as the Minister of Finance and Mr. R. Paskaralingam, as Advisor to you as the Prime Minister, during the period December 2001 to April 2004, in the very teeth of the following facts set out briefly, *well and truly known to you !*

1. In the action I instituted *vis-à-vis* the Hilton Hotel, wherein, amongst others, Mr. K.N. Choksy P.C., M.P. was a Defendant, the District Court issued interim injunctions preventing any payments, even under the Government Guarantees, *inter-alia*, observing that *they were issued to prevent the devious siphoning out of a large scale of foreign exchange from the country, and that persons, who had gained influence in society, exercising such influence.* (this particularly referred to Mr. K.N. Choksy P.C., M.P.) *had prevented the raising of questions, whereas generally a company would raise questions and would not allow other parties to act arbitrarily; and if the position set out is correct, then this is actually an instance of acting in fraudulent collusion.* The Plaint was settled by Late Mr. P. Navaratnarajah Q.C., a respected and reputed Lawyer, who had consistently appeared for the UNP, and Mr. K. Kanag-Isvaran P.C. The Hon. Attorney General, in the interest of the country, did not oppose my action.
2. I instituted the said action, only after having had the concurrence of Late State Minister for Defence, Ranjan Wijeratne, then Secretary General of UNP. Regardless of the fact that Mr. K.N. Choksy P.C., M.P. was impleaded, Minister Ranjan Wijeratne, *upholding the 'rule of law' impartially*, raised this matter in Cabinet, resulting in Late President R. Premadasa directing Late Mr. C. Gunasingham, his Economic Advisor, to examine the matter. Consequently, as directed by Late President R. Premadasa, his Secretary, Mr. K.H.J. Wijayadasa required Mr. R. Paskaralingam, then Secretary, Ministry of Finance to take warranted action on behalf of the Government. Intriguingly, Mr. R. Paskaralingam did not take such action ! *In fact, you commended me on my action, stressing its importance in view of the then depleted foreign reserves of the country !*
3. Consequently, the Supreme Court affirmed the interim injunctions, *inter-alia*, observing that *I had a reasonable and real prospect of success, and not fanciful, even in the light of the defences raised in the pleadings, objections and submissions of the Defendants, and that in the given circumstances, the Government could not be indifferent, having made itself eventually responsible, as Guarantor, for the re-payment of monies borrowed.* This landmark Supreme Court Judgment was reported in the Commonwealth Commercial Law Reports.
4. Subsequently, a Special Presidential Commission, comprising a Supreme Court Judge and 2 Judges of the Court of Appeal, was appointed to investigate, *among other matters*, into this. The Commission was assisted by the CID and the Hon. Attorney General. After recording evidence of 24 Witnesses, including Officials of the Ministry of Finance, UDA, Ceylon Tourist Board, Colombo Municipal Council, Ceylon Electricity Board, Fire Brigade and Fort Police, and after having obtained a Report from a Panel of 3 Chartered Architects, the Commission issued Show Cause Notices on Mr. K.N. Choksy P.C. M.P., Mr. R. Paskaralingam and 2 others, setting out several charges against them, framed by the Hon. Attorney General, on the following grounds:

"The aforesaid acts of commission and/or omission on your part were fraudulent and were detrimental to the interests of the said Company and/or the Government of Sri Lanka, in its capacity as the major Shareholder, causing financial loss and damage to the said Company and/or the Government of Sri Lanka"

"Having regard to the matters set out hereinabove, you are hereby required to show cause as to why you should not be found guilty of misuse or abuse of power and/or corruption and/or commission of fraudulent acts in terms of Section 9 of the Special Presidential Commission of Inquiry Law No. 7 of 1978, as amended "

5. Thereafter, the Commission discovered irrefutable evidence of criminality, subsequently conceded by the UDA to be so. With one of the Commissioners falling critically ill, the Inquiry was not concluded, and the Warrant of the Commission expired.
6. Consequently, the Hon. Attorney General having advised to investigate, the CID recorded my Statement / Complaint, as far back as March 2004.
7. In addition, I complained to the CID *vis-à-vis* the Offence of 'aiding and abetting' i.e. 'attempting' to commit an offence, in terms of Section 10 of the Offences Against Public Property Act No. 12 of 1982, by Mr. K.N. Choksy P.C. M.P., Mr. R. Paskaralingam, *et al.* In this instance, the attempt to fraudulently somehow cause the payment of a large scale of foreign exchange from the Government, *under Government Guarantees*, including by cheating, forgery, false certification of records and accounts, etc.

