

NOTICE

SPECIAL PRESIDENTIAL COMMISSION OF INQUIRY 1995

(Appointed to inquire into alleged malpractices in certain Public Bodies)

Her Excellency the President has appointed a Special Presidential Commission of Inquiry, in pursuance of the provisions of section 2 of the Special Presidential Commissions of Inquiry law, No. 7 of 1978, as amended by Special Presidential Commissions of Inquiry (Special Provisions) Act No. 4 of 1978 and Special Presidential Commissions of Inquiry (Amendment) Act, No. 38 of 1986 comprising of -

1. Hon. Justice P.R.P. Perera, Judge of the Supreme Court (Chairman).
2. Hon. Justice H.S. Yapa, Judge of the Court of Appeal.
3. F.N.D. Jayasuriya, Esquire, Judge of the High Court.

to be her Commissioners to inquire into and obtain information in respect of the management, administration and conduct of affairs of the public bodies, referred to in the schedule hereto during the period commencing on July 24, 1977 and ending on August 16, 1994, and more specifically in respect of the transactions, activities and matters relating to such public bodies referred to in that Schedule or the Government and -

- (a) Whether there has been any malpractice or irregularity, or non-compliance with or disregard of the proper procedures applicable, in relation to, such management, administration and conduct of affairs or to any such transaction or activity of such public body or the Government, resulting in loss, damage or detriment to such public body or the Government;
- (b) whether any contractual obligations relating to any such transaction or activity of such public body or the Government, have been entered into or carried out, fraudulently, recklessly, negligently or irresponsibly, resulting in loss, damage or detriment to such public body or the Government;
- (c) whether there has been non-compliance with, or disregard of, the proper procedures applicable to the calling of tenders or the entering into of agreements or contracts, by such public body or the Government;
- (d) whether such non-compliance with or disregard of proper procedures has resulted in -
 - (i) the improper or irregular or discriminatory award of any such tender for the purchase or sale of property including shares by such public body or the Government, or the provision of any service, to or by such public body or the Government;
 - (ii) loss, damage or detriment to such public body or the Government or the incurring of any unjustified, unreasonable or unwarranted expenditure on any such transaction or activity;
- (e) whether proper independent valuations had been obtained, where relevant, in respect of any such transaction;
- (f) whether proper procedures and adequate safeguards had been adopted to ensure that such public body or the Government obtain the optimum price or benefit for the purchase or acquisition or sale of property including shares by such public body or the Government or the provision of any service to or by such public body or the Government;
- (g) whether the terms of payment which have been agreed, with the purchaser or seller or owner of such property including shares by such public body or the Government or for the provision of any service to or by such public body or the Government, have been detrimental or disadvantageous to such public body or the Government;
- (h) the person or persons responsible for the act, omission, or conduct, which has resulted in such loss or damage to such public body or the Government in respect of any such transaction or activity;
- (i) whether any inquiry or probe into any of the aforesaid matters had been obstructed or prevented in any manner, resulting in loss or damage to such public body or the Government, and the person or persons responsible for such obstruction;
- (j) the procedures which should be adopted by such public bodies or the Government in the future to ensure that such transactions or activities are carried out with transparency and proper accountability with a view to securing the optimum price or benefit for such public body or the Government;
- (k) whether there has been -
 - (i) misuse or abuse of power, influence, interference, fraud, corruption and nepotism in relation to any such transaction or activity or matter;
 - (ii) non-compliance with or contravention of, any law written or otherwise on the part of any Prime Minister, Minister or other public officer or other person or persons and the extent to which such Prime Minister, Minister or other public officer or person or persons is or are responsible for such non-compliance or contravention;

AND to make recommendations with reference to any of the matters that have been inquired into under the terms of this Warrant.

SCHEDULE

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| 01. Air Lanka Ltd. | Purchase of Airbus Aircraft. |
| 02. Hotel Developers (Lanka) Ltd. | Matters relating to the Hilton Hotel Project and acts of commission and omission by the Government and Public Bodies in connection therewith. |
| 03. Contracts entered into by the Government for the supply and local assembly of buses. | |
| 04. Sale of shares in companies in which the Government owned a majority of the shares, and contracts for the management of plantations. | |
| 05. Ceylon Government Railway | Transactions of ten million rupees and over. |
| 06. Urban Development Authority | Major sales and leases of property. |
| 07. Sri Lanka Ports Authority | Acquisition of lands, their valuations and compensation paid therefor, and transactions of ten million rupees and over. |
| 08. Ceylon Electricity Board | Transactions of ten million rupees and over. |
| 09. Ceylon Petroleum Corporation | Transactions of ten million rupees and over. |
| 10. Sri Lanka Telecom | Transactions of ten million rupees and over. |
| 11. Government contracts with Prima (Ceylon) Ltd. and Ceylon Grain Elevators Ltd. | |
| 12. National Textile Corporation | Sale of Thuthlriya Textile Mill. |
| 13. Lotteries operated by Public Bodies. | Transactions of ten million and over, and the use of funds. |
| 14. Ministries of Finance, Policy, Planning and Plan Implementation and Public Bodies under such Ministries | Transactions of ten million rupees and over, and Import duty waivers. |
| 15. Ministry of Lands, Irrigation and Mahawell Development and Public Bodies under such Ministry. | Transactions of ten Million rupees and over. |
| 16. Ministries of Housing and Construction and Highways and Public Bodies under such Ministries. | Transactions of ten million rupees and over, and the funding of the Gamudawa. |
| 17. Land Reform Commission | Sales and leases of land. |
| 18. Government Contracts and tenders of ten million rupees and over, and sales and leases of land by the Government. | |

The Warrant requires and directs all public officers and other persons to whom the Commission may apply for assistance or information for the purposes of inquiries and investigations to render all such assistance and furnish all such information.

Any person or body of persons having such information may furnish same, to the undermentioned to reach him on or before 20th March 1995. All information so furnished will be treated confidentially if so necessary. All communications will be addressed to "Secretary, Special Presidential Commission of inquiry, Room No.4-115, Bandaranaike Memorial International Conference Hall, Bauddhaloka Mawatha, Colombo 7".

By order of the Commission
N.A. Obadage
Secretary.

Room No.4-115,
B.M.I.C.H.
Colombo 7.
20th February, 1995.