I quote Section 10 of Offences Against Public Property Act No. 12 of 1982 -

- "10. Any person who attempts to commit an offence punishable under this Act, or to cause such an offence to be committed, and in such attempt does any act towards the commission of the offence, shall be punished with such imprisonment of either description as is provided for the offence and with such fine, as is provided for the offence."

I am advised that the offence of 'aiding and abetting' stands on its own, even if the principal act attempted had not been committed / prevented from being committed.

Mr. K.N. Choksy P.C. M.P., acted as aforesaid, whilst being a Member of Parliament, thereby knowingly disqualifying himself, as adjudicated in another case by the Superior Courts, to have been a Member of Parliament in terms of Article 91 (1) (e) of the Constitution, attracting penalty imposed by Article 100 of the Constitution.

8. My action resulted in considerable write-offs and prevented the payment by the Government, *under Government Guarantees*, a sum of Jap. Yen 17,586 Mn., (then equivalent to US \$ 207 Mn. Sri Lanka Rs. 10,200 Mn., and at 12.5% interest, now equivalent to over Rs. 40,400 Mn. !)
9. Mr. K.N. Choksy P.C. M.P. having prevented an independent physical examination, *thereafter notwithstanding my objections with reasons given therefor as a professional Accountant*, questionably endorsed in writing that the entire payment be made *under the Government Guarantees*, and subsequently futilely attempted to jeopardise my action, resorting to misuse and abuse of political power, including attempting to bring upon undue influences and pressures even on the Hon. Attorney General, who without status, acting at the behest of the Mr. K.N. Choksy P.C. M.P. and Mr. R. Paskaralingam attempted to oppose my action in the Superior Courts, *having not opposed in the District Court !* Undue influences and pressures were brought to bear on me through President D.B. Wijetunga, and even on my professional assignments on World Bank and USAID funded Government projects, with intent to stymie and stifle my action, which was in the interest of the country !

10. Whilst as a civic and constitutional duty (*vide – Article 28 of the Constitution, which you are under oath to uphold*) to protect, and combat the misuse and waste of public property, in this instance, a large scale of Government monies in foreign exchange, I instituted civil action, you would no doubt agree, that it is the obligation and duty of the State to take prompt and effective criminal action, regardless of the personalities concerned and/or any socio-political considerations ! Then Minister of Justice reiterated in public the Government's commitment that punitive action will be taken by the legal machinery against the offenders, in combating the pillage and plunder of public resources in this instant case ! Subsequently, he informed Parliament that show cause notices on fraudulent and detrimental acts to the interest of the Government had been served by the Special Presidential Commission on several persons, as aforesaid, and that the matter is proceeding !

The importance of dealing with the scourge of the cancerous menace of corruption was amply borne out by the statements articulated in Parliament by the then Minister of Justice in presenting anti-corruption legislation in October 1994 – *"Apart from the financial implications, there is also the question of an overweening sense of cynicism, discerning discriminating thinking people in our country have expressed profound dissatisfaction with the extent to which corruption and bribery have taken root in our country. If this spirit of cynicism is not addressed there is definite danger to the stability and tranquillity of political and social institution in our country. That is why the Government was convinced that there should be a vigorous response to the issues of bribery and corruption."*

You, in October 1994, as the then Leader of the Opposition, in supporting such anti-corruption legislation in unambiguous terms stated in Parliament thus – *"In fact, the whole question of bribery and corruption raises many fundamental questions in a democratic society. We have all got to recognize that corruption is a cancer of democracy, as one of the biggest problems that we face, when elected representatives and officials of the Government, who are also public servants – when their decisions are effected not by matters of political consideration, but by pecuniary gains and financial gains"*.

Notwithstanding the foregoing facts, *which you were well and truly aware of*, you, yourself, casting aside the very same question of 'suitability', in the Government formed in December 2001, having appointed Mr. K.N. Choksy P.C., M.P. as Minister of Finance and Mr. R. Paskaralingam (*who had 'self exiled' himself from the country !*), as the Advisor to you as the Prime Minister, nevertheless ironically, you now castigatingly raise the questions of 'suitability' *vis-à-vis* the Secretary, Ministry of Defence ! I believe you so appointed Mr. K.N. Choksy P.C., M.P. and Mr. R. Paskaralingam to 'shield' and afford them refuge under political power and status, to thwart the enforcement of the law against them ! With conniving Ministers and some who held public office, were not the resultant consequences of such appointments, as set out below, disastrous ?

- i) The mooring and enactment of a perverse 'Amnesty' presented by Finance Minister K.N. Choksy P.C., M.P., in the 'guise' of a purported 'Tax Amnesty', which condoned anti-social activities, such as smuggling, distilling illicit brew, boot-legging, dealing in narcotics, drug peddling, human trafficking, money laundering, gun running and facilitated terrorism financing, etc., and which was denounced by the Supreme Court, as antithetic to the 'rule of law' and violative of the International Covenant on Civil and Political Rights, and that it had defrauded public revenue causing extensive loss to the State, estimated then at about Rs. 200,000,000,000; *compelling its repeal !*
- ii) As investigated and reported by COPE to Parliament, the following dubious major transactions, causing extensive loss to the State i.e the public, reckoned to be over Rs. 25,000,000,000, warranting action in terms of the Offences Against Public Property Act No. 12 of 1982 and the Bribery & Corruption laws;
  - a) Divestiture of Government Shareholding in Sri Lanka Insurance Corporation Ltd., by a Tender Board not approved by the Cabinet, to 2 parties (*one party unknown overseas party, not in existence previously*) not evaluated, selected and approved by the Cabinet through due process, that too on an '*indicative business valuation*', without taking into reckoning the market valuations of valuable large extents of freehold property in the Colombo city and in outstation cities, and on the basis of surreptitiously adjusted Accounts impacting adversely on consideration to the Government; and which transaction stands non-concluded !

- b) Divestiture of Government Shareholding in Lanka Marine Services Ltd., without Cabinet Approval, to a pre-selected party, without competitive bids and without taking into reckoning a valuable large extent of Land in the Colombo city, on the basis of a 'business valuation', which too, had not taken into reckoning the unapproved grant of a 'monopoly' contrary to law and other concessions, which had been denied to the other parties, who sought qualification.
- c) Divestiture of Government Shareholding in one segment of the petroleum retail marketing sector, (LIOC), to a 'pre-selected' party, without any competitive 'bids', whatsoever, having been called for, on a dubious 'pricing formula' affording unjustifiable profits by way of Government subsidies, that too, with the right to enter other segments of the retail network, without taking into reckoning the cognisable valuation that had been placed on such a 'right'.

The *Daily Mirror* of 23.4.2007 and 28.4.2007 attributed statements to Mr. K.N. Choksy P.C. M.P., *opposing even before being made known*, the Government's main constituent party's proposals for discussion, *vis-à-vis* the national crisis ! *I have no recollection, whatsoever, of him having taken any such public stance on the LTTE's ISGA Proposals !* Though professing to be a constitutional expert, the *perverse* 'Amnesty' presented by him was determined by the Supreme Court to be unconstitutional, violative of fundamental rights and a fraud on the public, *resulting in its repeal !*

In his aforesaid statements, he has, *inter-alia*, stated that even the President ought to be subject to the laws of the country; *quite rightly so !* Therefore, in like manner, ought not Mr. K.N. Choksy P.C., M.P., himself, to be subject to the laws of country, *whereas did he not intercede, intriguingly with the 'aid' of another, and 'plea bargain' with the former President, not to pursue the aforesaid prosecution against him, on the 'make believe', that the proposed draft Constitution of 2000 would be supported, thereafter displaying active co-operation in that behalf; whereas you caused it to be 'put on fire' ?*

Inasmuch as you have questioned the 'suitability' of Mr. Gotabaya Rajapakse, to be Secretary, Ministry of Defence, and mooted his removal, ought you not therefore, to give credibility and credence to your such stance, even at this very belated stage, *more so particularly as a Vice Chairman of the International Democrat Union*, expel forthwith Mr. K.N. Choksy P.C., M.P. from the UNP and remove him as an appointed Member of Parliament, and request the IGP and CID to strictly enforce the 'rule of law', against Mr. K.N. Choksy P.C., M.P. and Mr. R. Paskaralingam, *et al*, *without any fear or favour* on charges framed by the Hon. Attorney General made against them by the Special Presidential Commission, including on losses attempted to be caused and/or caused to the Government ? *If not, why ?*

I was indeed appalled at Mr. K.N. Choksy P.C., M.P. consistently and sustainedly opposing, *to the detriment of the interests of the country*, my actions in the very interests of the country as aforesaid, *even endeavouring to cause me harm*, whereas, as a Member of Parliament, ought he not have upheld the national and public interest uppermost ? *Nevertheless, how could one have expected 'patriotism', or chastised for 'traitorousness' ?*

Yours truly,



Nihal Sri Ameresekere

**BY COURIER**

29<sup>th</sup> January 2007

Hon. Karu Jayasuriya, M.P.,  
2, Amarasekera Mawatha,  
Colombo 5.

Dear Karu,

My very best wishes upon your assuming Office, as the Minister of Public Administration & Home Affairs.

It was faith and destiny that my Letter to you in the national and public interest came to be in the public domain on the very day you took oaths as a Minister ! No offence, by any means, was meant by my Letter. It was an act in the public interest.

People have a very high level of expectation from you to uphold the norms prevalent in a civilised democracy, which necessarily means the strict enforcement of the 'rule of law', irrespective of the socio-political status of the personalities concerned. Even the 4 Mahanayakes by their recent Letter endorsed publicly their confidence in you, which you are bound to courageously live up to.

It is a socio-political reality in our country that the enforcement of the 'rule of law' gets stifled and stultified, as a consequence of shielding through political patronage, which is a bane in our society !

I urge you to ensure, that warranted action is caused to be taken against the powerful and affluent, than against the hapless minions, be they be your colleagues or otherwise - *vide* my Letter of 22.9.2006 re - my Letter of 24.8.2006, *caused to be tabled in Parliament*, my Letter of 13.10.2006 responded by your Letter of 16.10.2006 and my Letter of 8.1.2007 responded by your Letter of 17.1.2007.

Yours truly,



Nihal Sri Ameresekere

**BY COURIER**

24<sup>th</sup> January 2007

Hon. Karu Jayasuriya, M.P.,  
2, Amarasekere Mawatha,  
Colombo 5.

Dear Karu,

**Issues pertaining to the Sale of 90% Shares of  
Lanka Marine Services (Pvt) Ltd. (LMSL) to John Keells Holdings Ltd.**

I was indeed appalled to read in the *Sunday Times* article of 21.1.2007 under the caption - **"Shocking plunder of public funds – massive fraud in privatisation of Insurance Corporation and Lanka Marine Services ..."** and under the sub-caption - **"Karu puts it on CBK, Milinda missing"**, that you had put the entire responsibility for handling the Lanka Marine Services Ltd., deal on the former President Chandrika Kumaratunga. You have been explicitly quoted - **"It was handled by President Kumaratunga and PERC. I had no responsibility after it was handed over to PERC"**. I read this with sheer disbelief !

By my Letter of 8.1.2007 to you, forwarding copy of my Letter of 5.1.2007 to Hon. Wijeyadasa Rajapakse P.C., M.P., on the above subject (*copy attached*), I specifically stated as follows:

"You, as then Minister of Power & Energy, had forwarded the Cabinet Paper on 21.6.2002 and approval therefor had been confirmed and forwarded by Secretary to the Cabinet on 21.8.2002.

I am sure you will agree, that no action, whatsoever, could have been taken on the subject matter, until after notification of Cabinet Approval on 21.8.2002. I verily believe that you have not been aware of what had taken place, as disclosed in my Letter !

Furthermore, the question of appointment of a TEC and the absence of a CATB, and the questionable ramifications of this transaction, causing a huge loss to the Government, I am sure, ought to be of concern to you, inasmuch as the Cabinet Paper is under your hand. PERC, however, came under then Minister of Economic Reforms, your colleague, Hon. Milinda Moragoda, M.P.

Given your commitment on good governance, and in the given facts and circumstances, it is incumbent on your part to ensure that proper action is taken and the miscreants dealt with in terms of the law and the huge loss to the Government i.e. the people, is recouped; *giving leadership to the troubleshooting yourself in the given facts and circumstances.*"

By your reply of 17.1.2007 under the above caption you stated - **"I have to acknowledge the receipt of your Letter dated 8<sup>th</sup> January 2007 and to thank you for keeping us informed"**

In the foregoing context, it is beyond comprehension, as to how you could have thereafter made the aforesaid statement to the *Sunday Times*, when confronted with the Lanka Marine Services divestiture 'deal'.

I quote below the following paragraph from my Letter of 5.1.2007 to Chairman, COPE.

"The President on 7.8.2002 had made the following observations, requiring that the matter be deferred at least for two weeks;

'I observe that the proposals in the Memorandum envisaged the privatisation of a major asset of the Government and the transaction involves a minimum of Rs. 1.2 billion. In addition, they have implications on the operation of several other state sector institutions, including the Ceylon Petroleum Corporation. I would like to consider all these matters and make my observations on the proposals contained in this Memorandum'

The above has been the observations made by former President Chandrika Kumaratunga on your Cabinet Memorandum of 21.6.2002, which I am sure you would recall.

Inasmuch as, I forwarded a Letter to you on 8.1.2007, similarly I forwarded a Letter on 9.1.2007 to former President Chandrika Kumaratunga on the same subject (*copy attached*). I quote the following paragraphs therefrom;

"Even before approval by Cabinet, confirmed and notified by the Secretary to the Cabinet on 21.8.2002, the questionable award had been made to John Keells Holdings Ltd., on 12.7.2002, and a 'monopoly clause' surreptitiously included on 2.8.2002 violating Government policy and Cabinet Decision, causing a loss to the Government; with the Agreements being signed on 20.8.2002. The DFCC Bank, who questionably had been exclusively appointed, has now reneged on its early valuation of Rs. 1,200,000,000/-, and has reported a 'business valuation' of Rs. 2,400,000,000/- in the context of the 'monopoly' afforded to LMSL; *which monopoly the Appeal Court in August 2005 held as unlawful.*

Nevertheless, your signature had been obtained on an Instrument of Grant on 19.1.2005 to transfer 8A 2R 21.44P Government Land to LMSL, on the false stated representation that Rs.1,199,362,500/- as having been received by the Government, and as having been paid by LMSL, *whereas no such payment had been received or paid.* This has been notwithstanding then Secretary, Ministry of Lands having previously confirmed that you as then President had approved the transfer of this Land, *only upon the recovery of the purchase consideration, which warrants action on your part.*

The Land transfer, unknown to PERC, apparently had been initiated in November 2004 with the President's Office, by then Secretary, Ministry of Power & Energy, Mr. P. Weerahendi, who I have reason to believe would have so acted at the behest of Secretary to the Treasury, Dr. P.B. Jayasundera, inasmuch as he had previously required me, as then Chairman PERC, to initiate the transfer of this Land, which I did not take action upon, *since I questioned the absence of a valuation from the Chief Valuer for this Government Land.*"

I am compelled to believe that the foregoing *faux pas* on your part, would have been as a result of the stress and strain of political turbulence, you are at present confronted with. I trust you would correct the erroneous and misleading statement.

**In the national and public interest, regardless of whether political friend or foe, you ought to take the warranted stance on this matter, upholding the policy of good governance you advocate, integral part of which is the combat of fraud and corruption.**

Yours truly,



Nihal Sri Ameresekere

cc: Hon. Wijeyadasa Rajapakshe P.C., M.P.  
Chairman, COPE

BY COURIER

8<sup>th</sup> January 2007

Hon. Karu Jayasuriya, M.P.,  
2, Amarasekere Mawatha,  
Colombo 5.

Dear Karu,

**Issues pertaining to the Sale of 90% Shares of  
Lanka Marine Services (Pvt) Ltd. (LMSL) to John Keells Holdings Ltd.**

Attached is a copy of a Letter I addressed to Chairman, COPE on the above subject, the contents of which I draw your kind attention to.

You, as then Minister of Power & Energy, had forwarded the Cabinet Paper on 21.6.2002 and approval thereof had been confirmed and forwarded by Secretary to the Cabinet on 21.8.2002 (*Copies annexed*).

I am sure you will agree, that no action, whatsoever, could have been taken on the subject matter, until after notification of Cabinet Approval on 21.8.2002. I verily believe that you have not been aware of what had taken place, as disclosed in my Letter !

Furthermore, the question of appointment of a TEC and the absence of a CATB, and the questionable ramifications of this transaction, causing a huge loss to the Government, I am sure, ought to be of concern to you, inasmuch as the Cabinet Paper is under your hand. PERC, however, came under then Minister of Economic Reforms, your colleague, Hon. Milinda Moragoda, M.P.

Given your commitment on good governance, and in the given facts and circumstances, it is incumbent on your part to ensure that proper action is taken and the miscreants dealt with in terms of the law and the huge loss to the Government i.e. the people, is recouped; *giving leadership to the troubleshooting yourself in the given facts and circumstances.*

Yours truly,



Nihal Sri Ameresekere



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பாராளுமன்றம்  
PARLIAMENT

73/28,  
Temple Road  
Kirulapone Mawatha  
Colombo 5  
17<sup>th</sup> January 2007  
Tel: 2512361

Mr Nihal Sri Ameresekere  
Business & Management Consultant  
167/4, Sri Vipulasena Mawatha  
Colombo

Dear Nihal

**Issues pertaining to the Sale of 90% Shares of  
Lanka Marine Services (Pvt) Ltd. (LMSL) to John Keels Holdings Ltd.**

I have to acknowledge the receipt of your letter dated 8<sup>th</sup> January 2007 and to thank you for keeping us informed.

Yours sincerely

  
Karu Jayasuriya MP

BY HAND

9<sup>th</sup> January 2007

President Chandrika Bandaranaike Kumaratunga  
No. 27, Independence Avenue  
Colombo 7.

Dear Madam,

I enclose for your kind information, copy of my Letter of 5.1.2007 forwarded, at his request, to Hon. Wijeyadasa Rajapakshe P.C., M.P., Chairman, COPE, on the issues pertaining to the Sale of 90% Shares of Lanka Marine Services (Pvt) Ltd., (LMSL) to John Keells Holdings Ltd., for a consideration of Rs. 1,200,000,000/-. You, as then President, by Note to Cabinet dated 7.8.2002, due to several implications, had opposed this divestiture.

Even before approval by Cabinet, confirmed and notified by the Secretary to the Cabinet on 21.8.2002, the questionable award had been made to John Keells Holdings Ltd., on 12.7.2002, and a 'monopoly clause' surreptitiously included on 2.8.2002 violating Government policy and Cabinet Decision, causing a loss to the Government; with the Agreements being signed on 20.8.2002. The DFCC Bank, who questionably had been exclusively appointed, has now reneged on its early valuation of Rs. 1,200,000,000/-, and has reported a 'business valuation' of Rs. 2,400,000,000/- in the context of the 'monopoly' afforded to LMSL; *which monopoly the Appeal Court in August 2005 held as unlawful.*

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The Land transfer, unknown to PERC, apparently had been initiated in November 2004 with the President's Office, by then Secretary, Ministry of Power & Energy, Mr. P. Weerahendi, who I have reason to believe would have so acted at the behest of Secretary to the Treasury, Dr. P.B. Jayasundera, inasmuch as he had previously required me, as then Chairman PERC, to initiate the transfer of this Land, which I did not take action upon, *since I questioned the absence of a valuation from the Chief Valuer for this Government Land.*

Yours sincerely,



Nihal Sri Amereskere

23 JAN 2007



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பாராளுமன்றம்  
PARLIAMENT

73/28,  
Temple Road  
Kirulapone Mawatha  
Colombo 5  
17<sup>th</sup> January 2007  
Tel: 2512361

Mr Nihal Sri Ameresekere  
Business & Management Consultant  
167/4, Sri Vipulasena Mawatha  
Colombo

Dear Nihal

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Yours sincerely

  
Karu Jayasuriya MP

**BY COURIER**

8<sup>th</sup> January 2007

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2, Amarasekere Mawatha,  
Colombo 5.

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Yours truly,



Nihal Sri Ameresekere

20 OCT 2006



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பாராளுமன்றம்  
PARLIAMENT

No.30,  
Sir Marcus Fernando Mawatha  
Colombo 7  
Tel: 2689468  
16<sup>th</sup> October 2006

Mr Nihal Sri Ameresekera F.C.A. F.C.M.A.  
Business & Management Consultant  
167/4, Sri Vipulasena Mawatha  
Colombo


Dear Nihal

**Criminal Prosecution against Mr K N Choksy P.C. M.P.  
& Mr R Paskaralingam & Others**

Thank you for your letter dated the 13<sup>th</sup> inst. and for the kind sentiments expressed and also the interest shown in the country's future. I am indeed encouraged by your comments.

I also thank you for the enclosures which I have read with interest.

Warm regards.  
Yours sincerely

  
Karu Jayasuriya MP  
Deputy Leader of the UNP

BY COURIER

13<sup>th</sup> October 2006

Mr. Karu Jayasuriya, M.P.,  
Deputy Leader,  
United National Party,  
2, Amarasekera Mawatha,  
Colombo 5.

Dear Karu,

**Criminal Prosecution against Mr. K.N. Choksy P.C., M.P.  
& Mr. R. Paskaralingam & Others**

I write pursuant to the telephone conversation had. It is indeed heartening to note, that eventhough belatedly, you are endeavouring to give effect to the 'pronouncement' you once made to the Nation, after having paid respects to the late Mahanayake of the Malwatta Chapter, of your commitment to usher in a 'national consensus' above partisan politics, on certain specific issues, in the national and public interest.

I note that the much 'pontificated' issue of 'governance' has also been identified as an issue of national importance. Hitherto not even 'lip service' was paid thereto ! It was flagrantly and blatantly flouted with impunity ! I sincerely hope that such malady would be arrested and that the bi-partisan consensus would not lead to the phenomenon 'rogues colluding to jointly further pillage and plunder the resources of the people held in trust', impoverishing the people, leading to poverty, social injustice and unrest.

In the foregoing context, I enclose my Letter of even date forwarded to the new IGP, together with the attachments thereto. *The contents are explicitly self-explanatory !*

I trust that you would have the courage to ensure, that 'holders' of 'high political office', wielding 'socio-political influence', are not 'shielded' and given 'refuge' from being held accountable and responsible, and being dealt with in the strict enforcement of the 'rule of law'; and that on the contrary, you would take warranted action in your own party against such miscreants, irrespective of their position; inasmuch as, I took action in the instant case, with the full knowledge and concurrence of the then General Secretary of your Party, as evidenced by the copies of Letters attached, resulting in a direction being given by your late Leader, the then President.

Yours truly,



Nihal Sri Amersekere

BY HAND

22<sup>nd</sup> September 2006

Mr. Karu Jayasuriya, M.P.,  
Deputy Leader,  
United National Party,  
2, Amarasekere Mawatha,  
Colombo 5.

My dear Karu,

I forwarded copy of my Letter dated 24.8.2006 (*tabled in Parliament by Hon. Ravi Karunanayake M.P.*) addressed to the Secretary, Ministry of Finance & Secretary to the Treasury in the context of Special Reports to Parliament by the Auditor General and COPE on the deplorable state of 'revenue management'. The contents of my Letter are *self-explanatory*. I forwarded the same to the President, under cover of Letter of the same date.

I have noted that you have commended the Auditor General on an excellent job done ! I trust that due cognisance would be taken of this grave and serious indictment by the Auditor General, and warranted actions caused to be taken to arrest such deplorable state of affairs, and corrective action caused to be taken to ensure requisite proper 'revenue management', *vis-à-vis*, the financial management and the accountability of Government finances, *which are held in trust for the people*. Taking such warranted action is *sine quo non* with the tribute you have paid to the Auditor General.

You by Letter dated 20.6.2006 acknowledged my Letter dated 13.6.2006 addressed to the Indian High Commissioner in Sri Lanka, exposing at the same time in the media a scandalous privatisation in the petroleum sector. Recently there has been the exposure of the scandalous privatisation of the Sri Lanka Insurance Corporation, which is now a matter of probe before a Parliamentary Committee and the Ethics Committee of the Institute of Chartered Accountants of Sri Lanka.

I trust that you would in the public interest take up the foregoing grave and serious matters in your bi-partisan approach to governance, and at other fora to cause corrective and effective actions to be taken in the interest of the country and the future generations.

I just returned after attending the International Symposium on Economic Crime, Jesus College, Cambridge. The developed world, ironically spurred by terrorism, has now taken active initiative to combat economic crime, fraud and corruption, which cancerous menace of pillage and plunder of public resources, precipitates social injustice and poverty, catalysing public disillusionment, civil strife, insurrection and perhaps even terrorism !

Kindest regards,



Nihal Sri Amereskere

24 JUN 2006



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PARLIAMENT


No.30,  
Sir Marcus Fernando Mawatha  
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Tel: 2689468  
20<sup>th</sup> June 2006

Mr Nihal Sri Ameresekere  
**Consultants 21 Limited**  
167/4, Vipulasena Mawatha  
Colombo 10

Dear Mr Ameresekere

This is to acknowledge the receipt of the letter dated 13<sup>th</sup> June 2006 addressed to Her Excellency Nirupama Rao High Commissioner for India in Sri Lanka and copied to me.

Best regards.  
Yours sincerely

  
**Karu Jayasuriya MP**  
**Deputy Leader of the UNP**